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'Financing for Cyberjaya not a problem'

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CYBERVIEW Sdn Bhd, which expects to invest RM4 billion in developing Cyberjaya, does not expect any problem securing financing as the Multimedia Super Corridor (MSC) is a priority project.

Chief executive officer, Datuk Abdul Karim Abu Bakar, said Cyberview hopes to secure RM1.6 billion from borrowings to finance the physical infrastructure of the MSC-designated city.

"We have not borrowed yet and we are still working out details for the best way to secure the cheapest financing. Besides the borrowings, we will also secure financing for the project through progressive payments to be made by companies who purchase the land complete with infrastructure from us," he told reporters in Cyberjaya yesterday after attending the fourth MSC Implementation Council meeting chaired by Prime Minister Datuk Seri Dr Mahathir Mohamad.

Cyberview will develop 2,800ha of the 7,000ha of Cyberjaya and is expected to invest close to RM4 billion in land cost and infrastructure development for the area. The remaining 4,200ha will remain green under the concept of "Human Friendly with Eco-friendly Development".

Cyberjaya is part of the MSC, a designated 50km by 15km multimedia hub stretching from the Kuala Lumpur City Centre to the KL International Airport in Sepang, which is dedicated towards the development of information technology products.

Companies with the MSC-status can apply to purchase land to house their operations or ready-built properties from Cyberview. Land for the Cyberjaya vicinity will be approximately US\$11 per sq ft (US\$1 = RM4.15).

"It is cheap after taking into consideration the quality of infrastructure available here," Abdul Karim said.

So far, Cyberview have pumped in RM350 million in the development of the Multimedia Development Corp (MDC) transit complex and infrastructure for the area.

Abdul Karim said about 40 MSC-status companies have booked land for their companies, of which 28 companies have paid for the booking.

The commercial development of Cyberjaya, he said, will not be jeopardised but only part of the 2,000 units of residential houses for the Cyberjaya area will continue as scheduled.

"There is a crunch on the property market at this moment and we may not be building all the residential units," he said.

The MSC development, however, will not be affected by the economic situation in the country.

MDC chief operating officer Dr Mohamed Ariff Nun said of the 176 companies which have applied for the MSC status, 17 are from the US, two from Canada, 19 from Europe, eight from Japan, seven are foreign joint-venture companies, 48 are joint ventures with local companies, 63 are local companies and 14 are from other countries.

MDC client service director Dr Ghazi Ismail said the MSC has attracted a good mixture of formation of new service-based industry cluster.

These companies are 45 per cent in software, networks/broadband applications (5 per cent), systems integration (8 per cent), application specific integrated circuit chip design (5 per cent), advisory services (2 per cent), content developer/online provider (17 per cent), animation production and broadcasting (10 per cent), education training (6 per cent) and research and development (4 per cent).

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