



5th Malaysia Statistics Conference

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From Data to Knowledge : The Journey

Statistics for Economic Development and Growth

SME Statistics in the New Era: SME Corp. Malaysia's Experience

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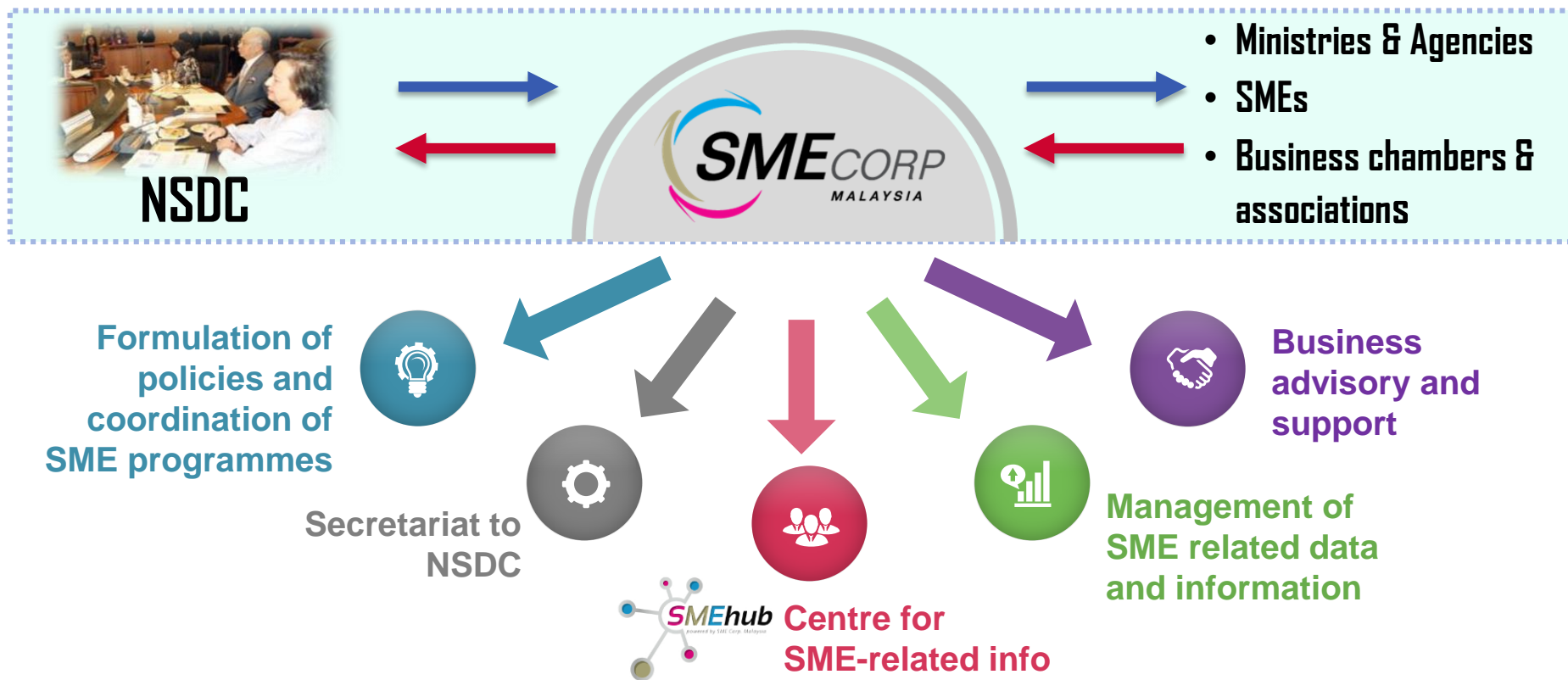


