

# MALAYSIA WEEKLY ECONOMIC NEWS

(1 July 2019 – 5 July 2019)

Topics	Highlights
<p><b>Perak to be first state to introduce high-speed Internet in rural areas</b></p>	<p>Perak will be the first state to introduce the National Fiberisation and Connectivity Plan (NFCP), says state exco Hasnul Zulkarnain Abd Munaim. The state chairman for Communication, Multimedia, Non-Governmental Organisation and Cooperative Development committee said the Perak government had received the proposal from Tenaga Nasional Bhd (TNB) and would take at least two weeks to finalise the next course of action. NFCP is a government project that combines the use of fibre optics and wireless connectivity to provide high-speed Internet for people in rural areas. "Not only will the public get to enjoy high-speed Internet access, NFCP will also generate more interest in investors to come to Perak," Hasnul told reporters. It was reported that the government's aim was to ensure people had access to high-speed broadband system (HSBB) services at affordable prices. NFCP is geared towards making that happen while supporting the development of the digital economy and the Industrial Revolution 4.0.</p> <p style="text-align: right;"><i>(Source: The Star, 4 July 2019)</i></p>
<p><b>Malaysia is top choice for Italian firms</b></p>	<p>Malaysia remains a preferred economic and trade investment destination in the Asean region for Italian companies due to its strategic location and a socio-politically stable climate, says Italian Ambassador to Malaysia Cristiano Maggipinto. This is evident in the growing number of Italian companies making Malaysia their hub over the past five years, from a mere 50 to the current 108 companies, he added. Notable Italian companies operating in Malaysia include a global leader in the production of semiconductors, STMicroelectronics – of which its plant in Johor is one of the biggest and most important in the world – and Fassi, the manufacturer of loader cranes in Puchong, which exports its products to other countries in this region. Data from the Italian Institute of Statistics shows that Malaysia-Italy bilateral trade had increased by 23 per cent in the last five years, amounting to close to RM10.8bil. Italian exports to Malaysia in 2018 amounted to almost RM5.6bil with industrial machinery and equipment making up a third of its sales in Malaysia. Meanwhile, Malaysian exports to Italy in the same year amounted to over RM5.1bil, where a fourth of its exports consists of agricultural products, particularly palm oil. However, Maggipinto said there are still many unexplored opportunities that both countries should tap into, including in the oil and gas, renewable energy, waste management and automotive sectors.</p> <p style="text-align: right;"><i>(Source: The Star, 2 July 2019)</i></p>
<p><b>Govt to spend RM45bil this year for development projects</b></p>	<p>The government will spend about RM45bil in 2019 on more than 4000 development projects to spur the Malaysian economy, which has been affected by external vulnerabilities. According to Economic Affairs Minister Datuk Seri Mohamed Azmin Ali, the benefits of the multi-billion-ringgit development expenditure would flow into the following years and ensure sustained domestic economic growth. He pointed out that the government also focuses on measures to reduce regulatory burden in line with its aim to improve ease of doing business, adding that "there is still more work to be done". Among the steps being undertaken is the removal of non-tariff measures (NTM). As of 2018, the government has reviewed 668 NTMs under six ministries that had a total estimated compliance cost of RM2.96bil, with a potential cost saving of RM739mil.</p> <p style="text-align: right;"><i>(Source: The Star, 1 July 2019)</i></p>