

**SPEECH BY
YAB DATO SERI ABDULLAH HAJI AHMAD BADAWI
AT THE THIRD ASEAN BUSINESS AND INVESTMENT SUMMIT
AT SHANGRI-LA HOTEL KUALA LUMPUR
10 DECEMBER 2005**

"ENGINES OF GROWTH - ASIA AND THE FUTURE OF WORLD BUSINESS"

DATO SYED AMIN ALJEFFRI
CHAIRMAN OF ASEAN BUSINESS ADVISORY COUNCIL,

EXCELLENCIES,

DISTINGUISHED BUSINESS LEADERS.

AS HOST OF THE 11TH ASEAN SUMMIT, I WOULD LIKE TO EXTEND A WARM WELCOME TO ALL OF YOU TO MALAYSIA. I ALSO WISH TO CONGRATULATE THE ASEAN BUSINESS ADVISORY COUNCIL FOR ORGANISING THIS IMPORTANT ASEAN BUSINESS AND INVESTMENT SUMMIT.

2. THIS THIRD ASEAN BUSINESS AND INVESTMENT SUMMIT SHOULD BE ABLE TO SERVE AS A FORUM FOR BUSINESS LEADERS FROM BOTH WITHIN AND OUTSIDE THE REGION TO EXCHANGE VIEWS ON KEY ISSUES CONFRONTING THE REGIONAL AND GLOBAL BUSINESS ENVIRONMENT.

3. EQUALLY IMPORTANT, IT SHOULD ALSO BE ABLE TO PROVIDE THE OPPORTUNITY TO BUSINESS LEADERS GATHERED HERE TODAY TO EXPLORE TRADE AND INVESTMENT OPPORTUNITIES ARISING FROM THE REGIONAL INTEGRATION INITIATIVES PURSUED BY THE ASEAN AND OTHER ASIAN COUNTRIES.

4. IT IS A REFLECTION OF THE IMPORTANCE THE ASEAN LEADERS ATTACH TO THE VIEWS OF THE PRIVATE SECTOR THAT THEY TAKE PART IN THE ANNUAL DIALOGUE WITH THE ASEAN BUSINESS AND ADVISORY COUNCIL. ASEAN LEADERS HAVE ALWAYS BEEN PRAGMATIC, AND HAVE ADOPTED BUSINESS FRIENDLY POLICIES TO ENSURE ACCELERATED ECONOMIC DEVELOPMENT FOR THEIR RESPECTIVE COUNTRIES.

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5. ALLOW ME TO SHARE WITH YOU MY THOUGHTS ON THE FACTORS THAT CAN SHAPE THE FUTURE FOR ASIA IN WORLD BUSINESS.

6. FIRST, THE FUTURE WILL SEE THE EMERGENCE OF A MORE INTEGRATED ASIAN REGION. THE FOUNDATION FOR SUCH INTEGRATION HAS BEEN LAID THROUGH THE LIBERALISATION PROCESS, AND OTHER COOPERATION INITIATIVES, THAT ARE NOW BEING PURSUED BY ASIAN COUNTRIES, EITHER BILATERALLY OR REGIONALLY. A PAN-ASIAN REGION CAN THEN INITIATE TRADE AND OTHER ECONOMIC INITIATIVES WITH OTHER REGIONS. ALREADY THERE EXISTS PAN-ASIAN INITIATIVES SUCH AS THE ASIA-EUROPE MEETING (ASEM), WHICH SERVES AS A FORUM FOR ASIA-EUROPE DIALOGUE.

