

**OPENING KEYNOTE ADDRESS**  
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**INTERNATIONAL CONFERENCE ON SARAWAK & ASEAN**  
**GROWING TOGETHER FOR COMMON**  
**PROSPERITY & REGIONAL WELLBEING**

**1ST NOVEMBER 2018 | HILTON KUCHING SARAWAK**

Distinguished guest and speakers, ladies and gentlemen,

- Assalamualaikum Warahmatullahi Wabarakatuh and a very good morning to all of you. To those not from Sarawak, a very warm welcome to Land of the Hornbills. I trust that you will spend some time exploring Sarawak after the conference and enjoy our unique tastes and culture.
- I congratulate Tan Sri Barry Goh, Tan Sri Michael Yeoh, and the KASI Institute for organising its first International Conference on Sarawak & ASEAN here in Kuching.
- I'm delighted that your esteemed institute has chosen to organised this very timely and apt conference in Sarawak with a diverse gathering of participants from both the Federal and State government, business community from various industries, academia, civil society, and all whom are seeking to develop Sarawak into a leading player, not just within Malaysia, but indeed on the global stage.
- Its theme, Growing Together for Common Prosperity & Regional Wellbeing, is most appropriate, as we have often talked about a common future as East and West Malaysia, but seldom discussed a future as part of ASEAN. This makes it an exciting topic and one that presents much prospect for Sarawakians. As such, this conference presents a rare opportunity to discuss solutions and a way forward, as well as presenting opportunities for partnerships, collaboration, and investments, all of which are necessary in the development of the state and the alleviation of standards of living.
- There are bountiful opportunities here in Sarawak, evident with how well the state has performed over the years.
- It has experienced a GDP growth rate of 4.7 percent in 2017, more than double the growth rate of 2.3 percent the year before. This makes Sarawak the third biggest economy, behind only KL and Selangor, contributing to 9.7 percent of Malaysia's national GDP.

- It has a GDP per capita of MYR49,327, an increase from MYR44,000 in 2016. With this progress, Sarawak is on track of achieving its 2020 GDP growth target of 4.7 percent according to MIDF Research.
- Sarawak also has the lowest rate of inflation at 3 percent and an unemployment rate of 3 percent, an improvement from 3.3 percent in 2016. The poverty rate fallen from 0.9 percent in 2014 to 0.6 percent in 2017.
- Our population is estimated at 2.79 million, 42 percent are youth - presents promising long-term prospects in terms of its human capital talents. As it is, Sarawak has a labour force of 1.29 million workers.
- Revenue for the state is steadily improving, posting a revenue of MYR6.86 billion in 2017 compared to MYR5.91 the year before – almost a billion increase in revenue . Exports also grew from MYR77 billion in 2016 to RM96 billion 2017.
- This progress is evident, testament to the strong foundations laid in our economy and governance, much credit to my predecessors. However, we realise that much more can and needs to be done.
- To further accelerate development in Sarawak, the state government has increased its development expenditure from MYR3.92 billion in 2016 to MYR 4.29 billion in 2017 – an increase of MYR370 million, showing our commitment to improving the state’s infrastructure and potential.
- And I don’t mind telling you today that the state Budget I will table at the Dewan Undangan Negeri on the 5th of November will be the state biggest budget ever for Sarawak. It will be a record budget that will be a testament to our commitment to fulfil the aspirations of our people to have more roads and bridges to increase connectivity and increase the coverage of treated water supply and electricity.
- We recognise the need to create a suitable business environment for all investors and businesses to allow them to thrive. Indeed, we often need an impetus or avenue to spur growth. It is for this reason that our state development agency, the Sarawak Corridor of Renewable Energy, better known as SCORE, was established a decade ago. It has since entered its second phase of development. Thus far, it has attracted approximately MYR79.3bil worth of investments from the private and public sectors, with private investments in 22 projects from various industries amounting to MYR33.6 billion throughout its five growth nodes, creating 61,000 jobs.
- The success of SCORE has seen its expansion from 70,000 sq km to 100,000 sq km this year. Its trigger industries in aluminium, steel, oil-based, and glass have attracting cluster industries from across the region.
- There are also ample opportunities for start-ups and SMEs in Sarawak with the provision of various grants and incentives. For example, in 2017, the state government has allocated MYR700 million in various grants to support the entrepreneurs and the amount has increased to MYR900 million in 2018. Incentives and programmes by

ACTYVATE, Malaysian Global Innovation and Creativity Centre (MaGIC), Tabung Ekonomi Gagasan Anak Bumiputera Sarawak (Tegas) can also be leveraged upon. I encourage and welcome entrepreneurs, both local and abroad, to see Sarawak as the platform for the development of their business ideas which could flourish to become the next big thing in the region.

