PRESS RELEASE

RM3 BILLION ALLOCATED FOR THE ROLLOUT OF NFCP INITIATIVES THROUGHOUT 2020

- **Six (6) NFCP initiatives, namely NFCP 1- NFCP 6 to commence this year**

- **NFCP will enhance speeds for fixed broadband and widen the coverage for 3G and 4G, whilst laying the foundation for new 5G networks**

CYBERJAYA, 28 February 2020 – Following the Economic Stimulus Package 2020 announcement by the Interim Prime Minister, YAB Tun Dr. Mahathir bin Mohamad on 27 February 2020, the Malaysian Communications and Multimedia Commission (MCMC) is pleased to announce the implementation of six (6) NFCP projects, under the National Fiberisation and Connectivity Plan (NFCP) for the year 2020.

The NFCP intends to reduce the digital divide through the expansion of coverage and improvements in the quality of both fixed and mobile broadband, whilst laying the foundation for new 5G networks.

The six (6) NFCP projects are aimed at improving digital connectivity throughout the country and the sum invested for these projects through the Universal Service Provision (USP) Fund also serves to ensure sustained public investments into the industry.

The total cost for these six (6) projects is estimated to be RM3 billion and will be fully funded by the USP Fund, which is under the stewardship of MCMC. As announced yesterday, MCMC will accelerate the implementation of the infrastructure-based projects under the NFCP in line with the Economic Stimulus Package 2020, with a particular focus on Strategy III: Promoting Quality Investment.

The six (6) NFCP projects encompass the provisioning of public cellular and fixed broadband services across the country, that will ultimately uplift the socio economic well-being of the *Rakyat*. There will be direct benefits to the entire ecosystem comprising communications service providers, local contractors, infrastructure and equipment manufacturers and solutions providers. The NFCP

will spur investments and innovations in related industries as well as create new job opportunities, which MCMC estimates to be about 20,000 over the 5-year implementation period, starting in 2019.

NFCP 1 began implementation on 15 February 2020 and NFCP 2, which is currently pending submission of proposals from eligible licensees, will result in an expansion of public cellular services in various states throughout the country.

Meanwhile, NFCP 3 targets the provisioning of fibre optic broadband access networks and services, with speeds of up to 500Mbps in 100,000 commercial and residential premises. These premises are located within 74 towns in suburban and rural areas. The areas identified include Kudat (Sabah), Serian (Sarawak), Labis (Johor), Sekinchan (Selangor), Baling (Kedah), Lenggong (Perak), Bera (Pahang) and Bachok (Kelantan) amongst others.

The Request for Proposal (RFP) for the NFCP 3 project was issued on 14 February 2020, and the deadline for submissions close on 12 May 2020. NFCP 3 introduces the concept of a "matching investment approach" whereby eligible licensees are also required to fund initiatives of an equivalent value to deploy fibre broadband access networks.

Other initiatives in the pipeline for this year are:

- NFCP 4 – involves providing connectivity to 151 Orang Asli settlements. The issuance of the RFP for this project is expected to be in the second quarter of 2020.

- NFCP 5 – involves the upgrading of 377,360 copper broadband subscribers to fibre and is expected to commence in the first quarter of 2020. Telekom Malaysia Berhad (TM) will execute this project by the utilisation of its major contribution as provided for in the Communications and Multimedia (Universal Service Provision) Regulations 2002.

- NFCP 6 – involves the installation of network facilities and the deployment of network services for the provisioning of public cellular services at approximately 740 locations nationwide. The issuance of the RFP for this project is expected to be in the fourth quarter of 2020.

"Investments into the digital infrastructure is imperative as the country enters the Fourth Industrial Revolution, in order to stimulate the national economic

growth as well as provide better opportunities for Malaysians in the digital economy. It is also vital to spur the local economy in view of the challenging times due to issues such as the Covid-19 outbreak and global economic uncertainties," said MCMC Chairman Al-Ishsal Ishak.

MCMC is also working with the communications and multimedia industry to develop more initiatives that would directly benefit consumers, and will make announcements on these initiatives in due course.

Click on www.nfcp.my for comprehensive information on NFCP 1. The details of the other initiatives will also be made available on the website, upon award to the successful parties.

About Malaysian Communications and Multimedia Commission (MCMC)

The Malaysian Communications and Multimedia Commission (MCMC) is a statutory body established under the Malaysian Communications and Multimedia Commission Act 1998 (MCMCA) which implements and promotes the Government's national policy objectives for the communications and multimedia sector. MCMC regulates and promotes the development of the communications and multimedia industry, which includes telecommunications, broadcasting, and online activities, postal services and digital certification. The Communications and Multimedia Act 1998 provides that MCMC undertake a policy implementation role, while policy decision-making is vested with the Minister. For more information, visit www.mcmc.gov.my or contact Corporate Communications Department:

Kamalavacini Ramanathan	Markus Lim Han King	Mohd Faizal Azizan
Director	Deputy Director	Deputy Director
Tel: +6010-2251073	Tel: +6012-2995027	Tel: +6011-2828 6745

Suruhanjaya Komunikasi dan Multimedia Malaysia | Malaysian Communications and Multimedia Commission
MCMC Tower 1, Jalan Impact, Cyber 6, 63000 Cyberjaya, Selangor MALAYSIA
T: + 60 3 86 88 80 00 **|** F: + 60 3 86 88 10 00 **|** E: scd@mcmc.gov.my **|** W: www.mcmc.gov.my

Suruhanjaya Komunikasi Dan Multimedia Malaysia   SKMM_MCMC   SKMM_MCMC   MCMCTV