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PM - Govt won't allow MSC to fail (HL)

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TOKYO, Mon: Malaysia cannot and will not allow the Multimedia Super Corridor (MSC) project to fail as multimedia will become the cornerstone in the country's industrialisation process.

Prime Minister Datuk Seri Dr Mahathir Mohamad said the Government in fact views multimedia as strategic in realising Vision 2020 and joining the ranks of developed nations.

Addressing some 50 leading information technology (IT) corporate leaders and experts here, Dr Mahathir said: "The Malaysian Government cannot and will not allow the project to fail." He said the Government is committed towards ensuring the project's success, adding that Malaysia is known for fulfilling its commitments.

Chief executives from the Oki Electric Company, Canon Inc, Sharp Corp, Sony Corp, NEC Corp, Hitachi Ltd, Nissho Iwai Corp, Sumitomo Corp, Mitsubishi Electric Corp and Ricoh Ltd, among others, attended the Tokyo Conference for Investors in the MSC organised by NTT Corp.

The conference was held behind closed doors.

After the conference, Dr Mahathir told reporters that more than 30 American companies have shown interest in investing in the MSC. Japanese corporations are similarly keen to participate.

Asked how much investments have been committed to the MSC, Dr Mahathir said it was too early to state the amount of investments international companies have committed. What is important at this stage for Malaysia, he added, is to have the corridor attract as many multimedia firms as possible.

"We know how much we have to invest in developing the MSC but that is not important. What is important is how many companies will come in and a lot of companies have expressed interest," he said.

"But they have not indicated in what areas they will operate and how much capital they will bring in.

"As far as the American companies are concerned, all of them have expressed a desire to participate. In Japan this morning, (representatives of) several companies came to see me but before that there had been a great deal of interest shown by many Japanese companies."

Dr Mahathir said the Japanese firms had not only indicated their willingness to support the implementation of the project but are also attracted by the legal framework currently being drafted to encourage rapid development of the multimedia industry in Malaysia.

"They find the laws to be conducive to their operations," Dr Mahathir told the news conference.

The Prime Minister arrived here yesterday from California on the final leg of his working visit to promote the MSC. His week-long US visit took him to Hollywood and the Silicon Valley, where he chaired the inaugural MSC International Advisory Panel (IAP) meeting.

NTT is one of the companies represented on the IAP. Its president, Mr Jun-Ichiro Miyazu, fielded some questions at the press conference.

"We are extremely impressed with the project and would like to continue providing assistance and support to ensure its success," Miyazu said, adding that the company had been involved in the technological aspects of the MSC project since its conception.

He also described in detail why Japanese investors should look into the opportunities the MSC offers. For example, Malaysians' proficiency in

various languages and their knowledge of and exposure to a multitude of cultures will be useful to investors from all over the world. The country's strategic location, too, should serve as an added incentive.

With the new KL International Airport now being built in Sepang and Malaysia's central location in Asia, the country has the makings of a highly suitable and effective hub for the region, he added.

It also offers cost advantages over its neighbours.

Although multimedia is a new industry in Malaysia, the Prime Minister said this is an advantage rather than a setback as the nation has no inherited systems or entrenched interests that could hinder the smooth implementation of the project.

Dr Mahathir also stressed the extent to which Malaysia is willing to go to preserve investors' confidence in the project.

These include the Government's Bill of Guarantees and various forms of legal infrastructure currently being developed to support the healthy development of the multimedia industry.

The Prime Minister said as the world approaches the 21st century, what was impossible in the Industrial Age has been made possible in the new world of the Information Age.

"For practical purposes, borders have disappeared because knowledge, capital, company activities and consumer preferences have ignored lines on the map," he said.

He pointed out that previous rivals will instead work together as a network of firms in a collaborative effort that transcends borders to deliver value to consumers in the most economical way.

The MSC is being created to harness these new forces of collaboration and create exciting opportunities which its international partners cannot pursue elsewhere.

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