

Najib: Economy Must Be More Open, Flexible To Achieve Prosperity
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KUALA LUMPUR, June 13 (Bernama) -- Malaysia must choose a flexible and open economy, engage more with regional partners, secure inward investments and open up industries to greater competition, in charting a path to a more prosperous future, Prime Minister Datuk Seri Najib Tun Razak said Thursday.

He said Malaysia must also strengthen domestic investment, build government-linked and private sector companies into global and regional champions, and give local small and medium-sized enterprises the means to compete on the world stage.

"That means building a sustainable economy, with an open market that allows for both stability and growth.

"And it means attracting and developing the talents needed to compete in a more connected world," he said when opening the Invest Malaysia 2013 conference in the capital.

The Prime Minister also announced the introduction of multiple entry visas for up to five years for qualified business investors and fund managers to visit Malaysia.

Najib said the Economic Transformation Programme (ETP) has a definite vision of the kind of economy it is intended to create including stimulating foreign investment, boosting domestic demand and ensuring the rewards of sustainable growth are made available to all Malaysians.

"In the medium term, we must make our affirmative action programmes more market-friendly and meritocratic," he said, adding that Malaysia must concentrate on boosting domestic demand and productivity to offset dips in the country's major export markets.

He said efforts to build Malaysia into a regional energy hub must continue and should see further growth as the industry -- which contributes more than 40 per cent to national income -- is essential to safeguard the nation's medium- and long-term position.

Although Malaysia's capital market has quality institutional structure and regulation, Najib said more needs to be done to encourage wider international participation through opening up Malaysian markets to a wider spectrum of individuals, communities and businesses.

"We should also redouble efforts to provide a comprehensive range of Islamic financial products and accelerate efforts to internationalise the Islamic capital market," he said.

He said the roll-out next year of myULM, the country's first online trading platform for unlisted securities and alternative investment products, could be the catalyst for the creation of more inclusive and innovative capital market products for investors.

Najib urged government-linked investment companies, especially the Employee's Provident Fund (EPF), to play a more prominent role and increase market vibrancy, particularly in good quality mid-cap stocks, to increase the velocity of shares traded and make a significant contribution to overall market vibrancy.

He said their participation will provide another avenue for companies to access primary and secondary funding to bring their businesses to the next stage of development.

In order to meet the needs of the securities and derivatives industry, the Prime Minister said the 'Graduate Representative Programme' or GRP 100 will be launched in the coming weeks in order to bring a thousand new graduates to support increased market activities.

Meanwhile, Najib said Malaysia will continue to play a leading role in building ASEAN as an asset class by working together with other countries in the region to achieve ASEAN economic integration.

"There is much to be done: the current level of cross-border equity and debt investment still remains low, with Malaysian, Singaporean and Thai entities making just eight per cent of their equity and debt off-shore investments in the region," he said.

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