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U.S. FIRMS COMMIT TO INVEST RM16B

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TRADE MISSION

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They will generate jobs, ensure technology transfer, says Azmin

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MALAYSIA attracted RM16.52 billion in new investments in its trade mission to the United States, said Senior International Trade and Industry Minister Datuk Seri Azmin Ali.

"We hope that these commitments to investments can be finalised in the third quarter so there will be job opportunities for Malaysians," he said during a briefing on the Trade and Investment Promotion Mission to the US yesterday.

Insulet, Ferrotec, Amazon Web Services Inc and Cue Health were some of the companies that have made commitments to invest in Malaysia.

Additional investments were from seasoned investors, including Texas Instruments and Boston Scientific.

The 10-day trade and investment mission, which kicked off on May 9 and was led by Azmin, centred on innovative and high value-added new sectors.

The semiconductor industry, digital economy and medical devices were among the highlights, in line with the National Investment Aspirations, which focus on high-quality investments and cutting-edge technology.

Azmin said the companies were also committed to creating a business ecosystem, ensuring technology transfer and involvement of local industries, especially small and medium-scale enterprises, in supply chains.

"Their investments will generate jobs, provide skills training opportunities for local workers, establish collaborations with local universities and help develop local vendors," he said.

The US is now Malaysia's third largest global trade partner and export destination, while Malaysia is the US's 17th largest trade partner.

"The total export potential to the US is RM1.44 billion."

He said despite the challenging global economy and economic



Senior International Trade and Industry Minister Datuk Seri Azmin Ali speaking at a press conference in Kuala Lumpur yesterday. PIC BY FARIZ ISWADI ISMAIL

uncertainties due to the Covid-19 pandemic, total trade between the two countries increased by 21.4 per cent year-on-year to RM217.10 billion in 2021.

Malaysia's exports to the US rose by 30.4 per cent to RM142.20 billion, mainly comprising electrical and electronic (E&E) and rubber-based products.

Imports from the US also increased by 7.4 per cent to RM74.87 billion, including E&E and steel products.

On the meeting between Tesla chief executive officer Elon Musk and Indonesian President Joko Widodo on a potential investment by Tesla in Indonesia, Azmin said the cooperation between Starlink and Malaysia was proof the country was able to attract high-quality investors.

"We cannot stop any country that wants to intensify efforts to attract investments. Of course, we hope giant companies will continue to support Malaysia."

"We have strategies to involve high-quality investments."

"Apart from being a pioneer of electric vehicle companies, he (Musk) is also a pioneer in space technology and important technologies."

"In fact, my visit to SpaceX gave new hope that they are committed to investing here."

Azmin said the government was looking to adopt a more targeted fuel subsidy mechanism for the people to cushion the impact of the skyrocketing cost of goods.

He said the review was being discussed by the government following the sharp jump in the subsidy projection for this year to RM28 billion, from RM11 billion last year.

"We (the government representatives) talked about the review at a special retreat recently. It has to be more targeted for the deserving. Those with a BMW cannot enjoy the same subsidies as those with a Kancil."

"It was agreed that it needs to be reviewed for the more deserving," he said, without going into detail about the savings that would be made from this move.

However, he said, the savings could be pumped into more subsidies for agriculture and food security. The latter was taking a hit due to the dependency on imports, including of fertilisers, and a dearth of technological applications and research and development.

Azmin said the money could also be used to beef up enforcement mechanisms for agricultural subsidies to ensure that there was no leakage.

It was reported that Petronas Dagangan Bhd was in discussion with the Finance Ministry about the increase in fuel subsidies amid rising global crude oil prices.

Last last month, Minister in the Prime Minister's Department in charge of the economy, Datuk Seri Mustapa Mohamed, said the government was likely to introduce a targeted fuel subsidy mechanism to cushion the impact of the rising price of crude oil.

He said the government was still working on a structure for the mechanism and it was expected to be completed soon.

Malaysia has been facing skyrocketing prices of consumer goods due to the war in Ukraine, prolonged lockdown in China and effects of climate change.



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