

MITI MINISTER'S VISIT TO INVESTKL OFFICE

20 DECEMBER 2022

OPENING REMARKS BY

YB SENATOR TENGKU DATUK SERI UTAMA ZAFRUL AZIZ

Muhammad Azmi Zulkifli,
CEO of InvestKL

YBhg. Datuk Bahria Mohd Tamil,
Deputy Secretary General (Investment),

Management Team of InvestKL,

Ladies and gentlemen,

Assalamualaikum Warahmatullahi Wabarakatuh and a very
good afternoon,

1. Thank you, InvestKL for the warm welcome. I am delighted to be here as the Minister of International Trade and Industry on my first official visit to the InvestKL office.
2. I would like to take this opportunity to recognise the InvestKL team for the many milestones achieved thus far and it is my highest hope that we continue to strengthen the partnership and cooperation between the ministry and agency levels. This is important in meeting MITI's goals of ensuring the continuity of the country's trade and investment agenda as a driver of economic growth, as well as its role in supporting industries to further grow and develop.
3. To that end, as Minister of MITI, I have identified and shared three primary priorities with other agencies. The first is to ensure that trade and investment continue to drive economic growth. The second is to boost investor confidence and increase FDI. Finally, we must ensure that Malaysian SMEs will benefit from the various bilateral and multilateral trade agreements.
4. We are focused on the ratification of the CPTPP, the implementation of the RCEP, as well as the Indo-Pacific Economic Framework (IPEF). This will no doubt elevate

Malaysia's competitiveness and increase our trade and investment opportunities.

Ladies and gentlemen,

5. Despite our progress towards endemicity, the global economy continues to face several challenges, including the ongoing effects of the pandemic, the fallout from the Ukraine war, high inflation — particularly for food and energy prices — and several climate change-related events that have disrupted economic activity.
6. This has led to IMF reducing their global growth forecast for next year from 3.8% in April, and more recently to 2.7% in October.
7. In line with this, the World Trade Organisation, or WTO, has reduced their forecast for international trade in October. They now predict that merchandise trade volumes will grow by only 1.0% in 2023, far less than the 3.4% they predicted in April.

8. I believe these are cause for concern, especially for a small and open economy like ours, where total trade now accounts for approximately 140 to 160% of GDP.
9. Even in the absence of any trade restrictions, trade policy uncertainty can worsen economic activity by causing firms to pause hiring and investment, and new firms to postpone entry into a market.
10. This has intensified economic competition. Investors are becoming more demanding, as they choose markets not only with the greatest growth potential, but increasingly, also those with firm commitments to ESG principles.

Ladies and gentlemen,

11. We are fortunate to be where we are today because of good policies in the past, but we must not take this for granted. Our competitors, particularly other countries in this region, are catching up.

12. We must constantly reinvent ourselves to maintain our competitive advantage and be ahead of the curve that will set us apart from other economies.
13. It's similar to selling a product: how do we rebrand Malaysia to the rest of the world as a top trade and investment destination?
14. On that note, I'd like to share that MITI, is finalising a 100-day plan to delve deeper into the nation's issues and challenges, and to develop solutions to address any shortcomings, as well as to improve MITI and its agencies.
15. For the nation's long-term benefit, we will continue to address "low-hanging fruit" issues before moving on to more complex ones.
16. This includes improving our strategic policies and frameworks, as well as enhancing our ease of doing business, while focusing on ESG and sustainability practices as we pledge ourselves towards a carbon-neutral by 2050.

Ladies and gentlemen,

17. InvestKL's mandate from the government was to attract 100 global multinational companies by 2020 to set up their regional hubs in Greater Kuala Lumpur. I am proud to learn that the team have surpassed the goal; and over and above this significant accomplishment are the value-add and immense spill-over that these investments bring. Congratulations to the team.

18. I was informed that InvestKL's new target of securing RM35 billion in investments by 2030 is off to a good start. As of Q3 2022 (30th Sept), InvestKL has secured over **RM20 billion in investments** and created more than **18,000 highly skilled regional jobs** for Malaysians by over **120 leading global companies**. Looking at the agency's track record and under the leadership of Encik Azmi, I am very confident this milestone will be achieved.

19. As a minister, I am committed to always extending my support and I would like MITI and InvestKL to further expand and deepen our engagements. I hope to establish more avenues and platforms to facilitate conversations between government and industries, so that we remain a globally

competitive nation for investments.

20. Before I end, I would like to emphasise that I look forward to an engaging and fruitful discussion, as well as working closer with the Invest KL team especially on your insights and exchange of ideas that will further propel Malaysia and Greater Kuala Lumpur as the preferred investment destination.

Thank you.

Wabillahi taufik walhidayah, wassalamu'alaikum wa rahmatullahi wa barakatuh.