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RM4 BLN INVESTED IN MSC SO FAR, SAYS DR MAHATHIR

SEPANG, Jan 19 (Bernama) -- The economic crisis affecting the region and Malaysia has not daunted firms investing in the Multimedia Super Corridor (MSC) as they have so far poured some RM4 billion worth of investments as part of their involvement in the MSC project, Prime Minister Datuk Seri Dr Mahathir Mohamad said today.

He also said companies operating in information technology (IT) hubs in other countries were keen to relocate to the MSC as the incentives it offered were more attractive.

He told a news conference after chairing the fourth MSC Implementation Council Meeting at Cyberjaya near here that most of the projects earmarked for completion next year at the MSC have been brought forward a year ahead of schedule to end-1998.

The more than three-hour meeting was also attended by Deputy Prime Minister Datuk Seri Anwar Ibrahim, Education Minister Datuk Seri Najib Tun Razak, Energy, Telecommunications and Posts Minister Datuk Leo Moggie, Selangor Menteri Besar Datuk Abu Hassan Omar, top government officials and private sector IT officials as well as the chief executive officer of Multimedia Development Corporation (MDC), Tan Sri Dr Othman Yeop Abdullah.

Dr Mahathir said that a total of 103 companies out of 176 which applied have been given MSC status.

These companies were bullish about the corridor's prospects as they have forecast a ratio of 3:1 on their returns on investment, he added.

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

Dr Othman, who was also present at the news conference, said two MSC firms

-- Daytec Sdn Bhd and Infotech Sdn Bhd -- have done extremely well, having raked in tremendous foreign exchange earnings.

Dr Mahathir said despite Malaysia's efforts to curb credit growth given the prevailing economic problems, IT companies would find no difficulty in getting loans now or in the future as investment into IT in the MSC has been identified as productive. Of late, local financial institutions have been reluctant to provide credit for non-productive uses such as consumption spending.

During the meeting where the implementation of the MSC was reviewed, the prime minister said some decisions were taken whereby the incentives offered by the MSC would be more attractive compared with those given by others.

Expressing satisfaction with progress of the development of the MSC, he said efforts would not be spared in making it an attractive, congenial and suitable place for those investing and living in the MSC.

He said the fact that so many companies were keen to invest in the MSC showed that they were not particularly concerned over what the opposition claimed was information deficiency in the country.

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

For example, he said, there would be absolute access to the Internet

with no censorship "with those working here able to come in and out without too much bother about visas...they would have multiple entry visas."

As for those outside the MSC, he said: "We have not decided on censorship because at the moment we don't know about how to censor in the Internet...if there's a possibility, we will knock out all the pornography."

Dr Mahathir also said the agenda for the next International Advisory Panel meeting for the MSC next month where 22 chief executive officers have confirmed participation were also discussed at today's meeting. -- BERNAMA
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