

## business news

# Netherlands to attract more M'sian investors

**THE** Netherlands is inviting Malaysian companies to set up operations in the country and capitalise on its position as the port of entry into the European Union market.

Netherlands Foreign Investment Agency (NFIA) managing director Jochum S Haakma said Malaysian companies should consider participating in the front-end of the supply chain, rather than just remaining as exporters to Europe.

"Mostly, the profits are made downstream. We will like to create awareness that it is very interesting to take part in the supply chain.

"That means having an office in the Netherlands and being part of promotion and marketing," he told *FinancialDaily* in an interview.

Haakma was on a five-day working trip from Oct 14 to 18 in Kuala Lumpur to promote investment opportunities in the

Netherlands to Malaysian businessmen.

To attract more foreign investors, the Netherlands would be lowering its corporate income tax to 25.5% starting Jan 1, 2007 from 29.6% now, Haakma said.

"That's very competitive in relation to other European countries," he added.

Haakma also said dividend tax would go down to 15% next year from 25% now while capital gains tax had already been abolished this year.

On top of that, NFIA would mediate on behalf of foreign investors in the Netherlands to obtain a more favourable tax ruling below standard rate for up to 10 years, he added.

According to the Dutch Embassy in Kuala Lumpur, the Netherlands attracted RM87 million of investments from Malaysia while the country invested RM1.7 billion in Malaysia in 2005. — **By Kevin Tan**