7. SECOND, WE MUST TAKE NOTE OF THE INCREASING PURCHASING POWER IN ASIA FOLLOWING INCREASING INCOME AND DYNAMISM OF THE BUSINESS ENVIRONMENT. THIS WILL DEFINITELY TRANSLATE INTO GROWING MARKETS FOR SUPPLIERS OF GOODS AND SERVICES FROM ACROSS THE GLOBE. THAT ASIA IN FUTURE WILL MOST LIKELY BE VIEWED AS AN OPPORTUNITY BY BUSINESS ACROSS THE GLOBE IS A CRUCIAL POINT WHICH SHOULD NOT BE IGNORED. ASIAN COUNTRIES WILL BE DRAWING GREATER ATTENTION, BOTH FOR POLITICAL AND OTHER STRATEGIC REASONS. THE GDP PER CAPITA OF COUNTRIES IN ASIA IS EXPANDING. THE FIGURE FOR JAPAN, FOR EXAMPLE, IS USD36,596, KOREA USD13,806, CHINA USD1,227, INDIA USD607 AND ASEAN AS A GROUP, USD1,455. MALAYSIA'S OWN GDP PER CAPITA WAS US\$4,908 IN 2005 WITH PURCHASING POWER PARITY OF US\$10,323.

8. THIRD, NO ONE CAN IGNORE THE TRUISM THAT ASIA WILL BE A KEY PLAYER IN THE GLOBAL BUSINESS DECISION MAKING PROCESS. INSTEAD OF BEING A MERE FOLLOWER OF THE TIDE OF CHANGE, ASIA ITSELF WILL BECOME AN AGENT OF CHANGE.

9. THE GROWING ECONOMIC STRENGTH OF ASIA IS ALREADY EVIDENT. IN 2004, ASIA ACCOUNTS FOR 26 AND 24 PER CENT OF THE WORLD EXPORTS AND IMPORTS RESPECTIVELY. EXPORTS OF ALL ASIAN COUNTRIES COMBINED, HAVE ALREADY REACHED US\$2.4 TRILLION IN 2004, AN INCREASE OF 25 PER CENT OVER 2003. OF THIS, CHINA ACCOUNTS FOR US\$593 BILLION, JAPAN US\$565 BILLION. THE OTHER ASIAN ECONOMIES (CHINESE TAIPEH, HONG KONG, SOUTH KOREA AND ASEAN-10) ACCOUNT FOR US\$1,007.5 BILLION.

10. THE ASEAN-10 ACCOUNTS FOR US\$550 BILLION AND US\$491 BILLION IN TERMS OF GLOBAL EXPORTS AND IMPORTS IN 2004. ALTHOUGH ASEAN'S SHARE OF THE TOTAL WORLD EXPORTS AND IMPORTS REMAIN SMALL AT 6 PER CENT AND 5 PER CENT RESPECTIVELY, THE REGIONAL LIBERALISATION INITIATIVES NOW TAKING PLACE PROVIDES MUCH SCOPE FOR EXPANSION.

11. THIS NEW MILLENNIUM IS BOUND TO WITNESS A SHIFT IN THE MOMENTUM IN TRADE LIBERALISATION ACTIVITIES. THE PACE, SCOPE OF ISSUES, AND COVERAGE OF COUNTRIES IN RELATION TO F.T.A NEGOTIATIONS ARE INCREASING. TODAY, THERE ARE OVER THREE HUNDRED F.T.AS THAT HAVE BEEN, OR ARE CURRENTLY, BEING NEGOTIATED.

12. WE SHOULD TAKE NOTE OF THE FACT THAT COUNTRIES IN ASIA ARE ACTIVELY NEGOTIATING F.T.As. THEIR OBJECTIVE IS CLEARLY TO ACHIEVE A HIGHER LEVEL OF GROWTH THROUGH THE ENHANCEMENT OF ECONOMIC INTEGRATION. ASEAN ITSELF IS IN F.T.A NEGOTIATIONS WITH CHINA, INDIA, JAPAN, KOREA AS WELL AS WITH AUSTRALIA AND NEW ZEALAND. INDEED, OTHER GROUPINGS IN ASIA ARE ALSO ACTIVELY PURSUING ECONOMIC INTEGRATION. THESE INCLUDE SUCH INITIATIVES AS THE SOUTH-ASIA FREE TRADE AREA (SAFTA) AND BANGLADESH - INDIA - MYANMAR - SRI LANKA - THAILAND ECONOMIC COOPERATION FRAMEWORK.

