

# Message from YB Minister of Entrepreneur and Cooperatives Development



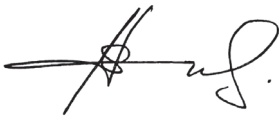
Economic uncertainty has provided continuous challenges to Micro, Small and Medium Enterprises (MSMEs). One of the critical issues for MSMEs in Malaysia is limited integration into the global value chain, particularly stemming from difficulties in meeting client specifications, challenges in maintaining high-quality products & services and limited cost-competitiveness compared to imports. On that note, this year's report is aptly themed to address the issue: "Advancing Productivity and MSMEs' Participation in the Value Chain". Indeed, this Report provides essential information for MSMEs to thrive in today's interconnected world.

The Ministry of Entrepreneur and Cooperatives Development (MECD) is highly committed to implement initiatives that can boost the momentum of MSMEs through participation in the global supply chain. MECD and its agencies will be focusing on enhancing the capacity and capabilities of MSMEs, besides providing capital financing, to transform the MSMEs. These initiatives encompass multifaceted approaches, which include enhancing MSMEs' capacity towards internationalisation; improving business linkages with large firms; and leveraging on alternative financing.

Efforts will be continued in strengthening the sustainability agenda by encouraging MSMEs to adopt environmental, social and governance (ESG) practices and digital transformation. The increasing emphasis on sustainability practices presents MSMEs an avenue to establish niche position in the market. A simplified ESG guide called “The ESG Quick Guide for MSMEs” has also been developed by SME Corp. Malaysia to handhold MSMEs in implementing ESG.

For over more than two decades, SME Corp. Malaysia has been pivotal in advancing MSME development nationwide by providing coordinated support and resources essential to their growth. The MSME Strategic Plan 2030 that was developed by MECD, alongside the Business Strategic Plan of SME Corp. Malaysia 2022 - 2030 will act as a vital foundation in shaping the MSMEs' direction. MSMEs that continuously adapt to the evolving business landscape will have greater capability to widen market reach and strategically integrate their operations into global value chains.

The journey of MSMEs is one characterised by determination, strong-will and resilience. As we move forward, it is our aspiration to push MSMEs on a steady path that promises revitalisation and growth. With each step taken by these MSMEs, let us be the helping hands in transforming risk into opportunity, adversity into success!



**Ewon Benedick** PGDK, JP

**Minister of Entrepreneur and Cooperatives Development**