

**Masterplan To Chart Direction, Progress Of SMEs, Says Najib
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KUALA LUMPUR, June 21 (Bernama) -- The government has drawn up a masterplan to chart the direction and progress of the small and medium enterprises (SMEs) in the country, Prime Minister Datuk Seri Najib Tun Razak said.

He said the plan would focus on creating an enabling ecosystem to accelerate the growth of SMEs through productivity gains and innovation.

"One of the strategic goals under the plan is to promote innovation and the adoption of technology by SMEs," he said in his keynote address at the launch of SMIDEX 2012, Asean-India SME Conference and SME Week 2012 here Thursday.

Najib said a national SME Development Council under the Prime Minister's Department was also set up to oversee the national SME effort.

"Representatives from the private sector as well as government agencies sit in this council to make sure we pursue policies that are meaningful, relevant and practical," he said.

The inaugural SME Innovative Award with a RM1 million prize was introduced in 2010 for an SME deemed most innovative to inspire businesses.

Other incentives include a RM500 million syariah-compliant Commercialisation Innovation Fund for SMEs with innovative products or services which are already in the stage of commercialisation.

On Asean-India SME Conference, Najib said, Malaysia was ready to facilitate the entry of Indian entrepreneurs into South-East Asia and serve as its gateway into the grouping.

He said the Asean-India Free Trade Area Trade in Goods agreement, which came into effect on Jan 1, 2010, was a key factor that would facilitate the creation of an open market in the region which has a combined population of about 1.8 billion.

"Since its beginning about a decade ago, business relations between Asean and India have seen tremendous growth and development," he said.

Meanwhile, he said, according to the Department of Industrial Policy and Promotion of India, Malaysia was currently the 27th largest overall foreign investor, with a total foreign domestic investment inflow of US\$298.8 million during the period of April 2000 until June last year.

"If investments made through the third country route are taken into account, cumulative Malaysian investments in India to date exceed US\$6 billion," he said.

Indian investments in Malaysia were small in relative terms, but had doubled from the previous year and were now valued at RM98 million, he said.

There are 77 Indian companies, including 70 Indian joint-ventures, operating in Malaysia.

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