

**SPEECH BY
YAB DATO' SERI ABDULLAH BIN HAJI AHMAD BADAWI
AT THE OPENING OF INTRADE MALAYSIA AND THE K.L. INTERNATIONAL
TRADE FORUM 2007
AT MATRADE, KUALA LUMPUR
12 NOVEMBER 2007**

BISMILLAHIR RAHMANIR RAHIM

ASSALAMUALAIKUM WARAHMATULLAHI WABARAKATUH AND GOOD MORNING

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EXCELLENCIES AND DISTINGUISHED GUESTS

LADIES AND GENTLEMEN

1. LET ME FIRST THANK THE MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY (MITI) FOR INVITING ME TO LAUNCH INTRADE MALAYSIA AND TO OPEN THE K.L. INTERNATIONAL TRADE FORUM 2007.

2. I WOULD ALSO LIKE TO CONGRATULATE MATRADE FOR THE OFFICIAL OPENING OF ITS HEADQUARTERS; THE MENARA MATRADE. I AM CONFIDENT THAT THIS BUILDING WILL BECOME AN IMPORTANT LANDMARK IN THE COUNTRY, SERVING AS A FOCAL POINT FOR BOTH MALAYSIAN AND INTERNATIONAL TRADE; AND, I AM SURE, ONE THAT WILL SOON EMERGE AS A SYMBOL AND ICON OF THE IMPORTANCE OF TRADE TO THE NATION.

LADIES AND GENTLEMEN

3. IN TODAY'S HIGHLY COMPETITIVE BUSINESS ENVIRONMENT, IT IS SAID THAT CORPORATIONS WILL ACHIEVE GREATER ECONOMIC GAINS BY COOPERATING AND COLLABORATING, THAN BY WORKING INDIVIDUALLY. IN THIS RESPECT, WHILE IT SEEMS TO GO AGAINST THE NORM OF COMPETITION, THE BUSINESS SECTOR SHOULD WORK TOWARDS THE SHARING OF KNOWLEDGE AND RESOURCES TO EXPAND TRADE AND COMMERCIAL OPPORTUNITIES FOR THE BENEFIT OF ALL PARTIES.

4. INDEED, INTRADE MALAYSIA AND THE KL INTERNATIONAL TRADE FORUM 2007 ARE MALAYSIA'S CONTRIBUTION TOWARDS THIS END. THE AIM OF THESE EVENTS IS TO PROVIDE A PLATFORM FOR BUSINESS COMMUNITIES FROM VARIOUS COUNTRIES TO IDENTIFY AND ESTABLISH POTENTIAL PARTNERSHIPS.

5. MORE IMPORTANTLY, THESE PARTNERSHIPS WILL ALLOW PARTICIPATING COUNTRIES TO BENEFIT FROM THE EXPECTED EXPANSION OF GLOBAL TRADE. WHILE GOVERNMENTS CONTINUE TO PROVIDE THE ENABLING ENVIRONMENT FOR THIS, IT IS THE PRIVATE SECTOR THAT SHOULD BE THE MAIN DRIVER IN STIMULATING TRADE AND ECONOMIC EXPANSION, FOR COUNTRIES TO DEVELOP AND PROGRESS FURTHER.

6. AS SUCH, I WARMLY WELCOME THE MORE THAN 800 BUSINESSPEOPLE WHO HAVE AGREED TO BE PART OF THE INCOMING BUYING MISSION PROGRAM. WITH POTENTIAL BUYERS FROM OVER 50 COUNTRIES, INCLUDING ASEAN, AFRICA, EAST ASIA, SOUTH ASIA, WEST ASIA, C.I.S., EUROPE AS WELL AS NORTH AND SOUTH AMERICA, I AM CONFIDENT THAT THE OBJECTIVE OF FORGING STRONG BUSINESS COLLABORATIONS WILL BE ACHIEVED.

7. FOR THIS FORUM, I HAVE BEEN INFORMED THAT THERE ARE ALSO MORE THAN 250 BUSINESSPEOPLE FROM THE AFRICAN CONTINENT WHO WILL BE PARTICIPATING IN THE INCOMING BUYING MISSION PROGRAM. I UNDERSTAND THAT THESE BUSINESSPEOPLE ARE SEEKING TO ESTABLISH BUSINESS LINKS WITH MALAYSIAN AND OTHER INTERNATIONAL COMPANIES TO JOINTLY DEVELOP THE RICH NATURAL RESOURCES, INCLUDING MINERALS AND AGRICULTURAL PRODUCE, AVAILABLE IN MANY AFRICAN COUNTRIES. IN ADDITION, I UNDERSTAND THAT BUSINESS PARTNERSHIPS ARE ALSO BEING SOUGHT IN INFRASTRUCTURE DEVELOPMENT, SUCH AS IN THE EXPANSION OF TELECOMMUNICATION NETWORKS, UPGRADING OF I.C.T. SERVICES AND ADVANCEMENT OF HUMAN RESOURCE DEVELOPMENT.

