

KERATAN AKHBAR

TARIKH : 28 JULAI 2023
AKHBAR : NEW STRAITS TIMES
MUKA SURAT : 4

RM1 bilion boost in matching grant to support local startups

RM1 billion boost in matching grant to support local startups

KUALA LUMPUR: The government and government-linked investment companies (GLIC) will pump an additional RM1 billion in funds to match private funds to support local startups and produce more technopreneurs in the country.

Prime Minister Datuk Seri Anwar Ibrahim said the additional matching grants were among the efforts by the government to internationalise local startups and small- and medium-sized entrepreneurs.

"The government will also al-

locate an additional RM100 million to intensify the research, development, commercialisation, and innovation with a focus on industrial needs, renewable energy, food security, and new growth activities.

"This is also part of the effort to achieve a Gross Domestic Expenditure on R&D of 3.5 per cent of GDP by 2030 and to raise our position to the top 20 in the Global Innovation Index (GII) by 2025," he said at the launch of the Madani Economy: Empowering the People framework yesterday.

Anwar, who is also the finance minister, also announced an increase in the matching grant for digitalisation.

"To drive digital economic reforms, implementing Digital ID will foster the expansion of online businesses and applications.

"A matching grant for digitalisation will be increased by RM100 million to assist micro SMEs (MSME) in accelerating their shift towards a more digital business model," he said.

He said about 79 per cent of MSMEs in the country consisted

of micro-businesses.

"Although most of them are single owners or inherited family businesses, they have greater growth potential and to penetrate foreign markets if provided with the necessary encouragement and facilities," he said.

Anwar said government-linked companies and GLICs should continue to drive domestic direct investments and support the development of local vendors in strategic sectors, such as electrical and electronics (E&E), the digital economy, and aerospace.

"To boost export growth, including the Mid-Tier Companies Development Programme as well as the Market Development Grant by Matrade, additional funding of 20 million ringgit will be allocated.

"The capital market also needs to be more lively by bringing more company listings and thus giving birth to new local 'unicorns'.

"The banking system and capital markets have to act quickly to meet business financing needs," he said.