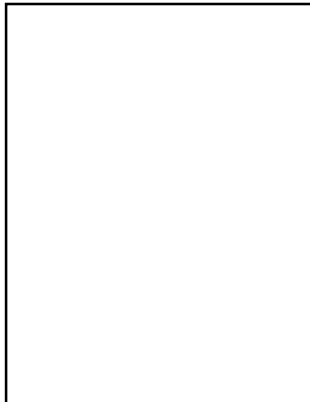


Financing technology-based projects

The EXIM Bank of Malaysia experience

Noordin Abbas

The Malaysian government gives high priority to research and development, technology innovation and technological infrastructure. Medium and long term industrial strategies have been formulated and are being implemented to enhance the capacities of Malaysian firms. The EXIM Bank of Malaysia has pioneered the financing of technology-based activities in the country. This article discusses the country's national industrial technology development action plan as well as the EXIM Bank's efforts to help Malaysian firms.



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The development of Malaysia in the long term will, inter alia, depend on the increased use of technology, knowledge and skills to enhance industrial competence and productivity, as well as to improve standards of living. The nation's competitiveness will depend on technological innovation by Malaysian firms and the use of technology to generate products and services.

The Malaysian Government promotes science and technology, research and development and technological innovation. It emphasizes not only the strengthening of technology infrastructure but also the enhancing of demand for, and capacity to use, technology at the firm level. This is achieved in the following ways:

- Implementing appropriate policy and institutional reforms to strengthen the

S&T planning and management system;

- Optimizing the utilization of skills and capital by promoting adaptation and application of new and improved technologies, undertaking more commercially-oriented R&D and increasing Industry's capability to innovate, design and market domestic technologies;
- Increasing investments in R&D as well as scientific and technological education and training with a view to developing a critical mass of scientists, engineers and researchers, fostering creativity and innovativeness in the young, and raising the general S&T interest and awareness levels;
- Building domestic technological capability in new enabling technologies that will yield higher economic returns. Among others, this will include en-