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IMP: FOUR TRANSPORTATION SECTORS TO BE DEVELOPED INTO INDUSTRY CLUSTERS

KUALA LUMPUR, Nov 28 (Bernama) -- Four sectors under the transportation group -- automotive, motorcycle, marine and aerospace industries -- have been identified to be developed into industry clusters of the future under the Second Industrial Master Plan (IMP2).

The four sectors have the potential to become major contributors to value-added, employment, technology upgrading and exports, the Ministry of International Trade and Industry (MITI) said in the IMP2 (1996-2005) unveiled by Prime Minister Datuk Seri Dr Mahathir Mohamad today.

It said: "The current policies and strategic directions for this industry would be fine-tuned, premised on the cluster-based industrial development thrust.

"The emphasis would be on the development of indigenous capabilities from research and development of indigenous capabilities from research and development and product design to production and marketing on a global scale."

The IMP2 would address major development issues important to the industry as its development provided the base for the economy to move forward in the heavy and engineering-related industries.

For the automotive sector, the focus would be on transforming the sector into an integrated manufacturing operations emphasising the manufacture of vehicles, their component parts and accessories.

Expanding the scale of production, upgrading technological capability, human resource development, component parts development, product and engineering design capability and production process technology were the major issues that would be tackled under the IMP2.

The ministry said the existing automotive sector had a limited cluster structure and it also lacked activities along the value-added chain with very little research and development being carried out while most of the critical sub-components and semi-finished components were still being imported.

To expand cluster diversity along the value-added chain, both, car producers and component manufacturers, must venture into research and development activities such as in local car designing, upgrading component product development and improving marketing and distribution networks in export markets.

It added: "The formation and development of a full cluster is therefore crucial in ensuring strong and sustained growth of the automotive sector.

"With such a structure, the automotive sector can be competitive and be able to respond effectively to global market changes."

As for the motorcycle sector, the ministry said the future direction for the sector was to switch from being assemblers and component part manufacturers for the domestic market and to integrated motorcycle producers for the export market supplying quality and competitively priced products.

Hence, the future growth of the sector would emphasise development of locally designed and manufactured motorcycles for the domestic and export markets, domestic manufacture of component parts and establishment of research and development facilities to undertake testing and designing while providing consultancy services and training of manpower in related areas.

For the marine transport sector, the ministry was making several

recommendations that should support the future development of the industry.

They include the establishment of an industrial port and a marine industrial park which would be the site for a conglomeration of firms producing and servicing various related activities and the development of institutions to facilitate the sector's requirements for testing, standardisation and certification of products and activities.

It also suggested the establishment of a centre for collection and waste disposal, uninterrupted supply of energy and water as well as telecommunication networks and building Malaysia into an international centre or regional centre for shiprepair and construction of leisure craft.

The ministry also mapped out several recommendations for the future development of the aerospace sector which was in its early stage of development and with activities only concentrated in the aviation sub-sector.

Development strategies formulated to realise the government's objective of making the aerospace industry a strategic sector in future include developing more aircraft types and cooperation with other major aircraft users and enhancing Malaysia's capability in building light aircraft, both, for the local and export markets.

Other strategies include upgrading technical and engineering capabilities of the Department of Civil Aviation to international standards, promoting components and parts manufacturing through joint ventures with the world's aerospace companies, building up capabilities and expertise in the satellite sub-sector and identifying possible areas for Malaysian companies to participate. -- BERNAMA

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