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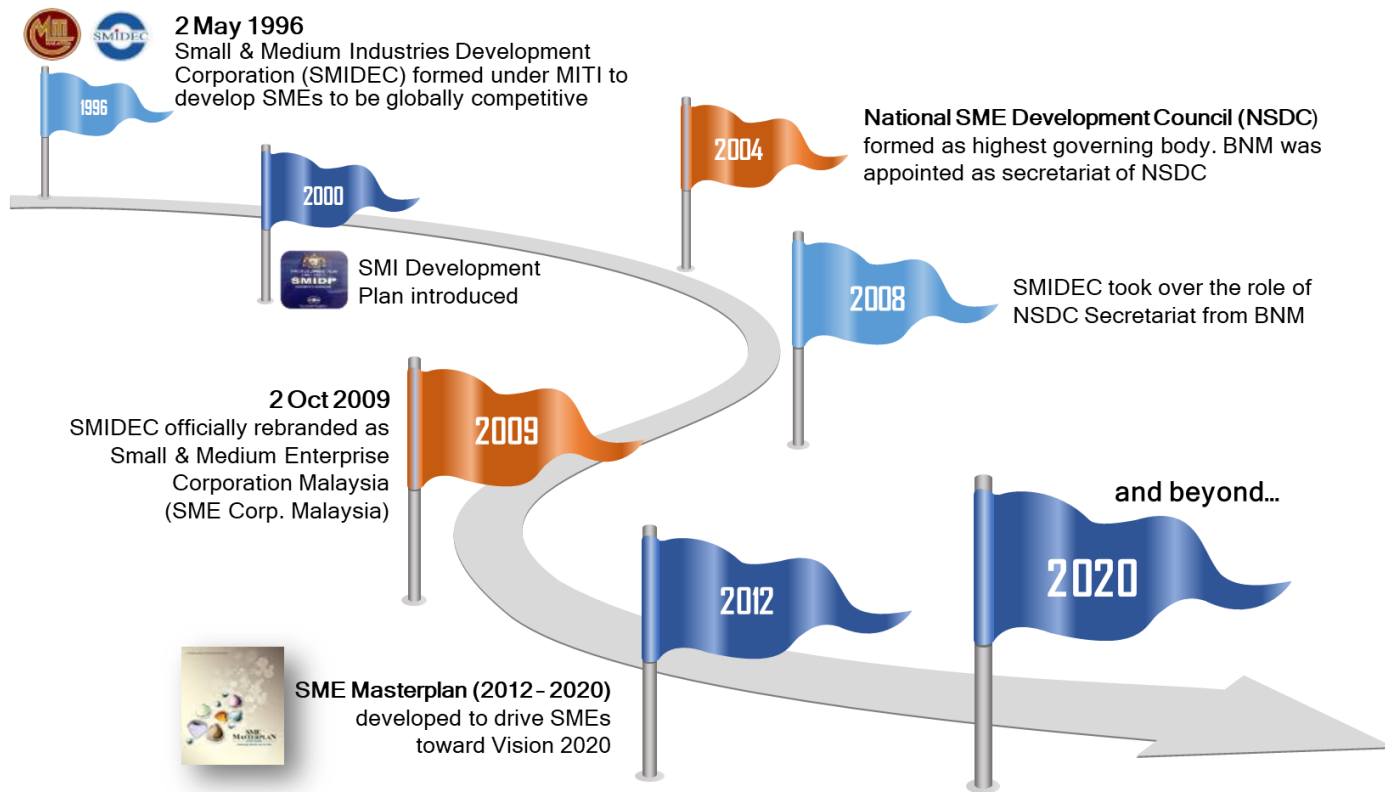
Outline of Presentation

- 1 SME Development in Malaysia
- 2 National SME Development Council
- 3 Policies and Role
- 4 Moving Forward

SME Corp. Malaysia as the Central Coordinating Agency



The journey of SME Corp. Malaysia






SME development was accorded high policy attention with the establishment of NSDC in 2004...



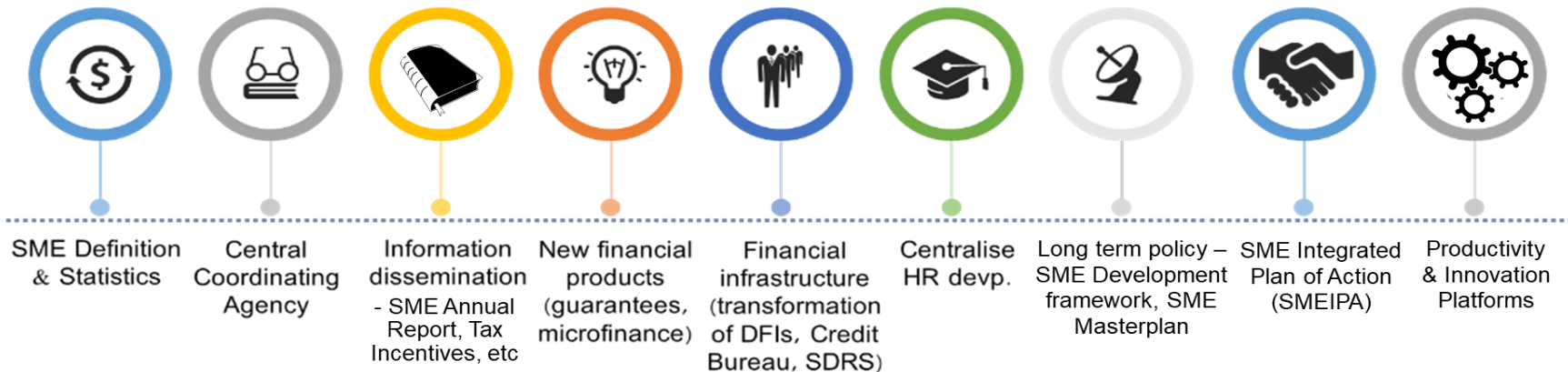
National SME Development Council (NSDC) was established in 2004:

