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Economy to gain RM25b from MSC

Ashraf Abdullah

KUALA LUMPUR, Sat. - The impact of the Multimedia Super Corridor's seven flagship applications may not be immediately felt or seen by Malaysians but it will improve their standard of living in the near future.

"Studies have shown that with the MSC, we have the potential to increase our per capita Gross Domestic Product by three, or even four times by 2020," Prime Minister Datuk Seri Dr Mahathir Mohamad said today.

According to a study conducted by Sumitomo Corporation, the value that will be generated by the multimedia industry in the MSC to the national economy after the first five years is estimated at RM25 billion, he said when launching the Concept Request for Proposals (CRPs) for the Multimedia Super Corridor at Nikko Hotel.

The CRFPs are for private Malaysian and foreign companies to propose the most innovative solutions for the 15 pilot projects under the seven MSC flagships - electronic Government, multi-purpose card, smart schools, telemedicine, borderless marketing, research and development clusters, and worldwide manufacturing web.

Dr Mahathir said Malaysian and international companies setting up operations within the MSC would create value for themselves in an environment uniquely suited to their needs.

While they will help transform Malaysia and the region, they would also contribute towards their own role in the information age, he said.

Dr Mahathir said the CRFPs were pioneering initiatives for Malaysia and must not be perceived merely as documents outlining requirements for companies to submit their bids for government projects.

"They are actually representative of the government's new approach for partnering with the private sector," he said.

Dr Mahathir said the Government had worked with companies to develop the CRFPs that provided benefits the Government sought.

He said the CRFPs placed more emphasis on defining project objectives and desired benefits rather than specifying detailed technical requirements.

It also called for open technology and business models.

"This approach encourages collaboration among companies and between companies and the Government," he said.

The MSC, Dr Mahathir said, was by far the most comprehensive test bed devised to test technologies and applications in the Information Age.

To spearhead the MSC's development and give shape to its environment, seven primary areas for multimedia applications have been identified.

These flagship applications contained unprecedented and attractive opportunities for local and international businesses because of their variety and scope for the global community, he said.

One of the most important applications which the Government would be helping to develop was electronic government.

"Whatever is decided upon and applied in actual administrative procedures will not be final," he said.

Dr Mahathir said the development of the electronic government would be a continuous process as new ideas and new technologies make current ones out of date.

Elaborating on CRFPs, Dr Mahathir said one of the key objectives in using the CRFPs approach was to encourage collaboration and technology transfer involving small and medium-scale Malaysian enterprises.

"One of the selection criteria is to look at a workable and effective model of technology and knowledge transfer between collaborating companies and institutions, big and small, local and foreign," he said.

Dr Mahathir said the Government also hoped to encourage smart and equal partnerships where both Malaysian and foreign parties would offer value-added input.

Speaking later, he said the MSC project was not facing any major problems.

"The infrastructure is being put in place," he said. "World-wide enthusiasm for the MSC proved that it was well accepted."

Dr Mahathir expressed satisfaction with the progress of the multi-billion ringgit project.

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