

25 MAY 2001
ABDULLAH-SMI
SMI OPERATORS URGED TO ENTER GLOBAL MARKET

KOTA BAHARU, May 25 (Bernama) -- Datuk Seri Abdullah Ahmad Badawi today said that the success of made-in-Malaysian products in the local market should encourage small and medium scale industries (SMI) to venture into the broader-based world market for their products.

This will enable them to improve their profits and performance, the deputy prime minister said today.

He said that as newly-established entrepreneurs, SMIs should venture into the ASEAN market where import duties (on products originating from the member countries of the grouping) have been reduced to between zero and 5 percent.

"Moreover, SMI operators must increase their efforts to expand the market for their products to countries where the buying power of consumers are rising," he said when declaring open an SMI convention here.

Abdullah represented the Prime Minister Datuk Seri Dr Mahathir Mohamad in declaring open the convention with the theme "towards Global Trade ahead of the Asean Free Trade Area (AFTA) 2003" organised by the Malaysian Malay Chamber of Commerce, Kelantan (DPMM Kelantan).

Abdullah said SMI operators cannot use the weak trends in the world economy to excuse their failure or inability to find new markets for their products.

"The government can be considered to be a venture capitalist to support the SMI's efforts but the government's help will only be provided if SMI operators do not confine their efforts to the domestic market," he said.

He said that, in order to equip themselves to be more skilful and competitive entrepreneurs, SMI operators can take part in the so-called Global Suppliers Programme which the government had introduced to raise the competitiveness and capability of local SMIs.

Under the programme, the SMIs can become suppliers of parts and components to multinational and large companies based not only in Malaysia but also under globally-operating networks.

Abdullah said SMI companies must also increase their use of information and communications technology (ICT) to improve their productivity and expertise.

"Electronic commerce (e-commerce) must be fully used by SMI companies to enable them to trade not only in the local market but also to capture their share of the global market through the use of electronic channels and platforms," he said.

He said the government had taken the initiative to package policies for upgrading trade, industry and the use of modern technology in production, in order to ensure that made-in-Malaysia products can compete successfully in the markets of the region and the world.

According to the DPM, all plans and programmes that have been prepared by the government can only succeed if entrepreneurs make every effort to develop their trading capabilities.

Abdullah added that SMI companies that make up 90 percent of all operating businesses in the country form an important source of economic growth by facilitating the process of industrial development as helpers and suppliers to the manufacturing sector.

"SMIs contribute to roughly 25 percent of industrial output," he said.

In this connection, Abdullah said SMI operators must cultivate the habit and attitude of producing only the best goods and services, with the

highest quality that can satisfy the needs and demands of consumers at fair and competitive prices.

Abdullah also expressed the hope that the convention being held today involving the participation of SMI operators from Thailand, Indonesia and Brunei would provide the participants with a forum to share experiences for making them more competitive under the AFTA regime.

The convention was also designed to expose the SMI operators to aspects of the trading opportunities arising from the process of trade liberalisation across the world, he added. -- BERNAMA

BD JR SEL