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( PRIME MINISTER )

EVENT: MALAM 'ASIA PACIFIC MSC IT&T AWARDS' (APMITTA)

VENUE: HOTEL PALACE OF THE GOLDEN HORSES

DATE : 31 MAR 2000

TIME:

Saya mengucapkan terima kasih kepada pihak MDC sebagai penganjur Asia-Pacific MSC IT & T Awards, atau APMITTA, kerana menjemput saya untuk berucap pada malam ini.

2. When we launched the MSC in August 1996, we had full confidence in the soundness of its concept. The concept has been based on the experience of Silicon Valley and Route 128, the growth of ICT and the dynamism generated from the convergence of computing, telecommunications and content. We have not replicated the growth models of these hubs but we have innovated and advanced further on the basis of our interaction with the industries and the MSC's International Advisory Panel members.

3. The fundamental objective of the MSC is to provide the policy and the operational framework to Vision 2020. We want to propel the country during this millennium fuelled by information technology and driven by creativity and knowledge. We want to generate high value-added economic activities covering all sectors of the economy and compete globally. While we compete globally, we also advocate co-operation and the sharing of experiences. The MSC is seen as our venture into the Information Age as well as the bridge to network among nations.

4. I am happy to note that during the last three and a half years the MSC has made tremendous progress. The 306 companies awarded MSC-status and the nature and spread of their activities indicate the value and depth of the research in the technologies and applications being developed. This includes more than 147 wholly Malaysian-owned companies that are involved in high value-added activities.

5. I am also pleased to note that the MSC is anticipated to create more than 35,000 jobs for knowledge workers in the next five years and attract at least 50 world-class companies by 2003 to set up value-added activities for the country and the region. Current progress indicates that the targets are achievable. In this context, I wish to reaffirm that the Government is

fully committed to support the growth of the MSC in order to achieve the milestones that have been identified. Various measures will also be undertaken to spawn local companies into global players as well as to draw Bumiputera participation in the mainstream of high value-added business activities.

6. It is also heartening to note that the MSC has accelerated the growth of human resource investment in this country. The supply of knowledge workers has been a major concern of investors during the early years. I am very much encouraged that based on the more than 600 private and public universities and colleges, and the implementation of the smart school programme, Malaysia will be able to meet the demand for knowledge workers. By the year 2005, the supply will reach 109,000 with a strong percentage in engineering and information technology. Human Resource has indeed become a critical ingredient in sustaining the growth of ICT as well as the high technology sectors of any economy.

7. The unprecedented advances in communications and information technology of recent years are already having far-reaching effects on industries and society at large. These advances, prompted by competition and growth of the global markets, were facilitated by the substantial investments in research and development. Malaysia sought to partake of the many spin-offs that will arise by being a part of this Multimedia revolution. Thus in the MSC we are promoting the creative and risk-taking culture where knowledge workers can network and innovate in an environment which is most attractive for such activities. Cyberjaya is meant to be just this utopia and with the completion of its infrastructure in July last year, we are well on the way to creating such an environment. The MSC's excellent physical infrastructure will enable companies not only to deploy the latest technologies, but also develop new cutting-edge technologies.

8. Malaysia aims, through the unique environment provided by the MSC, to promote the development of next-generation multimedia technologies by forging collaborative R&D efforts amongst leading-edge corporations, public research institutions and universities. The comprehensive and internationally-focused R&D cluster, driven by strong Government commitment and guarantees, will allow the MSC to lead Asia's R&D initiative into the Information Age. To attain this mission, we must renew efforts to develop a cluster of collaborating world-class corporate R&D centres, universities, public research institutions and other industry players. Malaysia and indeed the Asia Pacific region cannot afford to be left out of the dynamic global ICT progress. We can only do this by having a deliberate programme of R&D in relevant fields.

