

SPECIAL ADDRESS
BY
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AT
THE INVEST MALAYSIA KUALA LUMPUR 2021 SEMINAR

INVESTING IN RESILIENCE

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Ladies and Gentlemen

1. First and foremost, I would like to express my profound appreciation to Bursa Malaysia for the honour of delivering this special address, most aptly titled "Investing in Resilience", riding on the overarching theme of rebuilding a sustainable economy.

2. Truth be told, I cannot possibly think of a better topic than this strategically chosen subject of resilience as the foundation for sustainable investment as we are gathered here in a virtual seminar, not by ideal choice but by the force of circumstances. But the fact that so many of you are here to participate and contribute your ideas and perspectives is in itself a clear manifestation of resilience, and I applaud you for that.
3. Like all the others the world over, our economy has been battered by the onslaught of the COVID-19 pandemic. Our Bursa has gone through thick and thin but, as they say, we have taken the beating on the chin - and, at final count, we remain standing. That is undoubtedly an achievement.
4. And it is quite evident that investing in resilience is to invest for long term strategic gains in as much as we want capital inflows that could promote economic growth. In this regard, we place top priority on both Foreign Direct Investment (FDI) and Direct Domestic Investment (DDI) as they clearly have a positive impact on growth.
5. To my mind, we can build a sustainable economy because we have the fundamentals for resilience. And despite Keynes's famous quote that "in the long run we are all dead", resilience is essential for long term sustainability.
6. To engage in a holistic discourse on this, I will touch on how our industries, SMEs and business have been responding, how we are shaping our policies and strengthening them with targeted initiatives and lastly, how we are actively participating in regional and global agreements to boost trade - with capital investments as well as technological advancements – the key elements of our national aspirations.
7. In the trade sector, total trade in August 2021 saw an upward trajectory with exports growing by 18.4% to reach RM95.6 billion, and total trade also expanding by 15.7% to RM169.8 billion. Since February 2021, total trade recorded double-digit growth for seven consecutive months. Bank Negara have projected that our export growth for 2021 is at 8.2% driven mainly by increased external demand from Malaysia's major trading partners such as ASEAN, the People's Republic of China and the United States.
8. In the first half of 2021, FDI soared by 223.1 per cent compared to the same period in 2020. Malaysia recorded RM107.5 billion of total approved FDI and DDI in the manufacturing, services and primary sectors - almost 70% higher compared to the same period last year. These investments made involved 2,110 projects and are expected to generate 45,000 job opportunities.
9. An increasing number of capital-intensive projects approved by MIDA will help create a wide spectrum of high-value and skilled employment opportunities. Malaysia continues

to attract high value, high-tech investments through our pool of high-skilled talents and readiness in adopting advanced technology for value-added industries.

10. While the global vaccine distribution inequity had delayed our mass rollout initially, we have now secured adequate supply, even for booster shots. Thanks to an all-of-society approach, with the nation's key business sectors playing their role, our aggressive vaccine rollout is moving even faster than that of most advanced nations. As of 10th October 2021, the vaccination rate for the adult population has reached 90%.
11. The FMM-MIER Business Conditions Survey in the second half of 2020 noted that business activity, both local and export demand, would pick up in the second half of 2021. We are pulling out all the stops to make sure that progress remains constant, and to learn not only to live, but begin to thrive again, within a world where COVID-19 is endemic.
12. In this regard, pursuant to our National Recovery Plan (NRP), all sectors of the economy are up and running with commercial and retail outlets coming back to life again. Additionally, as of Monday, 11th October 2021, state borders are reopened and Malaysians are now allowed to travel overseas. We believe that this latest development will provide a strong impetus for the economy to be that vital shot in the arm as a booster for growth and recovery.

Ladies and gentlemen,

13. This journey of winning the trust of investors has been a two-way process: we have learned much from them to help shape our long-term plans and policies in a way that would also meet our National Investment Aspirations (NIA), which underscores Malaysia's comprehensive approach towards reinvigorating the investment ecosystem and respond adequately to emerging mega trends as well as the evolving needs of our investors. The NIA will ensure that our aspirations are reflected cohesively across all current plans, helping to streamline the mandates of all Investment Promotion Agencies as well as the GLCs and GLICs.
14. Moving forward, the Government will also continue to strengthen the country's economic fundamentals through the implementation of open, transparent, and business-friendly trade and investment policies. This includes the ongoing efforts by the Government to ratify the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) and the Regional Comprehensive Economic Cooperation Agreement (RCEP).

15. These agreements drive progress across a number of key objectives of our NIA. For example, the ASEAN Digital Transformation Agenda enables Malaysia's commitment to incorporate comprehensive digital economy elements in international trade arrangements that will improve stability, lower risks and reduced compliance cost. Additionally, these integrative measures will work towards greater enhancement of supply-chain resilience which is so essential for Malaysia, who's economy is substantively anchored on the vibrancy of international trade.
16. Malaysia will continue to target high quality, advanced technology-oriented investments in new growth areas that also focus on long-term sustainability that is compatible with the Environmental, Social and Governance (ESG) goals, as new investments that are anchored upon these elements will propel growth in the technologically-sophisticated sectors.
17. As encapsulated in the Twelfth Malaysian Plan (12MP), particular emphasis is given to ESG elements as the new licence for business to operate since there is increasingly no alternative with both consumers and investors demanding it. ESG will map how business can be a catalyst for addressing our climate crisis, and the challenges and opportunities that the climate change economy presents.

Ladies and gentlemen,

18. With Malaysia's strong economic fundamentals, we are confident in the prospect of sustainable recovery, equitable economic growth and shared prosperity. We are determined to achieve all this through collaboration, partnership and a spirit of optimism that envisions - not just Malaysia or the ASEAN - but the whole world, heading together toward a brighter future.
19. As the saying goes "No man is an island entire of itself: every man is a piece of the continent, a part of the main". Likewise, I believe no nation no matter how strong or advanced can succeed alone or can remain resilient as we continue to face the challenges that lie ahead. However, if we pool our strengths together, join hands in enhancing our efforts at integration and work towards the achievement of progress and shared prosperity, I believe we will succeed.