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Use local SMIs, Rafidah urges MNCs

FOREIGN multinational corps (MNCs) have been urged to use local small- and medium-industries (SMIs) to produce high value-added parts and components in an effort to strengthen the integration of domestic SMIs into the industrial mainstream.

At the same time, these MNCs can concentrate on the "critical systems integration, testing or production of proprietary components," Rafidah said in her welcoming address at the opening of SMI Showcase '98 and Apec Cross Border Linkages by Prime Minister Datuk Seri Dr Mahathir Mohamad in Kuala Lumpur yesterday.

She added that some 281 match-making business sessions have been organised for the course of the five-day exhibition organised by the Small and Medium Industries Development Corp.

This year's showcase focuses on the electrical, electronics and telecommunications industry group.

"The success of the industrial linkage programme basically hinges on the support of larger companies, particularly MNCs, to open up opportunities for local SMIs to become competitive parts and components suppliers as well as to provide the supporting services required," she said.

Rafidah added that with the larger companies going global, the linkage between SMIs and MNCs "will serve as a springboard for Malaysian SMIs themselves to go global".

This, she said can be through the support services provided to MNCs' network of operations throughout the world as well as through servicing their operations in Malaysia.

She hoped that the Apec Cross Border Linkage programme, organised back to back with the showcase will encourage linkages not only between MNCs and SMIs but also among SMIs themselves.

"This is possible for the supply of critical parts and components, collaborative research and development efforts as well as for other supporting and ancilliary services.

"It is hoped that the programme can encourage collaboration for third country trade, and joint investments in third countries, particularly in emerging markets," she said.

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