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LEAD Mahathir-MSC

NO RESTRICTIONS ON COMPANY OWNERSHIP, JOBS IN MSC

KUALA LUMPUR, Aug 1 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad says unrestricted import of knowledge workers will be allowed within the Multimedia Super Corridor (MSC) where there will also be no restriction on foreign ownership over the next 10 years.

These commitments, along with several others, will be part of a Multimedia Bill of Guarantees for MSC companies, he said when opening the Multimedia Asia '96 conference on the MSC here today.

In addition, the Cabinet has set up a Multimedia Development Corporation (MDC) to ensure MSC companies have the best environment for harnessing multimedia services, he added.

Dr Mahathir said the MDC will have governmental powers but will be run like a private corporation to serve the MSC companies.

Primary Industries Ministry Secretary-General Tan Sri Dr Othman Yeop Abdullah, who is the former Vice Chancellor of Universiti Utara Malaysia, has been appointed chairman of MDC, he added.

The MDC will be a "one-stop shop" to manage and market the MSC. Applications by companies seeking MSC designation that will entitle them to incentives and guarantees are now open.

They can submit their applications electronically through the MSC homepage on the Internet.

Referring to the Multimedia Bill of Guarantees, Dr Mahathir said multimedia/information technology (IT) is the priority sector for achieving Vision 2020.

MSC will be the home of Malaysia's leading edge multimedia development.

It will have the best environment in Asia by creating MSC specific laws, policies and practices, and also have a world-class physical and information infrastructure, he added.

He said the MSC will become a regional centre of excellence in multimedia education, research and leading applications.

It will become a leader in multimedia regulations.

Cyber laws for using IT to deliver value in new ways -- such as telemedicine, distance learning and electronic signature -- and intellectual property protection will be legislated, he said.

He said key MSC infrastructure contracts will be tendered to companies willing to use the MSC as their regional hub. It will offer the best, tailored incentives and financial/venture capital environment.

The incentives for MSC companies are still being detailed, but he announced several of them for companies committing to the MSC within the next year.

They include corporate tax exemption for 5-10 years depending on the proposed application to be performed within the MSC, and infrastructure contracts will be awarded on a preferential basis to MSC companies.

Multimedia experts and the chief executive officers from foreign countries have been invited to sit on the Distinguished International Advisory Panel, chaired by the Prime Minister, which will provide advice on a continuing basis about the quality of the overall MSC environment.

Dr Mahathir said by the year 2000, he expects to see seven specific applications being developed in the MSC by "webs" of international and Malaysian companies.

First, Malaysia will be a pioneer in electronic government which will be a multimedia-networked paperless administration linking Putrajaya, the

country's new administrative centre, to government centres around the country to facilitate inter-governmental collaboration and citizen access to government services, he added.

Second, Malaysia will be a regional centre for telemedicine as rural clinics could be connected to medical experts in Malaysia and to great clinics worldwide using new tele-instrumentns for remote diagnosis.

Dr Mahathir said Malaysia is a natural hub with its Chinese, Ayurvedic and Western medical knowledge.

Thirdly, he hoped MSC will become a collaborative cluster of universities and corporate research and development (R&D) centres, using distance learning to produce world-class graduates and next generation innovations.

Dr Mahathir also hoped the MSC will become a remote manufacturing, coordination and engineering support hub that electronically enables companies in high cost countries to access plants across Malaysia and Asia as a virtual extension of their domestic operations.

Next, MSC should become a multimedia customer service hub leveraging Malaysia's unique multicultural links to provide electronic publishing, content localisation, telemarketing and remote customer care to a market of 2.5 billion people.

Sixth, MSC will be an environmentally beautiful and highly convenient financial haven with direct multimedia links to the Labuan International Offshore Financial Centre and the world's financial centres.

Finally, Malaysia will have the world's first national multipurpose smartcard imbedded with individual identification, electronic signature and access to government, banking, credit, telephone, transport and club services.

In short, Dr Mahathir said, he saw the MSC as the leading edge of a new national strategy for Malaysia to achieve the goals described in Malaysia's Vision 2020, and he expects to see a few world-class Malaysian companies emerge from it.

It will also accelerate development of a strong services sector to balance Malaysia's already strong manufacturing sector while helping to improve productivity and quality of life. -- BERNAMA

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