

## Introduction

*Yang Berbahagia Datuk Seri Mohamed Iqbal Rawther, Chairman,  
Economic Club of Kuala Lumpur*

*Yang Berbahagia Tan Sri Michael Yeoh, President, KSI Strategic  
Institute for Asia Pacific and Deputy Chairman, ECKL*

*Your Excellencies, Tuan-Tuan dan Puan-Puan,*

Sudah enam bulan saya menjalankan tugas sebagai Pesuruhjaya Tinggi British di Malaysia, selepas saya belajar bahasa untuk sembilan bulan di London

Saya sungguh tertarik dengan Malaysia.

Hakikatnya, saya mula jatuh cinta dengan Malaysia semasa saya melawat Malaysia pada tahun 2010 (dua ribu sepuluh).

Saya bersyukur kerana berpeluang kembali ke Malaysia lagi - dengan suami dan anak kembar saya, dan bersumbang terhadap hubungan dua-hala UK dan Malaysia.

Para hadirin sekalian, izinkan saya meneruskan ucapan saya dalam Bahasa Inggeris.

Thank you Tan Sri Michael for the invitation to give the second ECKL Diplomatic Encounters lecture

My twins always ask me 'Mummy, what's a High Commissioner? What do you do?'

And I guess in a way that's what I'm going to talk through today

When a High Commissioner or an Ambassador arrives in their new post, they often say that their aim is to make sure the relationship is better when they leave than when they arrive. And of course that is my aim too.

I've been High Commissioner to Malaysia for about six months now, and I have already had the privilege of travelling to eight states, with visits to Kedah, Kelantan and Terengganu coming up soon

And on my travels I have been able to meet many people who have told me about their experiences studying or working in the UK. Many people even refer to going to the UK as 'balik kampung' as it feels like a second home.

The UK and Malaysia have a powerful and rich shared history which we must acknowledge and learn from

For instance, last month I was with the Yang di-Pertuan Agong in Kuantan, when he dedicated a memorial to the sailors who died onboard HMS Prince of Wales and Repulse when they were sunk during the Second World War

But I also want the UK and Malaysia to have a very modern partnership which advances our shared interests and allows us to learn from each other's strengths

One example of this is our new collaboration on semiconductors, a critical component in global supply chains

My team recently took a delegation of Malaysian semiconductor experts to the UK, after bringing a delegation of British businesses here to Malaysia

The delegation looked at UK strengths such as design and academic research

And the UK companies learned about Malaysian expertise in finishing and testing

They're now looking for ways to pair up in future

And while I can't say much about this now, watch this space this week!

To me this example is a perfect demonstration of the development of our relationship into what I like to describe as a modern, equal partnership which serves both of our interests, rooted in our longstanding history together

Today I'm going to talk you through how I see the main four pillars of that partnership, which can be broadly categorised as international cooperation; economics and trade; defence and security; and people-to-people links including education and skills

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I'm very keen on history, so I read in some detail about Malaysia's changing relationship with the UK before I arrived including visiting our National Archives at Kew

It's very much a story of ebbs and flows, shaped by strong personalities on both sides

From the start, with Tunku Abdul Rahman's proclamation of the independence of Malaya on 31<sup>st</sup> August 1957

And the states of Sabah and Sarawak joining to form Malaysia in 1963

The people of Malaysia might have thought the UK would withdraw

But they stood by Malaysia and Brunei during the Konfrontasi with Indonesia

Defending Tunku's "sovereign democratic and independent State founded upon the principles of liberty and justice" against the authoritarian regime of Sukarno

Economic pressures on the UK meant it moved to a West of Suez policy

And Malaysia's independent foreign policy began to take root

Malaysia moved from western alignment to non-alignment at about the same time the UK joined the EU

And then one of the biggest personalities in the history of Malaysia began to really make his presence felt!

