

**EU-MALAYSIA CHAMBER OF COMMERCE AND INDUSTRY  
TRADE AND INVESTMENT FORUM**

**OPENING REMARKS BY  
Y.B. DATO' SERI MOHAMED AZMIN BIN ALI  
MINISTER OF ECONOMIC AFFAIRS**

**DOUBLE TREE BY HILTON  
16 JULY 2018**

**Your Excellency Maria Castillo Fernandez,**

Ambassador and Head of the European Union  
Delegation to Malaysia;

**Yang Berbahagia Tan Sri Dr. Rebecca Fatima Sta  
Maria,**

Chairperson of European Union - Malaysia Chamber of  
Commerce & Industry (EUMCCI);

**Mr Roberto Benetello,**

Chief Executive Officer of EUMCCI;

Your Excellencies, Distinguished Board of Directors,  
Members and Partners of EUMCCI, Ladies and  
Gentlemen;

A very good afternoon to everyone.

1. I would like to thank the EU - Malaysia Chamber of Commerce and Industry for this invitation to meet with your community here at the European Union-Malaysia Trade and Investment Forum. It is my great pleasure to be here.
2. Indeed, today's event comes in the wake of a momentous occasion in Malaysia's history.
3. With apologies to Shakespeare, may I say that "now is the winter of Malaysia's discontent made glorious spring" by the overwhelming victory of the people in the 14<sup>th</sup> General Elections held on 9<sup>th</sup> May 2018.
4. Coming after more than six decades of one-party rule, the peaceful transition of power to Pakatan Harapan is nothing if not momentous and unprecedented.

5. Nevertheless, this victory will come to nothing if we renege on our pledges to the people whose legitimate expectation is nothing short of good governance, transparency, and accountability and a zero tolerance for corruption.
  
6. Under the leadership of Prime Minister Tun Dr Mahathir Mohamad, institutional reforms are being implemented and new economic directions and imperatives are being initiated.
  
7. In our drive to diversify our economy, Malaysia will intensify efforts to attract more quality Foreign Direct Investments. We want to encourage quality investments, particularly greenfield investments that contribute to real value creation that spur productivity, innovation and complement our business ecosystem.

8. We want to see the establishment of production plants and factories. We also want to see the transfer of technology, generation of employment opportunities and local small and medium enterprises moving up the value chain.
  
9. Malaysia is one of the fastest growing economies in Southeast Asia. In particular, trade and investment between Malaysia and the EU has seen solid growth over the past few years.
  
10. My presence here today signifies the very special relationship that the EU and Malaysia share. We cherish this partnership which has grown from strength to strength over the years. I am confident that under the leadership of Tun Dr. Mahathir Mohamad, this special relationship will endure and become even stronger.

11. As the second largest investor in Malaysia, and the second largest destination for Malaysian investment abroad, the EU undoubtedly counts not just as a strategic but an absolutely crucial partner in trade and investments.
12. As of the first quarter of 2018, the EU recorded a total FDI of RM107 billion. By the same period, Malaysia had invested RM59 billion in Europe, mainly in services with a value of RM35.3 billion.
13. Total trade between Malaysia and the EU increased by 25.1% year-on-year in April 2018 to RM16.15 billion and accounted for 10.4% of Malaysia's total trade. Exports registered a total of RM8.93 billion, a growth of 19.5%, and imports grew by 32.8% to RM7.22 billion.
14. At present, there are more than 1,000 European companies that have invested in the Malaysian economy.

15. Many are prominent MNCs and large corporations who chose Malaysia to establish their regional and global operations, covering a wide range of industries from automotive to electronics and logistics.
  
16. With a new administration at the helm, Malaysia continues to embrace an open economy actively involved in global trade and investment. Nevertheless, as an emerging economy, we would expect that any negotiations for trade agreements whether bilateral or multilateral should be not only free but fair.
  
17. The Malaysian economy is strongly supported by SMEs. It is therefore crucial that any form of negotiations involving trade agreements must ensure that their interests are not compromised and that sufficient opportunities be given to them to move up the value chain.

18. The strategic position occupied by Malaysia within ASEAN, its central role in fostering economic integration within the region, and its support for the establishment of the ASEAN Economic Community have encouraged many European companies to establish regional hubs in the country.
  
19. Malaysia's solid infrastructure, political stability and a ready pool of knowledge workers make us an attractive destination for investors looking for an affordable and strategically-placed base in ASEAN.
  
20. We are committed to reinforcing Malaysia's role in ASEAN integration. Like the EU countries, we recognise that we are better together, that our common future lies in greater unity, integration and beneficial trade and commerce.



21. The concept of ZOPFAN, that the region should be a Zone of Peace, Freedom and Neutrality remains relevant. ASEAN nations do not reject engagement with the rest of the world, instead we embrace it, but this must be founded upon respect for our sovereignty and our people's aspirations for peace, security and development.
  
22. In this regard, I believe the Westphalian model of international relations should still hold. Thus, the right of sovereign nations to govern their peoples free of outside interference remains legitimate.

Ladies and gentlemen,

23. I would like to conclude by saying that while competition is important, fairness and mutual respect in dealings among nations is equally important.

24. The European Union was established on the firm foundation of the rule of law. But I believe an even greater rule is the categorical imperative expounded by the German philosopher, Immanuel Kant, a principle that transcends economics and trade dealings striking at the very heart of international relations. And I quote:
25. “Act in such a way that you treat humanity, whether in your own person or in the person of any other, never merely as a means to an end, but always, at the same time as an end.”
26. Yes, there is no nation in this world which is not comprised of humanity. And if humanity is our end, I am convinced that, as people prosper in trade and commerce, they will form stronger bonds of friendship and their nations will build ties of comity for lasting mutual peace and prosperity.

Thank You.