

'MSC attracted Nst 30 MAR 2001 commitment'

KUALA LUMPUR, Thurs. — The Multimedia Super Corridor project has attracted substantial international and local commitment in terms of investment despite not contributing as much as expected to the economy, Datuk Seri Dr Mahathir Mohamad said today.

"Well, at the moment I would admit it has not contributed as much as we had expected but as far as the interest in the MSC is concerned and the commitment to invest in it, we are way ahead of our programme," he said.

The Prime Minister was speaking to reporters after opening the MSC-Lucent Bell Labs Technology Forum at the Mandarin Oriental Hotel.

Also present was Bell Laboratories president Arun N. Netravali. He is also chief technology officer and chief network architect of Lucent Technologies.

Dr Mahathir was asked to comment on an *Asian Wall Street Journal* report which had stated that the MSC had not been able to attract much interest from hi-tech companies.

The report, quoting a study by international consultant McKinsey & Co, said that bureaucracy should be reduced and attempts made to attract more technical and venture-capital expertise to the MSC.

The Multimedia Development Corporation had engaged McKinsey in 1998 to prepare a status report on the project.

Phase One of the MSC covers a 15km by 50km area that begins from the Petronas Twin Towers to the Kuala Lumpur International Airport to the south.

Asked whether the US economic slowdown could have an adverse impact on the MSC, Dr Mahathir said this had not been felt yet.

"We haven't felt it so far but I suppose it might have some affect."

Asked how many companies were already operating in the MSC area, MDC executive chairman Tan Sri Othman Yeop Abdullah, who was also present, said there were 40 world-class companies already there.

He said a total of 471 companies had been granted MSC status with 420 having started operations.

Othman said the consultants had, among other things, recommended that more customised incentives rather than broad generic incentives be offered to high priority companies.

He said bureaucracy should also be reduced by setting up a one-stop agency for fast approvals, especially for those which had high priority.