

**Malaysia to Undertake Structural Changes To Enhance Competitiveness, Says Najib
Bernama
7 March, 2014**

KUALA LUMPUR, March 7 (Bernama) -- Malaysia, as a significant trading nation highly dependent on exports, will undertake structural changes to enhance its competitiveness in order to adapt to the slow global economic recovery, says Prime Minister Datuk Seri Najib Tun Razak.

He said the changes would also allow the country to be able to compete on equal standing with major and regional economies, including those involved in the Trans-Pacific Partnership Agreement (TPPA) negotiations.

"We have to undertake structural changes to adapt to the changing pattern of demand in large economies like in China, our largest trade partner," he told a panel discussion at the National Economic Summit and Dialogue with the Prime Minister, here today.

"Our exports to China are geared more towards investment than growth," Najib said, adding that, these were a very good example of some policy changes Malaysia needed to undertake to take advantage of consumption than growth in China.

He said China, whose growth rate would not be double digits this year, was rebalancing its economy and would shift from investment to more consumption than growth.

The prime minister was responding to a question from panelist, Malaysian Institute of Economic Research Chairman Tan Sri Dr Sulaiman Mahbob, who asked how could Malaysia grow the export market for the benefit of local producers.

The summit, jointly organised by the Malaysian National News Agency, Bernama, and the Asian Strategy and Leadership Institute (ASLI), themed "Moving The Malaysian Economy Forward: Getting To The Heart Of The Matter".

The panel discussion, moderated by ASLI Chief Executive Officer, Tan Sri Dr Michael Yeoh, was also participated by Bank Muamalat Chairman Tan Sri Dr Munir Majid and former Human Resources Minister, Tan Sri Dr Fong Chan Onn.

Meanwhile, Najib said the country was also involved in TPPA talks because Malaysia was a huge trading nation, with total trade 167 per cent of gross domestic product, which was one of the highest in the world.

"We have to be part of the world trading system and free-trade arrangement that will benefit

Malaysia," he said.

He said there was difficulty in TPPA as the agreement was not just confined to trade and investment but other things like state-owned enterprises, government procurement and investor-state dispute settlements.

"In this case, we are moving towards upper middle income country, we have lost our tariff advantage and some countries have withdrawn that.

"So, we will be at a disadvantage if we don't have more competitive access to our even traditional markets like US, for example," Najib said.

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