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PERDANA MENTERI MALAYSIA**

Venue : **PUTRAJAYA INTERNATIONAL CONVENTION CENTRE (PICC)**

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Title : **5TH PROGRESS UPDATE OF THE ECONOMIC TRANSFORMATION  
PROGRAMME (ETP)**

Bismillahirrahmanirrahim.

Assalamualaikum Warahmatullahi Wabarakatuh, Selamat Petang dan Salam 1Malaysia.

**Yang Berhormat Dato' Sri Mustapa Mohamed,**  
Menteri Perdagangan Antarabangsa dan Industri;

**Yang Berhormat Senator Dato' Sri Idris Jala,**  
Menteri di Jabatan Perdana Menteri merangkap Ketua Pegawai Eksekutif, PEMANDU;

Tan Sri-Tan Sri, Datuk-Datuk, pemilik-pemilik Projek Permulaan, wakil-wakil media dan para hadirin yang dihormati sekalian.

1. Seperti mana yang saya maklumkan semasa Invest Malaysia 2011 pada minggu lepas, pelaksanaan Program Transformasi Ekonomi sedang berjalan dengan lancar. Daripada 60 projek yang telah saya umumkan sebelum ini, sebanyak empat projek telah mula beroperasi sementara 26 lagi telah dimulakan. Nilai pelaburan untuk projek-projek ini ialah RM37.26 bilion atau 39 peratus daripada jumlah nilai pelaburan keseluruhan sebanyak RM95.24 bilion. 30 projek yang selainnya sedang giat disiapkan untuk pelancaran.

2. Kerajaan berhasrat untuk meletakkan sektor swasta sebagai enjin pertumbuhan negara. Di dalam konteks ini, kerajaan akan terus menyokong pelaksanaan projek-projek baru dan mempercepatkan projek-projek yang sedang berjalan untuk memangkinkan kegiatan sektor swasta.

Ladies and gentlemen,

3. This brings me to today's progress update. I am proud to announce seven all-new projects or initiatives and recap five projects announced since the last ETP progress update on 11 March.

4. Together, these 12 projects within seven National Key Economic Areas (NKEAs) will bring about RM11.16 billion in investment, RM16.62 billion in Gross National Income (GNI) and 74,457 incremental jobs.

5. To begin, Infineon Technologies will invest RM480 million to expand and upgrade its production capacity, research and development and its manufacturing facilities in Malacca. The recently announced investment will increase the capacity to produce power semiconductors for energy efficiency applications and will add 350 jobs. This project is expected to have a GNI impact of up to RM814 million.

6. This investment in Malaysia is an additional step to expand the company's presence in Asia, where it generates 42 per cent of its revenue, and to integrate more tightly into local market structures.

7. Next, we will see the establishment of the electrical home appliances manufacturing hub and international distribution network in the state of Penang. As part of the Electrical and Electronics (E&E) NKEA, Pensonic Holdings Sdn Bhd will manage this initiative that aims to capture the rising market opportunities in the Southeast Asian region and the Middle East.

8. It will place an emphasis on strong product branding and research and development to consolidate Malaysia's position in the regional electrical home appliance sector, especially in own-brand manufacturing (OBM) and the original-design manufacturing (ODM). This project with an investment of RM250 million is expected to have a GNI contribution of up to RM500 million and create 850 jobs by 2020.

9. The next project, a collaboration between the CCI and E&E NKEAs, entails the setting up of Radio Frequency Identification (RFID) infrastructure to provide security and automation of paperless Royal Malaysian Customs Checkpoint throughout Malaysia.

10. Under the Security and Trade Facilitation System project, containers entering and leaving the country, and moving within the country will be tracked under the RFID system. This system will enhance the efficiency of container clearance by reducing queuing times at Customs Checkpoints, improving security through automatic detection of a compromised or open container, and optimising human resources for better services. With an investment of RM45 million, this project will see a GNI impact of about RM201 million up to 2020 and create 100 new jobs.

