



**SPEECH TEXT
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MINISTER IN THE PRIME MINISTER'S DEPARTMENT (ECONOMY)**

LAUNCH OF AMCHAM'S ECONOMIC IMPACT SURVEY 2020/2021

8 FEBRUARY 2022

Good Afternoon

His Excellency Ambassador Brian McFeeters, US Ambassador to Malaysia,

Antony Lee, Chairman of AMCHAM

Siobhan Das, CEO of AMCHAM

Fellow dignitaries, ladies and gentlemen,

1. Thank you for the invitation to this important event on the occasion of the release of AMCHAM's 2020/2021 Economic Impact Survey.
2. I would also like to thank the AMCHAM member companies with active investments here for their continued commitment to Malaysia.
3. The Economic Impact Survey gives a glimpse into the contributions of American investments to our growth and development.
4. It is important to effectively communicate the impact of your presence on the lives and livelihoods of Malaysians.
5. Your membership covers a broad scope of industries in both manufacturing and services – ranging from the well-established electronics industry to the

aerospace, energy, ICT, financial services, and industries related to the emerging healthcare sector.

Ladies and Gentlemen,

6. Over the many years in my service to the people of Malaysia, I have witnessed the pivotal role American businesses played in developing the talent and technological base that has enabled Malaysia to grow.
7. I cannot agree more with the clearly articulated theme today: *'Local For Global'*.
8. The commitment and ethos of your corporate culture are demonstrated by your commitment to foster local talent and the transfer of knowledge, so that the local ecosystem develops beyond local demand and becomes capable of delivering products and services globally.
9. We are very proud of how Malaysia has, over the past 50 years especially, been able to plug into the global trading system.
10. With AMCHAM as an extension of this commitment. The past two years have been very challenging for all of us. During this period, despite ups and downs, I am pleased to acknowledge the Chamber's commitment to ensure Malaysia continues to provide a conducive business environment for foreign investments to flourish and grow.

Ladies and Gentlemen,

11. With regard to the 2020/21 Economic Impact Survey, it is worth noting that the 80 companies surveyed have recorded RM165.73 billion in cumulative FDI. The amount is a lot higher as the survey only covers a small percentage of your membership.

12. And when more recent announcements, like Intel's RM30 billion, are captured in future surveys, we will be able to see the continued commitment of US companies to the country.
13. The survey highlights that these 80 companies not only support 134,000 livelihoods but make it a point to hire Malaysians - over 83% reported in the survey, but in some companies, this is well over 90% even 100%.
14. This accomplishment is only possible because of the commitment to transfer knowledge and the long-term embedding of a skills development culture. Job creation is an ongoing process, and the use of global talent in your companies had enabled Malaysians to be constantly learning while embedding into them, a culture of passing that knowledge on, to future generations.
15. Talent diversification and the empowerment and inclusion of women into the workforce are practices I have witnessed that extend the upskilling to sectors of the population that are sometimes overlooked. Coupled with the commitment to CSR and community - American companies have also touched the lives of many Malaysians.
16. Another important contribution American companies make is their focus on developing local capacity with strong vendor development programs, formal or informal, that transfer technical and managerial know-how to local SMEs.
17. Qualifying these Malaysian companies to meet global standards has allowed them to grow in a way that plugs them directly into global value chains, increasing their ability to compete globally.
18. Just recently, DOSM and MITI announced that Malaysian exports exceeded RM1 trillion for the first time. Indeed, our exports were valued at RM1.24 trillion in 2021. It is with your investments, and other FDIs, that Malaysia is able to pitch higher and deliver more.

Ladies and Gentlemen,

19. Each new investment that enters Malaysia, such as those from LAM Research, Dexcom, and the reinvestments your members make - all contribute to the country's expansion of our advanced manufacturing capabilities and expansion into manufacturing-related services and global hub growth.
20. Pre-existing vendors in company ecosystems have also established their footprints in Malaysia, further deepening the country's skills base.
21. This is a boon for Malaysia as we are able to capture more of each value chain, ensuring that Malaysia stays at the forefront of today's supply chains.
22. Malaysia is increasingly becoming a global hub for quality investments, creating high-value jobs.
23. This is not limited to manufacturing, as the survey reflects good growth in the services sector. Many industries, especially from the financial and ICT sectors, are discovering the benefits of making their bases in Malaysia, as a gateway to penetrate the regional and global markets.
24. Most recently, solidifying Malaysia's attractiveness as a business location, the Milken Institute's Global Opportunity Index, which measures a country's potential attractiveness to foreign investors, highlighted that Malaysia is Number 1 in South East Asia.
25. This is an endorsement of Malaysia as an attractive location for businesses and investors. Allow me to highlight some of the elements that make Malaysia appealing:
26. Malaysia has a business-friendly government and environment – and we will continue to be facilitative.

27. With the collaborative help of organizations like AMCHAM, we can together address many issues.

28. Our economic fundamentals and institutions, including the civil service, remain robust.

Ladies and Gentlemen,

29. As is evident in this survey, we as a country can rise to and embrace international standards and policies.

30. The education system is still producing graduates that can feed into the educated workforce and where English is widely spoken, making it easy for global investors to operate and access information.

31. Malaysia will soon be the 12th country to complete the ratification process of the Regional Comprehensive Economic Partnership (RCEP) Agreement this year.

32. CPTPP and the U.S.'s new Indo-Pacific Economic Framework will also provide more opportunities for the country to be a valued part of the global trading system.

33. Intellectual Property Rights are important for innovation. As local companies participate more and more in R&D, IP will increase in significance for investments to flourish. Malaysia's membership of WIPO and its ratification of the Paris Convention supports the work of MyIPO to secure this future.

Ladies and Gentlemen,

34. Of course, there is still a lot more work to be done as we cannot rest on past achievements if we are going to be a leading investment destination.

35. Malaysia is looking to deepen its talent pool with greater emphasis on STEM education, and ensuring all Malaysians are able to participate in the workforce.
36. To strengthen physical and digital infrastructure, most notable is the Digital Economic Blueprint.
37. We have committed to Industry 4.0 and to a pathway to greater automation.
38. With the help of your members and your Chamber's commitment to continue working closely with us, AMCHAM is able to help identify the areas of future growth so that we can continue on this path together.
39. Continued conversations around increasing productivity, inclusion and diversification of our workforce, interoperability for goods and services to flow more smoothly, not just regionally but globally, by taking advantage of new and emerging technologies MUST be acted upon for Malaysia to thrive.
40. AMCHAM over the years has been a good partner and we look forward to this conversation and collaboration to continue across all Ministries and their agencies with regular dialogues, informal and formal.
41. This survey speaks to that long-held commitment; that Malaysia, with work from your members to help guide us, will continue to be an attractive location for investors from America.
42. We appreciate that confidence and look forward to American companies continuing to increase their investments, which will only enrich the local ecosystem and enhance Malaysia's competitiveness.

Ladies and Gentlemen,

43. In conclusion, AMCHAM's '*Local for Global*' theme encapsulates this symbiotic relationship. By investing locally in our people and communities, Malaysia is securing its future as a global player. As a result, companies based here are

able to cater to and meet the demands of the global market and become global leaders.

44. Once again I would like to thank AMCHAM and its member companies for your contribution in our economic transformation.

45. We need to keep up this fantastic effort and work together to strategize ways to ensure Malaysia continues to be an attractive hub for investment.

THE END