Tun Dr Mahathir became Prime Minister in 1981, and almost immediately announced his 'Buy British Last' policy

Malaysia would 'buy British when it is absolutely necessary, when... prices and services are way ahead otherwise... we will show a definite preference for non-British sources'

This was instigated partly because of the British Government's decision to charge higher fees for overseas students

And partly because of decisions taken by the London Stock Exchange in response to Malaysia's daring 'Guthrie Dawn Raid'

That's a fascinating story – in brief, Guthrie, one of the largest plantation companies in Malaysia was owned by shareholders in the UK, listed on the London Stock Exchange

In 1981, Malaysian GLCs managed to buy a controlling stake in the company in just two hours, thus returning ownership of more than 800 square kilometres of land to Malaysia

Tun Mahathir also wanted to focus closer to home

His Look East policy aimed to get Malaysia to learn from the experience and technical skills of Japan, the Republic of Korea, and Taiwan

These, combined with the UK's focus on Europe led to many years of a less dramatic relationship

However, in the 80s Margaret Thatcher became the first British Prime Minister to visit Malaysia post-independence, and she seems to have got on with Tun Mahathir

In her autobiography, she described him as “tough, shrewd and practical, [with] a refreshingly matter-of-fact outlook”

In turn, Tun paid Lady Thatcher the somewhat backhanded compliment that “She has done wonders reviving an exhausted Britain”

And the people-to-people links continued too

Malaysians were the biggest contingent of students in UK, and are still in the top ten

We exchanged tourists, and investment, and workers

And we were still active members of the Commonwealth community together

Against this backdrop, one of the biggest impacts on the recent relationship came in June 2016

Brexit fundamentally changed the way the UK and the EU operate together, giving us much more space to choose how we work and trade with other countries

That allowed us to make what we have called the Indo-Pacific tilt, and now a firm policy of the British government as set out in our Integrated Review, in which Malaysia was highlighted as a priority partner for the UK

Our aim is to be the European partner with the broadest and most integrated presence in the Indo-Pacific – committed for the long term, with closer and deeper partnerships, bilaterally and multilaterally

We've used that to drive a big change in how we work with Malaysia and other southeast Asian countries

And that feeds in to my desire for a truly modern partnership between the UK and Malaysia

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But, before I go on to talk about the modern partnership, I think I should set out some context

When we look around at the world today, we're seeing greater instability and sharper competition

Russia's illegal invasion of Ukraine

Israel's ongoing war on Hamas in Gaza, which has recently been taken to the International Court of Justice by South Africa

Azerbaijan gaining control over Nagorno-Karabakh and expelling 100,000 ethnic Armenians

Venezuela announcing its intention to take control of part of Guyana

And with coups in Burkina Faso, Niger, and Gabon over the last 18 months, there are simmering internal conflicts in sub-Saharan Africa

And closer to home there is of course the conflict in Myanmar, which has had a destabilising effect on the region and the way ASEAN works

These all put pressure on the multilateral political system, and hinder co-operation

Is this a trend?

Will we continue to see countries and non-state actors attempting to redraw national boundaries or reshape their political space in other ways?

It can be argued that this is all set against a wider backdrop of rivalry between the so-called West, particularly the US, and China, in economic and political terms

The US-China rivalry can bring benefits to the region, as they compete to get countries on their side

But most countries don't want to take sides – understandably

And honestly, despite how we are often perceived, the UK is no exception

When working with China, we want to ensure we protect UK interests, but we also try to engage with China on the big issues

And we're happy to align with China when our interests coincide

We are, however, seeing some de-risking as businesses and countries decide they're concerned about supply chains as the US-China rivalry heats up

This has resulted in some reshoring, and some diversification of supply chains

Economic protectionism is also likely, such as tariffs and quotas

And the IMF predicts lower global growth in 2024

It won't be as bad as during Covid, but worse than the average of the last ten years

And if the situation in the Red Sea continues, it's likely to reduce growth further

It's also a year of elections – we've already had votes in Bangladesh and Taiwan, and next month Indonesia will go to the polls

Later in the year, we'll have the US, the UK, India, the European Union, Mexico, Republic of Korea, and many more meaning 4 billion people will vote this year

Can I say hopefully not Malaysia? I think my team has gone through too many sleepless nights due to political changes over the last few years!

And these elections add to the uncertainty – do we know that the US, or Indonesia, or the EU will respond to issues in the same way domestically or internationally?

We have growing implications from climate change

Extreme weather events and related humanitarian crises are arising more often

Rising sea water will decrease the amount of the planet we can live on, particularly affecting those living near rivers and the coast

And food production is being affected by changing weather patterns

And there are other global challenges

We've already seen the devastating effect of the Covid pandemic – millions dead worldwide, long term sickness in some survivors, and a huge economic hit

There's also a growing global health crisis in anti-microbial resistance

Do we have the new medicines and policies to help us if we need to deal with a new pandemic?

