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M'SIA MOVES NEARER TO BECOME MOTOR VEHICLE MANUFACTURING CENTRE

KUALA LUMPUR, Nov 27<sup>93</sup> (Bernama) -- Malaysia, already manufacturing a passenger car, has moved nearer towards becoming a motor vehicle manufacturing centre when it signed an agreement with South Korea today to produce light trucks.

Prime Minister Datuk Seri Dr. Mahathir Mohamad, said that if the vehicle was of good quality and competitively priced, it should be exported, thus adding yet another step in making the country a motor vehicle manufacturing centre.

It was also timely that Malaysia commenced work to produce its own commercial vehicle so that it would be able to offer the public a quality commercial vehicle at a fair price, he said before witnessing the signing ceremony here today.

The RM200 million project to manufacture the Malaysian National Commercial Vehicle (MNCV) is to be taken on a joint-venture basis by the Berjaya Group Bhd, Hyumal Motor Sdn Bhd and Koperasi Polis DiRaja Malaysia Bhd of Malaysia and the Hyundai Motor Company of South Korea.

These parties will hold shares in a company called Industri Otomotif Komersial (M) Sdn Bhd (Inokom) which will undertake the project.

MNCV, being the first Malaysian commercial vehicle, would initially be a different and uniquely designed version of the light commercial vehicle similar to Hyundai's Porter with modifications and improvements.

Its engine is about 2500 cc with five speed manual transmission. The on-the-road price is expected to be competitive with other models of light commercial vehicles of the similar range.

Dr. Mahathir said that Malaysia, with its consistent and sustained growth, recognises the need to produce its own commercial vehicles.

"The demand for these has continued to increase year after year and import prices for Completely-Knocked-Downs (CKDs) for these vehicles continue to increase, bringing in its wake imported inflation," he said.

Dr. Mahathir said that the transport industry was one of the sectors the Government was paying close attention to in order to check inflation.

Malaysia first entered into the car manufacturing industry in the 1980s when it launched the national car called Proton Saga. It has just started its second national car project, to be based on the mini-car, Daihatsu Mira.

"With the advent of the Malaysian mini-car project and this MNCV project, the volume of motor vehicles produced in this country will be sufficiently big to justify investments in the more expensive components," Dr. Mahathir said.

"With this, Malaysia can aspire to become a centre for component manufacture for motor vehicles and other motors," he added. -- Bernama

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