

POLICY ADDRESS
BY
Y.B. DATUK DOUGLAS UGGAH EMBAS
MINISTER OF NATURAL RESOURCES AND ENVIRONMENT MALAYSIA
AT
THE 8TH ASIA-PACIFIC MINING CONFERENCE AND EXHIBITION
MANILA, PHILIPINES
14-15 OCTOBER 2008

MALAYSIA'S EFFORTS TOWARDS GOING INTERNATIONAL

Your Excellencies
Distinguished Delegates
Ladies and Gentlemen

Good Morning,

1. Firstly, I wish to congratulate the ASEAN Federation of Mining Association (AFMA) for organizing the 8th Asia Pacific Mining Conference and Exhibition, an important event that enables the various parties of the mining fraternity to gather and discuss issues of common interest and to strengthen ties for closer cooperation and collaboration. The exhibition also provides us with an insight and keeps us updated with the latest technologies and innovations in the mining sector. I also wish to register my gratitude to the organizers for giving me this opportunity to address this gathering to share with all of you some Malaysia's efforts towards going international in the mining sector.

Ladies and Gentlemen,

2. The increase in the global demand for almost all kinds of minerals in recent years has resulted in a marked increase for most minerals. This has also resulted in a marked increase for most minerals. This has also resulted in a boom of the prices which has reached an all time high for certain minerals. To take advantage of the globalised market Malaysian investors are now looking abroad for new markets and sources.
3. As one of the more open economies in the world today, Malaysia is actively engaged in international trade and is one of the top 20 largest trading nations in the world. In 2007, Malaysia's total trade continued on an upward trend, growing 3.7 percent to record RM 1.1097 trillion in 2006.
4. In the last 50 years or so, Malaysia's economy has gone through a substantial transformation, moving from a commodity-based economy to a manufacturing-based economy and to currently, a services-oriented economy. Along the way,

many of the country's policies have been fine tuned and adjusted to suit the changes brought on by globalization and technological advancement.

5. In line with present economic scenarios and also testament to Malaysia's development and progress, Malaysia today pursues an economic policy that only encourages Foreign Direct Investment (FDI) into the country but also supports Malaysian corporations to undertake reverse investment activities abroad.

Ladies and Gentlemen,

6. In line with these trends, Malaysia has just formulated the new National Mineral Policy in which the underlying objectives are to ensure sustainable development and optimum utilization of mineral resources, to promote environmental stewardship that will ensure that the nation's mineral resources are developed in an environmentally sound, responsible and sustainable manner, to enhance the use local minerals and promote further development of mineral-based products, to encourage recovery, recycling and reuse of metal and minerals and to enhance the mineral sector's competitiveness and advancement in the global arena.
7. For the effective achievement of its objectives, the National Mineral Policy is supported by nine thrusts. The first thrust being the expansion of the mineral sector through recognizing the importance of mining as first land-use, encouraging state governments to undertake integrated land use planning to avoid mineral sterilization, and encouraging reverse investments in the mineral sector. The second thrust emphasizes Malaysia's efforts towards sustainable mineral development through environmental protection while recognizing the need for mineral resource development which is to be achieved through the implementation of the regulatory and self regulatory environmental management measures including the Environmental Impact Assessment
8. Ladies and Gentlemen, Malaysia recognized the need for Research and Development which is necessary to produce new technologies, innovations, techniques and applications that will reduce production costs, discover new uses, and mitigate adverse environmental impact and this is emphasized in the fourth thrust. The fifth thrust recognizes the need of a qualified, competent and productive workforce which is pertinent to the advancement of the mineral sector and suggests human resource development through retraining, fostering collaboration amongst local and international public private organizations and the provision of adequate scholarships, grants, loans and even through the establishment of integrated mineral information which is vital for the planning and sustainable development of the mineral sector. This can be achieved through the establishment of a national centre for the collection, collation, integration and dissemination of data and information on mineral resources, sustainability, environmental performance and other related information. The seventh thrust notes that the successful development of the mineral sector requires the support

- and involvement of the community and stakeholders and the establishment of an enduring relationship between mineral operation and the surrounding community.
9. The eight thrusts states that Promotion, Marketing and Rebranding is necessary to give the competitive edge to the mineral sector in a globalised economy which is to be done through among others, the establishment of the Malaysian Mineral Development Board, a statutory mineral body and through the imposition of levy or cess to fund market development and promotion efforts. Finally in the ninth it is emphasized that effective publicity and public relations is critical and an integral part of successful development of the mineral sector which can be achieved through the continuous and effective education and dissemination of information to the public.
 10. Ladies and Gentlemen, as I mentioned earlier, Malaysia continues her efforts toward sustainable development of the mineral sector. This can be seen through various development programmes that have been carried to rehabilitate ex mining land like the building of Clearwater Sanctuary, The Mines Resort and Sunway Lagoon Resort which comprises a water theme park, a hotel and a shopping complex. Sustainable Development and the reverse investment policies are being reinforced in Malaysia's new National Mineral Policy's thrust of expansion of the mineral sector through the encouragement of reverse investments.
 11. To date, most of the investments overseas by Malaysian corporations had focused on the oil and gas, manufacturing, construction and services sectors. However, with recent positive prices for commodities including metals and minerals means it is timely that Malaysia's mineral resource corporations are encouraged to invest in mineral exploration and mineral resource development activities overseas, particularly in the ASEAN member countries.
 12. The key elements driving Malaysia corporations to undertake reverse investment activities abroad are firstly to help increase their efficiency, secondly to enable access to resources of raw material supply available in abundance elsewhere, and finally and most importantly to help boost and develop new markets and economies to ensure the global mineral resource industry's continued growth.
 13. The Malaysian Government, from time to time, has organized investment and trade missions to countries with mineral resource potential as well as concluding bilateral MoUs and agreements with them so as to help facilitate Malaysian business entrance into these new markets.
 14. Investments by Malaysian mineral resource corporations overseas will boost their international standing and reputation in the long term, and thus help enhance their participation and that of their partners in the global and international mineral and metal production and supply network.
 15. As ASEAN is moving towards deeper economic integration to create an *ASEAN Economic Community* by 2015, Malaysia believes that more can be done to build

on existing synergies between member countries to promote more mineral related trade and investment within the region. Mineral resource corporations in the ASEAN region should, starting from now, endeavor to understand and capitalize on this ASEAN initiative so that they would be well placed to take advantage when the region become a single international production base with freer flow of goods, services and investments, come 2015.

Ladies and Gentlemen,

16. Minerals are an essential part of our lives as practically everything we use today is made of minerals. With the rapid pace of development the demand for minerals is ever increasing and Malaysian business men are looking for minerals outside and vice versa. Malaysia with it National Mineral Policy also encourages foreign investor participation.
17. It is therefore my fervent wish that we ASEAN could assist and fulfill each other's needs and continue cooperating so that the mining industry could be fully developed with maximum benefits for ASEAN member countries and the mineral industry will once again become a vital contributor to our GDPs.

Ladies and Gentlemen with that I thank all of you and I hope you will have a fruitful session after this as there substantial papers which will be presented at the Conference. Thank You.