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MAPEN II-SHARES

MAPEN II PROPOSES THE SET UP OF MORE UNIT TRUST INSTITUTIONS

KUALA LUMPUR, Nov 2 (Bernama) -- The Second National Economic Consultative Council (Mapen II), has proposed to the government to increase the number of unit trust institutions which are similar to Permodalan Nasional Bhd (PNB) unit trust concept.

In line with this suggestion, Mapen II also suggested the establishment of a number of National Unit Trust Fund (DSAN).

He said that DSAN will act as an institution which will be responsible to increase Bumiputera equity ownership in companies listed on the Kuala Lumpur Stock Exchange (KLSE).

These proposals are set out in a report entitled Vision Development Policy 2001-2010 which was submitted by Mapen II chairman Tan Sri Ahmad Sarji to Prime Minister Datuk Seri Dr Mahathir Mohamad at a ceremony here today.

In completing the final report of Mapen II, its members had studied 137 memoranda received from various organisations and individuals.

Mapen II also suggested that a target be set for Bumiputera, and this time it should be measured via the market capitalisation valuation section in the stock exchange.

A third Stock Exchange has also been proposed by Mapen II to encourage companies with small capital to go for listing.

Through the third Stock Exchange, distribution of equities to Bumiputera and the low income group, could be done via new shares issue.

Concerning the restructuring of the community, Ahmad Sarji said Mapen II has suggested that state economic development corporations, PNB, Lembaga Tabung Haji and Lembaga Angkatan Tentera, as well as other government companies like Petronas, Telekom Malaysia Bhd and Tenaga Nasional Bhd be recognised as Corporate Trust Institutions (IAK).

He said that as IAK, these organisations would be responsible to strengthen the development of the Bumiputera Trade and Industry community.

This could be done through the development of intrapreneur and entrepreneur, venture capital scheme, franchise and vendor and small and medium-sized industry.

In terms of science and technology, Ahmad Sarji said that Mapen II suggested the set up of a bio-valley where infrastructure facilities for biotechnology research could be placed.

Biotechnology is a new field which is developing rapidly and has the potential to produce research results which could generate the country's economy, he said.

Facilities in the bio-valley included university, research centre, incubator centre, and industrial parks, he added.

In line with the stress on research, Mapen II has also suggested the set up of an Innovative and Research Fund where certain companies would be required to contribute one percent of their profits if their involvement in research and development activities are not satisfactory.

As for the finance and Islamic banking sector, Mapen II has suggested that products and floating rate instruments like the Al-Ijarah be increased, Islamic benchmark be introduced, promote Syariah index in the capital market and introduce Islamic Futures Index.

Other suggestions included the set up of a National Council on Malaysia's Competitiveness to increase the country's competitiveness level.

This organisation could focus on the country's long term

competitiveness.

In line with the shift to knowledge-based economy (k-economy), Mapen II proposed the establishment of a National Innovation Centre to encourage innovations in k-economy.

Mapen II also suggested a new policy to replace the National Development Policy (DPN) for the period 2001 to 2010, called Vision Development Policy (DPW). -- BERNAMA

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