



KEYNOTE SPEECH BY

**HE TUN DATO' SERI UTAMA AHMAD FUZI BIN HAJI ABDUL RAZAK
YANG DI-PERTUA NEGERI PULAU PINANG**

**WIEF ROUNDTABLE, "ECONOMIC REBOUND" :
"TRANSFORMING THE FUTURE"
27TH SEPTEMBER 2022 (TUESDAY) 9:20AM
AT SPICE CONVENTION CENTRE, BAYAN LEPAS, PENANG**

Bismillahirrahmanirrahim.

The Honble Dato' Ir Hj Ahmad Zakiyuddin bin Abdul Rahman,
Deputy Chief Minister 1, Penang,

The Honble Tan Sri Dr Syed Hamid Albar,
Chairman, WIEF Foundation,

The Honble Tun Musa Hitam,
Chairman, WIEF International Advisory Panel,

Excellencies,

Distinguished Guests,

Ladies and Gentlemen.

Assalamualaikum Warahmatullahi Wabarakatuh and a very good morning.

1. I wish to thank the WIEF Foundation, as the main organiser , and in particular, Chairman Tan Sri Syed Hamid Albar, for inviting me to speak at this WIEF Roundtable 2022.

2. This is a major WIEF event, and I am happy to see it taking place here for the first time in Penang, hosted by and with the full support of the State Government.

Ladies and Gentlemen,

3. The world today is facing multiple crises, beyond our own predictions-health crises, environmental crisis, political crises and geopolitical crises, all of which have been so, for the last few years now.

4. As we strive to become a high income nation, Malaysia itself is beset with issues of political stability, economic uncertainty and possible recession, climate change, social equality, inequitable development, quality education, rising inflation, depreciating currency beyond our control, and good governance, to name a few.

5. But the fact that so many very important figures are gathered here today, to talk about “Economic Rebound”, and “Transforming the Future”, the theme of the Roundtable, suggests to me that optimism is in the air and that the worst may be over.

6. We can all feel it. My main point today is to focus on that sentiment-OPTIMISM, and to make it felt more strongly among us, with a special focus on Penang.

7. In my experience, all successes, be it in the public sector, corporate world or in individual lives, are always accompanied very early in the process, by Optimism.

8. But what is Optimism? Is it just a sentiment, like joy or fear? Is it based on having an exclusive access to some information, like knowing what shares to buy? Is it hope?

9. To me, Optimism is more than all this. It is hope, but it is hope based on action. It is confidence, but not blind confidence.

10. It is based on knowledge about your weaknesses, about your strengths, and about the specifics of the situation in which you find yourself.

11. Optimism essentially is about having strategic knowledge, about knowing the world as it changes, and in that light, getting a better idea of the opportunities available and our capabilities to take advantage of them.

12. In fact, Optimism that succeeds is almost always based on practical knowledge about the present situation and the challenges that lie ahead.

13. When we now plan to “rebound” economically, we should set high goals for ourselves. And when we “transform” for the future, we should put to use all the key lessons we have learned from the recent crises.

Ladies and Gentlemen,

14. As the dust settles in the coming year, it appears that Malaysia is in a good place economically. In the second quarter of this year, our national GDP grew by 8.9%. For the whole of 2022, the forecast is that the GDP growth will be around 6%. This is impressive, and it is very good news indeed.

15. Since the Malaysian economy is inextricably linked to the broader world economy and therefore, highly globalised, this tells us that the global situation post-crisis, favours us. FDI into Malaysia, and into Penang in particular, has been extremely favourable. Supply chain disruptions or not, geopolitical crisis or not, the figures are extremely encouraging. For example, Penang recorded 76.2 billion MYR in approved manufacturing investments in 2021. This is a record jump of 440%, making up a share of 39% of the national FDI inflow for that year.

16. This is good reason for us to be optimistic. However, we should not be passively hopeful. Instead, we should be actively optimistic. We now know for certain that manufacturing is one of our strengths, especially where Penang is concerned.

17. There have been other strengths that Malaysia has, which became evident in the past two years. The logistical sector has been doing well, for example, not to mention the rubber-based industries.

18. With that strong wind in our back, we should dare to identify in practical terms other areas where we can grow and where we have the capacity to excel. This include looking at potentially attractive sectors like Islamic finance, the Halal ecosystem and the many halal sub-sectors, regional high-end tourism, ecotourism and medico-tourism. And in respect of agriculture, even for a State without much land like Penang, to look at modern farming. These are questions we must seek serious practical answers, as after all, it is our future that is at stake.

Ladies and Gentlemen,

19. I believe that in sectors that suffered badly, we must dare to scrutinise them deeply in order to identify the more promising paths that exist.

20. The services sector at large was hit hard in the last two-three years. Tourism, a sector so important to Malaysia, and to Penang especially, fared badly. With the rebound however, thanks to strong domestic travel, the tourism sector has shown heartening results. But we need to ask whether domestic tourism can be the solution in the long run? And can we rely on mass tourism to return to what it used to be? And, more importantly, do we want to be a destination for mass tourism?

