

“Malaysia to be a global player in ICT”

factfile

Population of the country: 27.13 million
Total Number of Internet connections: 14,904,000 (2007)
Total number of Mobile connections/users: 23.347 million
Total number of household having TV/cable TV: 10.8 Million
Total Number of PC installations: 4,900,000 (2004)
Internet hosts in Malaysia: 377,716 (2008)
Institutions of Higher Learning: 67
Percentage of literacy: 88.7%
Percentage of literacy: 88.7%

Sources:
<http://www.internetworldstats.com/asia/my.htm>

<https://www.cia.gov/library/publications/the-world-factbook/print/my.html>

How would you define the meaning of e-Content in your country in terms of its true meaning and practical implication?

In Malaysia, e-Content provides the platform that allows for seamless, efficient and effective interactions to take place between government, businesses and citizens. Socio-economic development and ICT-enablement are given special emphasis.

In government, e-Content facilitates the collaboration between government departments and its agencies to more effectively deliver services to the citizenry and businesses.

In business, e-Content facilitates supply chains digitally to drive e-business for efficiencies and speed. In healthcare, electronic records of patients are available anywhere in government hospitals while tele-consultation and tele-medicine deliver healthcare and medical services hitherto available only in urban areas. These are but a few examples of the implementation of e-Content.

Q How would you describe the ICT scenario in Malaysia in terms of infrastructure, penetration and policies?

In general, Malaysia has always been known for having excellent infrastructure from roadways, transportation linkages and access to essential utilities. This has also extended to the communications related infrastructure. Through MSC Malaysia, prominence has been given to creating a conducive technology and business development eco-system and ensuring the availability of high speed bandwidth for businesses to operate within the MSC Malaysia zone.

The challenge that we face however at this point in time is reaching out to the other parts of the country with low Internet and broadband penetration. Delivering content via mobile applications could be a solution to increase penetration but that will not happen until the total cost of utilization (prices of data-enabled handsets and price of data services) is at a level that is affordable to the mass market.

Realising this challenge, several Government initiatives have been formulated to address the availability, accessibility and development of e-Content. Part of this includes the 2nd Phase of MSC Malaysia, which involves the nationwide rollout of MSC Malaysia programmemes and replication of the eco-system (hard infrastructure, soft infrastructure and government incentives) to the other parts of the country.

There are 58 Community Communications Development Programs aimed at increasing community access to network services & facilities. Additionally, there are 42 Rural Internet Centres to encourage communities with low levels of PC and Internet penetration capabilities to be able to access the Internet.

A Content Code is now in the process of being formulated, under the Communications and Multimedia Content Forum of Malaysia (CMCF).

Designated by the Malaysian Communications and Multimedia Commission (MCMC), this Forum acts as the mechanism to formulate and implement developed codes of practice for the communications and multimedia industry. The CMCF will uphold these codes, to ensure they serve as a guide for the industry to operate and flourish. The Content Code will cover all content that is provided over the electronic networks including radio, television and online services.

Q How would you describe the gradual progress of development of e-Content in Malaysia?

Since 2004, the development of the ICT industry in Malaysia is put under the auspices of two separate ministries; the Ministry of Science, Technology and Innovation (MOSTI) and the Ministry of Energy, Water and Communications (MEWC). The MEWC looks into the policy, strategic planning and coordination of the hard communications infrastructure to enable access and connectivity to content. Under MEWC, the Malaysian Communications and Multimedia Commission (MCMC) was established to regulate the communications and multimedia industry. Besides regulations, MCMC plays a role to implement and promote the Government's national policy objectives for the communications and multimedia sector, as well as to oversee the new regulatory framework for the converging industries of telecommunications, broadcasting and online activities.

The MOSTI on the other hand oversees the National Information Technology Council (NITC) Secretariat, which looks into the formulation and implementation of national policy on Information and Communications Technology (ICT) as well as the promotion and development of ICT industry. Its lead agency in ICT, the Multimedia Development Corporation (MDeC), is mandated as the 'one-stop agency' focused on ensuring the success of MSC Malaysia and the MSC Malaysia Status compa-

nies numbering one thousand nine hundred and thirty (1930) operating in it.

These ministries and agencies mentioned earlier play key roles in the development of e-Content in Malaysia; firstly in ensuring that channels to access high-quality content are readily available and accessible not only in urban areas but also in rural parts of the country; and, secondly in ensuring the development of content that is relevant to the needs of citizens and industry.