- Chair: Prime Minister,
- Members: 16 Ministers & Heads of key agencies
- Secretariat: SME Corp. Malaysia
- Supported by High Level Task Force, chaired by Chief Secretary to the Government

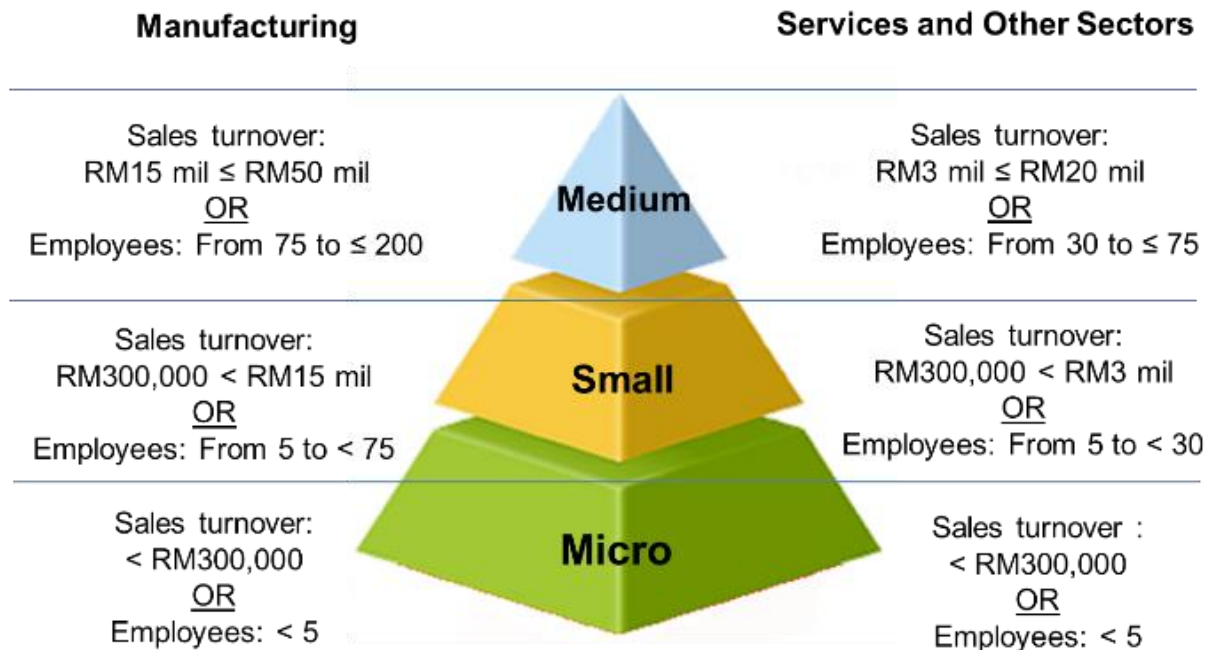
Roles and responsibility

-  **Provides direction** for comprehensive development of SMEs across all sectors
-  Formulates broad **policies and strategies**
-  **Oversees coordination** and ensures **effectiveness** in policy implementation

Decisions & Outcomes



SMEs are important economic agent...



