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## Bank for high-tech projects proposed

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A BANK that specialises in financing high-technology projects may be set up if the Government likes a proposal made by the fourth Bumiputera Economic Congress.

The proposal was one of the more than 120 resolutions approved during the two-day congress, which ended on Saturday.

Some 700 top professionals, corporate leaders, government officials and academics from the Bumiputera community attended the congress. The first Bumiputera Economic Congress in 1965, incidentally, had led to the establishment of Bank Bumiputra.

With the information technology (IT) industry fast becoming a strategic sector in line with the thrust of a knowledge-based economic environment in the new millennium and the fact that high-tech projects require huge capital beyond the grasp of most Bumiputeras, the Congress felt it is appropriate that the Government set up a bank that has a different function than existing commercial banks.

While it is proposed the new bank give priority to Bumiputera-led high-tech projects and help them keep pace with others in the knowledge-based economic environment, the development of such projects is also in line with the nation's aspiration to become a developed country by 2020.

With such a specialised bank, Bumiputera companies that are relatively new in the IT business and the high-tech industry can expect professional guidance to succeed in the very competitive and risky industry.

Apart from the setting up of the new bank, the Congress proposed that the Government encourage more venture capitalists to help develop the high-technology industry in the country.

The Congress also proposed the setting up of a special capital venture, specifically for acquisition of profits from abroad.

Other than this, the Congress hopes the Government will set a target of 30 per cent Bumiputera's equity participation in the Malaysian Exchange of Securities Dealing and Automated Bhd (Mesdaq) within three years.

These resolutions were discussed and deliberated on at one of the seven workshops - Bumiputera involvement in high-technology industries - during the fourth congress which was opened by Prime Minister Datuk Seri Dr Mahathir Mohamad last Friday.

In strengthening Bumiputera participation in trade and industry, the Congress proposed the setting up of an entrepreneurial institute to be managed by the Entrepreneur Development Ministry.

Congress participants also called on the Government to increase Bumiputera equity in large organisations such as Permodalan Nasional Bhd, Employees Provident Fund and Tabung Haji.

On education, the Congress called for a re-engineering and restructuring of programmes to improve the performance of Bumiputera students and increase the number of teachers and specialists in the various relevant industries.

Turning to Bumiputera participation in the IT and communications industry, the Congress urged the Government to declare a policy defining the support of Bumiputera involvement in this field.

On the role of trust agencies and public sector companies, the Congress said these agencies should be transformed into "corporate trust" insitutions which are pro-market, pro-National Development Policy and market-value driven.

Under the same subject, the Congress said state economic development corporations should be re-categorised as "corporate trust" institutions and be made free from Corporisation Act.

While calling for the Government to continue to provide Islamic financing that will benefit Bumiputeras, the Congress urged the Government to consider funding instruments other than venture capital which are not collateral-based, such as leasing and factoring.

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