

29 OCT 2001

K-ECONOMY

GOVT PROVIDES MORE INCENTIVES FOR K-ECONOMY

KUALA LUMPUR, Oct 29 (Bernama) -- The government has taken another positive step towards creating a K-based economy through the 2002 Budget, says Cheng Yuk Wai, chief executive officer of MyBiz International Inc.

"The many packages announced by the government will encourage more businesses and industry players to adopt ICT for business and manufacturing," he said.

A RM500 million venture capital fund has been set up to spur growth for the ICT industry.

Cheng said the RM5 million grant allocated for the adoption of RosettaNet by SMEs and the income tax deduction for expenditure incurred by MNCs pioneering the programme under the 2002 Budget would encourage more local companies to take part in the global supply chain management network.

"MyBiz is currently working with a consortium of partners to enable the local electronics and electrical sector to the global supply chain network," Cheong said.

"MyBiz is the solution provider with the responsibility to ensure that our e-business application services are RosettaNet-compliant to be used to integrate the local suppliers to the global supply chain," he said.

Cheong hailed the reduction in the tax on income derived from offshore trading through websites in Malaysia from 28 percent to 10 percent for a period of five years.

The annual deduction of 20 percent for a period of five years for the cost incurred in the development of websites for business should also encourage more businesses to set-up a transactional website, he said.

A website that served to provide information only represented very little value, he said.

Websites should be equipped with trading and business capabilities and MyBiz had always been assisting businesses to conduct trade through their respective websites.

"Since 1999, we have been enabling SMEs set up transactional websites," said Cheong, who is also a member of the National IT Advisory Panel headed by Prime Minister Datuk Seri Dr Mahathir Mohamad. -- BERNAMA

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