

**SPEECH BY  
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Excellencies, Ladies and Gentlemen  
Assalamualaikum, and a very good afternoon to all of you.

1. It is indeed a pleasure for me to be here in Qatar today, a brother Muslim country with which Malaysia has had a long history of good relations. I am also very pleased to be addressing a gathering of eminent business persons here in Doha, my second stop immediately after my visit to Bahrain. This is part of the continuing efforts taken by Malaysia to strengthen our friendship and economic relations with West Asian countries

2. My delegation comprises 32 representatives from the Malaysian public and private sectors all of whom are keen to explore investment and trade opportunities in Qatar particularly and in the Gulf region generally. I therefore hope that your meetings will be useful and productive.

3. We meet today in the midst of one of the most trying global economic conditions of modern times. If the economic forecasts are correct, the coming months and years will test our resilience to the fullest. Indecisiveness and muddling through are not our options. Our responses to these global challenges must be clear, bold and forthright. Nations must continue to trade and promote investments so that the resulting economic activity will allow us to maintain growth and development. To do otherwise would be to demonstrate a lack of leadership and foresight.

4. That is why I welcome very much this opportunity to meet with you in Qatar to discuss how the good relations between our countries can be enhanced, especially in the areas of trade and investment. It is my hope that this Forum will also provide the platform for business representatives from both countries to meet and collaborate for mutual benefit.

Ladies and Gentlemen,

5. Let me start by giving you an overview of the state of the Malaysian economy, and how we are positioned to do business with the rest of the world.

5.1 Malaysia is primarily a trading nation. We trade with virtually all countries of the world, and our largest trading partners are the United States, the ASEAN countries, the European countries, as well as China, India, Japan and Korea. I should mention that Qatar is our seventh largest trading partner in West Asia.

5.2 In the past, commodities like rubber, tin, timber and palm oil were the mainstays of our economy. But our economy has expanded and diversified over the years and we are now a significant player in sectors such as manufacturing, textiles, wood products, construction, oil and gas, and the service industries such as tourism, education, healthcare and finance and banking.

5.3 The fundamentals of the Malaysian economy have remained strong for many years. Our GDP has been growing by between 5 and 6 per cent annually over the past five years. We expect to register a 5.5 per cent growth for the whole of 2008. Our performance in 2009 will be affected by the world economic slowdown, but we remain confident that we will be able to maintain positive growth.

5.4 Our inflation rate is low, at 5.2% and unemployment stood at 3.5% in the third quarter of 2008. At the end of 2008, Malaysia's international reserves totaled US\$100.2 billion, sufficient to finance approximately 8 months of retained imports and it is equivalent to 4 times of our short-term external debts.

6. What this suggests, Ladies and Gentlemen, is that Malaysia offers investors a business environment that is quite unique. Ours is a strong, stable and resilient economy. Investors are offered a wide range of fiscal and other site incentives. We have good infrastructure and a skilled workforce. The cost of doing business in our country is relatively low, and investors operate in a policy environment that is very supportive of foreign investment.

7. I should add that we have recently revised and improved on the many traditional incentives we offer to investors. Our regional development corridors and industrial parks now offer specialized incentive packages to interested parties. Representatives from Iskandar Malaysia, the development corridor in the south of our country, are here to brief you on what they have to offer. We can also provide you with details of concerning our four other regional development corridors.

8. Let me now focus on the state our bilateral trade and investment relationship. Trade between Malaysia and Qatar has grown progressively over the past decade, rising from US\$45 million in 1998 to US\$319.68 million in 2007. During that period, Malaysia's exports to Qatar increased from US\$36.5 million to US\$295.8 million, and imports increased from US\$8.5million to US\$23.7 million. As at November 2008, the trade volume reached US\$503.8 million, an impressive increase of 59% from US\$316.0 million over the same period of 2007.

9. What opportunities can Malaysian businessmen look forward to in Qatar? I am told that, like many West Asian countries, Qatar has embarked on an economic diversification programme to reduce its dependence on oil revenues. Huge investments have been made in infrastructure, real estate and tourism. These developments present significant opportunities for Malaysian companies, and I hope this is an avenue that will be explored.

10. I am happy to note that Malaysia already has a strong presence in Qatar in sectors such as construction, oil and gas and the provision of professional consultancy services. Major Malaysian companies such as Sime Darby Engineering, UEM Builders, Gamuda Berhad, Muhibbah Engineering and the Holiday Villa Hotel Group are involved in projects valued at more than US\$3 billion. Their activities include:

- The installation of two platforms and a bridge at the Al-Shaheen Oil field;
- The construction of a new catering hangar for the new Doha International Airport;
- The construction of the College of Technology;
- And the setting up of the Malaysian Restaurant, Sri Kebaya, in Doha.

