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Japanese companies renew pledge to invest in Malaysia

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JAPANESE businessmen renewed their pledge yesterday to invest in Malaysia and other members of the Association of South-East Asia Nations (Asean) with special attention given to research and development and human resources.

This was conveyed by the business community of Kansai through its economic federation, Kankeiran, which is a private non-profit organisation comprising about 850 major corporations.

"Japanese businessmen and their counterparts in Asean must work together to face the challenges brought about by globalisation and the information technology (IT) revolution," said its chairman, Mr Yoshihisa Akiyama.

He was speaking to reporters at the close of a one-day Kankeiran Asean Management seminar in Kuala Lumpur.

Already, Matsushita Electric Industrial Co Ltd has committed to invest about RM600 million this year to manufacture flat television and pursue research and development activities in Malaysia.

Its executive vice president, Mr Masayuki Matsushita, said the amount is RM200 million more than what the company normally invests each year.

"We achieved a turnover of RM9 billion from sales of our products in the country last year... we employ about 30,000 Malaysians.

"What we are doing is reflective of the Kansai business community's position ... we will continue to shift our operations to an increasingly higher technology," he said.

Prime Minister Datuk Seri Dr Mahathir Mohamad, who opened the symposium in the morning, had urged Japan to open up its markets to Asean and Malaysian companies, particularly in the knowledge-based areas, and assist in the development of the region's small- and medium-scale industries.

In welcoming the Prime Minister's call for expansion in trade and investment, Akiyama said continued collaboration between Japan and Asean countries is crucial to the region's economic recovery and sustained development.

"In the past 20 years, we have had mutually beneficial economic relations. We hope this will continue and also enhanced.

"Previously, our companies would set up plants abroad to produce (finished) products. We may now establish facilities in several Asean countries to produce components which are then assembled in one place for the global market," he said.

For example, many small- and medium-scale enterprises (SMEs) in Osaka are producing measuring equipment, the 30 or so components for which could be made in Asean countries and then shipped back to Japan, Akiyama said.

On the call by Dr Mahathir to participate in the development of the Multimedia Super Corridor (MSC), Akiyama said he will discuss the proposal with members of the Osaka Chamber of Commerce and Industry.

Kankeiran members are mostly big companies while the Osaka Chamber represents the SMEs, including those which specialise in IT and multimedia.

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