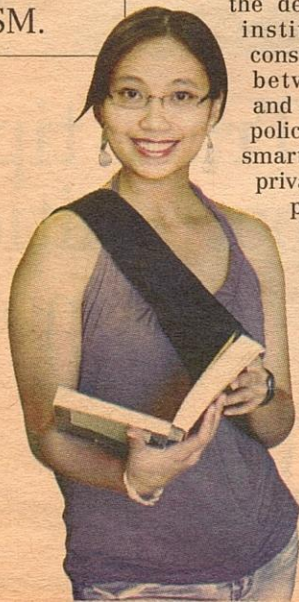




# Encouraging growth of businesses

Here we look at the business environment in the country and how policies and procedures encourage the growth of business. It also looks at the various sectors that have boomed due to governmental initiative and support

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**T**HERE are several key economic policies that enable businesses in the country to form and flourish, helping the country become a dynamic player in the global economy. Through Vision 2020, the government has set nine strategic challenges, which includes establishing a prosperous society with an economy that is fully competitive, dynamic, robust and resilient.

In 1983, the Malaysia Incorporated Policy was announced, to bring forth a new way of approaching the task of national development that would impact both public and private sectors. The policy encourages a mindset that the nation is a business entity jointly owned by both public and private sectors working together in building the nation.

The policy saw to the deregulation of bureaucratic rules and regulations, improving the delivery system and institutionalising the consultative machinery between the private and public sectors. The policy also encourages smart partnerships and privatisation. As a result privatisation projects were successfully executed, affecting major industries and services.

The government, in identifying human resources as one of the country's most valuable assets, continuously works toward creating a supply of highly

skilled and knowledgeable workers and entrepreneurs.

The education system is formulated to keep up with the needs of the market. Beyond schools and universities, the government also promotes lifelong learning to enhance employability and productivity of the labour force.

Responding to the needs of the people in rural areas, the government rolls out development programmes to promote advancement and create business opportunities. Besides improving infrastructure and access to the targeted areas, initiatives are undertaken to introduce various cottage and craft industries as well as improve existing farming practices.

Flexible financial support and technological facilities are put in place to help speed up the progress of the rural areas, in particular in the areas of agriculture-related trade, services and ecotourism.

With agriculture evolving into a sector that is increasing in its importance and in view of international trade liberalisation, the National Agriculture Policy III was launched in 1998 to increase competitiveness and ensure a dynamic growth for players within the sector.

Realising that a comprehensive range of infrastructural facilities and amenities is also a boon for economic growth, the government undertakes long-term integrated planning and coordinated implementation of projects affecting roads, bridges, urban transport and rail, ports, airports, communications and water and sewerage.

The National Energy Policy was also formulated to ensure adequate, secure and cost-effective

supply of energy. The policy additionally promotes efficient utilisation of energy and focuses on environment protection in the production and utilisation of energy.

Through the next phase of the Ninth Malaysia Plan (2006 - 2010), the government has outlined critical missions to keep pace with the constantly evolving local and global socio-economic landscape. One of the key missions is to move the economy up the value chain by increasing productivity and competitiveness. To achieve this, a key strategy set by the government is to give a lead role to the private sector and increase private sector investment.

The government facilitates small and medium enterprise (SME) development as well as increase public-private partnerships as part of the package towards entrepreneurial development.

Towards creating a conducive business environment, the Economic Planning Unit (EPU) plays a vital role in facilitating the nation's socio-economic development, strengthening internal resilience and international competitiveness as well as promoting optimum utilisation of available resources. The EPU executes development programmes and initiates economic research for the benefit of the people and businesses alike.

Through the effort of the government linked agencies, businesses in Malaysia are given ample opportunities to flourish. With the strategies set in accordance to the key policies, the government is taking Malaysia closer towards becoming a developed nation.