

**Walking on the edge**

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**BY DATUK SERI LIOW TIONG LAI**

### **Seizing the Belt and Road opportunity**

RECENTLY, Malaysia, together with more than 130 countries, participated in China's Belt and Road Forum for International Cooperation (BRF) in Beijing from May 14-15, 2017.

The event marks more than just our support for the Belt and Road initiative mooted by Chinese President Xi Jinping in 2013, but also our commitment to ensure we are able to stay competitive and sustainable for many years to come.

I am pleased to inform that Malaysia has been one of the first few countries to see the importance of this and has showcased our support via numerous infrastructure connectivity projects by forming a strategic partnership with China.

The two-day forum yielded many concrete results, with transport infrastructure, ports, civil aviation, logistics and railway among the fields that saw positive bilateral cooperation.

In total, nine business-to-business (B2B) memoranda of understanding (MoU) and agreements were signed, with the proposed investments estimated at RM31.26bil.

Additionally, a number of government-to-government MoUs were signed, with the objective of strengthening our relationship and partnership with countries who are participating in the Belt and Road initiative.

As part of the delegation who attended the forum, I would like to highlight five key MoUs signed during the forum. These MoUs are a testament to our progress and development in the Belt and Road initiative.

#### **> Basic infrastructure and economic development**

One of the major MoUs signed is between the Ministry of Transport and China's National Development and Reform Committee. The MoU will see us working together with China in the development of basic infrastructure such as railways, ports and airports.

This particular MoU is crucial as it involves significant technological and knowledge transfer to our local transportation industry.

Another MoU was between the Ministry of International Trade and Industry and China's National Development and Reform Committee.

Aimed at promoting economic development through the Belt and Road initiative, the MoU will see both parties promoting mutual recognition of standards, information sharing, encouraging the utilisation of local supply chains and facilitating cross-border e-commerce.

### **> East Coast Rail Link (ECRL)**

Unveiled in early March 2017, the ECRL is considered one of the most important chess pieces in propelling our country forward. The project aims to connect our East Coast Economic Region (Terengganu, Pahang and Kelantan) to Kuala Lumpur.

With the estimated end-to-end journey time being about four hours, the first phase of the ECRL will stretch from Wakaf Bharu, Kelantan, to the Integrated Transport Terminal (ITT) Gombak. The second phase of the ECRL, for which I witnessed the construction agreement being signed during the BRF, will see the alignment extending from ITT Gombak to Port Klang.

Apart from bringing convenience and accessibility to passengers, it will also change the face of our logistics industry by creating a channel across Peninsular Malaysia – linking Kuantan Port to Port Klang. This means that logistics transporters will have better and faster options in transporting their goods, instead of over-relying on the narrow and crowded Strait of Malacca.

### **> Robotic Future City**

In the past few decades, we have witnessed technological breakthroughs from 3D printing to autonomous vehicles to advanced robotics. Better known as the fourth industrial revolution, this has brought about an unprecedented level of positive changes for us.

As a country en route to developed nation status, it is imperative for us to start exploring our future vehicles of growth to ensure we are able to better compete in the future. One of the key projects is the Robotics Future City in Johor, envisioned to create high-income opportunities for the region, as well as developing the country's nascent robotics industry.

The signed MoU will see Johor Corporation partnering with Siasun Robot Investment, a listed enterprise under the Chinese Academy of Science (CAS) that possesses the largest robotic base in China. The partnership will witness the development of a 404ha piece of land to set up an integrated hub covering manufacturing, research and development for the robotics industry and talent development.

I am also excited about the level of knowledge transfer that will be involved, from areas such as robotics and automation, to innovation.

## **> First foreign low-cost carrier in China**

I am also pleased to have witnessed an increase in partnerships in the private sector between Malaysia and China. One of the key B2B MoUs signed during the BRF was the joint venture between AirAsia, China Everbright Group and Henan Government Working Group to establish AirAsia (China).

This partnership will see the development of the first foreign low-cost carrier in China, with a base in the city of Zhengzhou, China. AirAsia (China) will also be investing in aviation infrastructure and an aviation academy, as well as maintenance, repair and overhaul facilities.

What I am particularly proud of is the fact that a Malaysian airline has become the first foreign airline to be given such permission and granted such a licence in China. This is indeed a recognition of Malaysia's talents and achievements.

As one of the first countries to provide support to the Belt and Road when it was launched in 2013, I am also pleased to highlight that China has recognised this and further committed to import goods worth RM8.6 trillion and invest up to RM645bil in Malaysia for the next five years.

Additionally, according to President Xi during his speech at BRF, a number of efforts are currently being undertaken for the benefit of all countries along the Belt and Road initiative:

1. China will endeavour to enhance trade and investment facilitation and build a Belt and Road free trade network for countries participating in the Belt and Road Initiative.
2. China will enhance cooperation on innovation with other countries through the launch of the Belt and Road Science, Technology and Innovation Cooperation Action Plan. This will see China offering 2,500 short-term research visits to the country for young foreign scientists, training 5,000 foreign scientists, engineers and managers, and setting up 50 joint laboratories.
3. Ten thousand scholarships to countries along the Belt and Road will be provided annually. Programmes such as aviation, railway operation, law, finance and IT are being offered, allowing countries participating in the Belt and Road initiative to better take advantage of future opportunities.

I urge all Malaysians to fully take advantage of this initiative and wherever possible, use it as a platform to grow and strengthen themselves.

It is a known fact that the ultimate goal of this Belt and Road initiative is connectivity through infrastructure development. As highlighted in my previous columns, Malaysia is currently going through a massive transformation agenda and we have been working hard towards realising it.

I am very confident that we will be able to reap the benefits of the Belt and Road initiative fully when our transformation is completed.

It is my fervent hope that we will continue on our current momentum and achieve more as we march forward.

- **Datuk Seri Liow Tiong Lai is Minister of Transport Malaysia and MCA President. The views expressed here are entirely the writer's own.**

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