The implementation of MSC Malaysia was intended to serve as a starting point for the creation of these e-Content, via the MSC Malaysia Flagship Applications. These flagship applications were first rolled out during the 1st phase of MSC Malaysia from 1997 - 2005 and were funded through the 7th & 8th Malaysia Plans respectively. Current funding for the development and enhancements to the flagship applications are provided for under the 9th Malaysia Plan which ends in 2010.

Other programs and policies that have been formulated to improve access and availability to content include the MyICMS 886 strategy, and the National Broadband Plan.

Q What's the future of e-Content in Malaysia?

The future of e-Content in Malaysia is bright indeed. The government has reiterated its commitment towards the development of e-Content through its support for the development of the ICT industry through its lead agency MDeC for the continual development of MSC Malaysia.

MSC Malaysia continues to be a key initiative that transforms Malaysia into a knowledge economy and for Malaysia to be a global player in ICT. Towards this end, MSC Malaysia continues to attract FDIs, talent and knowledge workers to develop new and globally competitive technologies and e-Content.

Programs and funding initiatives by government through its agencies like MDeC, Malaysia Venture Capital Management Berhad and Malaysia Debt Ventures Berhad have been put in place that accelerate the development of competitive technologies and e-Content. These include, but are not limited to, the following:

- >> **Cradle Investment Program.** For the seeding of ideas and their encapsulation in a business plan and proposition.
- >> **MSC Malaysia Pre-seed Fund.** For the development of commercially viable ideas into prototypes and products and eventually a company.
- >> **e-Content Fund.** For the development of content mainly for entertainment, training & learning, culture & learning and information-based applications.
- >> **Venture Capital Funding.** For equity funding of high potential, high value technology companies.
- >> **Debt Financing.** For the funding of high technology projects for which the traditional banking sector is not able to fund.
- >> **Technopreneur Development.** For the development of new and existing technopreneurs and their companies. Focus of development is on the product, enterprise and individual.
- >> **Creative Multimedia Cluster.** For the development of the creative content industry. A number of Malaysia creative content companies have made it onto the world stage through the development of creative content for the likes of Disney and Nickelodeon, to name a couple.

At this juncture, there are close to five thousand (5000) ICT enterprises in Malaysia, one thousand nine hundred (1900) of which are high value add ICT enterprises with MSC Malaysia Status. These MSC Malaysia Status companies provide the e-Content that are critical for the development of the ICT industry. Additionally, these companies provide further value add with Value Added Systems Integration

services as well as ICT Consulting expertise.

Q What are the major bottlenecks in the path of e-Content development in Malaysia?

Accessibility to e-Content is one of the main stumbling blocks in the development of e-Content in Malaysia.

Some pertinent points which could be seen as bottlenecks are:

- >> **Mobility.** SMS is still a key communication channel for content other than voice.
 - >> Highest penetration in Klang Valley (93%).
 - >> In the state, penetration is above 50%, with the exception of Sabah (36.9%). This means that there is potential for more content delivery on mobile infrastructure.
 - >> Major communication channel in Malaysia, which has the 2nd highest penetration rate in the region, next to Singapore. And not far behind from developed nations like Korea.
 - >> Mobile broadband infrastructure rollout is still slow and confined to city centres.
- >> **Fixed broadband.**
 - >> Target under MyICMS (2008) - 50% penetration rate.
 - >> Challenge of improving broadband access in other parts of the country, most of which have less than 10% penetration in households. Critical for delivery of content. Again, urban areas such as Kuala Lumpur, parts of Selangor and Penang lead the way.
- >> **WiFi.**
 - >> WiFi implementation is quite widespread in homes, commercial areas and business settings. However, its use is restrictive and mostly confined to a local area.
- >> **WiMAX.**
 - >> WiMAX licenses have been

issued to a number of operators. However, its eventual rollout is dependent on the widespread acceptance of standards worldwide.

>> **PC availability.**

- >> In urban areas we see a penetration rate of about 40% of households owning a PC, which is still considered to be low. However, most of the other parts of the country are not that far behind with over 20% penetration across the board.

Q Whats the overall Status of e-Content in Malaysia

The flagship applications were first rolled out during the 1st phase of MSC Malaysia from 1997 - 2005 and were funded through the 7th & 8th Malaysia Plan respectively. The flagship applications included:

a) e-Government Flagship

e-Government Component
Details
Project Monitoring System (SPP II)
Human Resource Management Information System (HRMIS)
There are a total number 443,175 Actual Position and 337,568 Personnel Data recorded in the system.
Generic Office Environment (GOE)
Electronic Procurement (eP)
Electronic Services
e-Syariah
Electronic Labour Exchange (ELX)

b) Multi Purpose Card

c) Smart School

d) Tele-health

e) E-Business Flagship