

# M'sia needs to intensify efforts to be competitive

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**KOTA KINABALU:** Malaysia has to intensify its efforts to be on par with developed nations to enable her to compete effectively at regional and global levels.

"For Malaysia to be a high income nation of US\$15,000 to US\$20,000, we have to constantly ensure that we are ahead of other developing economies, said senior Director of Malaysia Productivity Corporation (MPC), Lee Saw Hoon said yesterday.

She said Malaysians have to enhance the performance of their businesses and being successful alone is not enough.

"These successful businesses must be able to compete among the best to be chosen as the most excellent company in Malaysia and globally. Forging competitiveness is one of the main concerns in the nation's transformation towards a high income economy," she said.

Malaysia ranks 26th position with an improvement



Kamaruzaman (right) and the Deputy Vice Chancellor of Student Affairs & Alumni, Prof. Madya Dr Haji Kasim Hj Md Mansur at the 13th UMS Student Affairs Appreciation Night at Promenade Hotel Kota Kinabalu.

in overall competitiveness index of 4.88 out of 7 as reported by the World Economic Forum (WEF), the Global Competitiveness Report 2010-2011.

Among the Asia Pacific countries, Malaysia ranked 8th position, ahead of countries like China, Thailand,

India, Indonesia and the Philippines. The top 10 most competitive countries are Switzerland, Sweden, Singapore, United States, Germany, Japan, Finland, Netherlands, Denmark and Canada.

Malaysia's ranking at 26th position is essentially

the result of unfavourable assessment particularly in terms of business costs of terrorism, 103rd position and reliability of police services, 50th position which is perceived to impact significantly on business costs, she said.

The other factors that

had affected Malaysia's competitiveness performance are technological readiness, health and primary education as well as labour market efficiency.

Lee added that, 'while we acknowledge that there are a number of areas for improvement, the report also highlighted a number of competitive advantages for Malaysia.'

Malaysia scored the highest in the Legal Rights Index together with Singapore and Hong Kong SAR. Malaysia also scored high at fourth on the Strength of Investor Protection.

Ranking at 11th position, Malaysia is also assessed to have a well-developed financial market development with ease of financing through local equity and ease of access to loans at 10th position. Venture capital availability, soundness of banks, transparent regulation of security exchanges have also contributed to financial market development in Malaysia.

Malaysia has taken proactive measures to enhance its competitiveness such as the New Economic Model (NEM) which emphasises on achieving high

income, the Government Transformation Programme (GTP) to enhance efficiency, and the implementation of initiatives under the Tenth Malaysia Plan, Lee added.

The second phase of Economic Transformation Programme (ETP) which was announced by the Prime Minister Dato' Sri Najib Tun Razak, in which 19 new Entry Point Projects (EPPs), from 10 NKEAs would contribute to nearly RM67 billion investments. It is expected to generate RM36 billion with 35, 000 new job creation.

Lee was speaking at a "Briefing on Malaysia's Competitiveness Performance and Quality Management Excellence Award 2011" programme in an effort to provide and share the information about Malaysia's competitiveness performance as reported by the Global Competitiveness Report as well as highlighting the numerous issues and challenges affecting Malaysia in becoming a high income economy by 2020.

The event at Promenade Hotel was attended by 80 participants.