



PRESS RELEASE

MSME SUSTAINABILITY SERIES BY SME CORP. MALAYSIA POISED MSMEs TO BE FUTURE-READY

BAYAN LEPAS, 26 September 2023 – The Ministry of Entrepreneur and Cooperatives Development (MECD) through its agency, SME Corp. Malaysia organised the 2023 MSME Sustainability Series: Charting the ESG Path for MSMEs and Business Matching for High Growth Industries from 26 – 27 September 2023. It was part of the continuous effort to provide MSMEs with the understanding on importance of sustainability as well as environmental, social and governance (ESG) practices to facilitate their transformation into future-ready businesses. The Seminar was officiated by YB Datuk Ewon Benedick, Minister of Entrepreneur and Cooperatives Development at the Setia SPICE Convention Centre today.

The MSME Sustainability Seminar was attended by almost 250 participants including MSMEs from various sectors mainly in the manufacturing and services sectors, business associations, chambers of commerce, anchor companies, researchers as well as Ministries and agencies including the Penang State Government. The Seminar focused on MSMEs in the northern region, targeting high-growth industries such as electrical & electronic (E&E), medical devices, oil & gas, and aerospace. The Seminar, which is the third session conducted by SME Corp. Malaysia this year, provided invaluable knowledge to MSMEs on the importance of ESG practices for business. The key topics included the fundamentals of ESG, the development of ESG strategy, implementation at firm level and sustainability reporting.

YB Datuk Ewon Benedick during his keynote speech said, "Moving forward, MSMEs need to integrate their business operations with aspects related to sustainability or application of ESG as it is becoming more significant and will be the future trend in Malaysia. Large firms, multinationals (MNCs) and Government-linked Companies

(GLCs) have begun adopting ESG practices as one of the criteria for making investment-related decisions and the procurement of selected supplies or services in their business operations, hence SMEs should take the same steps to gain continuous market access, remain in the existing supply chain, expand their market through participation in new supply chains or attract investment, as well as to meet the increasing demand of ESG elements from stakeholders".

"The Government, with strong support from the corporate and private sectors, is committed to continue and provide assistance as well as facilities to encourage SMEs in adopting ESG practices. The comprehensive SMEs' sustainability ecosystem has been developed by SME Corp. Malaysia, comprising six (6) basic components namely awareness and education, SME ESG Assessment, policy support, market access, standard & compliance, and financing & incentives", said YBhg. Tan Sri Datuk Seri Panglima Bernard Giluk Dompok, Chairman of SME Corp. Malaysia in his opening remarks.

Meanwhile, YBr. Encik Rizal bin Nainy, Chief Executive Officer of SME Corp. Malaysia said, "This Seminar is part of an awareness campaign under the PKSlestari programme. PKSlestari is an initiative by SME Corp. Malaysia to encourage and accelerate the adoption of ESG practices among MSMEs by developing an SME sustainability ecosystem. Understandably, it will take some time for SMEs to acquire the relevant knowledge and expertise to drive sustainability in their operations. Nevertheless, SMEs should start their efforts in this direction by taking small but sure steps and this Seminar will help to chart their journey towards a sustainable industry, to foster long-term value creation for the companies and their stakeholders".

In addition, the Programme also featured a Gallery Walk for MSMEs to display, highlight, and promote their products and services to the public and business community. Participants also gained the opportunity to partake in the Business Matching Sessions on the second day, which featured 17 anchor companies. The Business Matching Sessions were organised as an avenue to facilitate linkages of potential MSMEs to large companies, MNCs, GLCs and hypermarkets.

During the opening ceremony, YB Datuk Ewon Benedick also witnessed two (2) MoU Exchanges between SME Corp. Malaysia and the Securities Commission of Malaysia

(SC) as well as between SME Corp. Malaysia and Alliance Bank Malaysia. The MoUs with SC paved the way for cooperation to facilitate greater access to capital market financing for MSMEs while the collaborative partnership with Alliance is a joint effort to further raise awareness, build capacity and assist MSMEs to accelerate the adoption of ESG practises in their businesses.

Also present during the 2023 MSME Sustainability Series: Charting the ESG Path for MSMEs & Business Matching for High Growth Industries were YB Senator Puan Saraswathy Kandasami, Deputy Minister of MECD, YBhg. Dato' Sri Suriani binti Dato' Ahmad, Secretary General of MECD, YBhg. Tan Sri Datuk Seri Panglima Bernard Giluk Dompok, Chairman of SME Corp. Malaysia, and YBrs. Encik Rizal bin Nainy, Chief Executive Officer of SME Corp. Malaysia.

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About SME Corp. Malaysia

SME Corporation Malaysia (SME Corp. Malaysia) is the central coordinating agency (CCA) under the Ministry of Entrepreneur and Cooperatives Development (MECD) that coordinates the implementation of development programmes for small and medium enterprises (SMEs) across all related Ministries and agencies. It acts as the central point of reference for research and data dissemination on SMEs and entrepreneurs, as well as provides business advisory services for SMEs and entrepreneurs throughout the country.

Beginning on May 2, 1996, SME Corp. Malaysia was formerly known as the Small and Medium Industry Development Corporation (SMIDEC), which aims to develop the small and medium industries that are capable and resilient to be able to compete in the global market. In 2007, SMIDEC was mandated by the National SME Development Council chaired by the YAB Prime Minister to formulate comprehensive policies and strategies for SMEs and drive SME programmes across Ministries and Agencies. Accordingly, SMIDEC has been officially rebranded as SME Corp. Malaysia on 2 October 2009.

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