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**SELANGOR ASEAN BUSINESS CONFERENCE 2018:
“ECONOMIC ASPIRATIONS OF MALAYSIA IN ASEAN”**

**KEYNOTE ADDRESS BY
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**MITEC
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Yang Berhormat Dato' Teng Chang Khim,

Chairman of Standing Committees for Investment,
Industry & Commerce, Small & Medium Enterprise
(SME), State Government of Selangor;

Dato' Hasan Azhari Bin Hj. Idris,

Chief Executive Officer of Invest Selangor;

Your Excellencies, High Commissioners, Ambassadors
and representatives from foreign high commissions and
embassies;

Distinguished delegates, ladies and gentlemen,

1. Thank you for inviting me to deliver this keynote address.
2. I would like to congratulate the organisers for putting together this conference, which was started last year, to offer a comprehensive view into tackling current issues and opportunities that impact the business landscape in ASEAN.
3. I would also like to say that I am amazed to see how far we have come. I say “we” because I am very proud to be associated with the conference which was founded as part and parcel of Selangor’s vision to be transformed into a regional Smart State.

4. Back in 2015 when this vision was articulated, Selangor was an 'opposition state'. As you know today, that term no longer applies because with the takeover by Pakatan Harapan, Selangor is now working hand in hand with the Federal Government for the advancement of the well-being of the people and the nation.

5. In the spirit of federalism, such collaboration can and will produce positive results quickly and effectively. For example, the 10-year impasse over the restructuring of Selangor's water infrastructure was resolved within a hundred days of Pakatan Harapan taking over the federal government.

6. I am, therefore, very confident that Selangor's transformation trajectory will come to fruition sooner rather than later.

Ladies and gentlemen,

7. The theme of this year's conference is most timely and appropriate. As ASEAN gets closer together with the process of integration, the economic aspirations of member states will no doubt have an impact on the grouping.

8. As I have alluded to earlier, Malaysia's economic aspirations must be seen in the context of recent circumstances. The overwhelming victory of the people in the 14th General Elections held on 9 May 2018 came after more than six decades of one-party rule. The peaceful transition of power to Pakatan Harapan is nothing short of a historic moment.

9. Under the leadership of Prime Minister Tun Dr Mahathir Mohamad, we have embarked on a series of major reforms, which include empowering institutions such as the Malaysian Anti-Corruption Commission and establishing the independence of the Auditor-General's Office of Malaysia.

10. Our reforms are not just institutional, they also stress on values. The rot of corruption needs to be cleansed from the heart of the nation. In line with this we have a fresh emphasis on integrity and ethics in government and between government and the people. Indeed, we have come to look at corruption and the reckless pursuit of selfish gain as a form of economic sabotage.

11. While institutional reforms are being implemented, new economic directions and imperatives are initiated to facilitate sustainable economic growth. This will be carried out simultaneously with efforts to strengthen the Government's fiscal position.

12. At the same time, operating expenditure will be optimised and unsustainable development projects will be reviewed. High-impact projects that can directly enhance the well-being of the people will be continued.

Ladies and gentlemen,

13. Malaysia has the potential to harness its economic capabilities to be the economic powerhouse of the region.

14. It is imperative for Malaysia to embrace its role within ASEAN by leveraging on our strengths to push this agenda forward.

15. As one of the five founding members of ASEAN, there are high expectations for Malaysia to establish a stronger ASEAN community.

16. The success of the ASEAN Economic Community (AEC) will be reflected in the improvement of people's lives and more importantly, how people take ownership of it – and the Government should champion for a more inclusive environment that welcomes a Malaysia that is not only proud, diversified and democratic – but also prioritises the prosperity of the Malaysian economy in ASEAN.

17. Malaysia will continue to work closely with all members of ASEAN to enhance the spirit of multilateral cooperation. As an example, just the day before, Malaysia set another milestone in strengthening bilateral cooperation with Singapore, in the historic signing of the Side Letter to defer the Kuala Lumpur – Singapore High-Speed Rail Project.

18. The statistics show how crucial trade with ASEAN is for the Malaysian economy. From January to July this year, Malaysia exported a total of RM162 billion to ASEAN countries, representing over 28 per cent of our total exports. On the other hand, over the same period we imported RM127 billion from ASEAN, a quarter of our imports.

19. Let there be no doubt, Malaysia is firmly committed to ASEAN and there is much untapped potential to expand our exports to the sizable markets of Vietnam and Indonesia as well as the Philippines.

20. Malaysia's dynamic manufacturing and service sectors continue to draw in investment from global companies. This appeal will only improve with the reforms that we are undertaking to improve our institutions, infrastructure and strengthen the skills of our labour force.

21. In the wake of the US-China trade war, we are seeing increased interest from Asian businesses who are looking at Malaysia as an ideal investment location from which to weather any future storms.

Ladies and gentlemen,

22. Economic reforms are needed to keep Malaysia fresh and vibrant and soaring into a regional economic powerhouse. As we bear the fruits of a bigger economic pie, we will ensure all Malaysians benefit from growth.

23. In this regard, major national policies will be reviewed to ensure sustainable economic development and distributive justice. Subsequently, the 12th Malaysia Plan between 2021 and 2025 will focus on a detailed and comprehensive development strategy for Malaysia.

24. With a strong economic outlook for Malaysia, we can look forward to the economy progressing and contributing to the growth within ASEAN. However, we should continue to advocate strongly for responsive governance to strengthen institutions and mechanisms in ASEAN – giving emphasis to pillars like female leadership, youth entrepreneurship and the enrichment of business as well as trade.

25. I believe that the World Economic Forum on ASEAN, taking place next week in Ha Noi, Viet Nam, could serve as a further platform to engage regional leaders, global shapers and technological pioneers in dealing with economic issues and wealth creation in the region.

26. The paradigm change that is slowly but surely happening in the developed nations by way of the Fourth Industrial Revolution will have a direct impact on ASEAN. The question is whether ASEAN is ready for the tremendous changes in the next 5 – 10 years.
27. The concept of strength in numbers would mean that no member should act alone and that we have to work harder to find ASEAN solutions, regional collaborations and strategies to strengthen our industrial production, services and our R&D. If Malaysia and ASEAN wish to succeed, it will be our mission to become an innovation hub, rather than a cheap labour production hub.

Ladies & gentlemen,

28. Malaysia must align with her ASEAN partners, work our competitive advantages and design ASEAN production and innovation networks. We believe that ASEAN can be driven by a new set of values in a partnership of nations working for their citizens' future. When Malaysia and ASEAN advance we shall be vibrant, modern and value-driven, but above all, represent the aspirations of the people.

29. With this, I wish everyone a pleasant experience at Selangor ASEAN Business Conference 2018.

Thank you.