

Malaysia can raise funds for ETP mega projects

KUALA LUMPUR: The country's financial system can raise the funds for mega projects under the Economic Transformation Programme (ETP), such as the multi-billion MyRapid Transit (MRT), said Tan Sri Dr Zeti Akhtar Aziz, Bank Negara Malaysia governor.

She said innovative financing, such as the long-term Islamic bonds to be raised by the government for the MRT project, is one of the ways to fund these projects.

"Massive funding is needed for the construction of the MRT, which will take four to five years. We were invited to give our views on how it can be financed," she said.

Zeti said the RM30 billion Islamic bonds to be raised by the government to fund the MRT have long-term maturity and the market can absorb the issuance.

According to reports, the bonds, with a tenure of up to 65 years, will be finalised soon.

"However, all the projects must be implemented on a staggered basis and not happen at the same time. These projects have to be managed properly so that they [do] not cause economic dislocation.

She said these projects must be carefully assessed and be presented to Economic Council meetings to avoid cost overruns.

"We cannot have leakage and excess [costs]. If these projects are managed carefully, there will be tremendous potential to be realised," she said. — *Bernama*