

Move to spur air freight growth

SEPANG: Malaysia is on track to become the Southeast Asian hub for air freight with ongoing efforts to spur the development of the cargo centre at the Kuala Lumpur International Airport (KLIA) here, said Transport Minister Datuk Seri Liow Tiong Lai.

One main initiative is the Digital Free Trade Zone (DFTZ) at the KLIA aeropolis, which will enable online retailers to speed up export and import as well as manage the supply chain at a central location.

“When the DFTZ is fully developed by 2020, this e-fulfillment hub is anticipated to handle up to US\$65bil (RM279.4bil) of goods in the Asean region.

“It will facilitate cross-border movement of goods as well as ensure seamless air connectivity,” said Liow. The DFTZ, launched by Prime Minister Datuk Seri Najib Tun Razak and Alibaba founder Jack Ma in March this year, would be a catalyst for the growth of Malaysia’s e-commerce, he said.

“Its target is to deliver packages within 72 hours to Asean countries via air (KLIA) and sea (Port Klang),” he said yesterday. He was speaking at the opening ceremony of the Renesas Electronics Kuala Lumpur Distribution Centre at the Malaysia Airlines freight forwarders complex at KLIA.

The centre, operated by Tasco Bhd with an initial investment of RM20mil, handles the electronic parts and components manufactured by Japanese company Renesas Electronics Corp.

Equipped with clean room and special storage facilities, this warehouse is in charge of segregating, repacking and distributing Renesas’ products to the global market.

It has created 300 job opportunities and will contribute about 350 to 400 tonnes or an additional 2.3% to 2.7% – to the monthly export volume at KLIA.

“The electrical and electronics industry is one of the primary manufacturing sectors in Malaysia, which accounted for 36.6% of our total exports in 2016, amounting to RM287.72bil.

“In terms of imports, it accounted for 30% or RM209.94bil,” said Liow. Speaking to reporters later, Tasco Bhd executive chairman Lee Check Poh said his company hoped to make Malaysia a hub, not only for electronics and electrical products but also for food and beverage, with the investment of over RM300mil in the temperature-controlled supply chain.

Applauding this effort, Liow said produce from Cameron Highlands was currently being exported through Singapore due to a lack of facilities here to handle perishable items.