

Miti loosens entrepreneur fund rules

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THE Ministry of International Trade and Industry (Miti) yesterday introduced entrepreneur-friendly conditions for the Graduate Entrepreneurs Fund to encourage more participation. The new conditions will see, among others, maximum loans being increased to RM500,000 from RM250,000, while the loan to take over a company has been raised to RM750,000. The grace period has also been extended to 48 months from the previous 24 months. Forty-year-olds can now apply for an easy loan as long as they have completed their studies for not more than 15 years. Before this, the age limit for applicants was set at 35 and they were required to have completed their studies in the last 10 years. Deputy International Trade and Industry Minister Datuk Mukhriz Mahathir acknowledged that the previous conditions, which he described as being a "little bit tight", saw lukewarm response to the fund. The ministry, he said, had negotiated with SME Bank to improve conditions, which initially did not benefit many companies. "The biggest challenge faced by SMEs (small and medium enterprises) is the capital. If this can be overcome, their burden will be lightened. "I am confident many more graduates will start up SMEs," he said after launching the 1Malaysia Young Entrepreneurs Challenge (1MYEC) 2011. Also present was Miti secretary-general Datuk Dr Rebecca Fatima Sta Maria. The event saw a memorandum of understanding for a graduate entrepreneur scheme signed between Miti and four local universities, namely Universiti Teknologi Mara, Universiti Utara Malaysia, Universiti Sains Malaysia and Universiti Tun Abdul Razak. The 1MYEC programme will see students from 50 higher learning institutions implement entrepreneurship-based community projects, which will be evaluated by government-linked companies, multinational companies as well as officials from ministries and government agencies. Commenting on the competition, Mukhriz said the participation from the institutions had been encouraging. "I hope they can come up with ideas which can be commercialised," he said.