One thing that might help is Artificial Intelligence

AI has the potential to be an enormous power for good

It could bring productivity gains, use big data to help us with our planning and decision making, and help us in our daily lives

In the same way, technological innovations in health, education, and industry could bring real benefits, and help us meet some of the Sustainable Development Goals

But it can also be used negatively – we've already seen deepfakes being used for misinformation, meaning people have less trust in information and democracy, and there are concerns about the impact on the employment market

How AI is regulated will be key to keeping trust in this emerging technology

So does all of this mean we're doomed to a splintering, fragile and fragmented world?

Or can we use these events as an opportunity to learn, and set up new foundations for future cooperation and reform?

I'm an optimist – I think you have to be in my job – so I will work for the latter

I've talked about how the world is changing

And I've touched upon how the UK has had to find its place in this modern era

And clearly, Malaysia is changing as well

It's moved from being a producer of agricultural, forestry and petroleum products to be a high-tech exporter

The biggest exports to the UK are in electronics and electrical equipment

And Malaysia is the world's sixth largest exporter of semiconductors

So Malaysia is vital in the global economy, and moving closer to being a high-income nation

I'm a very strong believer that inclusivity and diversity is key to progress in the modern world



And I really admire and have learned from Malaysia's unique mix of faiths, cultures and races, which reminds me of the UK's own diverse social mix.

In the words of Tunku Abdul Rahman

"Kita semua adalah rakyat Malaysia. Inilah ikatan yang menyatukan kita. Marilah kita selalu ingat bahawa perpaduan adalah kekuatan asas kita sebagai rakyat dan sebagai sebuah negara."

And I think the parallel is true of the UK – we're also a nation of many communities, of different backgrounds, but striving to unite as one country

We currently have a Prime Minister of Indian descent, a Home Secretary of Sierra Leonean descent, and a Scottish First Minister of Pakistani descent

But they're all rakyat UK, with their own visions of how to make the UK better for its citizens

And there's no question of where their loyalties lie!

So it's clear, the UK and Malaysia both have to find our place in a challenging and changing world, with diverse societies and many shared interests.

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How best to do this? For me the answer is the modern partnership between us that I envisage, with its four pillars I mentioned earlier

I will begin by talking about the first pillar, our international cooperation, when we work together to address global challenges

And I'll start with a great example of where the UK and Malaysia are leading together

Malaysia and the UK are strong supporters of the rules based international system

And we both want to have a say in how the international rules are written on Artificial Intelligence

That's why, back in October, we organised the first UK-Malaysia AI Conference in partnership with the Ministry of Science, Innovation, and Technology

This was the first international conference of its kind here in Malaysia, and it had speakers from the UK and Malaysia of course, but also from Australia, Singapore, and China

People at the cutting edge of this emerging technology came together to share views about the way it could and should be used, which will be key in keeping trust in this developing tech

And Science Minister Chang Lih Kang noted that this was really going to give the momentum to accelerate AI policy discussions in Malaysia, and help deliver the Malaysia AI Roadmap

Keeping to the science and technology theme, earlier this month I launched the International Science Partnerships Fund in Malaysia

ISPF, this fund, is designed to help unlock potential and foster prosperity, and will amount to 218 million pounds globally

It puts research and innovation at the heart of the UK's international relationships, supporting researchers and innovators to work with peers around the world on some of the global challenges I touched on earlier

And it's going to provide opportunities to make improvements not just in the UK and Malaysia, but regionally and globally

On climate change, I think we've seen some positive moves recently which will benefit both the UK and Malaysia

While a lot of focus on COP28 in Dubai was on the oil and gas industry, I don't think we should lose sight of one great outcome

For the first time there has been a global agreement to transition away from fossil fuels – a crucial step to keeping the 1.5 degree goal alive

The UK was central to the outcomes from Dubai, pushing renewable energy goals, and loss and damage finance

We also pledged £2bn for the Green Climate Fund which will help developing countries to make that transition

Here in Malaysia, we are facilitating discussion to enable knowledge sharing and prompt innovation for climate adaptation and mitigation

For example, we have an upcoming roundtable on flood management in cities scheduled for March 2024

That will bring together experts from the UK and Malaysia to share best practice on avoiding flooding where possible, and dealing with the aftermath where it's not

We are also continuing to be a close partner for Malaysia in implementing its climate ambitions and transition to a green economy

We're providing technical assistance on electricity grid and market reform

And it's not all big tech – we've just started a new programme with Malaysia on sustainable aquaculture of seaweed which will support global food security

