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MAHATHIR-MICROCHIP

MALAYSIA POISED TO PRODUCE MOST ADVANCED MICROCHIP

CYBERJAYA, Sept 4 (Bernama) -- Datuk Seri Dr Mahathir Mohamad today announced that Malaysia is embarking on a cutting-edge microchip technology project that is indispensable to the achievement of its Vision 2020 and that will change technology applications worldwide.

He said the the microchip, called the "MM Chip", which uses the RFID or radio frequency identification chip, would allow for an almost unlimited number of applications, including in the area of security.

"We are expecting that this project will initiate new economic initiatives that can revolutionise the technology applications. Malaysia will lead the establishment of the global RFID industry in the future," he told a media conference at the end of the first day of the seventh meeting of Multimedia Super Corridor International Advisory Panel (MSC-IAP) here.

The project entails the manufacture next year of 0.5 mm X 0.5 mm chips with built-in antenna that can be embedded in papers and items like identity cards, passports and currencies as well as other products that will be made available worldwide.

Dr Mahathir said the Malaysian government had bought the rights to the new microchip technology from Japan and that initially it would be manufactured there before production shifted to Malaysia.

"The application is almost unlimited but of course, like all new technologies there are others who are also moving in this direction. So while we are in the lead we would like to make full use of the chip for all applications.

"That is certainly going to be a very big contribution to our advance into this area of manufacturing," he said, adding that semi-conductor producer Silterra (M) Sdn Bhd in Kulim Technology Park may have the right facilities for the manufacture of the microchip in Malaysia.

"We think this is a great breakthrough for Malaysia. It is the first in the world, no other people have come out with such a tiny microchip particularly as it also has a built-in antenna," he added.

Relating the country's involvement in the MM (Malaysian microchip) project, Dr Mahathir said Malaysia first came into the picture about a year ago when the development of the microchip was already being undertaken for quite some time by its Japanese partners.

"I've attended several demonstrations and I've looked at the chip under a very powerful microscope. Only under that microscope with 4,000 times magnification that you will be able to see the circuitry. It seemed to work and worked well," he said.

"So we have entered into an understanding with our Japanese partners and we expect that, although this will initially be manufactured in Japan, it will be eventually manufactured here," he added.

Dr Mahathir said the project would create greater value for the Malaysian economy in the distribution, import and export, environmental and other potential sectors.

"This project involves the application of RFID technology that will move existing industries to a new phase in creating savings in terms of time, space and cost. Consequently the resulting innovation and productivity will spur growth and competitiveness worldwide," he said.

The prime minister also said that with the need for greater security at airports and other transport terminals, the current security level provided by existing available system was insufficient.

But he said the application of RFID technology combined with the current technology would prevent the possibilities of terrorist acts.

When asked whether Malaysian currency notes and identity documents would be embedded with the new microchip, Dr Mahathir said this was a possibility.

On how much the government paid for to the Japanese to have the proprietary rights to the technology, he said it was "reasonably priced."

-- BERNAMA

MAM SHY