LADIES AND GENTLEMEN

8. THE WORLD ECONOMY IS PROJECTED TO GROW BY 5.2 PERCENT IN 2008. THIS GROWTH IS EXPECTED TO BE DRIVEN BY EXPANSION IN INTERNATIONAL TRADE, AS MORE AND MORE COUNTRIES LEVERAGE ON TRADE FOR THEIR DEVELOPMENT. FOR 2008, GLOBAL TRADE IS PROJECTED TO GROW AT 7.4 PERCENT, COMPARED WITH 7.1 PERCENT FOR THIS YEAR.

9. SUCH TRADE GROWTH IS EXPECTED TO BE LED BY THE EXPANSION OF TRADE INTO EMERGING MARKETS AND DEVELOPING COUNTRIES. IN THIS RESPECT, I BELIEVE THAT WE DO NOT HAVE TO LOOK FAR TO FIND MANY NEW BUSINESS OPPORTUNITIES. ASEAN, WITH A GROWING MARKET OF OVER 500 MILLION PEOPLE, OFFERS SIGNIFICANT SCOPE FOR THE EXPANSION OF TRADE AND INVESTMENT.

10. THE ASEAN MARKETS ARE BOTH AN IDEAL DESTINATION FOR FINISHED GOODS AND SERVICES, AS WELL AS A GOOD SOURCE OF INVESTMENT OPPORTUNITIES. AS SUCH, I AM SURE THAT IT WILL BE BENEFICIAL FOR THE INTERNATIONAL BUSINESS COMMUNITY TO ESTABLISH STRATEGIC ALLIANCES WITH LOCAL PARTNERS IN THE REGION, TO CAPITALISE ON THE ECONOMIC POTENTIAL OF ASEAN. IN THIS REGARD, THE ASEAN FREE TRADE AGREEMENT (AFTA) PROVIDES AN IDEAL FRAMEWORK FOR COMPANIES TO ENGAGE IN TRADE AND COMMERCE; AFTA IS, AFTER ALL, DESIGNED TO FACILITATE THE CROSS-BORDER MOVEMENT OF HUMAN CAPITAL, PRODUCTS AND SERVICES WITHIN THE REGION. MOREOVER, ASEAN IS PROBABLY THE BEST GATEWAY INTO THE GREATER ASIA MARKETS, SUCH AS CHINA AND INDIA.

11. WITHIN ASEAN, MALAYSIA HAS BUILT A STRONG REPUTATION FOR TRADE AND INDUSTRY OVER THE LAST 50 YEARS SINCE ITS INDEPENDENCE. THROUGH WELL-MANAGED LONG-TERM ECONOMIC AND DEVELOPMENT PLANS; PRO-BUSINESS POLICIES; GOOD INFRASTRUCTURE; AND SKILLED HUMAN CAPITAL, WE ARE OPTIMISTIC IN ACHIEVING OUR TARGET OF BECOMING A DEVELOPED NATION BY 2020.

12. TODAY, MALAYSIA IS RANKED AMONG THE TOP TWENTY TRADING NATIONS OF THE WORLD – EXPORTING A WIDE RANGE OF PRODUCTS AND SERVICES TO ALL MAJOR MARKETS. IN THIS REGARD, MALAYSIA IS A GLOBAL PLAYER IN THE PRODUCTION AND EXPORT OF PALM OIL, RUBBER, ELECTRICAL AND ELECTRONICS COMPONENTS, AND WOOD FURNITURE.

13. IN THE SERVICES SECTOR, TOO, MALAYSIAN COMPANIES HAVE MADE THEIR PRESENCE KNOWN; INCLUDING IN MANAGING THE CONSTRUCTION OF MAJOR INFRASTRUCTURE PROJECTS SUCH AS ROADS, PORTS, AIRPORTS, BRIDGES AND HOUSING. OTHER SECTORS IN WHICH MALAYSIAN COMPANIES EXCEL INCLUDE THE OIL AND GAS SECTOR, EDUCATION AND HEALTHCARE. IN SHARED SERVICES AND OUTSOURCING FOR THE I.C.T. SECTOR, MALAYSIA HAS BEEN RANKED AS THE THIRD MOST FAVOURED GLOBAL LOCATION.

14. AS SUCH, I BELIEVE THAT MALAYSIAN COMPANIES HAVE MANY STRENGTHS THAT CAN BE JOINTLY UTILISED WITH BUSINESS PARTNERS THE WORLD OVER. WE ARE ALSO MORE THAN WILLING TO SHARE OUR KNOWLEDGE AND EXPERIENCE WITH OTHER COUNTRIES, IN ORDER TO ADVANCE TRADE AND COMMERCE IN THE REGION AND BEYOND.

