



MESSAGE FROM DATO' THAN TAI HING AMBASSADOR OF MALAYSIA TO THE LAO PDR ON THE OCCASION OF THE 56TH ANNIVERSARY OF THE INDEPENDENCE OF MALAYSIA

In conjunction with the 56th Anniversary of the Independence of Malaysia, I wish to extend my warmest greetings *Salam 1Malaysia* to the Malaysian community in the Lao PDR.

- We are gratified to note that Malaysia has seen rapid economic growth under the Right Hon Prime Minister Dato' Sri Mohd Najib bin Tun Haji Abdul Razak's 1Malaysia initiative. The Prime Minister's Economic Transformation Program (ETP) has put Malaysia in the right path towards achieving per capita income of at least USD15,000 by the year 2020 when at present per capita income has already reached USD10,000.
- We are very much encouraged to note that the Malaysian economy performed better than expected in 2012, recording a strong growth of 5.6 percent. The overall growth performance was driven by higher growth in domestic demand, which outweighed the negative impact from the weak external environment. Export stood at USD234 billion while import was at USD192 billion, giving a comfortable surplus of USD42 billion. Poverty rate is now at just 1.7 percent compared to 60 percent when the country achieve its independence 56 years ago, while inflation rate is at only 1.2 percent – one of the lowest in the region.
- Under the 1Malaysia initiative and as part of the goal to ease the burden of the Malaysian public, the Prime Minister had introduced various programs such as the 1Malaysia Housing Project (PR1MA), 1Malaysia Clinic, 1Malaysia Training Scheme,

1Malaysia Books Assistance, 1Malaysia Menu, and 1Malaysia People's Assistance (BR1M). These initiatives have successfully brought positive changes to the people's quality of life.

- Earlier, the Prime Minister also introduced the National Key Result Area (NKRA) to fulfil the people's needs and improving the public delivery system covering the 7 key areas of reducing crimes, combating bribery, improving access to quality and affordable education, increasing the quality of life for low-income household, upgrading and improving of rural infrastructure, improving urban public transportation system, and combating the rising cost of living.
- Bilaterally, Malaysia and the Lao PDR have maintained very close and warm bilateral ties premised on a brotherly relationship based on trust, mutual respect, goodwill and understanding since the establishment of diplomatic relations between Malaysia and the Lao PDR 47 years ago. The cordial relationship between our two friendly nations has strengthened over the years with the continuous exchanges of high-level visits between leaders of both countries. The latest was the Working Visit of the Prime Minister of Malaysia, the Right Hon Dato' Sri Mohd Najib to attend the 9th ASEM Summit in November last year and the Visit of the First Lady of Lao PDR, HE Mdm Keosaychay Sayasone to attend the Global Summit of Women in Kuala Lumpur last June.
- I am happy to note that bilateral trade and investment between our two countries have always been on an upward momentum except for the years during the global economic downturn. Nonetheless, the current state of bilateral trade exchanges is regarded as small, far below potential considering the close relationship between our two countries, not only bilaterally, but also within ASEAN and multilateral fora. With further commitment from both countries to enhance economic cooperation, I strongly believe that the growth of two-way trade could be further accelerated in the years to come.
- Malaysia follows with keen interest the impressive economic growth of Lao PDR of more than 8 per cent recorded over the past few years, which is among one of the highest in the region. More Malaysian companies are exploring investment opportunities in the country.



Malaysia is currently ranked the sixth (6th) largest foreign investor in Lao PDR with an estimated investment value of around USD430 million, in diversified sectors of the economy including finance and banking, insurance, hydropower projects, mining, manufacturing, construction and property development, agriculture and forestry, tourism, hospitality and services industry. Two Malaysian companies are currently involved in the development of the Special Economic Zone (Savan-Seno SEZ in Savannakhet) and the Specific Economic Zone (Dongphosy-Nelamit in Vientiane). These Special and Specific Economic Zones would certainly provide important avenues for the enhancement of economic development in Lao PDR.