21. Indeed what does the future of tourism look like, post-Covid? Will eco-tourism be something Penang is naturally well-equipped to excel in? After all, we do have amazing assets in this area which can be easily developed. UNESCO has now officially recognised the amazing biodiversity of Penang's hilly range. The Penang State Government has also tasked Penang Institute and Universiti Sains Malaysia's Centre for Coastal and Marine Studies-CEMACS-to work towards the establishment of the Middle Bank Marine Sanctuary between Penang Island and Seberang Perai as well as other ecological improvements.

Ladies and Gentlemen,

22. The MICE sector too looks promising. Malaysia, and also Penang, has made great advances in its global standing as a place that has the resources, the connectivity, the experience and the talent to hold important international gatherings. This very venue where we are meeting today, is a case in point.

23. Just a fortnight ago, Penang hosted the prestigious World Conference for Innovation and Technology (WCIT2022). And the first-ever World Seafood Congress to be held in Asia was also held here before the Covid-19 pandemic hit. The list of important international gatherings held in Penang is a long one.

24. George Town's stature as a UNESCO Heritage Site is far from being fully exploited. With more and more collaboration between stakeholders, steady economic benefits can be gained. Earlier this year, YAB Chief Minister Chow Kon Yeow, launched the Creative Digital District (CD-Square) in George Town, in the heart of the heritage site.

25. This is in line with the State's Penang2030 Vision. This initiative to turn the old business district of George Town into a digitalisation engine to stimulate start-ups, digital education and digital business among young and old stakeholders, is highly commendable. In a show of how public-private partnerships can provide synergy for growth, CD-Square has already led to the heritage site having 5G-standard connectivity. This should stimulate new business initiatives in George Town.

26. I believe the CD- Square idea was a timely move. The health crisis has after all shown us indubitably, how important general adoption of digital technology, high digital literacy in society, and reliable digital connectivity are, to our common economic and social future.

Ladies and Gentlemen,

27. During the worst of the Covid-19 pandemic, we were reminded of the importance of food supply chains to our wellbeing. This is even more so with the Ukraine War. How should we adapt? I believe there are vast opportunities for a country like Malaysia to rise to the challenge where food production and food supply are concerned. Indeed, food security should be considered good business, and not merely a defensive necessity.

28. The pandemic also reminds us that we have the professionalism in the health industry needed to advance further in this highly important field. In Penang, the medical sector has many branches, each of which holds great promise- in medical devices production, in medical tourism, in medical infrastructure, and in medical education. The State is indeed well-placed to be a regional leader or at least, to be at par with the best in the region.

29. Again, we feel a strong wind of optimism in our back.

30. Similarly, investments and innovations in agro-based and agrotech industries, in aquaculture, and in food supply infrastructure all hold great promise for Penang, and for Malaysia. Recently, I visited CEMACS at the Penang National Park. A lot of cutting age studies are being done there, most notably their research into modern cultivation of oysters. What they learn have been disseminated to the local fishing community. I look forward to learning about the huge long term economic rewards that will be reaped from this and other innovative scientific studies being done in Penang.

31. Knowing all this about ourselves, we have a good basis to be optimistic today, as we rise and rebound economically to face the post-crisis era, and in the process, help towards the socio-economic transformation of Malaysia.

Ladies and gentlemen,

32. Let me end by reiterating that Optimism is about being daring.

33. Realizing that the ecosphere in which you are functioning is healthy and growing makes you more daring, of course. Just as importantly, having collaborators to share ideas-and risks-with, makes you bolder. To be bold is easier if we are bold together.

34. The Penang State Government recently took the initiative to discuss federal-state relations, and to do this between state governments. This signals a growing realisation in the country, that we need to talk to each other. We need to develop channels for easy discussion between stakeholders-between the private and public sector, between scholars and policymakers, and between civil society and governments. More importantly, we need to see public policy being transformed into private action.

35. A major task facing Malaysians today is the need for synergy. We must stop working in silos. At the state level, therefore, I call on all those who love Penang to stimulate collaboration across industries and within industries, across sectors and within sectors, and across political camps and within political camps. It is high time that pettiness, within and between States be put aside in the larger interest of the country. Maturity and wisdom with a broader strategic perspective should guide us towards overcoming bureaucratic impediments that appear to hamper our collective efforts to achieve our common objectives.

36. I have been discussing with Penang Institute, on how we can achieve regular and serious dialogue-both formally and informally-within the state apparatus, involving the major players in the departments and government-linked corporations. We need to tap each other's brains and resources in order to succeed; and in the long run, it is through our willingness to work together, that we can put into action, our sense of hope and optimism.

37. I hope that everyone would be encouraged to be collectively bold, so as to be able to positively contribute towards the economic rebound and transformation necessary, for the long term benefit and well being of Malaysia and our beloved State of Penang.

38. With that, and with Bismillahirrahmanirahim, it gives great pleasure to declare open the WIEF Roundtable 2022.

Thank you and

Wabillahitaufig Walhidayah

Wassalamualaikum Warahmatullahi Wabarakatuh.