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JACTIM-PLANS

JACTIM'S PLANS TO ENHANCE LEADING EDGE OF SUPPORTING INDUSTRIES

KUALA LUMPUR, July 29 (Bernama) -- The Japanese Chamber of Trade and Industry Malaysia (JACTIM) has come out with two plans to assist industrial development in Malaysia and to increase the competitive edge of supporting industries to enable them to compete in the international arena.

Its president, Tan Sri Dr K. Suzuki, said the first programme was to select five good Malaysian companies among components and child-parts makers for the transfer of know-how and the second was the setting up of a talent bank comprising Japanese expertise and engineers to assist the industries.

On the five companies, he said the idea was to transfer know-how and Japanese strength in technology, engineering and management to these companies to enable them to compete internationally within a year.

As for the talent bank, the expertise which include technicians and engineers would be placed in these supporting industries.

Dr Suzuki was speaking at a press conference on the investment and business alliance mission to Malaysia from July 27-30.

Led by the Japan External Trade Organisation (JETRO) chairman and chief executive officer, Osamu Watanabe, the mission comprises a further 48 top executives and other representatives of small and medium Japanese businesses.

Watanabe said the mission was in response to a proposal by Prime Minister Datuk Seri Dr Mahathir Mohamad with regard to the development of local supporting industries besides commemorating JACTIM's 20th anniversary this year.

In explaining the need to enhance the leading edge in Malaysian industries, Suzuki said the emergence of China was a threat not only to Asean but also Japan.

"We never expect the emergence of China to be this intense and fast. We are caught somehow in this situation," he said.

He said companies that had enjoy smooth sailing in Malaysia were now thinking of how to survive with the emergence of China and were even thinking of shifting there.

However, he said Malaysia still had its advantages over China in terms of its system of manufacturing.

"But if it remains complacent, this advantage will disappear within two years as China would have caught up by then," he said.

Realising that they had a time frame of only two years to strengthen Malaysia's advantage and improve its weak points, he said JACTIM had come out with the two plans.

Top of the list is to reinforce its supporting industries for manufacturing, especially components and child-parts, to reach international level.

By having this edge, he said Malaysia would then be well prepared to co-exist and co-prosper with China.

Meanwhile, Watanabe said Japanese investment in the Malaysian manufacturing industry fell 82.6 percent to RM587.4 million in 2002 due to concern over China's emergence. But it has since being revived with investments from January to March 2003 increasing by 16.3 times.

"The relaxation of restrictions on ratios of foreign capital investment unveiled in June this year as well as the Japan-Malaysia Economic Partnership Agreement (JMEPA) currently being considered have given rise to

hopes of reviewing Japanese investment in Malaysia," he said.

He gave the assurance that Japan would continue to invest as 60 percent of 545 JACTIM members were involved in the manufacturing of automotive, electrical and electronics sectors.

Watanabe said the delegation had already met with Dr Mahathir, Deputy Prime Minister Datuk Seri Abdullah Ahmad Badawi and Minister of International Trade and Industry Datuk Seri Rafidah Aziz during the visit.

Among the issues discussed with the Prime Minister concerned human resources development, the slow software development and that of the national car project. -- BERNAMA

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