13. WE ARE AWARE, OF COURSE, THAT THE MOTIVATION FOR BILATERAL AND REGIONAL ECONOMIC INTEGRATION EFFORTS MAY DIFFER FROM COUNTRY TO COUNTRY, AND BETWEEN REGIONS. ASEAN HAS CHOSEN TO ENTER INTO F.T.As WITH ASIAN COUNTRIES BECAUSE OF COMMONALITY OF INTEREST. ASEAN RECOGNISES THE NEED TO CONSTANTLY ENHANCE ITS COMPETITIVENESS, PARTICULARLY IN THE FACE OF CHALLENGES POSED BY THE RAPID GROWTH OF CHINA AND INDIA. LIKEWISE, JAPAN, CHINA, INDIA, KOREA, AUSTRALIA AND NEW ZEALAND VIEW ASEAN AS AN IMPORTANT TRADING AND ECONOMIC PARTNER WHICH CAN SPUR THEIR OWN GROWTH. THE INCREASED PACE OF INTRA-ASIAN ECONOMIC INTEGRATION WILL CREATE A MORE DYNAMIC ASIAN REGION. IN THIS EXCITING SCENARIO, ASEAN WANTS TO BE IN THE CENTRE.

14. YOU MIGHT BE AWARE THAT A STUDY IS CURRENTLY UNDERWAY TO EXPLORE THE FEASIBILITY OF AN EAST ASIAN FREE TRADE AREA INVOLVING THE ASEAN-10, CHINA, JAPAN AND KOREA. THE EAST ASIAN F.T.A IS A REAL POSSIBILITY BECAUSE THE VARIOUS BILATERAL F.T.As CAN QUITE EASILY EVOLVE INTO A REGION-WIDE F.T.A INVOLVING ALL THE 13 COUNTRIES.

15. THE IMPORTANT THING TO NOTE IS THE FACT THAT ASEAN, AND ASIA IN GENERAL, HAVE CONTINUOUSLY PURSUED PRO-ACTIVE POLICIES IN ORDER TO BE ECONOMICALLY INTEGRATED.

16. I WOULD LIKE ALL OF YOU TO TAKE NOTE THAT IN JULY 2005, ASEAN ENTERED INTO A HISTORIC REGIONAL FREE TRADE AGREEMENT IN GOODS WITH CHINA. THIS HAS CREATED A MARKET OF 1.8 BILLION PEOPLE. THE F.T.A WHICH WILL BE FULLY REALISED IN 2010. IT WILL BENEFIT DOMESTIC AND FOREIGN INVESTORS. ASEAN-CHINA TRADE HAS ALREADY INCREASED FROM USD55.3 BILLION IN 2003 TO USD81.8 BILLION IN 2004, REPRESENTING A GROWTH OF 47.9 PER CENT.

17. THIS IS THE FIRST ASEAN-WIDE F.T.A WITH A DIALOGUE PARTNER IN ASIA. WE EXPECT TO SIGN THE ASEAN-KOREA F.T.A AGREEMENT HERE IN KUALA LUMPUR, WHILE F.T.A NEGOTIATIONS WITH THE OTHER PARTNERS ARE IN PROGRESS.

18. IT SHOULD BE WELCOME NEWS TO ALL INTERNATIONAL TRADERS THAT REGIONAL INTEGRATION WITHIN ASIA WILL NOT CREATE BARRIERS TO TRADE

WITH THE REST OF THE WORLD. ASIA CANNOT AFFORD TO ADOPT SUCH A POLICY, AS IT WILL THEN LIMIT THE FLOW OF MUCH NEEDED GOODS, SERVICES AND CAPITAL. IT WILL BE DETRIMENTAL TO ASIA'S OWN GROWTH. THE GROWING ECONOMIC POTENTIAL OF ASIA WILL OFFER OPPORTUNITIES TO ALL.