11. Within the Business Services NKEA, MYLED MASTER Sdn Bhd and its subsidiary, MYLED Opto Technology Sdn Bhd, will be expanding their manufacturing capability in the green technology sector. MyLED Master is the first local company that to possess solid state lighting (SSL) manufacturing technology. While MyLED Opto Technology will possess the manufacturing technology for light emitting diode (LED).

12. Located in Malacca with an investment of RM175 million, this production facility is set to meet the growing demand for solid state lighting both locally and in overseas market such as India and Middle East countries in two years time. In addition, it will also house research and development operations, where innovation and creativity will help to bring costs down further. It is expected to have a GNI impact of RM100 million and create up to 900 jobs.

13. Asia Media will invest RM500 million in developing the first Digital Live Transit-TV Broadcasting infrastructure in Malaysia. This mobile broadcast network in public transportation falls squarely within the Communications Content and Infrastructure (CCI) NKEA. By adopting international broadcasting standard infrastructure, the organisation will be capable of delivering live video and voice to the transit industry such as the Light Rapid Transit, bus network and perhaps even, the Mass Rapid Transit in the future. This project is expected to generate RM604 million in GNI and about 400 jobs.

Ladies and Gentlemen,

14. As you are aware, we have begun to look into e-government and paperless initiatives in a bid to be a more environmentally friendly and modern government.

15. The next initiative, which also falls within the CCI NKEA, is a baseline study on e-counter services and paperless government. The project aims to establish baseline measurements on government initiatives for the improvement of services, specifically in the transformation towards an electronic government (EG) and going paperless.

16. Managed by the Malaysia Administrative Modernisation And Management Planning Unit (MAMPU) and Government Integrated Telecommunications Network (GITN), this project involves data collection and an analysis of e-counter services, electronic transactions and paperless government initiatives in the public sector, an assessment of government agencies' data centres as well as network infrastructure and services. Once completed, it will ensure that services provided by the Government are more transparent, fit-for-purpose, efficient and effective to the *Rakyat*. The government will invest RM3.261 million in the project that will see the creation of 155 jobs.

17. Another project within this NKEA is the recent policy announcement that new housing projects in Kuala Lumpur are required to provide internet broadband facilities. This requirement will enable more households in Kuala Lumpur access better internet connection. It will help to address gaps and ensure broadband services reach all inhabitants of urban areas around the nation, similar to access to water and electricity.

18. The CCI NKEA is also kick-starting a government initiative to provide a unique and official email account and identification for citizens of Malaysia. With a GNI impact of RM39 million up to 2015, this 1MY email initiative will allow direct and secure communications between Malaysian citizens and the Government, as well as enhance the delivery of Government services to consumers and businesses alike.

19. Tricubes Bhd will spearhead this RM50 million investment which also includes the development of a web portal, an email account for all Malaysian citizens aged 18 and above, a one-stop centre for government services, provision of value-added services such as social networking, checking bills online as well as payment, in addition to web development toolkits for citizen and business entities to creatively develop applications.

Ladies and Gentlemen,

20. The oil and gas industry plays a vital role in the growth and development of the Malaysian economy. To realise Malaysia's aspiration to become the No 1 Asian hub for the oil and gas industry by 2017, the Malaysia Petroleum Resources Corporation (MPRC) has been established.

21. This unit will be responsible to attract RM320 million worth of investments for the industry during this year alone. Headed by its interim CEO, Dr Mohd Shahreen Madros, the organisation will facilitate cross-border investments and assist Malaysian oil and gas companies through the identification of suitable markets and opportunities abroad.

22. It will undertake the planning for the development of this industry in Malaysia, evaluate the application for tax incentives for activities within the industry and the exemption of duty on raw materials, components and machinery. In addition, it will support both

domestic and foreign investors who are looking to set up operations in Malaysia, facilitate the exchange of information and the co-ordination of information amongst industry-related institutions or agencies.

23. With a board of directors from MIDA, Petronas and PEMANDU amongst others, it will also interact with other parties in a bid to ensure that industry requirements such as talent, research and development and other related matters, are met. To grow Malaysian oil and gas companies, this organisation will rationalise these businesses through mergers and acquisitions to develop them into regional champions.