...and backbone of the Malaysian economy

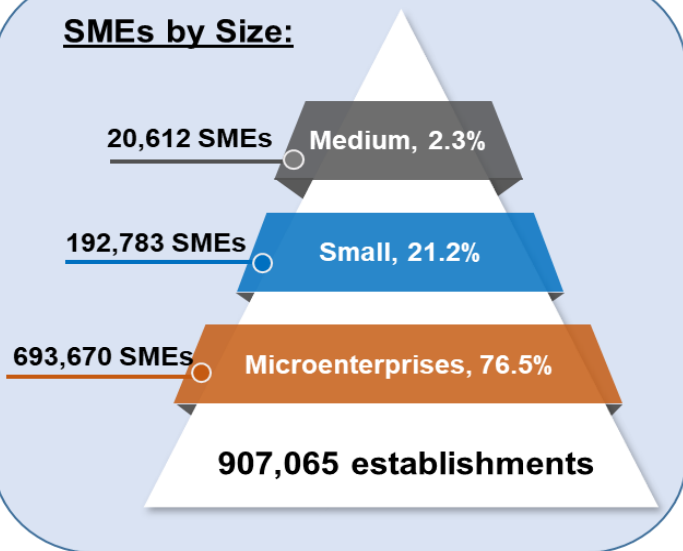
98.5%

business establishments
in Malaysia are SMEs

...cut across **all sizes & sectors**



SMEs by Size:



20.6% of
SMEs are
**women-
owned**

Definition of Women-owned Company

≥ 51% of the equity
held by a woman /
women

OR

CEO / MD is a woman
that owns at least 10%
of the equity

SMEs by Sector:



Services

89.2% (809,126 SMEs)



Manufacturing

5.3% (47,698 SMEs)



Construction

4.3% (39,158 SMEs)



Agriculture

1.1% (10,218 SMEs)



