

Bersih rally did not impact FDI
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KUALA LUMPUR (June 13, 2012): The Bersih 3.0 rally did not have any impact on the confidence of foreign investors in Malaysia, but it does not help in attracting foreign direct investments (FDI).

Deputy International Trade and Industry Minister Datuk Mukhriz Mahathir said Malaysia could still maintain investors' confidence due to the country's strong economic fundamentals.

"However, if we were to allow activities such as Bersih 3.0 to continue, this would affect investors' confidence in the country's safety and economic stability," he said in reply to a question from Datuk Shamsul Anuar Nasarah (BN-Lenggong).

Mukhriz said according to the Balance of Payments released by the Statistics Department, FDI in Malaysia for 2011 was at RM32.9 billion compared to RM29.3 billion in 2010 and RM5 billion in 2009.

"From January until April this year, 268 manufacturing projects were approved with an investment value of RM17.9 billion compared to 846 projects with RM56.1 billion investment value in the whole of 2011.

"Of the RM17.9 billion, RM10.1 billion (56.4%) are domestic investments while RM7.8 billion (43.6%) foreign investments," he said.

Based on a study by the Institute for Management Development in Lausanne, Switzerland, he added, Malaysia is now ranked at 14th place as one of the countries with economic competitiveness, up from 16 in 2011.

Malaysia's good performance was also reflected in the FDI Confidence Index by A T Kearney whereby Malaysia's position has improved at number 10 this year, compared to 20 in 2010.

To a supplementary question from Azmin Ali (PKR-Gombak), Mukhriz said opposition-led Penang and Selangor remained as important investment destinations due to the efforts made by the federal government.

"As we know, Penang and Selangor have among others, relatively complete infrastructure like roads, highways, ports, universities and utilities like electricity and water supply.

"All these were actually the work of Barisan Nasional at the federal level," he said to Azmin who claimed that according to latest statistics, the two states have the best record in terms of foreign investment.

However, Mukhriz said, the latest figure shows that from January to March this year, in terms of economic projects approved, Sabah has the highest FDI at RM10 billion, followed by Selangor, Johor, Sarawak and Terengganu.

"In fact, Penang and Selangor also recorded high performance (in terms of FDI) while under the BN government," he quipped.

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