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Malaysia has makings of a true maritime nation: PM

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MALAYSIA has all the makings of a maritime nation - strategically located in the path of the world's major shipping lanes and is rich in maritime resources such as fisheries, oil and gas - but has yet to optimise these attributes to qualify as one.

Prime Minister Datuk Seri Dr Mahathir Mohamad said a true maritime nation is one which has the capability to fully exploit its God-given maritime endowments to enhance its socio-economic standing in the community of nations.

"Geographical attributes or a glorious maritime history do not automatically make a country a maritime nation.

"In fact, some of the great maritime nations are not those blessed with such maritime attributes," he said when opening Malaysia's first International Maritime Conference onboard the MV Star Pisces docked at Tanjung Malai in Langkawi. The conference is held in conjunction with the maritime segment of the Langkawi International Maritime and Aerospace (Lima) 1997.

Efforts to transform Malaysia into a maritime nation began two decades ago and since then the industry has gained increasing prominence in the economy.

Malaysia's Second Outline Perspective Plan clearly recognises the potential of the sector in enhancing the long-term growth and development of the country into the new century.

Dr Mahathir said not only are some of Malaysia's God-given attributes yet to be optimised, but in some cases they are also under-explored.

"Opportunities for investors in the sector are therefore abundant, be it in shipping, ancillary and port services, tourism or fisheries," he said.

Efforts by the Government to further develop the industry include stepping up infrastructure projects like ports and highways, and providing financial incentives and assistance.

For example, a RM800 million shipping fund was launched in 1992. This was increased in 1994 and then again in 1997 involving an additional allocation of RM500 million.

The Prime Minister noted that about 98 per cent of Malaysia's international trade is currently conducted by sea, but only 15 per cent of the total is transported by the Malaysian mercantile fleet.

"While our fleet has expanded from 1.934 billion gross-registered tonnage (GRT) in 1990 to 3.597 billion GRT last year, further expansion is necessary to cope with the increasing volume of trade and reducing our dependence on foreign shipping," he added.

In tandem with the expansion of Malaysian trade, the country's ports have similarly seen a steady growth in the volume of goods handled.

The throughput has increased from a mere 60.382 billion tonnes in 1985 to 146.057 billion in 1996.

He said the sharp increase in cargo tonnage handled as well as ship calls at local ports is largely attributable to policies aimed at enhancing the utilisation of local facilities, improvements and expansion in port infrastructure, privatization, and efforts taken by the Government and private sector to promote direct trade with the rest of the world.

New ports have been and are being built, and existing ones expanded and modernised. Among the new developments are the Klang West Port and Johor West Port whose combined capacity will be 140,000 deadweight tonnes or a

total berthing space of 6,800m.

He also said that the Government is determined to step up these efforts, including the promotion of ancillary port and shipping services, and enhancement of expertise in the sector.

In addition, the decision to turn Labuan into a prominent financial offshore centre is bound to stimulate the growth of maritime economic activities, Dr Mahathir said.

On security, Dr Mahathir assured the maritime community that the Government will make every effort to ensure that their investments in the country are safe.

"Let's not allow the occasional reports of piracy create an inaccurate impression of the overall security situation.

"Piracies or robberies at sea are isolated incidents which occur everywhere and to tackle the problem, close regional cooperation is required."

This is being done through the security agencies of Malaysia, Singapore and Indonesia as can be seen from the drastic fall in the number of piracy incidents in the Malacca Straits from 32 cases in 1991 to eight in 1996.

Another effort to enhance the safety and security of coastal waters is the installation of a RM100 million Sea Surveillance System. Apart from regulating traffic flow, the system is capable of monitoring vessels suspected of having criminal intent.

The first phase of the project along the Malacca Straits is already in place and is currently undergoing trials.

At a dialogue session later, the Prime Minister said the proposed "landbridge" project linking Peninsular Malaysia with Thailand will proceed as planned.

It is one of the projects which "we wish to do although it will cost us almost RM10 billion" as it is viable and will reduce traffic congestion in the Straits of Malacca, he said.

In inviting interested parties to invest and provide expertise to help develop the landbridge, he said some Japanese shipping lines have already indicated that they are keen to participate in the project which will also involve the cooperation of Thailand and Indonesia as part of an Indonesia-Malaysia-Thailand Growth Triangle initiative.

"Some parts of the straits are quite shallow and are becoming more and more dangerous to ships," he said, adding that while Malaysia is stepping up surveillance to prevent collisions and oil pollution, the Government feels that the landbridge project is a viable solution to the problems.

The Prime Minister was also asked about possible synergy between the maritime industry and the Multimedia Super Corridor (MSC), which he said should be substantial as the sector is becoming more dependent on rapid transmission of information.

The conference was jointly organised by Huswah Exhibition Sdn Bhd and the Royal Malaysian Navy.

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