

DATO' SRI MOHD NAJIB BIN TUN HAJI ABDUL RAZAK
PERDANA MENTERI MALAYSIA
GRAND BALLROOM, LEVEL 6, THE HILTON KUALA LUMPUR HOTEL, JALAN STESEN SENTRAL,
KUALA LUMPUR
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LAUNCH OF TRAVELEX MALAYSIA SDN BHD

INTRODUCTION

1. I am delighted to be here with all of you this morning and to have this opportunity to celebrate what is a very auspicious occasion, the launch of Travelex Malaysia Sdn Bhd.
2. The Travelex Group will be known to many of you as the leading worldwide brand for foreign exchange – and the good news is that they are now bringing their experience and expertise to the market in Malaysia.

MALAYSIA AS AN INVESTMENT DESTINATION

3. The Government has been working hard to promote Malaysia as a prime destination for foreign direct investment. So, I am very pleased that Travelex have chosen our country as their base. As part of the National Transformation Policy I embarked back in 2010 on the Economic Transformation Programme, a long-term project designed to turn Malaysia into a high-income, fully developed nation within ten years. The ETP identified 12 key areas with the potential to drive economic growth and developed a number of Entry Point Projects to kick-start development across those sectors.
4. I recently announced another 21 new projects worth RM20 billion – projects with a Gross National Income impact of RM4.59 billion and the power to create nearly 40,000 jobs by 2020. From areas such as healthcare and green technology to renewable energy and oil and gas, Malaysia is investing in our future – at the same time as creating new and exciting opportunities for both foreign and local investors.
5. The prospects certainly look good. Despite continued uncertainty in the global economy, Malaysia's own economic performance has remained strong. For the first quarter of 2012 our Gross Domestic Product grew at 4.7 per cent, with growth of a massive 15.5 per cent in the construction sector driven by ETP projects as well as by private investment. In addition, Foreign Direct Investment in Malaysia hit a record high of RM32.9 billion last year – an increase of 12.3 per cent that reflects high levels of investor confidence.
6. Malaysia has also improved its global competitiveness ranking, rising two places in the Institute for Management Development survey to 14th position this year – a shift that reflects improvements in productivity and efficiency as well as finance and business legislation.
7. But one of the top priorities of the Economic Transformation Programme has always been to facilitate those global companies that make Malaysia their base – driving advances in business and technology across South East Asia and, in time, the whole of Asia. I hope the Travelex Group will share their experience of setting up operations in our country and encourage other global companies to do the same.

THE MONEY SERVICES BUSINESS INDUSTRY IN MALAYSIA

Ladies and Gentlemen,

8. I would like at this point to touch briefly on the development of the money service business in Malaysia. Our domestic money changing and remittance industry has grown significantly over the last

decade, and the days when banks were the sole provider of remittance services are now well and truly over.

9. With the growing importance of remittance flows – particularly to foreign workers who need better access to formal remittance channels – Bank Negara Malaysia has liberalised its policy to allow non-bank players to enter the market. As at end March 2012, there are a total of 805 players in the money services business (MSB) industry, consisting of 764 (95 per cent) licensed money changers, 39 remittance service providers and 2 currency wholesalers. The total outward remittance has reached more than RM15 billion in 2011. This increasingly competitive environment has also been good for consumers, driving up standards of customer service and making available a much wider choice of cheaper, faster remittance channels.

10. The total turnover of exchange transactions has also increased over time. As at end December 2011, the total turnover was estimated at RM24 billion.

11. To further modernise this landscape and to strengthen industry safeguards, Bank Negara Malaysia announced back in 2009 a wide-ranging review of the legal and regulatory framework for the money changing, remittance services and wholesale currency industries in Malaysia. The result was the new Money Services Business Act, which superseded the Money-Changing Act 1998 and which came into force last December. The MSBA provides for the licensing, regulation and supervision of these businesses under a single Act, grouping them together as money services businesses in a new operational environment.

TRAVELEX MALAYSIA SDN BHD

Ladies and Gentlemen,

12. Travelex has long been at the forefront of new developments in foreign exchange provision, with their innovative range of products, services and cutting-edge technologies enabling them to meet the needs of over 37 million customers each year worldwide[A1] .

13. This established market presence makes Travelex ideally placed to work with smaller Money Services Businesses, helping them to support and enhance their existing operations, improve productivity and increase competitiveness.

14. I know Malaysia's biggest cities will be the Group's immediate focus, and I hope that in due course Travelex will also expand its business into Sabah and Sarawak. I certainly have no doubt of its potential to add value to MSBs in East Malaysia and to provide them with new avenues when it comes to sourcing currencies.

15. I am proud to have the Travelex Group doing business in Malaysia and I wish them every success in the months and years ahead. On that note, it gives me great pleasure to officially launch Travelex Malaysia Sdn Bhd.

Thank you.

Wabillahitaufik Walhidayah Wassalamualaikum Warahmatullahi Wabarakatuh.