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Masterplan on k-economy to be completed by year-end

THE first draft of a National Master Plan on Malaysia's Knowledge-based economy (k-economy) is expected to be completed by the end of the year.

In addition, a National Strategic Plan that identifies key sectors in the National k-economy Master Plan will be announced in June, said Deputy Finance Minister Datuk Chan Kong Choy.

These are the follow-up actions taken to implement the policy announced at the 2000 Budget on the need to shift from a production-based economy to k-economy.

The Finance Ministry yesterday signed a memorandum of understanding (MOU) with the Institute of Strategic and International Studies (Isis) for the development of the National k-economy Master Plan.

Chan said a steering committee has also been established to guide and supervise the development of the Master Plan, while a task force will be set up soon to identify high quality projects that qualify for special tax and non-tax incentives.

"We will give Isis and the committee a few months until June to come up with a strategic plan. Then they will identify the specific sectors," he told reporters after witnessing the signing ceremony in Kuala Lumpur yesterday.

Under the MOU, Isis will be providing consultancy services in drafting the National Strategic Plan and a series of Plans of Action in key strategic areas, as well as undertaking sectoral studies and developing the National Master Plan on k-economy.

The steering committee is chaired by the secretary general of the Treasury Datuk Othman Rijal, with representatives from the Economic Planning Unit, International Trade and Industry Ministry, Bank Negara Malaysia, the Malaysian Industrial Development Authority, the Inland Revenue Board, Isis, the Malaysian Institute of Economic research, the Multimedia Development Corporation and Mimos as members.

Chan however declined to name the key strategic areas to be addressed under the Master Plan but said that it will involve those which have been mentioned during the Budget 2000 presentation.

"All these will be looked into and we will try to involve everybody in the country including fishermen, farmers, factory workers. We expect wider participation in the next few months," he said.

Asked whether the National k-economy Master Plan will come up with similar documents as those prepared by the National Economic Action Council, Chan said: "We do not have a concrete idea yet. Give them some time to come up with it".

The Government has allocated RM5 million in the 2000 Budget, for the cost of the development of the Master Plan.

The MOU earlier was signed by Othman on behalf of the Malaysian Government while Isis was represented by its chairman and chief executive Tan Sri Dr Nordin Sopiee.

Prime Minister Datuk Seri Dr Mahathir Mohamad, when outlining the initiatives to steer the country towards a knowledge-based economy early this month, said the National k-economy Master Plan is expected to be adopted by the end of September.

Dr Mahathir said the vital measures that need to be taken under the Master Plan will be incorporated in the 2001 budget to be presented in October.

He also said a series of concrete plans of action in key strategic areas will be completed within one year, while the whole process of national consultation, brainstorming, drafting and national mobilisation should be completed in 18 months.

The process will include developing excellent educational systems and achieving the highest standards with regards to skills, devotion to knowledge, self-improvement, and language competence.

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