19. I BELIEVE WE MUST KEEP REPEATING AND REITERATING THAT, WHILE MANY OF THESE ASIAN COUNTRIES ARE INVOLVED IN ONE OR MORE BILATERAL OR REGIONAL TRADING ARRANGEMENTS, THESE COUNTRIES REMAIN OPEN TO GOODS, SERVICES AND CAPITAL FROM COUNTRIES WHICH ARE NOT MEMBERS OF SUCH ARRANGEMENTS.

20. THE REASON WHY ASIAN COUNTRIES MUST CONTINUE TO ABIDE BY LIBERAL POLICIES ON TRADE AND INVESTMENT ARE QUITE OBVIOUS. THIS IS THE POLICY WHICH HAS LED MANY OF THE ASIAN COUNTRIES TO BECOME LEADING EXPORTERS AND IMPORTERS IN THE WORLD. ALREADY, ASIAN COUNTRIES ARE AMONG THE TOP 20 EXPORTERS AND TRADING NATIONS IN THE WORLD, AND THIS LIST INCLUDE CHINA, JAPAN, HONG KONG, TAIWAN, KOREA, SINGAPORE AND MALAYSIA.

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21. AS ASIA BECOMES A STRONG REGIONAL PLAYER, IT WILL NEED TO UTILISE ITS INFLUENCE TO FURTHER PROMOTE THE EFFICACY OF AN EQUITABLE MULTILATERAL TRADING SYSTEM. THIS IS TO ENSURE THAT TRADE RELATIONS AMONG NATIONS ARE GOVERNED BY MULTILATERALLY NEGOTIATED RULES. THE MULTILATERAL TRADING SYSTEM MUST CONTINUOUSLY EVOLVE AND STRENGTHEN IN ORDER TO ADAPT TO THE DYNAMICALLY CHANGING GLOBAL ECONOMIC LANDSCAPE. ASIA HAS TO INPUT INTO THAT CHANGE.

22. THEREFORE, ASIA HAS THE COLLECTIVE RESPONSIBILITY TO WORK WITH OTHER W.T.O MEMBERS, TO ENSURE PROGRESS IN THE W.T.O NEGOTIATIONS NEXT WEEK. I AM CONFIDENT THAT ASIA CAN ASSUME A LEADING ROLE IN THAT RESPECT. ASIA SHOULD TRANSLATE THE SUCCESS OF ITS ECONOMIC GROWTH INTO PARAMETERS FOR SUCCESSFUL GLOBAL TRADE RULES.

23. A LARGE PART OF ASIA'S SUCCESS HAS BEEN BROUGHT ABOUT BY PROGRESSIVE TRADE LIBERALISATION, WITHOUT NEGLECTING DEVELOPMENTAL NEEDS. ASIA CAN DO MUCH TO CONVINCING THE SCEPTICS. ASIA HAS THE CREDIBILITY TO ASSURE THAT SUCCESS OF THE W.T.O NEGOTIATIONS WILL BRING BENEFITS TO ALL COUNTRIES IN THE WORLD. OF COURSE, ASIA MUST ALSO CONVINCING THE DEVELOPED COUNTRIES THAT LIBERALISATION NEEDS TO BE DONE IN A PROGRESSIVE AND MEASURED PACE IN ORDER TO TAKE CARE OF SOME SPECIAL INTERESTS OF DEVELOPING COUNTRIES. FULL-SCALE LIBERALISATION CAN BECOME COUNTER-PRODUCTIVE WHEN DEVELOPING COUNTRIES ARE NOT STRUCTURALLY READY TO UNDERTAKE SUCH LIBERALISATION.

24. I AM CONVINCED THAT THE SUCCESS OF THE W.T.O NEGOTIATIONS, TOGETHER WITH REGIONAL LIBERALISATION EFFORTS, WILL ENGENDER SIGNIFICANT TRANSFORMATION OF THE ASIAN ECONOMIES, INCLUDING AN ENHANCED NETWORK OF TRADE AND INVESTMENT LINKAGES.

