

**SPEECH BY
YAB DATO' SERI ABDULLAH BIN HAJI AHMAD BADAWI
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I would like to begin by thanking the organisers, Ernst & Young, for inviting me to deliver the keynote address at this award ceremony.

I have always had an interest in entrepreneurs and what makes them successful. It is my belief that the principal qualities that form the foundation of their success - resourcefulness, creativity, courage and resilience - these are certainly qualities that will stand Malaysia in good stead. It is therefore pleasing that these awards recognise and celebrate individuals who have achieved success by exemplifying these qualities.

From my experience, the most accomplished businesspeople are the ones who have a vision and possess the grit and determination to take risks in order to realise it. For some people, using these gifts is instinctive and comes as second nature. Others may possess the attributes, but they are latent and need to be nurtured and polished. The ministry of entrepreneur development was set up in 1995 for precisely this purpose. But efforts to achieve this goal predate the creation of the ministry.

Via agencies like Majlis Amanah Rakyat (MARA), The Urban Development Authority (UDA) and the various state economic development authorities, the government has consistently allocated significant resources to enhance entrepreneurial ability. For example, the establishment of the Pusat Bimbingan Usahawan Negara (National Entrepreneur Guidance Centre) initiative provides advice for start-up companies in various aspects, namely finance, management and marketing. The centres have benefited thousands of start-ups since their inception.

It is also important to consider that these policies have been implemented in a climate of steady economic growth underpinned by social and political stability. The convergence of these elements has done much to foster an environment that is conducive to the development of a commerce-inclined society in Malaysia.

The government is committed to pursue the creation of a successful entrepreneur class for good reason. Entrepreneurs can be change agents for good. They can be among the most prominent leaders in the community by driving economic development. They are the backbone of our country - building strong, innovative, and dynamic enterprises that provide jobs, grow our communities and strengthen our economy. Any increase in entrepreneurial activity will encourage the emergence of more successful businesses. This, in turn, can only contribute to the expansion of economic activity, investment interest and even greater prosperity for the nation.

To illustrate the point, consider the contribution of small and medium scale enterprises to the manufacturing sector, which generates the bulk of our exports. SMES account for over 90% of total manufacturing establishments. They provide over one-third of employment opportunities in the sector. Further, it is estimated that over 50% of these SMES export their output.

The continuing contribution of the business community to the nation's development is therefore one of the reasons why the Malaysia INC concept - the partnership between the public sector and private sector - remains a key policy. Although the government will continue to provide stimulus to the economy when necessary, it is crucial that the private sector reassume the reins as the engine of growth.

Ladies and gentlemen

I have been informed that the entrepreneur of the year awards programme is a global business award. The winners today will go on to represent Malaysia at the world awards in Monte Carlo. The international dimension is a positive feature because it presents Malaysian entrepreneurs a valuable springboard to a global business platform. In addition, it provides valuable exposure, recognition and networking opportunities with other entrepreneurs in the world.

Globalisation has been discussed and dissected often enough to the point it has become a cliché, but it is an undeniable fact that we are living in a progressively borderless world. It is increasingly apparent that competition does not only come from within our borders, but from all points beyond them.

Malaysia has already begun to feel the effects. It can no longer sell itself as a low cost producer to attract foreign direct investment because other countries in the region can offer much lower costs of production. For similar reasons, the race to protect, secure and expand our export markets will become more intense. The accession of China to the world trade organisation only accelerates the need for Malaysia to sharpen its competitive edge.

The nation's entrepreneurs will be at the forefront of this battle. It is key for homegrown entrepreneurs to be groomed to take on the world market. Globalisation will subject us to greater external competition, but also provides opportunities for us to tap foreign markets. In order to do so, our entrepreneurs must improve efficiency and produce outputs that are of a consistently higher quality. Corporations, especially smaller ones, would be well advised to explore how technology can help them achieve these goals.

I believe that it should be the ambition of Malaysian entrepreneurs to develop brands that are recognisable regionally, or indeed worldwide. Korea can speak of companies like Samsung and Hyundai, Taiwan has Acer. Some of our companies are beginning to make a mark beyond our shores, but we need to build up more of these brand names. Of course, the process will be laborious and challenging, but many of the largest multinational companies were once start-ups. I am confident Malaysians possess all the necessary attributes to succeed in this quest and I very much look forward to seeing this happen in the near future.

Ladies and gentlemen

Congratulations to all nominees and winners for your creativity, resourcefulness and perseverance. Whilst not everyone can receive an award here today, all of you are indeed winners - all your success stories deserve our admiration. You exhibit the sort of energy, imagination and courage on which the future of the Malaysia economy depends.

It is my hope that all of you, as individuals who have been held up as shining examples to the rest of us, will accept the challenge to be role models. Seize the opportunity to contribute back to society by guiding the development of those who are starting out. Through your experience and know-how, help them to avoid the pitfalls whilst accelerating their learning curve.

Congratulations also to Ernst & Young for launching this programme in Malaysia and for encouraging and celebrating the spirit of entrepreneurship.

I wish all of you continued success in all future endeavours.

Thank you.