

Govt welcomes FDI while promoting domestic trade

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MALAYSIA has no intention of reducing foreign investment inflows while it actively promotes domestic investment.

Instead, the Government welcomes foreign direct investment (FDI), specifically partnerships in value-added activities and new areas of growth such as agriculture, sciences and services sectors, Prime Minister Datuk Seri Abdullah Ahmad Badawi said.

"Although Malaysia is seeking to promote domestic investment and home-grown companies, I would like to state here that we have no intention of reducing foreign investment inflows.

"We view the development of domestic players as being highly complementary to the global supply chain of established global corporations," he said at the two-day Euromoney Conference on "Remaking Malaysia: Investing in the New Malaysia" in Kuala Lumpur yesterday.

The conference is attended by key senior government officials and leading international corporations with foreign and domestic investors — both direct and portfolio investors discussing issues related to investing in Malaysia.

Inviting investors to take some time to find out more about Malaysia, Abdullah said foreign trade and investment always played a crucial role in the country's development.

Foreign portfolio investors had enabled local companies to raise funds to fuel expansion, while FDI from multinational corporations had transformed Malaysia.

Abdullah later held a private meeting with officials of global investment bank UBS.



FACILITATING INVESTMENT: Abdullah being flanked by Zeti (left) and Christopher Garnett, director of Euromoney Conferences, upon his arrival at the conference yesterday.

UBS is one of the sponsors of the Euromoney Investors' Conference, together with Avenue Capital Resources Bhd, Commerce International Merchant Bankers Bhd and the Malayan Banking Group.

Meanwhile, Bank Negara Malaysia governor Tan Sri Dr Zeti Akhtar Aziz said Malaysia will continue to undertake further liberalisation while balancing the need to accord flexibility and choices to businesses, with the macro-economic objective of ensuring stability in the financial markets.

"Ensuring such long-term sta-

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bility that facilitates planning and investment decisions has been an important part of maintaining our competitive position," she said.

The central bank has undertaken a progressive liberalisation of domestic rules and reg-

ulations to reduce the cost of doing business.

Further deregulation will be undertaken to simplify and liberalise regulations and administrative rules for businesses, she added.