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KEMENTERIAN KEWANGAN MALAYSIA

STATEMENT BY YB DATO' SERI AHMAD HUSNI HANADZLAH, MINISTER OF FINANCE II

1. YB Minister of Finance II, Dato' Seri Ahmad Husni Hanadzlah, received a courtesy call from his counterpart from the Republic of Maldives yesterday, His Excellency Abdulla Jihad, the Minister of Finance and Treasury.

2. H.E. Abdulla Jihad is visiting Malaysia to foster closer ties between Malaysia and the Republic of Maldives. He stated that Malaysia is seen as a role model due to Malaysia's achievements in terms of successfully transitioning its economy from agricultural based, to manufacturing and now services. Also, in terms of infrastructure development, Islamic finance and education.

3. YB Minister of Finance II noted that a key success for Malaysia's development was the transformational programmes undertaken by the Government, namely the Government Transformation Programme (GTP) and the Economic Transformation Programme (ETP). That is why Malaysia's managed to achieve a 5.0% growth in 2015, despite current global economic conditions.

4. YB Minister of Finance II briefed that the GTP was launched to instill the principles of good governance in the Government and the concept of value for money in fiscal spending. Meanwhile, the ETP was launched after conducting a comprehensive study of Malaysia's strength and the future trend of global growth. As a result, 12 sectors were focused to increase investment that will spur job creation and higher wages.

5. On Islamic finance, YB Minister of Finance II shared that Malaysia is the leading proponent, with 57% market share of the global sukuk outstanding as of 2015. In addition, there is growing interest in Islamic finance with the emergence of markets such as in Hong Kong, Singapore and the United Kingdom. He stated that growth in Islamic finance should be encouraged with the creation of many other Islamic financial centres to strengthen the role of Islamic finance in the world.

6. H.E. Minister of Finance and Treasury of the Republic of Maldives concurred that Islamic finance has tremendous potential and this is one of the country's ambition when it launched the strategic plans for the Maldives Islamic Finance Centre. Although, mainly a tourism based economy, the Republic of Maldives would like to expand its ancillary services and he cited that the country would like to emulate Malaysia in this regard.

7. YB Minister of Finance II informed that Malaysia has been effective in the implementations of its programs due to its 5-year plan. In contrast

with many countries only having yearly development plans. More significantly, Malaysia is planning 'Beyond 2020'. As such, YB Minister of Finance II noted, Malaysia is ever willing to share its expertise and experience with other countries especially as it would lead to shared global prosperity.

8. YB Minister of Finance II and his counterpart agreed to explore further on the partnership between the two countries, such as exchange programs and conducting study visits.

Office of the Minister of Finance II
Putrajaya

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