



MEDIA RELEASE

MALAYSIA COMMITTED TO INCREASE INVESTMENTS IN INDONESIA

1. I had successfully concluded my working visit to Indonesia from 11 to 13 June 2017. Indonesia is an important trading partner to Malaysia - our total trade stood at USD13.8 billion in 2016. On the investments front, in the period of 2008-2016, Malaysia has invested approximately USD15 billion in Indonesia, while Indonesian investments in Malaysia stood at about USD2.6 billion in Malaysia.
2. Over the past decade, Malaysian companies have established a strong presence in Indonesia including in key sectors such as banking, plantation, construction, toll-road, energy as well as telecommunications.
3. At the roundtable business meeting which was co-chaired by me and Eko Putro Sandjojo, the Minister in charge of facilitating Malaysian investments in Indonesia, Malaysian companies expressed their interest to continue playing a prominent role in the socio-economic development of Indonesia.
4. The roundtable meeting was attended by 80 business leaders, 40 from Malaysia and another 40 from Indonesia, making it an historic occasion as it was the first joint discussion with the largest number of high- level government and business delegation to date.
5. Among key business leaders who participated in the roundtable meeting include YABhg. Tun Ahmad Sarji, Chairman of Malaysia-Indonesia Business Council, YABhg. Tan Sri Azman Mokhtar, Managing Director of Khazanah Nasional and Teguh Jowarno, Head of Indonesia's House of Representatives' Commission VI in charge of Industry, Investment and Competition. The Indonesian delegation was led by Rosan Roeslani, Chairman of Indonesia's Chamber of Commerce and Industry (KADIN) and Tigor Siahaan, Chairman of Malaysian Desk at KADIN.
6. The strong participation of Malaysian companies in this event signaled our keen interest to continue investing in Indonesia, which is underpinned by the confidence in Indonesia's economic trajectory and reforms initiated by President Joko Widodo (Jokowi) Administration especially in cutting red tape for investors.
7. During my courtesy call on President Jokowi at the Istana, I relayed the interest of Malaysian companies to continue investing in Indonesia's infrastructure development. Indonesia's USD1 trillion economy with a 250 million population and growing middle class has a lot of potential, which once fully tapped, will contribute significantly towards creating a more prosperous ASEAN.
8. I also expressed a similar message during my bilateral meeting with Enggartiasto Lukita, Indonesian Trade Minister. As for reaching the target of USD30 billion of trade agreed by our two leaders, we agreed to come up with our respective specific proposals to boost trade including the



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potential venture in new areas for collaboration, including the digital economy and MSMEs. These proposals will be further deliberated at the upcoming 3rd Joint Investment & Trade Committee Meeting schedules to be held on 10-13 July 2017 in Kuching, Sarawak.

9. I believe we could look ahead to better trade numbers not only with Indonesia, but also other ASEAN countries if we are more serious in eradicating the non-tariff barriers and measures (NTBs and NTMs). During my meeting with the ASEAN Secretariat, I stressed on the importance of transparent and open communication between stakeholders to ensure that any measures put in place will not unnecessarily impede, distort or restrict trade among ASEAN countries.

10. Indeed, it is imperative for ASEAN countries to consider implementing the proposal made by YAB Prime Minister Dato' Sri Najib Razak at the recent ASEAN Summit in Manila to have a scorecard on NTBs and NTMs in each country. The elimination of these hindrances will ensure that the benefits of regional economic integration will trickle down to a wider segment of society and enhance the economic resilience of ASEAN against the global uncertainties.

11. It is our hope that the momentum generated by the meetings over the past two days will translate into greater economic success for both nations as we forge ahead, together, in this challenging economic environment.

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Dato' Sri Mustapa Mohamed
Minister of International Trade and Industry
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About MITI:

MITI is the key driver in making Malaysia the preferred destination for quality investments and enhancing the nation's rising status as a globally competitive trading nation. Its objectives and roles are oriented towards ensuring Malaysia's rapid economic development and help achieve the country's stated goal of becoming a developed nation by 2020 .

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