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And here in the region, 2025 will be an important year for Malaysia as it takes over the Chairmanship of ASEAN

We're looking forward to hearing more about Malaysia's plans for the year, but expect focus areas to include boosting connectivity in the region, improving economic opportunities, and increasing people-to-people ties

As the UK is ASEAN's newest Dialogue Partner, we want to show our support for Malaysia as the Chair

This would include being a bridge for Malaysia from ASEAN to the UN Security Council, where we were able to write and pass the first resolution on Myanmar in December 2022

But we also want to support target development of the region

We currently have five flagship programmes in ASEAN bringing people together for mutual benefit

These are on promoting women and girls' education; women, peace and security; global health security; economic integration; and green transition

We won't limit ourselves to these areas, and we hope to offer opportunities to work together across ASEAN's economic, socio-cultural, and political-security areas

So that's the first pillar, international cooperation

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And on to what the Economic Club of KL is probably most interested in, pillar two, economics and trade

Well, of course both countries are open, maritime, trading nations

Trade is therefore a key pillar of the UK-Malaysia partnership

And the biggest news in this area is CPTPP.

Now you might have thought that the Comprehensive and Progressive Agreement for Trans-Pacific Partnership, to give it the full name, might not be very relevant to the UK

But the UK is a large, liberal economy, and as an independent trading nation, we champion free and fair trade, fight protectionism, and remove barriers to trade at every opportunity

So joining CPTPP was always going to be a priority for us

As I touched on earlier, this is an age of rapid growth in the Indo-Pacific region

Countries in the Indo-Pacific are expected to drive the majority of global growth between now and 2050

And CPTPP covers 11 countries spanning Asia and the Americas, with a combined population of 500 million people

And the political shifts we face emphasise the importance of this trade agreement for all of us

Membership will help to deepen our relationships with this region and support shared security and prosperity

You'll recall that's an aim of our increased and sustained engagement with the Indo-Pacific

And joining CPTPP shows the UK is shaping its own trade policy direction since leaving the EU, doing trade deals that work for the UK

We've secured our place in the world as the second largest economy in a network of countries committed to free and rules-based trade and that is a global standards setter

It will mean that we will have a trade agreement covering a combined GDP of nearly £12 trillion—15% of global GDP

CPTPP positions British companies to expand into these new markets and follow the likes of HSBC, AstraZeneca and Arup who have been investing in this region (and Malaysia) for years

It means more than 99% of the UK's current exports to other members become eligible for tariff-free trade

Tariff reductions can mean cheaper import prices, better choice and higher quality on a whole range of things

While the deal's ambitious service provisions should also boost the £32 billion of services that British firms exported to CPTPP countries last year

And most importantly for me, CPTPP is of course the platform for our first ever free trade agreement with Malaysia

Meaning a boost for trade in goods such as cocoa and vacuum cleaners from Malaysia to the UK

And cars and financial services (and Scotch Whisky!) going the other way

Even before CPTPP comes into force, I'm very pleased to say that our bilateral trade is increasing

It was near to £6bn annually to the end of Q2 2023 – the highest it has ever been – which was an increase of 8.5%

Investment continues to be strong in both directions

In the UK, TNB has made further acquisitions of solar energy facilities, adding to its portfolio of renewable energy in the UK including onshore and offshore wind assets

Berjaya Group opened a new multi-million pound retail and HQ development for its subsidiary HR Owen

And of course the Battersea Power Station development continues to grow

And in Malaysia, the British Malaysian Chamber of Commerce boasts 240 members

And we have seen the London Stock Exchange grow its presence and move to a new flagship office in KL, reinforcing its commitment to nurturing local talent and fostering economic growth in Malaysia

Pharmaceutical firm Smith and Nephew now has seven high precision manufacturing lines up and running in Penang, making the medical devices which will help Malaysia and the UK address some of the health challenges the world faces

So, things are moving in the right direction but there is more to do

We are planning for our first ministerial-led Joint Economic and Trade Committee, with the flashy acronym JETCO.

We only have these with around 10 countries in the world: our priority economic partners

The JETCO will provide a forum for us to work together on making trade easier between our two countries, especially removing barriers to trade

In addition, in my first 6 months in the role, I brought our Minister for Investment to KL, for his first ever trip to Malaysia

And the Prime Minister's Trade Envoy for Malaysia made his second visit of 2023 when he led a semiconductor roundtable in Penang and is about to make his third visit in the space of a year!

