



KEMENTERIAN
PERDAGANGAN ANTARABANGSA DAN INDUSTRI

OPENING REMARKS

BY

**YB DATO' SERI MOHAMED AZMIN ALI
SENIOR MINISTER
MINISTER OF INTERNATIONAL TRADE AND INDUSTRY**

ON

**JAPAN – MALAYSIA ONLINE INVESTMENT FORUM
“MALAYSIA IN ITS PRESENT STATE”**

**6 APRIL 2021 (TUESDAY)
2.00 – 2.10PM (MALAYSIA TIME)**

*[Recording session on 31 March 2021 (Wednesday),
12.30pm at YBMK's Office, Putrajaya]*

Your Excellency Hiroshi Oka

Ambassador of Japan to Malaysia,

Mr. Nobuhiko Sasaki

Chairman of Japan External Trade Organisation (JETRO),

Ms. Mai Onozawa

Managing Director of JETRO Kuala Lumpur,

Distinguished panel speakers,

Business leaders,

Ladies and gentlemen.

Good afternoon.

1. First and foremost, I would like to extend Malaysia's appreciation to the Japan External Trade Organisation (JETRO), for initiating the online investment forum titled "Malaysia in its Present State" and the opportunity for Malaysia to co-host it. This virtual forum is a fitting platform for robust exchange of views and an ideal avenue to deepen understanding and appreciation of our mutual aspirations going forward.
2. As we know, 2020 has been a year of unprecedented challenges as we came under the onslaught of COVID-19. While the intensity and gravity may not be as severe today as we enter the second quarter of 2021, we are not out of the woods yet as our resources continue to be strained and our economy comes under pressure.

3. Nevertheless, our Governments remain steadfast in the face of these challenges as we redouble efforts to enable businesses to overcome the hurdles and trials confronting them.
4. Indeed, it is in this battle against the ravages of the pandemic that we see the courage of conviction, the resourcefulness and the resilience of businesses. Aided by the various economic stimulus packages injected by the Government, our businesses particularly the SMEs are getting a new lease of life and the crisis in turn has led to the enhancement of the use of digital platforms and digital solutions to drive commercial activity.
5. In this regard, it bears stressing that we have been building the necessary foundations to transform Malaysia into a regional leader in digital economy. Through the recently announced Malaysia Digital Economy Blueprint by the Right Honourable Prime Minister, Malaysia is expected to be among the first in this region to build a 5G ecosystem using internet and cloud services in real time. Indeed, Malaysia will continue to draw lessons from Japan's vast experience and expertise in automation, robotics, artificial intelligence and the Internet of Things.
6. With these synergies, I am confident that Malaysian and Japanese businesses could enhance collaboration towards increased adoption of high-technology and innovation, smart manufacturing, and all matters integral to the 4th Industrial Revolution.

7. Further building on these synergies, we should also capitalise on existing linkages in order to reinforce our commitment for the strengthening of Malaysia-Japanese commercial and trade trajectories. No doubt, the JACTIM must continue to play its crucial role in fostering regular dialogues and consultations with the Government.
8. As you may be aware, according to the latest Survey on Business Conditions of Japanese Companies Operating Overseas in ASEAN by JETRO, Japanese businesses in Malaysia achieved the fastest recovery in the region. Further, the survey showed that 37 percent of Japanese businesses, the highest in ASEAN, are looking forward to expand their operation.
9. I am confident that we are on the right track, as Japanese investments in Malaysia continue to be at the highest point to date, at RM91.4 billion, accounting for a total of 2,761 manufacturing projects, with 348,475 job opportunities created thus far. This demonstrates strong confidence and preference to invest in Malaysia. Our trade, while reporting a decrease by 5.3% in tandem with the global economic slowdown in 2020, still signifies the importance of our bilateral relations. I am optimistic that the numbers will soon pick up, as we transition into a post COVID-19 recovery period.
10. Incidentally, I have just returned from a very fruitful trade investment mission to Japan where we had a series of focussed engagements with our Japanese associates in various sectors. This is my first oversea trade investment mission, underscoring the importance and significance attached to Malaysia-Japan economic ties. In fact, I would

characterise my meeting with my Japanese counterpart as providing a new watershed in Malaysia-Japan trade relations, paving the way for even greater enhancement of our bilateral trade.

Ladies and gentlemen,

11. I am pleased to share that Malaysia's ongoing investment promotion efforts have successfully kept us on the map of investors, including Japanese investors. We believe that it is crucial to keep our investment policies relevant, resilient and responsive to the evolving ecosystem. Towards this end, Malaysia is currently undertaking concerted efforts to review our existing policies and restructure our investment strategy to ensure that implementation of high-impact projects can be expedited. Guided by this aspiration, MITI is spearheading a holistic reform of Malaysia's investment agenda.
12. This new agenda will be premised on the National Investment Aspirations (NIA) which will navigate Malaysia towards a regional investment hub with a view to increasing economic complexity, creating high-value jobs, extending domestic linkages, developing new and existing clusters, and improving inclusivity.
13. Our new investment strategies will provide the necessary impetus to pursue high-technology and sustainable investments as well as to intensify innovation, striking a balance between economic and environmental sustainability while reducing dependency on foreign labour, in line with global benchmarks in environment, social and governance (ESG).

14. Malaysia has always been an open trading nation and preferred investment destination and will continue to remain so driven by our Unique Value Proposition to investors.
15. Therefore, I urge Japanese investors to seize on this Unique Value Proposition, particularly in the high-tech sectors to consider Malaysia's lucrative offers and competitive incentives and tax breaks. Look at Malaysia as a gateway to the ASEAN market. Furthermore, investors will be able to leverage into the opportunities opened up by RCEP which provides a market of 3 billion people.

Ladies and gentlemen,

16. In closing, it cannot be overstressed that Japan is, and remains an important economic partner for Malaysia. This is demonstrated most prominently by our bilateral economic, trade and investment relations, which continue to grow from strength to strength despite the global challenges throughout the decades.
17. I urge both Malaysian and Japanese businesses, chambers and associations to have more frequent interactions, besides leveraging on each other's strength and capacity. Let us work together to enrich the value of our investments. Let us restart, recover, revitalise and reform towards greater economic resilience and progress.

Thank you.