

## HOME BUSINESS



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## Construction industry needs to stay up to date to maintain competitive edge — CIDB

KUALA LUMPUR: Malaysian construction industry players have to keep up with the latest local and global trends as well as developments to maintain their competitive edge moving forward.

Construction Industry Development Board (CIDB) Malaysia chief executive Datuk Ahmad Asri Abdul Hamid said the construction industry has experienced a robust growth for the past 10 years, especially in terms of technology, construction methods and materials used.

"For example, Singapore is heavily focused on using the IBS (industrialised building system). Malaysia's Sunway Construction has become the IBS expert in that country.

"The value and complexity of the projects are also increasing. To compete in the international market, a company needs to grow at a greater scale to ensure that it has the resources, skills and experience to perform.

"To put it simply, if the company is not big enough, it will not be able to compete," he told *Bernama*.

In recent years, he said there has been less demand in the domestic market due to slower economic conditions, thus creating pressure for Malaysian industry players to seek business opportunities abroad to sustain their business.

He said despite slower economic conditions, other factors that have affected the internationalisation of construction companies include locality, of which 68% of the total projects won abroad are in the Commonwealth and Asean countries.

This, he said, is because the laws and regulations practised in these countries are very similar to Malaysia's.

Ahmad Asri said CIDB has been making good progress on the internationalisation front of the Construction Industry Transformation Programme with several construction companies finding success overseas.

This is in line with the government's aspiration to boost Malaysian construction players' position on the domestic front, as well as to gain prominence as global players on the international arena, he added.

"From 2016 until the first quarter of 2019, some 124 projects worth RM12.7 billion had been won by Malaysian companies in many countries, including in

the Asean, South Asian and Gulf regions.

"In fact, Malaysian companies have built landmarks in other countries such as the F1 circuits in Bahrain and Abu Dhabi by WCT Engineering Bhd, Doha International Airport by Gamuda Bhd and Hamad International Airport in Qatar by Muhibbah Engineering (M) Bhd, WCT Engineering, Eversendai Corp Bhd and a few others," he said.

Ahmad Asri said CIDB's role is to facilitate the Malaysian construction industry players to undertake and execute projects and render services overseas.

To this end, he said, CIDB has led delegations to explore opportunities overseas that will help enhance the export of Malaysia's construction services.

"The initiatives led by CIDB, such as inbound and outbound missions, international business meetings and participation in international exhibitions serve as platforms for the local construction players to build networks, which facilitated the matching of their products, services, and innovative solutions with the needs of international buyers.

"CIDB conducts construction missions four times a year. We facilitate local players to source new clients abroad, identify potential business partners, and expand their businesses to an international audience. In 2018, CIDB led delegations to London, the Philippines, Indonesia and Singapore," he said.

To further facilitate the local players in internationalising their businesses, Ahmad Asri said CIDB also conducts the International Sourcing Programme (INSP), which helps identify potential foreign buyers who are interested in sourcing products or services in Malaysia.

"The potential buyers are invited to meet with local companies that were nominated and recommended by CIDB. This increases local companies' chances in securing export deals. The INSP has been conducted twice, in conjunction with the International Construction Week.

"CIDB continuously engages with local construction industry players who are interested in exporting their products/services. Engagements are conducted to understand their plans and identify destinations that they are keen to get their products or services," he added. — *Bernama*