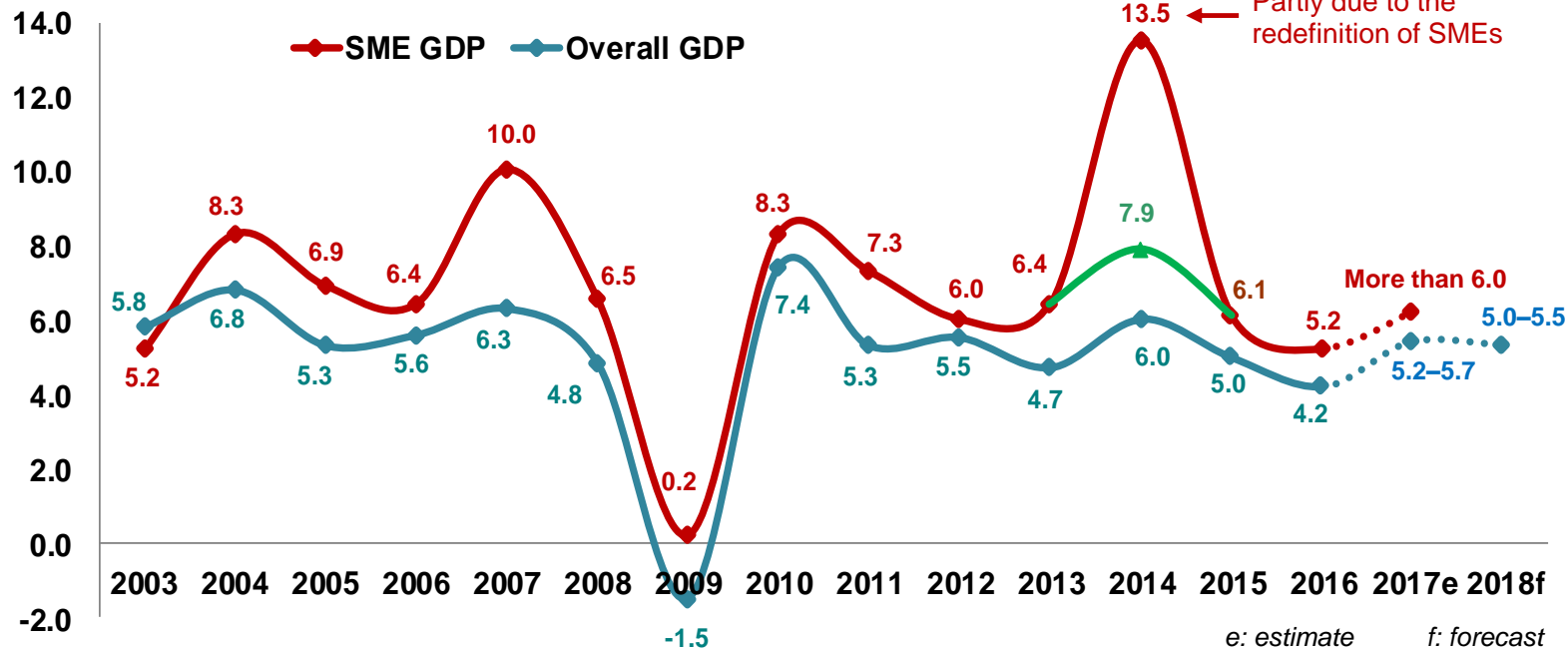
Mining & Quarrying

0.1% (865 SMEs)

Source: Economic Census 2016, Department of Statistics Malaysia (DOSM)

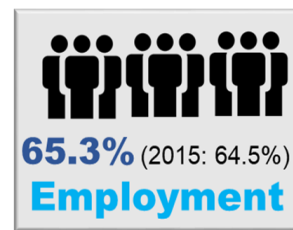
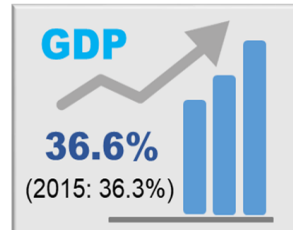
SMEs continued to surpass the overall Malaysia GDP growth

Annual growth, %



Source: DOSM, Ministry of Finance (MOF) and SME Corp. Malaysia

Contribution of SMEs in 2016



SME development is measured at 3 levels

1



National Macro Performance

- Contribution of SMEs to the economy:
 - GDP
 - Exports
 - Employment
 - Productivity
- Quarterly SME Surveys
- DOSM's Economic Census

2



Programme Level

- SME Integrated Plan Action (SMEIPA)
- SME Central Incentives System (SCenIc)

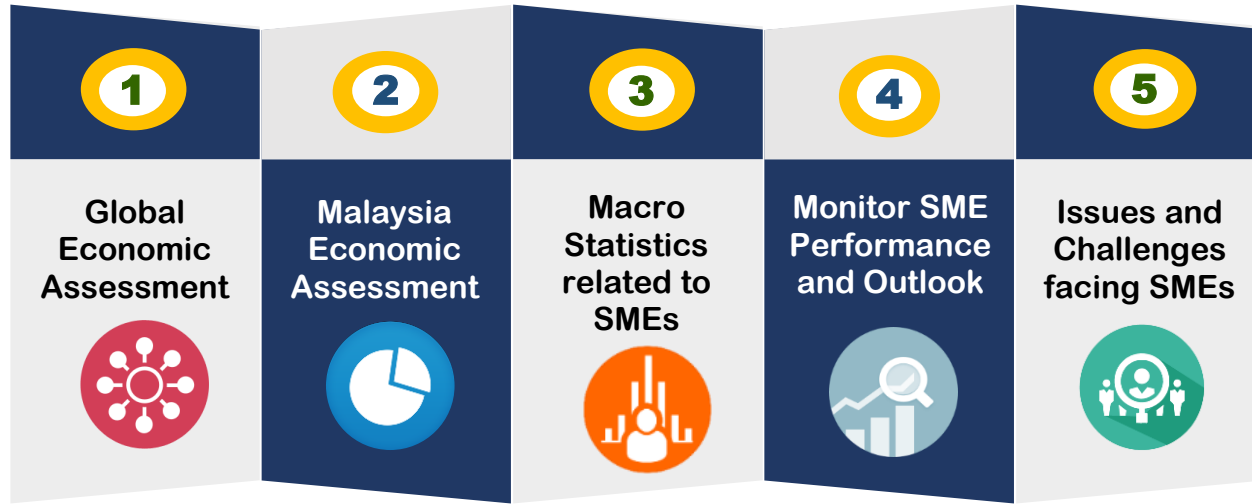
3



Firm Level

- SME Competitive Rating for Enhancement (SCORE)
- Special Survey

Policy formulation is based on economic assessment on SMEs' performance, outlook and challenges



TARGETS



SME growth projections

Economic surveillance

Impact analysis using statistics

Long-term and short-term policy

SME Corp. Malaysia formulated the SME Masterplan (2012-2020) as a 'game changer'



