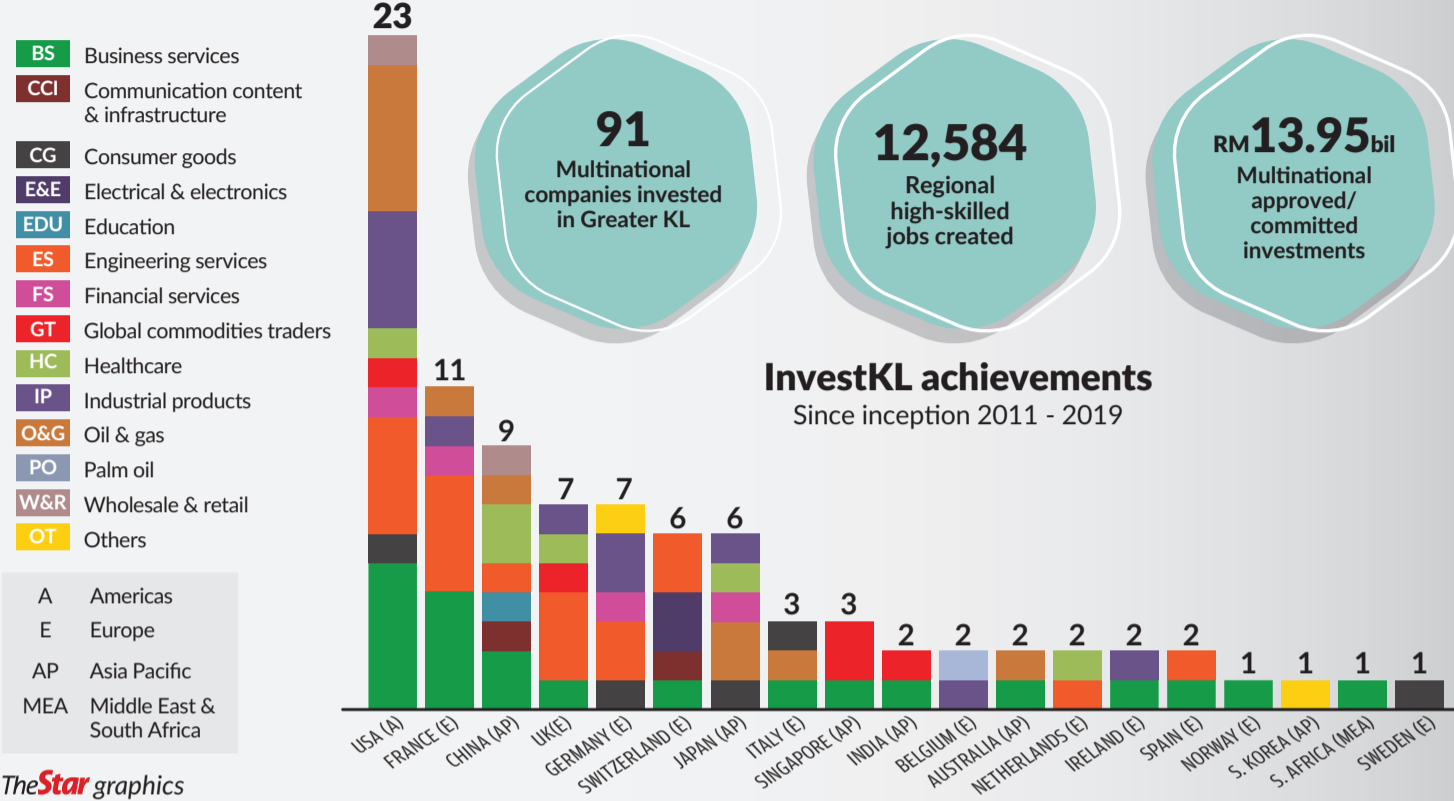


Number of MNCs under InvestKL as of Dec 31 2019



TheStar graphics

InvestKL confident of attracting MNCs

Investment agency says can get at least 10 multinational companies

INVESTMENT

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PETALING JAYA: InvestKL is confident it can attract at least 10 multinational companies (MNCs) into the country this year, a feat that would surpass the investment promotion agency's target of cumulatively bringing in 100 foreign investors to Malaysia by 2020.

From 2011 to 2019, InvestKL's record stood at 91 MNCs, bringing in total investments worth RM13.95bil and creating 12,500 jobs, chief executive officer Muhammad Azmi Zulkifli said.