9. I am sure you are aware that among the key strategies to provide focus on R&D are the MSC flagship initiatives. The R&D cluster flagship application in particular is a critical application to help ensure that the MSC is for companies to create and innovate. The necessary core elements are the encouragement of corporate R&D; the setting up of a new Multimedia University (MMU); and the development of large-scale R&D pilot projects. The MMU is a reality whilst the other two goals are being pursued vigorously. Despite the advances made, we must further expedite our efforts to attain the set goals. The speed with which the private sector and Government transact their business will influence all our lives. R&D is key to achieve this change and participation in such R&D will ensure our economic survival. Linking research, creativity and business activities is imperative to add value and applications for R&D investment.

10. To be competitive, companies need to invest heavily on R&D and continuously improve their products and services. Product lives will get shorter and shorter and new products and applications will always be introduced to extend continuously the boundaries of creativity and technology in order to meet consumer needs and demands.

11. Tonight is a special occasion where we unveil to the world the fruits of our labour for the last three and a half years. The companies in the MSC have responded to the Government's call to invest in Information Technology and Multimedia. They have risen to the challenge with a glittering array of outstanding creative achievements, which we celebrate on this occasion.

12. They have displayed their creative capabilities and resourceful innovation in developing products and services in a variety of categories, ranging from software and content development to 3-D animation. Their achievements are testimony to the fact that on a level playing field offered by the Information Technology and Multimedia industries, Malaysian companies and individuals could still pull away from the pack even though we are relative latecomers in this field.

13. The success of these companies and individuals demonstrate the key importance of creativity and innovation in driving economic growth in the Information Age. Creativity is about seeing things from a different angle and breaking away from old rules and norms that bind us to the traditional way of doing things. It allows us to be different and helps us find new answers and solutions to problems, both old and new. From creativity comes innovation, and it is from this realisation that the Government has embarked on the creation of the MSC, which is an environment designed to enable creativity and innovation to flourish.

14. It is crucial that the elements of creativity and innovation fostered by investing heavily in research and development are further supported by venture capital funds to commercialise products and services of high quality and high value-added. In this regard, Malaysian companies and entrepreneurs should face up to the challenge of thinking out of the box, so that traditional limits to growth can be overcome via more creative and innovative thinking as well as supportive funding arrangements. An example of this can be seen in California, which hosts some of the most successful Information Technology and Multimedia companies in the world, and is home to many more up-and-coming small-to-medium sized enterprises driven by a thriving venture capital industry. Largely due to the contributions of the technology sector, where creativity and innovation is of prime importance, coupled with a risk taking culture amongst venture capitalists, California has the highest value-added manufacturing industry of any American state, and its GDP is larger than that of the ASEAN countries combined.

15. Tonight, ladies and gentlemen, we will recognise the value of innovation and creativity of Malaysian technopreneurs. The Asia Pacific MSC Information Technology & Telecommunications Awards or APMITTA will provide a platform for companies and individuals to participate and propel themselves in areas where Malaysians can become major players in Information Technology and Multimedia.

16. We have envisioned in our Vision 2020 that Malaysians should not be mere consumers of technologies but should also be able to contribute to the development of new technologies. Tonight's event is a manifestation of efforts towards this goal.

17. APMITTA is a step in the right direction towards this goal. I appeal to all IT and multimedia companies to support this programme. I hope that this initiative would eventually lead to the creation of a new generation of hi-tech start-ups and the establishment of many more local companies that will join the ranks of world-class companies.

18. I am informed that close to 200 submissions were received in the various award categories. This is a testimony to our innovative and creative capabilities, and bodes well for the future success of the MSC.

19. I am also informed that the award programme tonight is a prelude to the Asia Pacific IT Awards where the participating Asia Pacific countries will parade their selected IT and multimedia winners to the global community. This would provide Malaysian companies with the opportunity to showcase their creative and

innovative capabilities on an international stage, and prove that we have what it takes to stand shoulder-to-shoulder with the world's best.

20. Lastly, I wish to congratulate all the individuals and companies that have participated and 'syabas' to all the winners of this year's Awards.