

CHAPTER 1 - INTRODUCTION

The importance of research and development (R&D) capability and capacity in the industrialisation process of a country is well recognised. Many countries have embarked on the development of strategies to develop indigenous scientific and technology capabilities with a focus on the development of R&D skills. This will necessarily include the formulation of the right R&D related macro and micro level policies.

One of the most important phases of any policy formulation process is the assessment of the current situation. In the context of science and technology policy formulation, an assessment of the overall R&D situation in the country is necessary. Timely and accurate data on various aspects of R&D activities in the country must be gathered and processed to serve as a crucial input to policy makers in both the private and public sectors.

This is the second R&D survey report produced by MASTIC . It presents the results of a very comprehensive survey of various aspects of R&D efforts in Malaysia carried out by four sectors: private sector, government agencies and research institutions, institutes of higher learning and non-profit organisations. As a result of feedback obtained from discussions held with users of the 1992 report, a number of aspects previously not considered have been added to the present report.

The definitions and methods were based on the internationally agreed Organisation for Economic Co-operation and Development (OECD) guidelines . The data are also being generally presented according to the broadly standardised way of presentation with a view of facilitating international comparisons.

To compliment this report, the *“1994 National Survey of Innovation in Industry”* published in May 1996 has been produced by MASTIC.

We would like to acknowledge the continuous support obtained from all the four sectors involved in this important survey.