

08/09/2000

Total investment in MSC likely to exceed RM20b by 2005

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TOTAL investment in the Multimedia Super Corridor (MSC) is expected to exceed RM20 billion by 2005, according to the business plans outlined by 324 MSC-status companies as at May 2000.

Investments by local and foreign companies have increased significantly from RM196 million in 1997 to RM1.7 billion, while expenditures of MSC companies reached RM2.3 billion in the 1997-1999 period, thus benefiting the local economy.

These figures were made available to Business Times at the end of the morning session briefing of the MSC fourth International Advisory Panel (IAP) meeting in Cyberjaya yesterday.

The meeting and briefing sessions, which were held behind closed-doors, were officiated at by Prime Minister Datuk Seri Dr Mahathir Mohamad, who barely two hours earlier returned home from his visit to the US.

The Prime Minister's opening remarks to the IAP 29 members were not made available to the Press but it was understood that among other things, he touched on the progress of the MSC, its facilities and other supporting services.

These were expected to be among the main items to be discussed at this year's meeting.

Cyberjaya, which was launched by Dr Mahathir last year, has so far attracted 358 companies, both locals and foreigners, as at last month.

A total of 37 world-class companies like Microsoft, Acer, Alcatel, BCCE Incorp, British Telecom, Cisco Systems, Compaq, Ericsson, Fujitsu, Infosys Technologies, IBM, Lucent Technologies and Motorola are among those that have located their operations within the MSC.

By 2003, the Government hopes to achieve the target of having 50 world-class companies in the MSC, including 350 local companies, especially the small- and medium-sized enterprises (SME). There are currently 216 SME in the MSC.

According to the business plans, some 35,000 employment opportunities will be created by 2005, compared with only 5,500 new jobs between 1997 and 1999, and a further 1,500 this year.

"New jobs created across information technology (IT) occupational groupings are mainly filled by Malaysians," it said.

Multimedia Development Corp, which manages the MSC, is also in the process of appointing a consultant to support the flagship taskforce in the development of the second wave flagship strategic documents, including contractual principles and procedures.

They are expected to enhance the development of the MSC with regards to globalisation and competitiveness.

Apart from discussing issues on the new economy, globalisation, digital divide, mega-mergers and the value of dotcom companies, Dr Mahathir was also briefed on some major aspects of the MSC, including the good spread and technology focus by investing companies, and the growing investments in technology and high value-added economy activities.

Other elements were the growth of SME participation through support infrastructure, comprehensive set of cyberlaws, designation of cybercities with performance guarantee of key services, new knowledge-based employment opportunities and growth of Internet and PC penetration in the MSC.

The three-day meeting will also be attended by Deputy Prime Minister Datuk Seri Abdullah Ahmad Badawi, and Minister of International Trade and

Industry Datuk Seri Rafidah Aziz.

Among chairmen and chief executive officers attending are Datuk Dr Stan Shih of Acer Group, Mr Ron Spithill of Alcatel Alsthom, Mr Michael Splinter of Intel, Mr Derek Williams of Oracle Corp, Mr Roland Koch of Siemens AG and Dr John Gage of Sun Microsystems.

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