

## **MEDIA RELEASE**

### **Malaysia Commits Support for Businesses to Expand in ASEAN**

**Kuala Lumpur, 26 May 2016** – Malaysia is ready to provide support for companies to capitalise on the ASEAN Economic Community (AEC) as it is already the preferred hub for many global companies planning to expand into Southeast Asia, said Minister of International Trade and Industry, Dato' Sri Mustapa Mohamed.

“As Southeast Asia's economic growth flourishes, attention on ASEAN as a competitive and lucrative marketplace, providing access to over 630 million consumers, is rising. We have recently introduced the Principal Hub Scheme to facilitate and incentivise international companies who want a business-friendly launch pad to expand into ASEAN. In addition, our advanced integration levels in the AEC are an important bridge to strengthen trade links and economic ties with our ASEAN neighbours so that we can leverage on the rising demand for seamless interconnectivity that is vital for doing business successfully today,” he said.

Dato' Sri Mustapa further elaborated, “Malaysia adopts an ecosystem approach whereby concerted efforts have been put in place to promote the entire value chain of industry clusters and enhance delivery enablers to support the value chain. A strong and comprehensive ecosystem improves production and logistical efficiency; reduces the cost of doing business and supports greater flow of trade and investment. The importance of the ecosystem approach is further entrenched in the 11th Malaysia Plan (11MP). Under the 11MP, we will continue to ensure that there is a significant leap in investment activities. This ultimately contributes to enhancing the competitiveness of the country and improving the country's attractiveness for FDI.”

“As the region seeks to deepen and widen trade ties under the AEC to capture a greater share of global trade, it is essential for ASEAN to work on strengthening and aligning structural reforms related to ease and certainty of doing business, regulatory and legal frameworks, as well as financing and investment facilitation measures across the region,” added Dato' Sri Mustapa.

The Minister highlighted that ASEAN members will discuss the strengthening of these regional structural frameworks for implementation of economic and financial alignment at the upcoming World Economic Forum ASEAN 2016 (WEF ASEAN) summit which will be held in Kuala Lumpur on June 1 and 2.

Themed *‘Shaping the ASEAN Agenda for Inclusion and Growth’*, the 25th edition of the Forum will see the participation of Malaysian government and industry leaders, including Dato' Sri Idris Jala, CEO of PEMANDU; Dato' Seri Ranjit Ajit Singh, Chairman of the Securities Commission; Dato' Seri Nazir Razak, Chairman of CIMB Group Holdings; and Tan Sri Tony Fernandes, Group CEO of AirAsia. Topics to be discussed at the Forum include *‘ASEAN in 2016: Are Integration and Inclusiveness Compatible?’*; *‘Reshaping the ASEAN Economy through Digital Innovation’*; and *‘Unity in Diversity: Powering ASEAN's Future’*; among others.

Dato' Sri Abdul Wahid Omar, Minister in the Prime Minister's Department, anticipates that the high profile attendees at the WEF ASEAN are expected to contribute tangible positive results towards the realisation of the AEC, which came into effect in January. “There will be participation from heads of governments and foreign ministers from both ASEAN and non-ASEAN countries, renowned business leaders, and decision makers at the WEF ASEAN who are expected to facilitate plans to develop the AEC and help ASEAN become a more interconnected and interdependent economic powerhouse. Malaysia is proud to be the co-host for the 2016

edition of the World Economic Forum ASEAN following the official establishment of the AEC during our tenure as Chair of ASEAN in 2015,” he said.

“The private sector will continue to be a key driver for the AEC’s realisation and we must now look to implementing long-term strategies, plans and projects, with the due consideration and involvement of industry, government and civil society in the planning and decision-making process. To organise a Forum of this magnitude with approximately several heads of governments and senior officials, business leaders, and civil society representatives is a great challenge and I thank the World Economic Forum organisers and our corporate partners for their strategic partnership and cooperation in jointly hosting the Forum,” said Dato’ Sri Wahid.

The Forum will be jointly chaired by Datin Kathleen Chew, Group Legal Counsel of YTL Corporation; Tan Sri Shahril bin Shamsuddin, President and Group Chief Executive Officer of SapuraKencana Petroleum; Yoshiaki Fujimori, President and Chief Executive Officer of LIXIL Group, Japan; Sigve Brekke, President and Chief Executive Officer of Telenor Group, Norway; Salil Shetty, Secretary-General of Amnesty International, United Kingdom; and George Yeo, Visiting Scholar from Singapore's Lee Kuan Yew School of Public Policy and Chancellor of Nalanda University.

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#### **About MITI:**

The Ministry of Commerce and Industry was established in April 1956 then was renamed as The Ministry of Trade and Industry in February 1972. On 27 October 1990, the Ministry was separated into two Ministries which are; Ministry of International Trade and Industry (MITI) and Ministry of Domestic Trade and Consumer Affairs (KPDN).

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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