25. WE KNOW THAT ASIA'S LIBERALISATION INITIATIVES HAVE ENABLED IT TO REMAIN ATTRACTIVE TO FOREIGN DIRECT INVESTMENT (F.D.I) FLOWS. THE FLOW TO ASIA INCREASED BY 46 PER CENT, REACHING USD 148 BILLION IN 2004. THIS REPRESENTS A SIGNIFICANT 23 PER CENT OF THE SHARE OF F.D.I FLOWS WORLDWIDE IN 2004, AS COMPARED WITH 16 PER CENT IN 2003.

26. IT IS INDEED ENCOURAGING TO NOTE THAT, ACCORDING TO THE 2005 WORLD INVESTMENT REPORT, MOST ASIAN COUNTRIES RECEIVED HIGHER F.D.Is. EAST ASIA AND ASEAN WERE THE MAIN BENEFICIARIES RECEIVING USD105 BILLION, AND USD26 BILLION, RESPECTIVELY. F.D.I INFLOWS INTO ASIA WILL CONTINUE TO BE HIGHER IN 2005.

LADIES AND GENTLEMEN

27. WE CANNOT AVOID THE REALITY THAT ECONOMIC DEVELOPMENT IN CHINA AND INDIA WILL CONTINUE TO PREOCCUPY OUR ANALYSIS. THEIR IMPACT ON ASIA'S FUTURE ECONOMIC GROWTH IS A REALITY WE MUST LIVE WITH.

28. LET ME DRAW YOUR ATTENTION TO CERTAIN DEVELOPMENTS SHOWING CHINA STRENGTHENING ITS POSITION AS AN INDUSTRIAL POWERHOUSE. FOR EXAMPLE, SINCE 2004, CHINA HAS TAKEN OVER AS THE THIRD-LARGEST EXPORTER OF MERCHANDISE GOODS IN THE WORLD. TO BE SURE, CHINA'S ACCESSION TO THE W.T.O IN 2001 HAS LED TO A QUICKER PACE OF LIBERALISATION, WITH BENEFITS TO BOTH DOMESTIC AND FOREIGN INVESTORS AND BUSINESS.

29. IN OTHER DEVELOPMENTS, WE SEE INDIA BECOMING A GLOBAL EXPORTER OF SERVICES, PARTICULARLY IN COMPUTER-RELATED SERVICES AND SKILLED IT PERSONNEL. WITH THE LIBERALISATION UNDER W.T.O AND F.T.As, INDIA IS WELL PLACED TOWARDS EXPANDING ITS EXPORT OF SERVICES. IT IS CURRENTLY THE TWENTY SECOND LARGEST COMMERCIAL SERVICES EXPORTER IN THE WORLD, WITH EXPORTS OF US\$32.2 BILLION IN 2004.

30. IT IS ENVISAGED THAT, BETWEEN THE TWO OF THEM, CHINA AND INDIA WILL OUTSTRIP THE UNITED STATES AS THE MOST DOMINANT GLOBAL ECONOMY BY 2050, IF NOT EARLIER. IN THE INTERIM, THE TWO COUNTRIES ARE EXPECTED TO BE THE NEW ENGINES OF GROWTH, NOT ONLY FOR ASIA, BUT ALSO FOR THE REST OF THE WORLD.

31. ASIAN BUSINESSMEN SHOULD CONSIDER THEMSELVES WELL-PLACED TO TAKE ADVANTAGE OF THE NEW BUSINESS AND INVESTMENT OPPORTUNITIES GENERATED BY CHINA AND INDIA. SUCH INTRA-ASIAN INVESTMENT FLOWS WILL COMPENSATE FOR ANY DECLINE OF SUCH FLOWS FROM OUTSIDE THE REGION. THIS IS THE COMPELLING LOGIC FOR GREATER ECONOMIC INTEGRATION AMONG ASIAN COUNTRIES, LED BY A PROGRESSIVE LIBERALISATION OF THE INTRA-ASIAN FLOW OF GOODS, SERVICES AND INVESTMENTS.

