

MEDIA RELEASE

MEF WELCOMES AND COMMENDS YB STEVEN SIM'S PRO-MSMEs INITIATIVES AGENDA TO STRENGTHEN ECONOMIC RESILIENCE AND BUSINESS SUSTAINABILITY

Petaling Jaya: MEF expresses its full support for the suite of initiatives announced by the Prime Minister, YAB Dato' Seri Anwar Ibrahim, arising from proposals by the Ministry of Entrepreneur Development and Cooperatives (KUSKOP) under the leadership of YB Steven Sim Chee Keong, to further empower Micro, Small and Medium Enterprises (PMKS) in Malaysia.

MEF views the announcements as a targeted economic intervention aimed at reinforcing PMKS liquidity, easing cost pressures, improving compliance efficiency and strengthening the longer term resilience of the domestic MSMEs business ecosystem.

Commenting on the measures, MEF President, Datuk Dr Syed Hussain Syed Husman, said:

“MEF welcomes the Prime Minister’s acceptance of KUSKOP’s proposals and commends YB Steven Sim for advancing a policy framework that directly addresses the structural and operational challenges faced by MSMEs. These initiatives reflect a pragmatic approach to sustaining business continuity, enhancing productivity and supporting inclusive economic growth.”

Datuk Dr Syed Hussain noted that the impact of the measures would be particularly significant for employers:

“More than 60% of MEF’s members are MSMEs. Measures such as additional MSMEs financing, tax refunds, service tax exemptions and reductions, as well as the deferment of penalties for e-Invois Phase 4, will provide immediate cash

flow relief while allowing businesses to reallocate resources towards operations, workforce retention and growth.”

MEF also welcomes fiscal and regulatory measures that reduce compliance costs and enhance the ease of doing business, including the increase in registration thresholds for leasing and rental services, the Voluntary Stamp Duty Disclosure Programme, and service tax exemptions for selected sectors, including construction and agri-related inputs.

“From an economic policy perspective, these measures help stabilise PMKS during a period of cost adjustments and regulatory transition, while reinforcing voluntary compliance and business formalization,” Datuk Dr Syed Hussain said. MEF further supports initiatives that strengthen market access and domestic demand, including the onboarding of 10,000 small traders into the Sumbangan Asas Rahmah (SARA) ecosystem and the immediate rollout of additional allocations for small projects undertaken by SMEs contractors classified under G1–G4.

“Ensuring that PMKS are better integrated into national supply chains and public sector procurement is critical for broad-based growth and employment creation,” Datuk Dr Syed Hussain added.

MEF also welcomed the Government’s continued emphasis on bureaucratic reform, digitalization and paperless service delivery, which are consistent with employers’ calls for improved productivity and administrative efficiency.

“MEF stands ready to engage constructively with KUSKOP and relevant agencies to support effective implementation, provide employer feedback, and ensure that these initiatives deliver tangible outcomes for PMKS on the ground,” Datuk Dr Syed Hussain said.

MEF reiterates its commitment to working with the Government to strengthen the MSMEs ecosystem, safeguard employment and enhance Malaysia's overall economic competitiveness.

For further information, please contact the MEF Secretariat at 03-7498 7200 or email mef-hq@mef.org.my.

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