

By : **DATO' SRI MOHD NAJIB BIN TUN HAJI ABDUL RAZAK
PERDANA MENTERI MALAYSIA**

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Title : **MALAYSIA - CHINA ECONOMIC AND TRADE COOPERATION
FORUM**

His Excellency Wen Jiabao;
Premier of the People's Republic of China,

Honourable Ministers, Business Leaders and Captains of Industry from China and Malaysia,

Ladies and Gentlemen,

Distinguished guests.

1. It gives me great pleasure to be here this afternoon as part of the inaugural Malaysia-China Economic and Trade Cooperation Forum. I would like to extend to all of you the warmest of welcomes – and to our friends from China, let me wish you *selamat datang* and *xia wu hao*.

2. It is heartening to see so many distinguished participants here today – a testament both to the strong and enduring ties between China and Malaysia and to the unwavering economic focus and far-sighted leadership of Premier Wen Jiabao. I know that His Excellency's visit has been eagerly awaited, not only by our own Chinese community but by all Malaysians – so I am delighted to welcome him on what is his second official visit to our country, and the first time I have had the honour of greeting him here on Malaysian soil.

3. When we met in Beijing back in 2009, it was of course to celebrate 35 years of diplomatic ties – three and a half majestic decades of economic, social and cultural exchange and another chapter in our long and fruitful history of engagement.

4. Malaysia, you may recall, was the first nation in South East Asia to establish diplomatic ties with China back in 1974 – a decision which, given the economic powerhouse that China is today, it could be argued showed a considerable amount of foresight! But it was also a decision that made China a friend not an adversary, a colleague not a competitor, a partner not a rival, and other ASEAN member states quickly followed suit.

5. Today, China is Malaysia's biggest trading partner globally, and we in turn are China's biggest trading partner within ASEAN. That is good, but we can do even better – and I want to see trade between our countries double over the next five years.

6. In China, Malaysians are doing business not only in the big cities of Beijing, Shanghai and Guangzhou but in many other smaller provinces, from Sichuan to Shandong and from Xian to Xinjiang. And these exchanges work both ways, with more than 100 Chinese

companies making the most of an attractive investment environment to pursue their business goals here in Malaysia.

7. So the signs are positive, but we cannot afford to take for granted all we have achieved. Instead, we must work harder than ever to intensify our bilateral engagement and to meet the challenges of the changing global business climate.

8. To that end, Premier Wen and I this morning witnessed the signing by our respective Trade Ministers of a new Agreement on Expanding and Deepening Economic and Trade Cooperation. I am confident that this Agreement, which takes a more targeted, sector-specific approach to planning and implementing business co-operation programmes, will inject fresh momentum into our bilateral economic and trade collaboration.

9. But the Agreement will never make it off the page if we fail to follow up words with action – so together we must work with imagination, dynamism and conviction to deliver the results that business communities in both our nations want to see. That is why I have set a Key Performance Indicator for Malaysia’s economic Ministries to come back with concrete collaboration projects within a year, and I know that Premier Wen is also looking at what further concrete measures he can take.

10. I believe businesses here in Malaysia will also benefit from becoming more aware of the opportunities for trade and investment that are contained in China’s 12th Five-year Development Plan – just as I believe that China’s corporate sector can benefit from learning more about our 10th Malaysia Plan and Economic Transformation Programme.

11. But such business-to-business collaboration needs to be intensified and facilitated at both corporate and government levels. I am determined to do everything I can in order to further that ongoing dialogue – so I am incredibly proud that Malaysia has been named “country of honour” at the upcoming Eighth China ASEAN Expo in October of this year. We will certainly make the most of this high profile opportunity to reach out to China’s investment and business community, highlighting specific programmes in sectors like healthcare, education, ICT, environmental services and green technology.

12. Following Tan Sri Muhyiddin’s recent discussions with Vice Premier Li Keqiang in Beijing, my Government has also been promoting the new commercial opportunities for Malaysian businessmen in China’s western, central and north-east regions. These areas have the potential to become China’s new centres of growth, and I am sure Malaysian businesses will be keen to find out more about them.

13. In return, I want to do everything I can to encourage greater Chinese investment in Malaysia and to highlight the opportunities we have to offer. Malaysia’s Economic Transformation Programme will deliver almost RM1.4 trillion in new investments over the next 10 years, of which 92% is expected to come from private business and financial sources.

14. This represents private sector investment of around RM120 billion a year – and I invite all of China’s businesses and investors represented here today to partner with us to make this projection a reality that will bring great benefits to both our countries.

15. The implementation of the ASEAN-China Free Trade Agreement in 2010 has undoubtedly boosted our bilateral trade and investment relations, growing by 150% from

US\$18 billion in 2004 to US\$45 billion last year. But we can achieve even more if we keep our focus on areas of common interest – not just bilaterally but also in third countries through shared ventures.

16. The ASEAN+3 cooperation – introduced to enhance regional economic co-operation in the wake of the 1997 economic crisis – is now well-established, with the implementation of many activities aimed at strengthening and enhancing ASEAN's economic ties with China, Japan and Korea. Co-operation is being pursued across a range of areas including trade, investment, industry, agriculture, transport, finance, environment and sustainable development. I also fully support efforts to further strengthen the ASEAN+3 relations through the deepening of economic integration of East Asia involving ASEAN, People's Republic of China, Japan and Korea on a progressive basis.

17. That is the regional picture, but at a global level Malaysia and China are also firm supporters of multilateral trade liberalisation – and it is worth noting, I think, that our bilateral trade stood at just US\$6.3 billion at the turn of the Millennium when China was not yet a member of the WTO and the China-ASEAN FTA had not yet been conceived or born.

18. Malaysia and China are leading trading nations and major beneficiaries of the multilateral trading system. It is in our interests that multilateral trading rules are preserved and global markets are kept open, so we need to work together to seek solutions to the impasse in the Doha Round.

19. Only by coming together at all these levels – national, regional and global – will our nations and our peoples be able to fulfil their true potential and to secure their place at the forefront of our new global society.

20. Since 1974 the relationship between our nations has endured and flourished, with both China and Malaysia reaping the benefits of ever-closer co-operation. Our countries and peoples have their own unique skills, traits and cultures, but we are united by a shared sense of national purpose and an unshakeable belief in the power of enterprise and opportunity.

21. That common purpose is in evidence all around you here today, where the Ministry of Commerce China and the China Chamber of Commerce have worked alongside MITI, MIDA and ASLI to organise this impressive forum.

22. I have no doubt that this afternoon's discussions will prove to be a catalyst for many more decades of co-operation, prosperity and growth, and that the relationships forged here will continue to bear fruit for a long time to come.

TERIMA KASIH and *xie xie ni* !

Thank you.