

WELCOMING REMARKS BY
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Bismillahirrahmanirrahim

Assalamualaikum Warahmatullahi Wabarakatuh

And a very Good Morning to all present

Distinguished Moderator and Panellists

Distinguished Guests, Ladies and Gentlemen,

On behalf of IDFR and the Ministry of Foreign Affairs, Malaysia, I warmly welcome you to our Economic Diplomacy Series today, series 2 for 2016. This forum is a collaboration with the Institute of International and Malaysia Studies (IKMAS) of the National University Malaysia (UKM) to highlight economic issues that will impact highly on our international relations. Today,

we would like to bring about greater understanding and knowledge on the much debated Trans Pacific Partnership Agreement (TPPA) that was signed in February this year. Our Ministry of International Trade and Industry (MITI) – from Minister Dato’ Sri Mustapha Mohamed himself and Officials have extensively explained what TPPA entails for Malaysia, ensuring safeguards in sensitive areas with progressive liberalization in other.

Before proceeding, I would like to thank our distinguished panellists, Y.Bhg. Dato’ J. Jayasiri, Deputy Secretary General of MITI, Dr. Zulkipli Omar, Senior Research Fellow from the Malaysian Institute of Economic Research and H.E. Ambassador Carlos Isauro Felix Corona, the Ambassador of Mexico to Malaysia. They have kindly agreed to share their knowledge, views and experiences on this ‘hot’ topic. We are indeed very privileged to have Y.Bhg. Dato’ Jayasiri who has been the Chief Negotiator for Malaysia in all the dealings.

Ladies and Gentlemen,

The TPPA is designed to create what is often referred to as a 21st century trade agreement. The initiative started by 3 countries, namely Chile, New Zealand and Singapore has now extended to 12 countries with the US, Japan, Canada, Australia, Mexico, Malaysia, Peru, Vietnam and Brunei coming into the fold. Being a nation that is dependent on trade and investment but without the advantage of a huge market, a surplus of high-tech skills or cheap labour, can Malaysia at this point afford to ignore a potential market of 800 million people with a combined GDP of US\$ 275 trillion? The Peterson Institute of Economics estimated Malaysia stand to gain over US\$41.7 billion in increased exports and

US\$26.3 billion in terms of income gains by 2025, if it stays in the TPP track. Moreover, Indonesia and the Philippines have expressed interests in joining the partnership and can create greater impact as a market.

Market access is vital for trading countries like Malaysia. The liberalization in TPPA covers tariffs, standards, transparency, governance and the development of small and medium enterprises among others. This can help speed up modernization and technology enabling mode of production among the SMEs that will enable them to compete effectively in the free market. In this free trade, can we hope to see lower prices for better quality goods?

Ladies and Gentlemen,

Upon signing the TPPA, some adjustments need to be made in terms of the legal and regulatory framework of certain areas. Are the changes detrimental to state sovereignty or sensitivities? We have the expertise of Dato' Jayasiri, Dr. Zulkipli and Ambassador Corona to guide through what has been agreed upon and its implications.

Moderating our session today, we have with us Mr. Syed Bakri Syed Abdul Rahman, the Deputy Director of the Political Studies and Economic Diplomacy Centre of IDFR. Mr Syed Bakri has served the Ministry of Foreign Affairs since 1994, holding various positions and served abroad in missions at Harare, Rome, Jeddah, Bangkok and New York. An Economics graduate from Texas Tech University, USA, Mr. Syed Bakri pursued his Masters degree in Public Management at the Lee Kuan Yew School of Public Policy, National University of Singapore.

Without further ado, I call upon Mr. Syed Bakri to start the ball rolling.

Thank you.