

**KEYNOTE ADDRESS BY
YAB DATO' SERI ABDULLAH BIN HAJI AHMAD BADAWI
AT THE 21ST LAWASIA CONFERENCE
AT KUALA LUMPUR CONVENTION CENTRE (KLCC)
29 OCTOBER 2008**

Assalamualaikum Warahmatullahi Wabarakatuh and Good Afternoon

Yang Amat Arif Tan Sri Zaki Tun Azmi
Chief Justice of Malaysia

Yang Amat Arif Tan Sri Alauddin Datuk Mohd Sheriff
President of the Court of Appeal

Yang Amat Arif Datuk Arifin Zakaria
Chief Judge of Malaya

Yang Amat Arif Tan Sri Richard Malanjun
Chief Judge of Sabah and Sarawak

Yang Arif-Yang Arif Judges of the Federal Court, Judges of the Court of Appeal and
Judges of the High Court

Dato' Ambiga Sreenevasan
President of the Malaysian Bar

Mr. Mah Weng Kwai
President of LawAsia

Your Excellencies, Ambassadors and High Commissioners

Honoured guests, ladies and gentlemen

1. It is a great privilege for me to be here to say a few words to this distinguished gathering today.

2. Indeed, our meeting here in Kuala Lumpur is taking place at a time of great upheaval worldwide. The financial crisis – which began in the United States and has since spread to Europe – has now extended its reach to Asia. It is as yet unclear how the effects will unfold in the real sectors of the global economy, but it is apparent that we must prepare ourselves for the challenging times ahead.

3. It is then perhaps appropriate to have the theme of this 21st LawAsia Conference as “Challenging Asia”. It is still early days in the financial crisis, but the debate has already begun on how countries should balance regulatory oversight with market competitiveness in the banking, finance and investment fields. Beyond the context of the current financial crisis, there are still other areas of importance to Asia; such as the performance of the real sectors of the economy and institutional reform and renewal.

4. These topics will of course be debated and discussed in the next few days of the conference. The diversity of topics highlights the central role of the law in governing the underlying relationships, be they between business partners, between governments and citizens, or between nations. The law provides the framework to structure such relationships, to set out duties and obligations, and to help advance the aim of the relationship without conflict. Nonetheless, if disputes do arise, then the law also serves to provide an ordered mechanism for dispute resolution.

5. We have come to appreciate the fact that the practice of law and the provision of legal services are not static. The law has evolved, indeed, has changed rapidly with the advent of new industries and new technologies. Considering the centrality of the law in facilitating economic and social activity, the ability of a country to compete and to overcome crises may well depend on the strength of its legal services and of its legal system.

6. In this regard, Malaysia has long recognised the need to upgrade its services sector. The services sector is one of the country's engines of growth, as identified in the Ninth Malaysia Plan. One strong example is our financial sector, where many reforms and policy initiatives have been introduced, including those aimed at broadening international participation. We have spearheaded a global position in the field of Islamic financial services, which includes the development of innovative products, as well as a comprehensive regulatory framework, based on Islamic principles. As of the end of August 2008, Malaysia had issued 12 percent of the world's Sukuk or Islamic bonds denominated in foreign currencies. We continue to build on this position towards becoming an international hub for Islamic finance.

7. I hope that in due course, the legal services sector will become another leading example. The business community requires the best and most up-to-date legal services. I am glad to note that the Malaysian Bar has proposed amendments to the Legal Profession Act that will help to open up the sector to international participation. The proposals are currently being studied, and it is my hope that a workable solution will be finalised and implemented soon. A more liberalised legal services sector is a prerequisite for Malaysia's economic competitiveness. Malaysian lawyers can and must compete with the best in the world.

Ladies and Gentlemen,

8. A conference such as this also serves to facilitate the exchange of ideas and information on problems of mutual concern or interest. As one of the purposes of the law is to regulate relationships towards achieving justice, it is instructive to see how countries in Asia have attempted to fulfil the aims of justice in their respective jurisdictions.

9. In Asia, the recognition of the importance of the rule of law has led to greater efforts in strengthening core institutions, including the Judiciary. It is recognised that the law can only flourish when the judiciary can function efficiently and when the judiciary have the trust of the people.

10. Malaysia's efforts in institutional reform continues to be at the forefront of the Government's agenda. In April of this year, I announced the establishment of an independent Judicial Appointments Commission. Work on the relevant legislation is progressing well and the Government aims to table the relevant legislation to establish the Commission by the end of the year.

11. A Judicial Appointments Commission is not merely desirable in Malaysia, it is perhaps a necessity. The present system of judicial appointments has given rise to questions on the judiciary's integrity and credibility. Such a Commission will provide a structured, transparent and merit-based appointment process. Bodies similar to a Judicial Appointments Commission are already a feature of jurisdictions such as Thailand, Hong Kong and India, here in Asia.

12. A Judicial Appointments Commission will be a vital step in the right direction. Implementing and operationalising it of course will be a challenge, and already there have been divergent views expressed on the functioning and composition of the commission. When personal and organisational interests are set aside, however, I believe THAT we can arrive at a solution that is best for the country. Once the commission is formed, it is up to the Judges themselves to make the judiciary an institution that we can all be proud of. A system is only as good as the people who operate within it, and I am confident that our judges will rise to the occasion.

Ladies and Gentlemen,

13. And so as you meet here, delegates from the countries of Asia and beyond, you are involved in issues that affect the entire region. As you come here to share and to learn, you will take back with you ideas and strategies for the strengthening of Asia. We are all on the brink of our next great challenge, but through our peoples, cultures and traditions, I know that Asia will weather the storm much better than it DID before.

14. With that, I wish you well in your deliberations, and trust that you will have a productive and enjoyable conference here in Malaysia.

Thank you.