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Capital move to Borneo hailed

The Star (Metro North), Malaysia

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Indonesia's plan a boon to business and career opportunities in Labuan

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INDONESIA'S proposed new capital city, near the cities of Balikpapan and Samarinda in Borneo, is expected to bring a tremendous impact on Sabah and Sarawak, with its spill-over to be enjoyed by Labuan.

Labuan Financial Services Authority (FSA) director-general Danial Mah Abdullah said that Labuan, which enjoys a 3% tax regime, could play an important role once Indonesia moves its capital city from Jakarta to the proposed new location.

"Labuan is also strategically located and accessible to China, Japan and Hong Kong," he said, adding that Labuan FSA had recently approved for a bank from China to conduct digital banking activities in the Labuan International Business and Financial Centre (IBFC).

He said Labuan FSA is the regulator for Labuan IBFC, and 60% of its business is non-resident business.

"We are more for institutional business rather than retail business.

"That is why our rules and regulations are a bit more flexible," he said after the opening of 'Connecting Asia's Economies', an awareness talk on Labuan IBFC's business and career opportunities at Wawasan Open University (WOU) recently.

Mah also said the positive synergy between Penang and Labuan IBFC would pave way for more activities which would benefit Penang.

"Potential investors are naming Penang as one of their preferred locations.

"Based on our recent missions to Shenzhen

and Guangzhou, it is likely that more investments from China will flow into Penang.

"This is where Labuan can play a facilitative role for such investments into Penang, including structuring and financing such investments," he added.

Yang di-Pertua Negri Tun Abdul Rahman Abbas opened the talk. Also present was WOU's deputy vice-chancellor Prof Dr Zoraini Wati Abas.

Mah, in his opening speech, said IBFC's key business sectors are banking, leasing, insurance and trust companies.

He said Labuan IBFC is home to financial institutions such as banks, insurance, trust, leasing, commodity trading and many fintech-related companies.

Dr Zoraini, in her speech, said the talk was timely as it would allow the university students and educators to learn trends and business practices as well as business and career opportunities in Labuan IBFC.

"This gives our audience an opportunity to learn about the latest developments through the distinguished speakers from trust companies, international insurance, banks and Labuan regulatory authorities, especially Labuan FSA.

"This event also sits well within the mission and driving force behind the university's success in producing quality graduates who will further enhance the nation's ability to move forward in the international arena," she said.

Abdul Rahman later handed over a RM10,000 contribution, raised by Labuan IBFC, to BOLD Association for Children With Special Needs' exco member Poh Heem Heem.



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SUMMARIES

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