- Sarawak's development is meaningless if our fellow Sarawakians living in the rural and interior areas are left behind.
- Therefore, three development agencies have been set up by the state government under RECODA to see to the development of rural and interior Sarawak. This would involve developments in six economic trigger projects, namely aquaculture, tourism, forestry, palm oil, rubber and biotechnology.
- There will be focus on commercial agriculture, particularly for the highland areas. However, for this to succeed would require big players from the private sector to act as anchor farmers.
- The development of the agricultural sector also must incorporate the use of the latest production technologies as well as communication and digital technology.
- In fact, the digital innovation is where we are putting much emphasis in, as part of our efforts to adapt and be part of the digital future.
- Recently, we have launched the Sarawak Digital Economy Strategy includes plans to develop Sarawak's digital economy between now to 2022. At the moment, the digital economy only contributes 2.3 percent to the state's economy. This needs to be vastly improved if Sarawak is to catch the 4th Industrial Revolution train.
- To spearhead this initiative, the Sarawak Multimedia Authority, Sarawak Digital Economy Corp and Development Bank of Sarawak have been established, with RM 2 billion allocated towards the development of the state's digital economy infrastructure. We have even launched our own - Sarawak Pay, which we hope will be widely used in Sarawak.
- There are many other exciting initiatives in the pipeline all aimed towards the development of the state, too many for me to highlight in the short span of time. The state government has approved a total of MYR 7 billion worth of infrastructure and public utilities projects since last year and we are taking steps in earnest to ensure that the process of implementation is expedited. I want all the implementation of all the approved projects to start next year. I hope you find these developments encouraging and appealing, especially if you are considering setting up business in Sarawak.
- Our development is not a coincidence. It is through open and continuous dialogue with all stakeholders to which we are able to discuss and remedy issues, and agree on the way forward. This includes understanding each other's needs and concerns, and addressing them the best we can.

- For instance, the gaps in specific skills are often communicated to us by our industries players. To enable Sarawakians to make an impact in our region, more emphasis on STEM is required. At the moment, only 26 percent of our school students are enrolled in the STEM stream. In response, our state government has undertaken efforts to increase the percentage of STEM students through collaborations with state and federal agencies.
- There is also an equal emphasis on vocational skills, which is why we work together with educationalist whilst seeking input from the various industries to improve TVET conditions and understand how to match each other's needs.
- Of course, this will not be possible without cooperation from the private sector, which needs to partner with us to open up more opportunities to students to conduct industrial training, internships, or apprenticeships, which eventually lead to employment. Otherwise, interest will not be there if students realise there are no jobs available when they graduate.
- Hence, we hope that all parties can continue communicating with the Department of Labour Sarawak and let us know your human capital needs to enable us to plan the needs of education accordingly.
- It is the aspiration of every Sarawakian to be on the same par as those living in the developed world. Our people certainly have the potential. We pride ourselves for being resilient, resourceful, and united. Sarawakians thoroughly deserve better lives.
- But there is no free lunch. For us to assume our place in the international community, much more needs to be done. In this appeal, I ask our people not to expect the state nor federal government to come around to hold our hands. There is a need for each one of us to find the inner strength within ourselves to take hold of our own futures in the grasp of our hands.
- We must go boldly despite the risk and uncertainties, and seize the opportunities before us. Only then will we see tangible changes in our beloved state – when each and every Sarawakian rises up together.
- But of course, in this day and age we cannot go about it on our own. We must build strong bilateral relations with not only each of the ASEAN member states, but indeed with the world, as each country presents its own unique opportunity for trade and investment.
- For this to occur, Sarawak not only needs to move more aggressively to create conditions needed to enable ourselves to improve continuously, but also share the same benefits with the international community, just as how it has shared with the rest of Malaysia.
- Therefore, I invite our non-Malaysian friends to dialogue with us, so that we can explore new opportunities together. On our part, we can assure the world that Sarawak has much to offer, as it has proven time and time again.

- I hope that during this event, we can see the deliberation of good ideas and proposals being brought forth by the various distinguished speakers and participants on how we can continue position ourselves as part of the regional and international community – not just in business, but in every area possible.
- With that, I thank KASI Institute once again for organising this conference and wish you all a fruitful discussion. Thank you.