24. Looking at the Education NKEA and our country's bid to be at the forefront of the Islamic financial services, the International Islamic University Malaysia will spearhead an initiative to develop and position Malaysia as one of the world's leading Islamic finance education hub. With an investment of RM3.17 billion, it will set up the Islamic Finance and Banking education cluster that will develop and harmonise globally accepted curricula in Islamic Finance-related areas.

25. It will also establish the Association for Islamic Finance Advancement (AIFA), which will accredit programmes and advance and promote Islamic Finance education globally. With a GNI impact of RM1.2 billion by 2020, it will see the creation of about 4,300 related jobs.

26. Tourism continues to be a solid income earner for our nation. So, over in the state of Sabah, a consortium consisting of Prism Crystal Enterprises Ltd, Tan Sri Dr Chen Lip Keong and group of companies together with landowners, Karambunai Corp Bhd and Petaling Tin Berhad, will develop the Karambunai Integrated Resort City (KIRC) with an investment of RM 9.6 billion.

27. Contributing a GNI of about RM 9.319 billion by 2020 and creating about 11,002 jobs by 2020, this premier world-class ecotourism destination will leverage on Malaysia's competitive advantages in ecotourism and biodiversity, and feature tourism, health and eco-nature edutainment recreation facilities.

28. This would include water theme park, water spectacles and fountain, cable car, mangrove research centre, harbour cruise, aqua and spa village amongst others.

29. The next Entry Point Project that sits within the Wholesale and Retail NKEA, looks to transform various markets such as "pasar tani", "pasar malam" and "pasar tamu" and consolidate them into one, to be called "Pasar Komuniti". This is because the traders from each of these were encountering challenges such as lack of suitable and strategic locations, and proper infrastructure and logistic facilities. Led by the Federal Agriculture Marketing Authority (FAMA), the "Pasar Komuniti" initiative (PAKAR) is a concerted effort to co-ordinate and amalgamate them in location with better facilities.

30. With an investment of RM50 million, PAKAR will not only benefit the entrepreneurs but also the consumers, who will experience convenience and comfortable shopping within a solid and fixed structure. This project will contribute RM3.52 billion in GNI annually by 2020 and create 56,400 jobs.

Ladies and gentlemen,

31. As you can see, today's announcement shows the continued interest of investors in the ETP. The bright future of Malaysia is not a pipe dream. Cumulatively, the ETP has to date garnered RM106.405 billion in investment, RM153.83 billion in GNI and 298,865 new jobs. The 72 projects within 54 Entry Point Projects announced to date mean that 41.2 per cent of the 131 Entry Point Projects have commenced, all in less than six months since the ETP was launched. Now, that is big results fast.

32. Just over two weeks ago, I announced the achievements of the Government Transformation Programme and they were overwhelming. The correlation between the Government Transformation Programme and the Economic Transformation Programme is becoming more and more evident. A transparent and accountable government system will enable and drive the economy. Simultaneously, economic activities and growth will also benefit from high standards of integrity.

33. Most recently, the Anti-Corruption Corporate Integrity Pledge and Principles for Corporations in Malaysia (2011) was launched in Kuala Lumpur. This initiative will pave the way for integrity and accountability amongst corporations in Malaysia.

34. With this, companies can voluntarily make a unilateral declaration that it will not commit corrupt acts, will work towards creating a business environment that is free from corruption and uphold the Anti-Corruption Principles for Corporations in Malaysia in the conduct of its business and in its relations with its business partners and the Government.

35. I am proud to say that some of the first corporations to say no to corruption and sign the pledge are the partners of previously announced Entry Point Projects within the ETP. In addition, several partners of the ETP projects announced today will also come forward to show their commitment towards transparency, accountability and good governance.

36. I commend them for their pledge towards integrity and in making Malaysia a conducive business environment, today and into the future. It is truly a momentous occasion for corporate Malaysia as they come together to fight corruption and help Malaysia strengthen its economy as we head towards Vision 2020, and I am honoured to be a witness to it this afternoon.

37. With that, I thank you for your presence and I wish you all a pleasant afternoon ahead.

Wabillahitaufiq Walhidayah Wassalamualaikum Warahmatullahi Wabarakatuh.