

30 AUG 2002

Mahathir-ICT

M'SIA TOWARDS BRIDGING INTERNATIONAL INFORMATION DIVIDE, SAYS DR MAHATHIR

KUALA LUMPUR, Aug 30 (Bernama) -- Malaysia is now on the way towards bridging the international information and digital divide, Prime Minister Datuk Seri Dr Mahathir Mohamad said today.

He said that this was possible because the country had learnt a lot from the experience of its Multimedia Super Corridor (MSC), a 750 sq km area from the Kuala Lumpur City Centre to the KL International Airport in Sepang that has been designated as a hub for multimedia development and products.

"The nation has learnt much from the experience of the MSC and with the impending development of the Bio-Valley, we believe Malaysia is well on the way towards bridging the international information and digital divide," he said when launching the services and corporate identity of Malaysia Debt Ventures Berhad (MDVB) at Bank Industri dan Teknologi Malaysia Bhd, here.

The MDVB is a new Japan-sponsored vehicle to spur the development of information communication technology (ICT) with a funding of RM1.6 billion from the Japan Bank for International Cooperation and is Asia's first scheme for project-debt financing.

Dr Mahathir, said, however, that Malaysia' success in the ICT sector and the emerging biotechnology sector would depend on the cravings for challenges that "reside within our local entrepreneurs.

In this context, he said, the ICT and biotechnology sectors required entrepreneurs with not only relevant educational qualifications but who were also imbued with a natural sense of adventure, were innovative, creative and willing to face failures and setbacks.

"I am confident that the user-friendly financing facility offered by Malaysia Debt Ventures will help the achievement of success for their enterprises," the prime minister said.

Dr Mahathir said that every year, the government allocated a substantial amount for the development of ICT in the country and in the Eighth Malaysian Plan, a total of RM7 billion had been allocated for the ICT sector.

"The emphasis that the government places on ICT, and now biotechnology, is not decided upon arbitrarily."

"Financing is a major hurdle for local enterprises and we realise that for this sector to grow, the local financial industry must also respond proactively," he said.

Dr Mahathir said the government realised that traditional financial institutions, including banks and venture-capital firms were working at their own pace in providing the financial support required by various ICT companies.

Dr Mahathir said that with the setting up of the MDVB and with a RM1.6 billion loan facility, companies which successfully secured high value-added ICT businesses and contracts could now access ample funding and grow at a much faster pace.

The prime minister said the setting up of the MDVB also augmented the good and faithful relations between Malaysia and Japan.

Noting that Malaysia had always admired the Japanese spirit of innovation, he said that never before had this spirit been more needed than in the field of ICT and, more recently, in the life sciences and biotechnology.

"The Japanese government has kindly provided us with this loan facility

and I hope Malaysia Debt Ventures Berhad, and more importantly, the recipients of the fund, will take full responsibility and be accountable for the fund," he said.

In this context, Dr Mahathir said, he was confident that the practice of good governance even in the early stages of business would go far towards promoting investor confidence while instilling discipline and accountability among entrepreneurs.

"I believe the loan will prove a useful means to provide much-needed financing for companies involved in the ICT and high-growth sectors to undertake projects to develop innovative solutions and products," he said.

The ICT fund, aimed at narrowing the digital divide between developed and developing nations, is the first major scheme to materialise from the Kyushu Okinawa Summit two years ago.

Collaterals to secure loans are flexible and may be in the form of contracts, personal or corporate guarantees, letters of credit and intellectual property rights.

The ICT fund is open to anyone involved in ICT, such as software developers, technopreneurs, service providers, education, healthcare, entertainment and Internet-related businesses.

-- BERNAMA

RV MAM JK