32. BEFORE THE EMERGENCE AND RISE OF CHINA AND INDIA, ASEAN WAS IN THE CENTRE STAGE OF THE REGION. TO KEEP PACE WITH CHINA AND INDIA, ASEAN WOULD NEED TO MAINTAIN THE MOMENTUM OF IMPROVING ITS BUSINESS-FRIENDLY ENVIRONMENT. IT MUST CONTINUE TO ADDRESS ISSUES THAT AFFECT BUSINESS EFFICIENCY. THESE INCLUDE PROBLEMS SUCH AS CUMBERSOME BORDER FORMALITIES, BARRIERS TO SEAMLESS FLOW OF GOODS AND SERVICES AND OTHER RESTRICTIVE BUSINESS PRACTICES. SUCH ACTION WOULD CONTRIBUTE TOWARDS SUSTAINING THE MOMENTUM FOR GROWTH FOR ASEAN. IT WOULD ALSO COMPLEMENT THE GROWING STRENGTH OF THE CHINESE AND INDIAN ECONOMIES, AS WELL AS THAT OF JAPAN AND KOREA.

33. IN RESPONSE TO THE REALITIES OF THE INTERNATIONAL ECONOMIC ENVIRONMENT, ASEAN HAS TAKEN A COLLECTIVE DECISION TO CREATE AN ASEAN ECONOMIC COMMUNITY (A.E.C) BY THE YEAR 2020. THIS ENVISAGES THE CREATION OF A SINGLE ASEAN MARKET, AND PRODUCTION BASE, WITH FREE FLOW OF GOODS, SERVICES, INVESTMENT, SKILLED LABOUR, AND FREER FLOW OF CAPITAL. HOWEVER, THE A.E.C WILL NOT FULLY MATERIALISE UNLESS IT IS MATCHED WITH EFFECTIVE PUBLIC DELIVERY SYSTEMS, TRANSPARENCY, AND THE POLITICAL WILL TO MAKE IT HAPPEN.

34. THE ABILITY OF ASEAN'S BUSINESS COMMUNITY TO COMPETE, DEPENDS UPON ASEAN'S UNITED AND CONCERTED EFFORTS TO KEEP PUSHING FORWARD ALONG THE PATH OF REGIONAL LIBERALISATION. THIS INCLUDES SUSTAINING AN ENVIRONMENT CONDUCIVE TO STABLE ECONOMIC GROWTH.

35. ASEAN WOULD ALSO NEED TO CONSTANTLY ASSESS AND RE-ASSESS THE SITUATION, TO ADAPT TO THE FAST CHANGING ENVIRONMENT. I WOULD ALSO URGE THE ASEAN BUSINESS LEADERS GATHERED HERE TODAY TO TAKE A HARD LOOK, ASSESS ASEAN'S STRENGTH AND CHALLENGES, AND MAKE THE NECESSARY RECOMMENDATIONS, ON HOW BEST WE IN ASEAN - THAT IS TO SAY HOW BOTH THE PUBLIC AND THE PRIVATE SECTORS - SHOULD MOVE AHEAD, AND MOVE FAST.

36. ONE THING IS QUITE CLEAR. YOU NEED TO STAY AHEAD OF COMPETITION. YOU WOULD NEED TO SPEND MORE ON RESEARCH AND DEVELOPMENT, ON TECHNOLOGY AND FUNDAMENTALLY, ON THE DEVELOPMENT OF THE HUMAN CAPITAL. YOU MUST BE EQUALLY COMMITTED TO INSTITUTING GOOD CORPORATE GOVERNANCE AND BUSINESS ETHICS. YOU MUST MORE AND MORE "THINK ASEAN". THIS WOULD BE YOUR CONTRIBUTION TO MAKING THE VISION OF AN ASEAN ECONOMIC COMMUNITY A REALITY ACCORDING TO THE TIME SCHEDULE.