11. Needless to say, Malaysian companies are keen to collaborate further in these and other sectors. Representatives of companies engaged in construction and related services, oil and gas, healthcare, halal food, tourism and education are in my delegation. So there is much that they can pursue with their counterparts here.

12. I would like to highlight two relatively new sectors which I believe offer exceptional prospects for collaboration. The first is the business of Islamic Banking and Finance. The Malaysian government has introduced various measures and tax incentives to create a modern and efficient international Islamic financial centre. These measures include the following:

- Issuing new banking licenses to foreign financial institutions to engage in Islamic banking;
- Allowing foreign equity participation in existing Islamic banks and takaful companies;
- Allowing foreign financial institutions to conduct Islamic banking activities in international currencies;
- Permitting greater flexibility to Labuan Offshore Financial Centre entities that offer Islamic financial services to operate anywhere in Malaysia.

13. As a result of these and other measures, Malaysia is today a premier international Islamic financial centre for the origination, distribution and trading of Islamic capital market products, including treasury instruments such as sukuk. Currently, there are ten Islamic banks in Malaysia

of which three are from West Asia, including a consortium led by the Qatari Islamic Bank. There continues to be much room for further participation in this sector by West Asian parties. I also urge companies in Qatar that are seeking Islamic financing facilities to take advantage of the wide range of Syariah-compliant services available in Malaysia.

14. The second sector I like to make special mention of is halal products and services. Malaysia is actively developing and promoting a halal products and services industry. We have developed a Malaysian Halal Standard that meets the requirements of the global Muslim community, and which also measures up to international health and safety standards such as C.O.D.E.X and H.A.C.C.P. The Malaysian Halal certification is already well received by O.I.C members. The provision of halal products and services is a rapidly expanding business globally, with tremendous growth potential in West Asia and among Muslim populations elsewhere. I wish to invite Qatar representatives to collaborate with us to take advantage of this new opportunity.

15. Specifically, I would like to take this opportunity to invite businesses from Qatar to take part or visit the Malaysian International Halal Showcase (MIHAS) which will be held from 6 to 10 May 2009 in Kuala Lumpur. This is a special effort by Malaysia to enhance international business and trade in halal products and services. The showcase has indeed received wide attention thus far.

16. As part of our effort to increase collaboration with businessmen in the gulf region, I would also like to draw your attention to the fact that we are organizing the second Malaysia Services Exhibition at Dubai Airport Expo Exhibition Center from 17 to 18 March, 2009. Qatar companies should not miss the opportunity to establish direct business contacts at the exhibition. More than 200 Malaysian companies involved in construction, professional services, I.C.T, franchising, and oil and gas will be participating in the exhibition.

Ladies and Gentlemen.

17. There is, indeed, much more that Malaysia and Qatar can do to increase trade and investment between our two countries. We can, for example, take advantage of our O.I.C links and use the mechanism it has developed to promote trade among O.I.C members. Malaysia has signed and ratified the Trade Preferential System Among Member States of the Organisation of Islamic Conference (T.P.S-O.I.C), but its implementation has yet to take place because a large number of members have not, as yet, ratified the implementing protocol for tariff reduction. We believe it is in the collective interest of all O.I.C members to ensure the early implementation of the T.P.S-O.I.C.

18. Trade and investment between nations can also be enhanced through the mechanism of a Free Trade Agreement. Malaysia recently proposed to the G.C.C that we commence negotiations to conclude a Free Trade Agreement between the G.C.C and Malaysia. I understand the business community from both sides welcomes this proposal. So we hope that negotiations will begin soon and a mutually beneficial agreement reached in the near future.

19. Such a development will be for our mutual benefit. The G.C.C presents a lucrative market and a wide range of opportunities for Malaysian exporters, investors and service providers. I have no doubt that the business community in the Gulf region, particularly from Qatar, also recognizes that an F.T.A with Malaysia will enable it to use Malaysia as a conduit to penetrate the ASEAN market as well as the markets of our other F.T.A partners such as Japan, China and Korea.

20. Ladies and gentlemen, in concluding, let me thank you all for your presence here. I hope you will find this Forum a useful platform to network and do business. I also wish to thank the Government of the State of Qatar, and the Qatar Chamber of Commerce and Industry, for the support they have given to this event.

Thank you.