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MSC project is 12 months ahead of schedule, says PM

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THE region's economic turmoil is not affecting the progress of the Multimedia Super Corridor, the country's information technology (IT) hub.

The project, in fact, is 12 months ahead of schedule. By end-1998, 50 MSC-status companies will have moved into the corridor under the project's first of four phases, Prime Minister Datuk Seri Dr Mahathir Mohamad said yesterday.

So far, 176 companies have applied for MSC status: 17 from the US, 2 from Canada, 19 from Europe, 8 from Japan, 7 foreign joint ventures, 46 joint ventures with local companies, 63 locals, and 14 from other countries.

The Multimedia Development Corp (MDC) has approved 103 companies which are expected to invest RM4 billion in the first five years of operations.

Forty MSC-status companies have booked land for their companies at Cyberview, and 28 have paid in advance.

"Clearly, the implementation (of the MSC) has gone very well. We are roughly one year ahead of schedule. Programmes for 1999 are being completed this year... most of the things would be in place.

"On the whole, I am very satisfied with the project," Dr Mahathir told a press conference after chairing the fourth MSC Implementation Council meeting at the MDC transit office complex at Cyberjaya in Kajang.

Citing the transit complex as an example, Dr Mahathir said it was completed in six months. MDC moved into the complex last November from its temporary office at Wisma Getah Asli at Jalan Ampang, Kuala Lumpur.

He also described the response to the project as "good" as many companies have expressed their desire to be located in the MSC or participate in the project.

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

Phase I of the MSC, involving 883ha, was initially targeted to be completed in 1999, Phase II (596ha) in 2002, Phase III (592ha) in 2007 and Phase IV (784ha) in 2020.

Dr Mahathir dismissed suggestions that the region's economic problems would adversely affect the project.

"No. Not the MSC, it will not."

He said although the Government is curbing credit growth to deal with the prevailing economic problems, companies will find no difficulty in getting loans now or in the future as investment in IT in the MSC has been identified as "productive".

"The whole of the project is regarded as productive as we see the MSC attracting huge investments.

"We consider the inflow of funds as being good for the country," he added.

MDC chairman Tan Sri Dr Othman Yeop Abdullah said from the analysis of the business plans and forecasts submitted by the companies, they are expecting a ratio of 3:1 returns on investment.

"For every million ringgit they put in, they can generate RM3 million in revenue.

"Two local companies, Datek Sdn Bhd and Infotech Sdn Bhd, have done extremely well.

"They have earned tremendous foreign exchange earnings from the nature of their business," he said.

Dr Mahathir said there are also indications that some companies wish to relocate to the MSC from other countries.

"As far as we are concerned, we are putting in all the necessary infrastructure.

"So far, this has been satisfactory.

"The cyberlaws are largely in place.

"Some of the decisions made today will make the MSC more attractive in comparison to the incentives given by other countries," he said.

He was also asked to comment on his earlier statements that the MSC would almost be a different country within Malaysia and whether it would have different laws.

"There are certain practices in the MSC which will be different from the rest of the country.

"... there would be absolute access to the Internet with no censorship and those working here will be able to come in and out without too much bother about visas... they would have multiple entry visas.

"As for outside the MSC, we have not decided on Internet censorship because at the moment, we don't know yet how this can be effectively done... when we do we will knock out all the pornography."

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