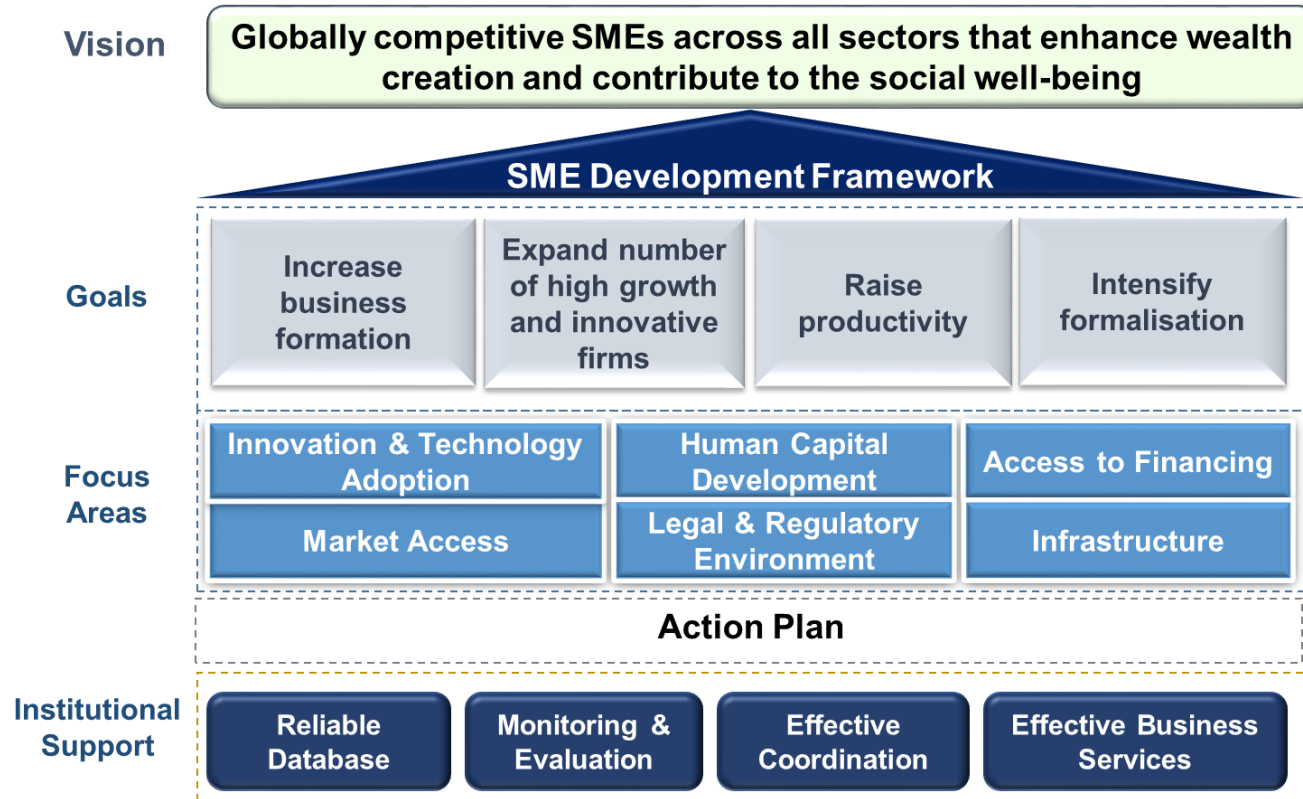
*“Unless we introduce a ‘**game changer**’, we will be caught in a middle-income trap, and no longer as competitive on cost...”*

*“... the Government would adopt a **differentiated approach** to accelerate the growth of SMEs and to provide the impetus for growth led by the private sector.”*

*“... an **innovation-led economy** demands a **new breed of SMEs** that can help foster market and technology-driven innovation to create more high-skilled jobs in all economic sectors.”*

**Prime Minister of Malaysia /
Chairman of National SME Development Council**

SME Development Framework for innovation-led and productivity-driven growth under the SME Masterplan



Tapping into DFTZ, Megatrends, IR4.0 and various eCommerce initiatives will further accelerate the growth of SMEs

DFTZ

By 2025:



