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## Boost for entrepreneur development programme

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PERBADANAN Usahawan Nasional Bhd (PUNB) plans to upgrade its entrepreneur development programme to take advantage of the RM50 million set aside in Budget 2003 to boost Bumiputera participation in the retail sector.

Chief executive officer Mohd Nasir Ahmad said the funding will come in handy for training and imparting relevant business knowledge to would-be entrepreneurs.

"We are now able to equip them with the know-how of financial management, strategic marketing, customer service and corporate governance, which can be vital to the success of their businesses.

"We plan to spend about RM2 million to fund our entrepreneur development programme, while the balance will be used for financing entrepreneurs.

"The allocation will also enable us to selectively expand our scope from merely retailing to include the distribution level such as wholesaling to support our existing retailers," he told Business Times in Kuala Lumpur.

The Government allocated RM50 million under Budget 2003 for the second phase of the Prosper Project or "Projek Usahawan Bumiputera Dalam Bidang Peruncitan", which aims to increase Bumiputera participation and involvement in the retail sector.

An initial allocation of RM15 million was set aside for the first phase of the project. A brainchild of Prime Minister Datuk Seri Dr Mahathir Mohamad, Prosper was launched in August 2000 with PUNB acting as the secretariat.

"We had exhausted the initial RM15 million by April or May this year, and wrote in for additional funding of RM50 million.

"We can now proceed at a faster rate in our quest to nurture competent Bumiputera entrepreneurs now that we have passed the learning curve," said Mohd Nasir.

Up to the end of August this year, PUNB has approved 230 companies under Prosper, of which about 150 have started operations. On average, each project costs RM300,000.

The businesses include mini-marts, restaurants and bakeries, stationery stores, car dealerships, workshops, tyre service centres, petrol stations, household furniture outlets, laundries, boutiques, pharmacies and jewellery, photography and optical shops.

The participating retailers come up with 10 per cent of the financing, with PUNB chipping in a maximum of 30 per cent on an equity-sharing basis, while the rest will be borne by Credit Guarantee Corp Malaysia Bhd.

Currently, their combined project value stands at RM64 million, of which PUNB's share is RM17.8 million. The maximum repayment period is five years.

Apart from the Prosper scheme, PUNB also has a RM400 million venture capital fund, which was rolled out in 1992. To date, RM344 million has been used to fund 94 small- and medium-scale enterprises involving some 250 entrepreneurs.

Mohd Nasir lauded Dr Mahathir's call for Bumiputera entrepreneurs not to be over-dependent on special financial assistance and government contracts or projects.

"They must realise that they should not rely all the time on the Government although some initial help can be expected.

"Their mindset should be changed... ultimately they should do away with government help," he said.