



MEDIA RELEASE

“Malaysia boasts having the best SME institutional framework in ASEAN”

Kuala Lumpur, 12 February 2019 – Malaysia has not only maintained its ranking as one of the region’s top performers in terms of SME development, but emerged as having the most advanced institutional framework for SME development among ASEAN Member States (AMS). These were among the findings unveiled during the launch of the National ASEAN SME Policy Index Dissemination Seminar by YB Datuk Seri Mohd Redzuan Yusof, Minister of Entrepreneur Development today.

The ASEAN SME Policy Index (ASPI) 2018: Boosting Competitiveness and Inclusive Growth looks at the policy landscape for SME development across ASEAN, identifying potential gaps and providing recommendations. ASPI 2018 is a collaborative effort between the Organisation for Economic Cooperation & Development (OECD), the Economic Research Institute for ASEAN and East Asia (ERIA) and the ASEAN Coordinating Committee on Micro, Small and Medium Enterprises (ACCMSME). The initiative was undertaken with the Governments of the 10 AMS as well as various stakeholders involved in SME development. The document was officially launched in Singapore on 1 September 2018, in the presence of representatives from the ASEAN Economic Community, the Government of Canada, OECD, ERIA and ACCMSME.

Overall, Malaysia did well in the Index with the score for all eight (8) policy dimensions exceeding the median score for ASEAN. Malaysia was also ranked second in six (6) of the policy dimensions in ASPI 2018 namely on productivity, technology and innovation; environmental policies and SMEs; access to finance; access to market and internationalisation; legislation, regulation and tax; as well as entrepreneurial education and skills.

Malaysia also scored high in access to finance as well as access to market and internationalisation while in the area of SME greening, Malaysia is considered as among the pioneer members in ASEAN in terms of environmental policies targeting SMEs.

Besides that, Malaysia has also improved its score in entrepreneurial education and skills in the country.

With the establishment of the Ministry of Entrepreneur Development (MED) in July 2018, Malaysia aspires to perform better in these areas particularly with the establishment of a newly strengthened National Entrepreneur and SME Development Council (NESDC) which will be chaired by YAB Perdana Menteri. Besides that, Malaysia also has a central coordinating agency (CCA) for SME development, namely SME Corp. Malaysia under MED, which is responsible for the coordination and

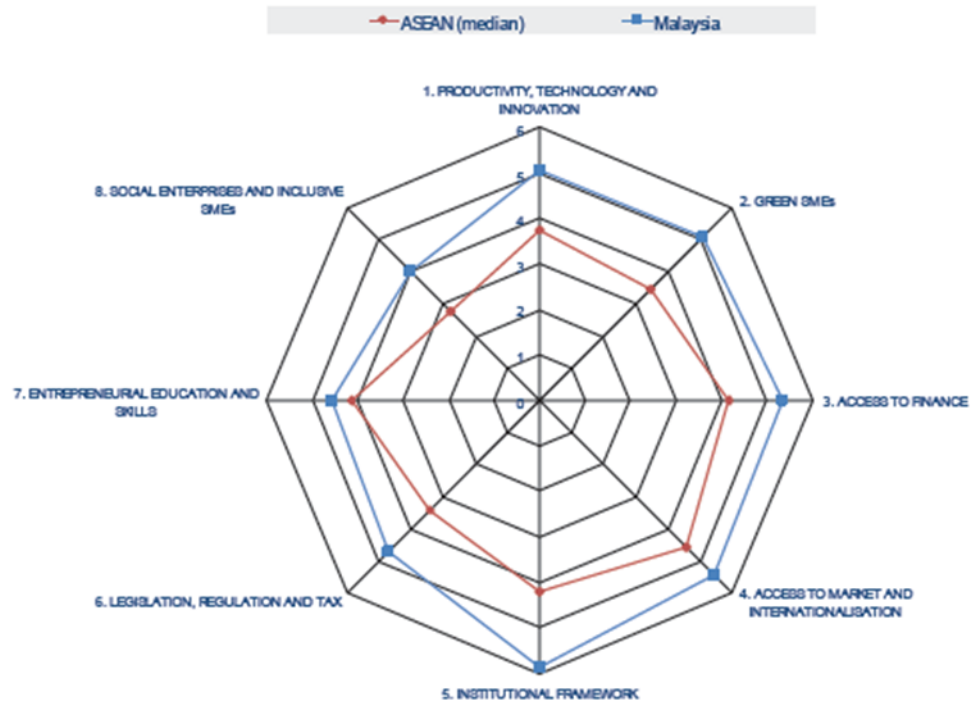
streamlining of SME development initiatives across all related Ministries and Government agencies.

As a way forward, MED is in the midst of devising new strategies and policy interventions to drive SME as part of its strategy to elevate entrepreneurship development by 2023, as envisioned under the National Entrepreneurship Framework. This will further improve Malaysia's score especially on entrepreneurship education and SME inclusiveness. At the half-day Seminar, OECD also shared best practices and way forward on the next policy index.

Among the guests who attended the launch of the National ASEAN SME Policy Index Dissemination Seminar were H.E. Ms. Julia Bentley, High Commissioner of Canada to Malaysia; Puan Wan Suraya Wan Mohd. Radzi, Secretary General of Ministry of Entrepreneur Development; Dato' Sri Syed Hussien Al Habshee, Chairman of SME Corp. Malaysia; Encik Noor Azmi Mat Said, Chief Executive Officer of SME Corp. Malaysia, Mr. Max Bulakovskiy, Project Manager, OECD and stakeholders from Ministries and agencies.

= End of release =

MALAYSIA'S PERFORMANCE IN ASPI 2018



Dimension	Malaysia Score	ASEAN Score
1. Productivity, Technology and Innovation	5.06	3.78
2. Environmental Policies and SMEs	5.08	3.45
3. Access to Finance	5.35	4.15
4. Access to Market and Internationalisation	5.43	4.55
5. Institutional Framework	5.86	4.20
6. Legislation, Regulation and Tax	4.71	3.43
7. Entrepreneurial Education and Skills	4.58	4.27
8. Social Enterprise and Inclusive Entrepreneurship	4.00	2.77

Source: ASEAN SME Policy Index 2018