

American Investors Confidence In Malaysia Still Strong
Bernama
May 19, 2012
From Khairdzir Md Yunus

NEW YORK, May 19 (Bernama) -- The presence of Malaysia's Prime Minister Datuk Seri Najib Tun Razak in New York this week might not have been known to many of the more than eight million people living in this financial capital of the world.

Nevertheless, the Prime Minister's visit from Wednesday till Friday was eagerly awaited by members of the business community in New York who are looking into investing in Malaysia.

And to meet their needs, a meeting was arranged with the number one leader of Malaysia and business leaders of various Fortune 500 companies.

The venue chosen for the meeting was the prestigious Harvard Club of New York, which was opened in 1865, whose membership is made up of those who have studied at the United States' top university, Harvard University.

Companies that sent representatives to the meeting included giants like ConocoPhillips, Boeing, Citi Group, Darden, AIG-Chartis, Guardian Industries, Eastman Chemical, Symmetry Medical, Ace Group and Crest Group.

In his opening remarks, Najib had explained to them that the Malaysian economy had expanded a robust 5.1 per cent in 2011, exceeding forecasts, and Malaysia's central bank, Bank Negara Malaysia, was projecting a GDP growth of between 4 and 5 per cent again this year in spite of the euro zone debt crisis and slower growth among Malaysia's major trading partners.

"In view of our comfortable reserves, low external debt and healthy inflows of foreign direct investment (FDI), I am confident Malaysia's economy will remain resilient," he said.

In a challenging external environment and in the face of intense global competition, Malaysia remains a cost-competitive location for FDI with total investment in 2011 up 36.7 per cent to US\$46.9 billion compared to US\$34.3 billion the previous year.

"Our growth formula is premised on a strong and effective partnership between the public and private sectors, with the government facilitating business through a light-touch regulatory environment, and it is the strength of this partnership that continues to make Malaysia so cost-competitive," said Najib.

He said, internationally, the government's efforts were already gaining recognition with Malaysia making significant strides in several global rankings.

When met by reporters afterwards and asked about the response received, Najib said he could see that they were confident about their prospects in Malaysia.

He said they were also satisfied with the policies implemented besides the approval process and incentives offered by the government.

"Meaning to say Malaysia is still a country that is highly competitive to attract foreign investors.

"This has been confirmed through our rankings by international rating agencies and in our meeting with the foreign business community," he said.

Nevertheless, according to the Prime Minister, the government still needed feedback from them on what further improvements could be made on what had already been done.

"This way we will be at the forefront in terms of the country's ability to compete with other countries in attracting FDI," he said.

Although US investors confidence on the investment climate in Malaysia was still strong, nevertheless Najib reminded that there were still some minor constraints that could influence their decision about investing in Malaysia.

One mentioned by them was how important 'skills set' were among Malaysians, particularly qualifications at the Masters and doctorate (PhD) levels.

"So if we talk about engineers, they must be equipped with greater skills in order to handle high value jobs.

"So, producing the right skills set is crucial for the next level of growth for Malaysia," said Najib.

Besides this, he said, their (investors) confidence was further reinforced by the strict stand Malaysia took in protecting intellectual property rights and and that they expressed the hope that efforts in this direction could be boosted further.

On the gap between perception and reality on foreign investors confidence in Malaysia, Najib said this was among the matters discussed in his meeting with them.

According to the prime minister, if they visited Malaysia and knew what was happening in the country, it would boost their confidence further.

"So, our duty is to reduce this gap, and one way to do it is to encourage those already having investments in Malaysia to act as our spokesmen or third party validators. They can share their experience with US investors who still have yet to come to our shore. Obviously what they say will be more credible," he said.

Najib was here to chair the second Global Science and Innovation Advisory Council (GSIAC) meeting at the New York Academy of Sciences where among new initiatives announced by him was the national level education reforms to be undertaken based on the "Cradle to Career" method pioneered in the US that has successfully raised student success throughout the school system, from very early childhood through the completion of university or college.

Najib and his wife, Datin Seri Rosmah Mansor, departed New York for Washington D.C. on Friday to end their visit.

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