

**SPEECH BY
YAB DATO' SERI ABDULLAH BIN HAJI AHMAD BADAWI
AT MAJIS PELANCARAN COMPASS
AT KLGCC
12 FEBRUARY 2001**

Firstly, let me congratulate XEN Business Solutions Sdn Bhd on this auspicious occasion. Today's launch of Compass Mark a progressive step in I.T development in Malaysia.

2. I am therefore most happy to be here today as a part of our very own "intelligent movement" to launch compass which is a totally Malaysia-developed and home-grown I.T solution for the corporate treasurers.

3. To Datuk Ewe Jin, his fellow shareholders and his I.T team, I would like to say SYABAS for having so boldly invested venture capital and taken the adventurous initiatives to come up with a truly sophisticated Malaysia I.T product targeted at corporate treasurers who, as we know, play a most crucial role in the success of their corporations.

4. XEN Business Solutions is another success story of companies that have benefited from the government's efforts of promoting information technology (I.T). I certainly hope that many more of our companies could emulate the achievement of XEN Business Solutions and able to introduce to the world Made In Malaysia software of high technology in other fields as well. The government's efforts on I.T, have indeed been intensified, following Prime Minister Dato' Seri Dr. Mahathir Mohamad's vision of Malaysia achieving a fully developed status by the year 2020.

5. It is therefore my fervent wish that all corporate treasurers in Malaysia will sincerely evaluate and allow our home-grown 'compass' an opportunity to customise and provide them with an appropriate software package, which I am told also comes at a most attractive and competitive pricing structure.

6. In attaining vision 2020, there is need for Malaysia to leapfrog into the information age in the new millennium by transforming ourselves towards a knowledge-based economy. I.T and multi-media is indeed the enabling tool to increase efficiency, productivity and competitiveness of the economy.

7. The government has undertaken various initiatives to promote the use and development of I.T. The National Information Technology Agenda (NITA) was formulated in 1996, to serve as a framework for a coordinated and integrated approach in developing the three strategic elements comprising of human resource, infostructure and I.T based applications.

8. One of the country's major plans to accelerate Malaysia's entry into the information age is the creation of the Multimedia Super Corridor (MSC), which provides the platform to synergise expansion of I.T related industries and products. Suitably qualified companies are accorded with MSC status, which confers upon them certain privileges under a bill of guarantees. The government has also established Multi-media Development Corporation (MDC) to lead the development and management of the MSC. As of February 2, 2001, MDC has received 539 applications for MSC status. So far, 444 applications were approved.

9. Contrary to what has been reported in some foreign media, the government is very committed in ensuring the success of the I.T sector in general, and MSC in particular. The government, through various agencies, was quick to put in place relevant laws and regulations to deal with complex issues of cyberlaws and intellectual property rights, to expedite the development process of I.T in Malaysia.

10. So far, the government's efforts have shown positive results. The government, with the help from all parties, will continue to strive towards improving the I.T industry in Malaysia, as it is vital to further encourage the development of new software applications and also protecting innovations which are now in the market.

11. The success of the MSC crucially relies on the availability of knowledge workers across the various specialisation of the multimedia value chain. Even when foreign skills are encouraged to participate in the development of MSC, the government, via MDC, is working towards increasing the supply of locally trained skilled workers.

12. In light of this, the government has introduced several policy measures, which include promoting the growth of private institutions of training, supporting joint-ventures between local and foreign educational institutions and expanding the training capacity in the public training institutions.

13. It is also pertinent for us to promote further another component of the I.T industry - which is software development - so as to boost the I.T sector. For the software industry, domestic demand has increased from RM 1.5 billion in 1997 to RM 2.3 billion last year.

14. We need to create more technopreneurs in the software technology to cope with this increase in demand. The government offers various incentives to companies with MSC status. Technopreneurs should take advantage of various financial assistance that the government is offering, via funds like Demonstrator Application Grant Scheme (DAGS), MGS and the technology acquisition fund. Furthermore, the scope of the commercialization of R&D fund will be extended to include software development companies for the commercialization of indigenous R&D in software development.

15. The I.T industry is indeed going to be the strongest driving force of change in our daily lives. I believe that the I.T industry will continue to prosper and Malaysian companies will continue to develop international standard products and to be at par with other international names.

16. On this note, it is with great pleasure that I now proceed to launch "COMPASS" on behalf of its principals, XEN Business Solutions Sdn Bhd.

Thank you.