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KIA-NAZA

KIA TO SET UP PLANT IN M'SIA by Leslean Arshad

KUALA LUMPUR, Oct 3 (Bernama) -- Korean car maker Kia Motors Corporation and Naza Group are in talks to set up a manufacturing plant in Malaysia to produce Kia model vehicles for the Asean market.

"They are looking very closely, maybe because of 2005. They are talking to us now," Naza Group managing director, Tan Sri SM Nasimuddin SM Amin told a press conference after the launching of the locally-assembled Kia Spectra model by the Prime Minister Datuk Seri Dr Mahathir Mohamad here today.

Tan Sri Aziz Ismail, the chairman of Naza Kia Sdn Bhd, said Kia was seriously looking into all kinds of ventures in Malaysia as they were impressed with Malaysia's plus points like political stability and economic strength.

One possible venture involves the setting up of a Kia manufacturing plant in Malaysia and the car maker had indicated its serious interest in the venture, he said.

Aziz said the Naza Group and Kia had been holding talks since last year over the possibility of the manufacturing plant being set up here.

He said Naza Group should have the edge in becoming Kia's partner should the proposed venture materialise.

"I'm sure we will be the first to receive the offer since we have been involved with them," Aziz said.

"From the way things move, a lot of attention has been given to us," he added.

Naza Kia, a member of the Naza Group, is the sole distributor of the Kia range of motor cars in Malaysia.

Asked how big a stake the Naza Group was interested to have and the total production capacity of the plant, Aziz said these matters were still being discussed.

He was non-committal on whether the plant could be set up before 2005 when the Asean Free Trade Area conditions come into deferred effect for the automotive sector.

Aziz said Naza may consider Selangor as the potential location for the proposed plant given the interest shown in the project by the Selangor state government.

Meanwhile, Nasimuddin said Naza planned to assemble two more Kia models locally, one model of multi-purpose vehicles (MPV) and another of vans (goods carriers).

The local assembly of these models is scheduled to begin in April 2002, in time for the models to be on the roads by Oct. 2002, he said. -- BERNAMA

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