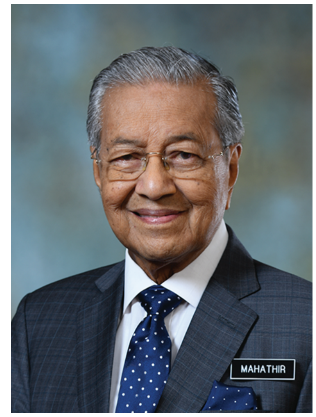

PRIME MINISTER
MALAYSIA

FOREWORD

The Government, since securing the mandate after the May 2018 general election, has worked hard in implementing various institutional reforms to combat corruption, protect civil liberties, enhance governance and restore the health of public finance. These reforms are being carried out to regain the people's trust in public institutions, raise their quality of life and restore Malaysia's reputation in the eyes of the world.

The institutional reforms are the launch-pad towards achieving a more sustainable and equitable long-term economic growth for our society. The dividend from our economic growth must be felt by all segments of our society, if Malaysia is to become a stable developed economy.

Our reforms have borne fruits and made our economy more resilient in the face of external pressures, particularly arising from persistent trade war between China and the United States. Despite widespread global economic slowdown, the Malaysian GDP growth accelerated to 4.9% in the second quarter of 2019, from 4.5% in the previous quarter. This makes Malaysia as among the few countries in the world that had stronger expansion this year.

However, more needs to be done. The Government has formulated the Shared Prosperity Vision 2030, an overarching goal of raising the living standards of all Malaysians to a decent level by year 2030. There are three objectives to be fulfilled under the Shared Prosperity agenda. One, to address income and wealth inequality in our society so that no one is left behind. Two, to create a more progressive and more participatory higher value economy. Three, to establish Malaysia as one of the leading economic pillars in Asia.

The Malaysian reforms are taking place amid drastic technological changes. Businesses should embrace and develop the relevant technology to move up to the next level. Specifically, businesses should digitalise to compete domestically and abroad more effectively. This will not only raise Malaysian productivity, but also income and the welfare of Malaysian workers.

As part of the Shared Prosperity agenda to raise the living standards of the *rakyat*, the Government will put in more effort in attracting high value-added, high technology and knowledge-intensive manufacturing investment into the country. This will create new higher-skilled and better-paying jobs for more Malaysians, while completing the domestic value chain of the five industries as targeted by the lndustry4WRD policy. The industries are electrical and electronics (E&E), machinery and equipment, chemicals and chemical products, aerospace and medical devices.

Meanwhile, tourism, private healthcare and professional services, as well as retail trade and food & beverages are among areas identified for further development under the services sector. In conjunction with Visit Malaysia 2020, the services sector will benefit immensely from higher tourist arrivals.

These major listed initiatives are only some of the steps we are taking to propel Malaysia into the ranks of high-income economies. But these efforts will fail if we are divided. It is important to realise that regardless of our backgrounds, all of us have a stake under the Malaysian sun. Only when we share the ideals can we fulfil our dreams.

Thank you.

DR MAHATHIR BIN MOHAMAD

11 October 2019