LADIES AND GENTLEMEN

37. THESE ARE INDEED CHALLENGING TIMES FOR BUSINESSMEN. HIGH OIL PRICE IS PERHAPS THE BIGGEST SINGLE FACTOR AFFECTING BUSINESS. WE MAY NEED TO GIVE SPECIAL FOCUS ON FUEL EFFICIENCY, INCLUDING EXPLORING ALTERNATIVE SOURCES OF FUEL AND ENERGY. THE CHALLENGE FOR ASIAN BUSINESSMEN IS TO COME OUT WITH CREATIVE BUSINESS IDEAS TO MEET THE CHANGING DEMANDS IN THE GLOBAL ECONOMY. THE CORPORATE WORLD, TOGETHER WITH GOVERNMENTS, WOULD NEED TO WORK TOGETHER TO BUILD AND MAINTAIN A DYNAMIC REGION, WHERE PEOPLE AND SOFTWARE COMBINE TO ENSURE COMPETITIVENESS. I WOULD CALL UPON ASIAN BUSINESSMEN TO RISE TO THIS CHALLENGE.

38. IN THIS GLOBALIZING ERA, THE PROCESS OF INTEGRATION IS IN FACT QUITE UNSTOPPABLE. GOVERNMENTS CAN INSTITUTE POLICIES AND CREATE INCENTIVES. GOVERNMENTS CAN ASSIST TO MAKE THE PROCESS OF INTEGRATION MORE ORDERLY, SO THAT THE BENEFITS OF LIBERALISATION ARE SPREAD MORE EQUITABLY. BUT THE BUSINESS COMMUNITY MUST TAKE EQUAL RESPONSIBILITY BY BECOMING THE REAL ENGINE OF GROWTH. FOR THAT TO HAPPEN, THE CORPORATE SECTOR MUST STRIKE STRATEGIC PARTNERSHIPS WITH THOSE WITHIN, AND OUTSIDE, ASIA. THE MANY SUMMIT MEETINGS TAKING PLACE THIS WEEK IN KUALA LUMPUR SHOULD HELP CREATE THE ENVIRONMENT FOR THIS PROCESS TO FLOURISH.

39. THE SKILL TO STRATEGIZE AND THE ABILITY TO COMPETE ARE THE ESSENTIAL INGREDIENTS FOR SUCCESS IN BUSINESS. IN MALAYSIA, WE ALSO BELIEVE THAT THE KEY TO STAYING AHEAD IS TO KEEP DEVELOPING AND ENHANCING OUR HUMAN CAPITAL. TO MEET THE GROWING NEEDS OF THE GLOBAL ISLAMIC FINANCE INDUSTRY, I WISH TO TAKE THIS OPPORTUNITY TODAY TO ANNOUNCE THAT MALAYSIA HAS DECIDED TO TAKE THE LEAD WITH THE ESTABLISHMENT OF THE INTERNATIONAL CENTRE FOR EDUCATION IN ISLAMIC FINANCE. FOR SHORT, IT WILL BE KNOWN AS I N C E F AND IT WILL BE OFFICIALLY LAUNCHED IN MARCH 2006. IT WILL BE AN INTERNATIONAL CENTRE FOR EDUCATIONAL EXCELLENCE TO PRODUCE PROFESSIONALS AND SPECIALISTS IN ISLAMIC FINANCE THAT IS MUCH NEEDED TO SUSTAIN MARKET COMPETITIVENESS AND MEET FUTURE CHALLENGES IN THE ISLAMIC FINANCIAL INDUSTRY.

LET ME CONCLUDE BY WISHING YOU EVERY SUCCESS IN YOUR DELIBERATIONS AS WELL IN FINDING NEW BUSINESS OPPORTUNITIES.

THANK YOU.