"Last year was one of our best years in terms of performance. We brought in 13 MNCs, accounting for RM2.3bil in investments and creating 890 high value jobs and this was on the back of a strong economic cycle. We saw a very good representation of companies from Europe, US and Asia. That's very encouraging and we will be building on the momentum of 2019," he told StarBiz.

Azmi said the "strong momentum" of 2019 was evidenced in early 2020.

"Fast forward to today, we are going through a pandemic - an unprecedented one.

"But are we still optimistic of attracting 10 MNCs this year? Yes, we are.

"With 10 companies, it will bring our accumulated MNCs to 101. We believe we can achieve it because a number of discussions are still carrying forward from some years back."

Muhammad Azmi noted that discussions with foreign investors could take "several years" before coming into fruition.

"Even during the movement control order (MCO) these discussions, as well as engagements with MNCs, are still continuing and a

"Last year was one of our best years ... we will be building on the momentum of 2019."

Muhammad Azmi Zulkifli



number of them are saying that they're going ahead with their plans. So that's why we're optimistic."

InvestKL is an investment promotion agency under the International Trade and Industry Ministry. It is tasked to attract large global multinationals to establish regional business services headquarters in Greater Kuala Lumpur and strategically grow their business in Asia.

Separately, Azmi said the various initiatives granted by the government in the National Economic Recovery Plan (Penjana), announced on June 5, was timely.

"The stimulus is timely to really put Malaysia out there; to signify that we are interested and that we want you to come into Malaysia and perhaps look at some activities that you can relocate into Malaysia.

"At the same time, it also helps to stimulate

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the economy for local companies that want to expand, reengineer their activities or even repurpose their plants."

Azmi acknowledged that while the Penjana initiatives were focused a bit more on the manufacturing sectors, it would still bode well for agencies such as InvestKL in attracting foreign investors.

"The initiatives ensure that Malaysia continues to attract the right type of manufacturing activities.

"We embarked on the Industry 4.0 initiative back in 2018 and we must continue to stay on track in that perspective

"That's because the facets of industry 4.0 includes automation and Internet of Things, which caters to the higher knowledge-based, skilled workers that Malaysia has.

"With Penjana, the government is consistent in ensuring that we are helping businesses, helping the people and also making sure that cash is in the hand of the people to stimulate the economy as a way forward."

To tackle the rise in Covid-19 infections in the country, the government implemented the MCO on March 18. On May 4, a conditional MCO was enforced to allow businesses to re-open for the economy to recover.

As the number of infections started to drop, Malaysia entered into a recovery MCO phase from June 10 to Aug 31.

Muhammad Azmi said one of the plus points coming out of the pandemic and the MCO is that companies and even the government have accelerated their digitalisation activities.

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US Fed's Powell says economy's path ahead likely to be challenging

WASHINGTON DC: The US economic recovery from the novel coronavirus epidemic is set to be challenging and there will be no quick fix, Federal Reserve chair Jerome Powell said on Friday in comments that reinforced his recent cautionary stance.

"Lives and livelihoods have been lost, and uncertainty looms large."

Jerome Powell

"We will make our way back from this, but it will take time and work .

"The path ahead is likely to be challenging," Powell said in introductory remarks for a discussion by video conference with local community leaders in Youngstown, Ohio, on building a resilient workforce.

"Lives and livelihoods have been lost, and uncertainty looms large," the central bank governor said.

Earlier last week, in two separate appearances before lawmakers in the US Congress, Powell made plain that the United States faces a long overall recovery despite recent encouraging economic data on job gains and consumer spending.

A full recovery, he has said, hinges on the country bringing the epidemic, which has killed more than 118,000 Americans, fully under control.

California, North Carolina and a string of United States cities mandated or urged mandatory use of masks on Thursday to get a grip on spiralling coronavirus cases as at least six states set daily records.

Last Friday, Boston Fed President Eric Rosengren also cautioned that the continued spread of the virus could hamper the US economic rebound, and that more fiscal and monetary support will likely be needed.

Powell and numerous other US central bank officials have already called on Congress to provide more government aid.

Congress has allocated nearly US\$3 trillion for coronavirus-related economic aid and the Fed has pumped trillions of dollars of credit into the economy to cushion it from the fallout from the epidemic.

But some Republicans have been resistant to doing more quickly, especially given recent positive economic data. — Reuters