LADIES AND GENTLEMEN

15. ONE AREA THAT I PARTICULARLY WISH TO EMPHASISE IS THE ROLE OF SMALL AND MEDIUM ENTERPRISES (S.M.E.'S) IN A NATION'S DEVELOPMENTAL EFFORTS. IN MANY DEVELOPED ECONOMIES, S.M.E'S ACCOUNT FOR A LARGE PROPORTION OF BUSINESS ESTABLISHMENTS AND EMPLOY A SIZEABLE PORTION OF THE WORKFORCE. IN OTHER WORDS, S.M.E.'S HELP CONTRIBUTE TO SIGNIFICANT WEALTH CREATION IN DEVELOPED ECONOMIES. HOWEVER, IT IS UNFORTUNATE THAT S.M.E'S IN MANY DEVELOPING COUNTRIES REMAIN UNDERDEVELOPED DUE TO THEIR INHERENT PROBLEMS RELATING TO LACK OF FINANCIAL RESOURCES, INSUFFICIENT CAPACITY AND INADEQUATE TECHNICAL EXPERTISE.

16. TODAY, MORE AND MORE LARGE CORPORATIONS ARE SEEKING TO OUTSOURCE VARIOUS ASPECTS OF THEIR BUSINESS OPERATIONS, FOR VARIOUS REASONS. SOME ARE RIGHT-SIZING OPERATIONS TO REDUCE COSTS; OTHERS WISH TO FOCUS ON RESEARCH AND DESIGN, INSTEAD OF ON PRODUCTION AND MANUFACTURING. MANY ALSO PLAN TO RELOCATE PRODUCTION FACILITIES TO MORE COST-COMPETITIVE COUNTRIES TO BENEFIT FROM THE LOWER COSTS, OR TO TAKE ADVANTAGE OF THE TRADE INCENTIVES ON OFFER. THESE DEVELOPMENTS PROVIDE SUPERB OPPORTUNITIES FOR S.M.E.'S.

17. IN RECOGNISING THE POTENTIAL OF S.M.E.'S TO GENERATE ECONOMIC GROWTH, I AM HAPPY TO NOTE THAT MANY GOVERNMENTS ARE NOW PURSUING VARIOUS PROGRAMS TO ASSIST THE GROWTH OF S.M.E.'S. THESE PROGRAMS ARE TYPICALLY HOLISTIC IN THAT THEY COVER ALL ASPECTS OF S.M.E. DEVELOPMENT INCLUDING FINANCIAL ASSISTANCE, HUMAN CAPITAL TRAINING, ADOPTION OF I.C.T. AND MEETING INTERNATIONAL QUALITY STANDARDS. IN THIS REGARD, MALAYSIA HAS ALSO ESTABLISHED A CENTRALISED APPROACH IN DEVELOPING DOMESTIC S.M.E.'S THROUGH THE NATIONAL S.M.E. DEVELOPMENT COUNCIL. MOREOVER, S.M.E. DEVELOPMENT IS A CORE FOCUS OF CURRENT ECONOMIC PROGRAMS AND POLICIES.

18. THUS, IT IS MY HOPE THAT ONE OF THE MAIN BENEFICIARIES OF INTRADE MALAYSIA AND OF THE KL INTERNATIONAL TRADE FORUM 2007 WILL BE THE S.M.E.'S. THROUGH THESE FORA, I AM CONFIDENT THAT DOMESTIC S.M.E.'S WILL BE ABLE TO PARTICIPATE IN AN INTERNATIONAL EVENT WITHOUT EVEN LEAVING MALAYSIAN SHORES. I AM OPTIMISTIC THAT DURING THE FOUR DAYS OF EXHIBITIONS AND NETWORKING SESSIONS AVAILABLE HERE, MANY BUSINESS OPPORTUNITIES WILL BE CREATED FOR THE BENEFIT OF S.M.E.'S.

LADIES AND GENTLEMEN

19. IN CLOSING, I HOPE THAT THIS FORUM WILL PROVIDE A STRONG PLATFORM FOR THE BUSINESS COMMUNITY TO SHARE EXPERIENCES AND TO EXCHANGE IDEAS ON HOW ONE CAN GAIN A COMPETITIVE EDGE IN THE FAST-CHANGING INTERNATIONAL TRADING ARENA. I HAVE NO DOUBT THAT ALL PARTICIPANTS WILL BE EXPOSED TO A WEALTH OF INFORMATION FROM SPEAKERS AND PANELISTS REPRESENTING THE DIFFERENT FIELDS AND DIFFERENT COUNTRIES PARTICIPATING IN THIS FORUM. I AM TOLD THAT EVEN DATO' JIMMY CHOO IS HERE TO SHARE HIS OWN EXPERIENCE IN DEVELOPING A GLOBAL BRAND IN THE HIGHLY COMPETITIVE FASHION INDUSTRY.

20. IT IS MY SINCERE WISH THAT ALL OF YOU WILL BENEFIT FROM THE MANY POTENTIAL BUSINESS VENTURES ON OFFER AT THIS FORUM, AS WE CONTINUE TO WORK HARD TO EXPAND TRADE AND COMMERCE IN THE REGION AND BEYOND. I WISH YOU GREAT SUCCESS IN ALL YOUR FUTURE UNDERTAKINGS. ON THAT NOTE, IT NOW GIVES ME GREAT PLEASURE TO DECLARE LAUCH INTRADE MALAYSIA AND TO OPEN THE KL INTERNATIONAL TRADE FORUM 2007.

THANK YOU.