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Ports helping nation towards Vision 2020

Mohd Sidik Shaik Osman

THERE is an increasing and continued global focus on the eradication of trade barriers and the emergence of regional free trade areas and bilateral free-trade pacts.

The Association of South-East Asian nations (Asean), with the admission of Vietnam, Laos, Myanmar and Cambodia, is also now gearing up towards the establishment of an Asean Free Trade Area (Afta).

We also see that across the Pacific, in May of this year, the US has also made moves to grant permanent normal trade relations with China.

With this step, and with the Chinese economy moving at a significant pace in the 1990s, South-East Asia needs more than ever to address new opportunities to enjoy sustained growth levels towards development.

We cannot now expect to enjoy the same lower cost advantages and skilled labour that have always been the hallmark of South-East Asian attraction of overseas investment.

For Malaysia, Indonesia and Thailand, even the new emerging economies of Cambodia, Vietnam, Myanmar and Laos, will see a shift of traditional manufacturing bases.

With these new states also focusing on essential communication and IT skills, it is only a matter of time when they establish themselves perhaps as the new "Asean tigers".

The question then arises as to how Malaysia can position itself in this new Asean. What will be the new catalyst for growth in Malaysia.

The Honourable Prime Minister, Datuk Seri Dr Mahathir Mohamad, has come up with various strategies driven by the Government. The Multimedia Super Corridor was initiated to "kick-start" Malaysia into the development of new and advanced technologies.

With other government initiatives in the forefront towards Vision 2020, the local private sector has also been urged to embark on projects which contribute towards national interest.

Without further urging from the Government, private sector companies in various industries now need to strategise and plan towards long-term objectives over a 10-20-year period.

The port sector in this regard has traditionally been known to be the engine of growth for state and national economies.

We however need to move this a few steps forward by actually becoming the driving force for Malaysia to be known as a leading maritime nation with regional consolidation and distribution centres located in the country.

Port of Tanjung Pelepas (PTP) is taking this as a primary goal to help realise the nation's goal towards Vision 2020. We also believe that establishment of these centres in Malaysia will lead to increased high-end investment in the country. As exports increase from emerging Asean economies, there will be an obvious need for increased distribution and consolidation activities. PTP, with plans to be South-East Asia's premier transshipment hub, is well positioned to capture this with plans for global port connectivity.

Over the last two decades, the manufacturing sector has provided Malaysia with high overall GDP growth rates. This, however, led to a downturn in the late 1990s due to decreased domestic demand and less exports. Apart from the financial crisis, other reasons attributed include increasing competition in the global market for manufactured goods.

With a total of 1,000 acres of the port's leasable land and 10,000 acres of private sector industrial land outside the port, there will be a new manufacturing, commercial and industrial growth centre in Malaysia. With developers already on aggressive marketing since the port's presence, this will lead to the creation of vital skilled jobs, technology-based industries and value-added business for the nation. The downstream effect in real terms to the economy may positively affect a significant portion of the GDP growth towards the realisation of Vision 2020.

Apart from the manufacturing and industrial sector, the port has also planned steps to address the need to fulfil the growing skills of the local labour force. With new port IT technologies, we are embarking on joint programmes with customers to equip workforce with their changing roles, responsibilities and tasks, which are vital in an increasingly knowledge-based economy.

With new technologies coming in to the port area, PTP has also emphasised on the critical area of R and D which has been identified as critical goals towards Vision 2020.

With continuous port expansion programmes planned to meet demand, PTP's project management team is also embarking on initiatives to bring in leading local engineering expertise for terminal and back-up infrastructure.

These are the main areas of our plans to help both the port and the nation fulfil future requirements. With borders decreasing on the global front, companies now need to tear down similar borders by embarking on cooperation amidst competition with their competitors.

* The Editor welcomes feedback from readers via e-mail:
btship@nstp.com.my

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