Double the growth rate of SME's goods exports to **US\$38 billion**



US\$65 billion of goods movement



60,000 jobs created

Megatrends & IR4.0



Digital Future
& IR4.0



Globalisation



Rising of
Entrepreneurship



Community
Living

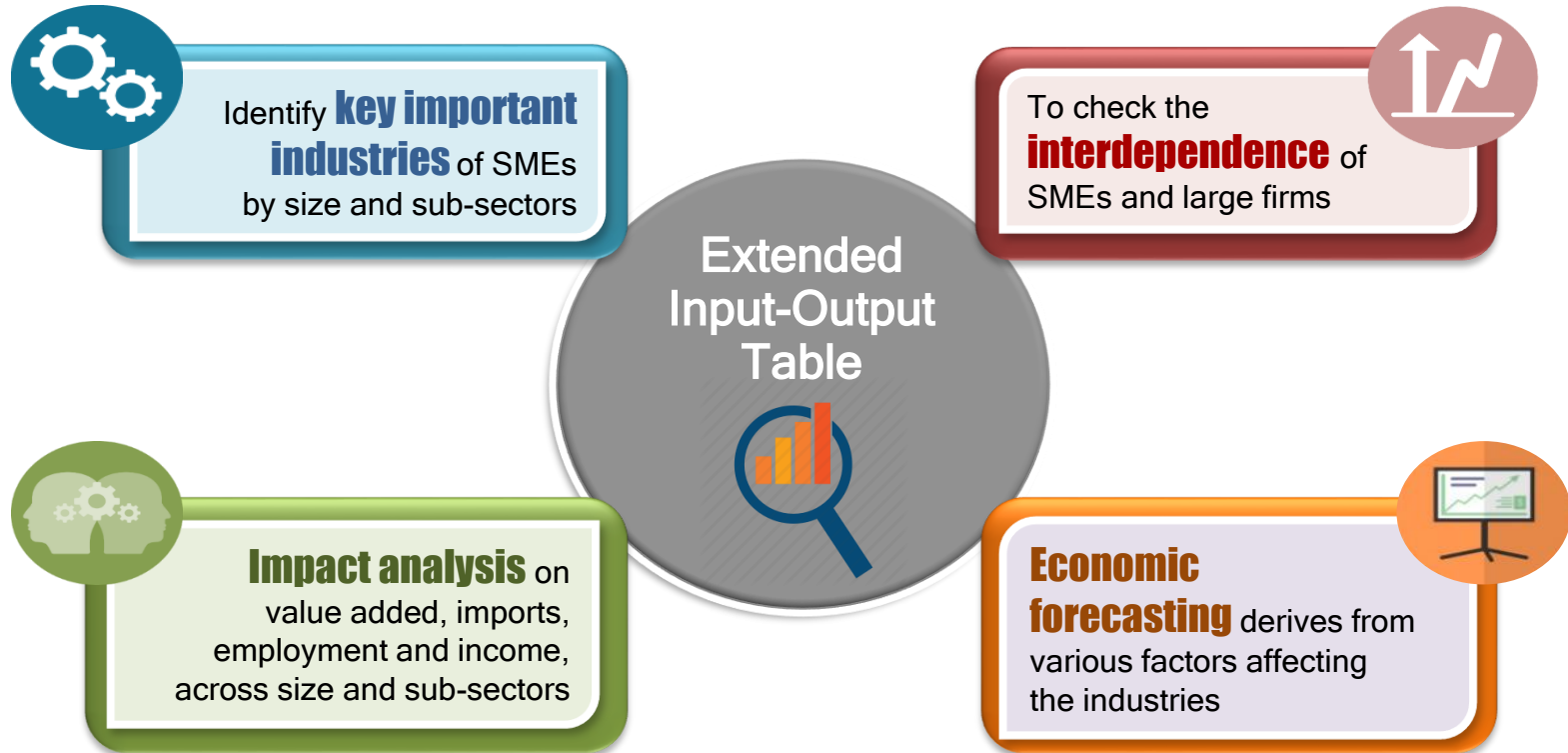
eCommerce Initiatives

by SME Corp. Malaysia

To improve the **Internet economy**, in partnership with:



Current initiative: Extended Input-Output Table for SMEs to address supply chain issue



2018 Budget denotes a significant increase in allocation to support SMEs



Summary and conclusion

1

Data and statistics are crucial for the:

- SME development;
- SME policy formulation;
- SME programmes and initiatives;
- Monitoring and evaluation; and
- Outreach activities and events.

2

SME Corp. Malaysia to pioneer and be the forefront of new initiatives:

- Extended Input-Output Table by firm size (SMEs and large firms)
- SME Masterplan (2012-2020) need to be aligned with TN50

Thank you...

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