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## Grant for electrical and electronics companies

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MALAYSIAN electrical and electronics (E&E) companies are eligible for a grant of up to RM100,000 each to embark on the global supply chain management via the RosettaNet.

Under this arrangement, companies in the E&E sector are able to communicate and conduct business electronically through common codes for sourcing of parts and components.

Minister of International Trade and Industry Datuk Seri Rafidah Aziz said an allocation of RM5 million has been set aside for the grant in 2002 but it is only for companies with 60 per cent Malaysian equity.

Speaking at a monthly meeting with the media yesterday, Rafidah said the grant will cover the cost of buying RosettaNet software, firewalls, hardware, system integration fees, membership and entrance fees.

For multinational corporations and large local companies that assist local suppliers and RosettaNet Malaysia Sdn Bhd, a double tax deduction will be accorded.

RosettaNet Malaysia will be incorporated this month and will have its office at the Penang Skill Development Centre.

Rafidah said RosettaNet Malaysia will be managed by a board chaired by her ministry with representation from both the public and private sectors.

RosettaNet, an Internet-based common messaging standard for global supply chain management, is internationally managed by California-based RosettaGlobal.

RosettaGlobal has over 400 members from the world's leading E&E sector such as Intel, Motorola, Dell and Cisco.

An affiliation agreement between RosettaNet Malaysia and RosettaNet Global is scheduled for next month, marking the official launching of the former.

Many countries in North America, Europe and Asia have adopted the RosettaNet standards. Malaysia, which is increasingly becoming an important supply hub for many E&E components, will be the fifth Asian country to adopt RosettaNet after Japan, South Korea, Taiwan and Singapore.

The RosettaNet initiative was first announced by Prime Minister Datuk Seri Dr Mahathir Mohamad in the 2002 Budget presentation.

Rafidah advised interested companies with at least 60 per cent Malaysian equity to contact the Small and Medium Industry Development Corp (Smidec) on technical aspects of the RosettaNet.

"All those companies which are suppliers need to be registered with Smidec so that we can keep a good profile of them and follow up on their operations," she said.

On the recent Fourth World Trade Organisation (WTO) Ministerial Conference in Doha, Qatar, Rafidah said Malaysia is satisfied with the outcome of the meeting.

"It tallies with Malaysia's own objectives which it has been announcing for a very long time and finally we are able to achieve the kind of decisions there that meet our requirements," she said.

This included the endorsement by WTO on the additional two-year extension granted to Malaysia to phase out the local content policy in the automotive sector.

Malaysia also sought clarification on certain provisions in the anti-dumping agreement that could lead to abuse. On the issue of subsidies,

Malaysia sought to strengthen the developmental provisions in the agreement.

Rafidah said Malaysia is also glad the WTO reaffirmed that the International Labour Organisation is the competent body to deal with labour standards.

Commenting on China's interest to bid for the Bakun Hydroelectric Dam project in Sarawak, Rafidah said a Chinese joint-venture consortium with Malaysian companies has been formed.

Malaysia too, she said, has expressed interest to participate in the Olympic Games 2008 in China, especially in infrastructure development projects, services and supply of equipment.

On trade with Arab countries, Rafidah said Malaysia's exports increased by 14.1 per cent to US\$1.73 billion (US\$1 = RM3.80) in 2000 from the previous year.

Exports to the United Arab Emirates formed the bulk at US\$859 million followed by Saudi Arabia (US\$322.9 million) and Iran (US\$129.8 million).

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