

December 23, 2010 BERNAMA

NCCIM: Not Many Companies Taking Advantage Of Government Funds

KUALA LUMPUR, Dec 23 (Bernama) -- There are still not many Malaysian companies taking advantage of the government allocated funds to help them venture abroad, says the Secretary General of National Chamber of Commerce and Industry of Malaysia (NCCIM), Datuk Syed Hussein Al Habshee.

Citing an example, he said so far only RM700,000 had been taken from the RM5 million allocated to the Malaysia-Singapore Third Country Business Development Fund (MSBDF) established three years back.

The funds were allocated by both the governments for joint venture projects by Malaysian and Singaporean companies to venture into third countries.

"I have been informed that the fund, managed by the Malaysian Investment Development Authority (Mida) has not been receiving response. This shows a lack of exposure."

The companies not only miss out on the opportunity to get funds but also the opportunity to expand their market to other countries, especially the third countries, he told reporters here.

Tourism is among the high potential sector for exploration between Malaysia and Singapore, where both stand to potentially see huge benefits from any joint venture.

"For example, a Malaysian and Singapore travel agent company could go into a joint venture and promote both their countries while the tourists get a wider range of choice," he explained.

Apart from funds like MSBDF, he said local traders can also apply for financing from the export-import fund which has an allocation of US\$2 billion and managed by the Islamic Development Bank (IDB). They could apply for funds to expand intra trade between Muslim countries under the Organisation of the Islamic Conference (OIC).

Right now, trade between Muslim countries stands at only 12 per cent and this gives local businessmen the chance to take advantage of the given budget and venture into the 56-member OIC market.

Syed Hussein said the IDB's policy was to fulfill the objective of seeing a three to four per cent growth in trade a year, and Malaysia as a renowned Islamic country, can lead the growth.

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