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MAHATHIR-KOREAN

SOUTH KOREAN AUTOMAKERS URGED TO INVEST IN M'SIA

PETALING JAYA, Oct 3 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad hopes that South Korean automakers will go beyond exporting their cars to Malaysia and invest in joint ventures to produce automotive components which can be sold to local automotive manufacturers.

Such investments would enable Malaysian automotive firms to benefit from South Korean auto skills in managing their industries and be able to produce cars which are cheap and of quality as well as being very competitive, he said.

"I hope that Kia and other Korean automakers will look into investing in the production of automotive components for Malaysia and other countries in the Asean region so that it could bring down the price of motor vehicles," he said at the launch of the locally assembled Kia Spectra here today.

South Korea is well known for producing automotive components of high quality and at lower costs.

Dr Mahathir said he admired the toughness of the South Koreans in turning their country into an economic and industrial power where they could produce almost everything at very low cost and be able to catch up with Japan and other developed nations.

This was also despite the regional economic downturn and financial crisis which pushed South Korea to seek financial assistance from the International Monetary fund (IMF).

"They were able to repay US\$58 billion (to the IMF) last year which is a remarkable achievement," he said.

The Naza Group of Companies currently undertakes the local assembly of the Kia Spectra through a joint venture entity led by Kia Motors Corporation of Korea.

Naza Group of Companies is targeting the delivery of 5,000 units of the model in the first year of its operation.

The co-operation between Kia Motors and Naza Group dates back to 1996 when the local car dealer brought the Kia Sportage, a four-wheel drive vehicle, in the local market. -- BERNAMA

MK MKO SHY