- Additionally, another Malaysian company – Giant Consolidated Ltd signed a Master Concession Agreement with the Government of the Lao PDR to construct the 220km Electrified Double-Track Standard-Gauge Railway from Savannakhet to Lao Bao (Vietnam Border). The largest Malaysian bank – Maybank has also opened a branch in Vientiane that was officiated by the Prime Minister of Malaysia last November. The opening of Maybank's first branch in the Lao PDR signaled the full confidence that the Malaysian business community had of the continued political stability and unimpeded economic growth of the Lao PDR. The presence of Maybank in the Lao PDR also completes the bank's presence in all ASEAN countries that would contribute towards facilitation of intra-trade and investment, contributing towards achieving the target of ASEAN Economic Community by 2015.

- The tourism industry has played an increasingly significant role in contributing towards the growth of the economy of both Malaysia and the Lao PDR. With 3.3 million arrivals to Laos in 2012 and the successful hosting of the ASEAN Tourism Forum (ATF) in January and earning a feather in the cap with the award as the World's Best Tourist Destination 2013 in May 2013, spell bright prospects for the development of Lao Tourism industry to become one of the largest earners of foreign exchange in the country. Through tourism exchanges, people-to-people contacts between our countries are on the rise, helped by AirAsia direct flight from Kuala Lumpur to Vientiane since 2007. With AirAsia's three times per week direct flight, there will be an increase of tourists between Malaysia and Laos especially during the ASEAN Tourism Forum (ATF) 2014 in Sarawak, Malaysia in January 2014 and the Visit Malaysia Year (VMY) 2014 campaign that is on the way.
- Malaysia is fortunate enough to have its fair share of the global tourism market. Malaysia received 25.3 million tourists last year, making us the 9th most visited country in the world for the 3rd consecutive year. Our tourist receipts of RM60.6 (about USD20) billion made tourism the 3rd largest foreign exchange earner for the country. Our target is to attract 26 million in 2013 and 28 million in 2014 during VMY. By 2020, Malaysia hopes to hit 36 million tourist arrivals. Malaysia's tourism industry will be filled with many exciting events and creative luxury tourism products and services apart from the existing attractions, as we move towards 2020. We would like to welcome all of you to visit Malaysia at any time convenient to you.
- It is encouraging to note that both countries have quite a similar approach in our national socio-economic development strategies, through our respective 5-Year National Socio-economic Plans. Malaysia stands ready to share our experiences in our 5-year national development plans, particularly at tackling socio-economic issues, especially poverty eradication and equitable income distribution. It is clear that the objective and ultimate aspiration of our national plans is to provide a better quality of life to the general population in our respective countries. There are growing opportunities for economic collaborations, especially

in tourism, trade and many areas of investment between business communities of our two countries in relation to the implementation of our national plans.

- I sincerely hope that the Lao Government will continue to provide business opportunities to Malaysian companies in order for them to participate in its socio-economic development programmes and strategy and also by welcoming more Malaysian companies to invest in Laos. Malaysian companies are well placed in terms of experience and capacity to work together with Lao partners to identify business opportunities to help develop the rich natural resources industry, hydropower and renewable energy resources, as well as the non-resource based industry of the Lao PDR.
- As the Ambassador of Malaysia to the Lao PDR, I look forward to further strengthening the existing warm and cordial bilateral relations as well as increase in bilateral trade and investments. In this regard, I would like to extend my utmost appreciation and thanks to the Government and friendly people of the Lao PDR for their warm hospitality, solidarity and excellent support extended to the Embassy of Malaysia as well as to fellow Malaysians residing in this beautiful country.
- I would like to take his opportunity to extend the best wishes of the Government of Malaysia to the Government and people of the Lao PDR for the continued success, progress, prosperity, peace and stability. Embassy of Malaysia Vientiane, Lao PDR 31 August 2013.