Last year we also had visits from the Foreign Office Minister Anne-Marie Trevelyan and two of our Defence Ministers.

And in the other direction we have seen a number of Malaysian ministers visit the UK – including the Deputy Prime Minister, the Minister of Trade, the Minister of Digital and the Minister of Renewable Energy and Climate Change – all close partners to us

You'll notice many of these Ministers all deal with important areas of our trade relationship, but with an eye on modern solutions to global challenges

And at the High Commission we are particularly focussed on facilitating trade in the areas of clean growth, education, technology, healthcare and security

Obviously there is much more that we do across trade, and in the High Commission more broadly, but these sectors offer mutually benefits and show the opportunities from our modern partnership

And returning to CPTPP gives me a sweet way to end this section – Malaysia will be able to export more of the raw ingredients to the UK in order to make the original Cadbury's chocolate to bring back the other way

That's very important, as the Permaisuri Agong has told me it's her favourite!

So that's a brief look at the economics and trade pillar.

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Onto the third pillar, on defence and security

As I mentioned at the start, I have recently spent time with the current Yang di-Pertuan Agong, who talked fondly of his time at Sandhurst, the UK's Army officer training establishment

And many other royals including two of the Agong's sons have had military training at Sandhurst, Britannia Royal Naval College, and RAF College Cranwell

But it's not only open to royals, as hundreds of Malaysian officers have done the same

So there are strong military ties between our countries

And together with Singapore, Australia, and New Zealand, we agreed the Five Power Defence Arrangements, or FPDA, in 1971

This is currently the only standing multilateral defence agreement in Southeast Asia and is the second oldest multilateral military agreement in existence (after NATO) and is something we are very proud to be a part of

The FPDA provides a mechanism for Malaysian and British armed forces to exercise and train together regularly

As well as to learn from one another and develop new skills in new areas, such as unmanned aerial systems and cyber

And it's also a demonstration of our commitment to security in the region

We've recently seen the first visits from two of our forward-operating Royal Navy offshore patrol vessels to Malaysia – that's HMS Spey and HMS Tamar

These vessels are the peak of technology for vessels this size – in fact HMS Spey is regarded as the greenest ship in the Navy

And they help support regional partners such as Malaysia with joint exercises and training, and engagement on counter-smuggling, fishery protection, border patrol and counter terrorism operations

But it's not just modern vessels

We work with Malaysia on sharing up-to-date interpretation of maritime law and maritime operations, running programmes for policy makers, think tanks, and the armed forces,

And we do this both bilaterally and together with neighbouring nations, supporting and ensuring regional security and safety

So that's a little of what we do on defence and security

And now I'd like to move on to the final pillar and circle back to where I began – with the links between the people of UK and Malaysia

A big part of this is around education and skills

I mentioned earlier that many Malaysians had studied in the UK

And it's also possible to get a UK university education in Malaysia, at one of the campuses of five UK universities here

And we are also working in partnership with Malaysia on technical and vocational education and training, or TVET

Together, we have created on a new digital talent development roadmap

Helped build capacity of staff and trainers under the Ministry of Human Resources



And produced a gender and social inclusion TVET guide in collaboration with the Ministry of Human Resources and the Ministry of Youth and Sports

We also hope to continue working with Malaysia on its aspirations for making TVET a key driver for economic prosperity, such as through the National TVET Council, industry relations, and international qualifications

And improving as many lives as we can, and building the talent Malaysia needs for its future success

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As you have heard, our relationship covers a huge range of aspects and interests.

I've talked a lot about the various ways in which the relationship is strong and growing

On working together to address global challenges through science and technology,

On the mutual benefits of economics and trade,

On our impact on regional security

And on our people-to-people links

Building on all of this, my ambition is to take the relationship to the next level

While I am here in Kuala Lumpur in 2027, the UK and Malaysia will celebrate the 70<sup>th</sup> anniversary of opening diplomatic relations

I'd like to mark that by setting our partnership on a new basis and establishing a new strategic partnership as we have with other close partners

One that allows us to maintain the strong relationship, insulated from the risk of political instability and change

The UK and Malaysia are very different in some ways, but strikingly similar in other ways.

We both have incredibly diverse societies with many faiths, races and histories.

We are both trading nations that rely on the global rules based system to flourish.

We both have alliances and networks across the world.

For me, that makes Malaysia and the UK ideal partners to work together on the areas I have spoken about today, for now and for the decades to come

Thank you for listening.