

# OVERVIEW OF MALAYSIAN MARINE INDUSTRY



**1<sup>st</sup> National Marine Industries Forum 2010**

**Kuala Lumpur, 23 March 2010**

## *Presentation outline*

- **Importance of marine industry**
- **Key activities in marine industry**
- **Overview of Malaysia's marine industry**
  - **Shipyard**
  - **Marine leisure**
  - **Support services**
- **The way forward**
- **Conclusion**

## *Importance of marine industry*

- **Supports maritime transportation that facilitates much of the nation's trade.**
- **Creates a positive economic multiplier effects.**
- **Generate employment.**
- **Valuable source of export earner.**

# *Key activities in marine industry*

- **Shipyard industry**
- **Marine leisure**
- **Support services**

## *Shipyard industry*

- **Major activities include shipbuilding, ship repairing, conversion, and retrofitting.**
- **Designated as strategic industry in IMP3.**
- **Most local yards focus on building small and low value vessels.**
- **Larger yards can build/service ocean going vessels and fabricate offshore structures.**

## *Issues*

- **Small domestic market.**
- **Stiff competition from foreign yards.**
- **Shortage of skilled workforce.**
- **Shortage of hi-tech facilities and equipment.**
- **Lack of capital to expand.**

## *Marine leisure industry*

- **Consists of marine tourism/cruise, pleasure/recreational boating.**
- **Very few shipyards specialise in building leisure crafts.**
- **Top boat makers cater for export market.**
- **Complements Malaysia's marinas and attraction as boating haven.**

## *Issues*

- **Lack of financing schemes for the purchase of leisure crafts**
- **Insufficient supply of skilled manpower at yards and marinas to build/service large boats.**
- **Lack of concerted marketing / promotional efforts.**
- **Growing competition from regional nations for marine tourism market.**

## *Support services industry*

- **Consists of maritime financing, equipment manufacturing and supplies, education, training, crewing, classification, ship management, logistics, etc.**

## *Issues*

- **Lack of qualified personnel**
- **Lack of master plan to develop the industry in a systematic manner.**
- **Lack of capital to invest in R&D.**
- **Lack of lead agency to ‘champion’ the industry.**

## *The way forward*

- **Have long-term plan to develop industry**
- **Upgrade technical skills**
- **Automate to reduce reliance on labour**
- **Improve supporting infrastructures**
- **Find niche markets**
- **Consolidate certain sectors**
- **Provide more/better incentives**
- **Encourage more OEM/MRO activities**

## *Conclusion*

- **Local marine industry have potential to grow but need to overcome issues and challenges.**
- **Marine industry needs long-term planning to be developed systematically.**
- **Financing is key to the industry growth.**
- **Policy push should not come at the expense of efficiency and competitiveness of industry players.**



# THANK YOU

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