

## China's investment to drive Malaysia to greater heights: Analysts

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KUALA LUMPUR: Malaysia is poised to receive a massive boost to its economy following China's commitment to invest a record RM170 billion, an analyst said.

SPI Asset Management managing director Stephen Innes said, as Malaysia already has very strong trade ties with China with investment flow especially into green energy and digital economy, these new investments would push for greater job creation, namely for future graduates that are struggling to find suitable paying jobs.

"This will be a boost for the future generation in keeping abreast of global changes and where the world is heading. It is critical for Malaysia to make this transformation after being dependent on oil and gas as well as oil palm industry for decades as those legacy economies are falling way out of favour in the new age world," he told Bernama.

Meanwhile, Pacific Research Center of Malaysia principal adviser Oh Ei Sun echoed similar views on creating more jobs with the hope that the jobs that would be created would be local jobs especially in the high technology and green technology sectors and others.

"On the other hand, to ensure that this investment commitments goes through, we also need to ease the process of doing business in Malaysia.

"For example, China's businesses can expect a so called one-stop service centre, where they do not need to go different government offices to secure permits and licences and so on in one go.

"Besides, when China was opening itself up for investments, they made sure there were infrastructures such as access to industrial parks, roads, water and electricity. So, we too need to ensure that we provide similar conveniences to them.

"We need to do our part in making sure the ease of doing business is there, they, meanwhile, will need to fulfil their commitments to us," said Oh.

Another analyst, Bank Muamalat Malaysia Bhd chief economist and social finance Dr Mohd Afzanizam Abdul Rashid said given that China has always been Malaysia's main trading partner and investor, certainly such announcement would solidify their presence in key industries such as automotive and rail infrastructure.

"Following this, ensuring the technology transfers and linking with domestic firms in the supply chain would be the strategic imperatives for capacity building for the local players. So overall, it's a positive development for the Malaysian economy," he said.

The RM170 billion worth of investment commitments from China is the biggest so far from the republic.

It is from a total of 19 memoranda of understanding sealed between businesses in China and Malaysia.

Prime Minister Datuk Seri Anwar Ibrahim said this showed the confidence of the investors in the country.

"This is historic. It is good for Malaysia and the future," he said when announcing the news at the Malaysia-China Business Forum held in Beijing, China earlier today, which was attended by some 1,000 business leaders from both countries. --  
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