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MSC project being accelerated, says Othman

Anita Gabriel

THERE is "no let-up" in efforts to develop the Multimedia Super Corridor despite the currency turmoil and lower share prices.

In fact, Multimedia Development Corp Tan Sri Dr Othman Yeop Abdullah said efforts towards this end are being accelerated.

"Prime Minister Datuk Seri Dr Mahathir Mohamad has directed me to accelerate the process from two to one year as the development of the MSC will make the economy more resilient and robust," he said in a paper entitled "Malaysia's Multimedia Super Corridor - Leading Asia's Information Age" at the Telecom 21 Exhibition and Conference in Kuala Lumpur yesterday.

As of October 21, 150 companies have applied for MSC status, of which 63 have been approved. Another 12 are borderline cases (still being negotiated), four rejected and 71 still being processed.

Stressing that the MSC is not an exclusive zone for multinational corporations, Othman said 53 of the applications had come from local companies.

So far, the largest number of submissions came from European companies; followed by the US with 14; India, Singapore and East Europe 11 each; Japan 7; and Canada 2.

By sector, 28 per cent of the applications received were from companies in the manufacturing industry, 20 per cent electronic commerce and banking, 17 per cent telecommunications, 13 per cent education, 11 per cent government, 9 per cent advertising and 2 per cent property.

Given the response to date - 150 applications in three months - Othman said the MSC is well on target and is confident of securing some 300 companies by the year 2000.

Based on the business plans submitted by the companies, he also said that the total revenue of the companies is projected at RM7.7 billion and total profit at RM4.39 billion by the fifth year of operation.

Othman also said in view of the keenness shown by telecommunications companies, the project may turn into a major telecommunications hub as well. On the MSC's manpower needs, he said the Government has adopted several strategies to address the issue. They include allowing unrestricted entry of knowledge workers for the project, providing MSC status incentives to eligible institutions of higher learning, and increasing the ratio of group enrolment at these institutions.

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