

How Importance of SMEs in Malaysia ? 中小企业对国家有多重要？



Definition of SMEs 中小企业的定义

SMEs defined depend on qualifying criteria, the details are showed as below:
 如何去定义中小企业，当然需符合一些条件，详细条件如下：

Category	Micro	Small	Medium
Manufacturing	Sales turnover of less than RM300,000	Sales turnover from RM300,000 to less than RM15 million OR full time employees from 5 to less than 75	Sales turnover from RM15million to not exceeding RM 50 million OR full time employees from 75 to not exceeding 200
Services & Other Sectors	OR full time employees less than 5	Sales turnover from RM300,000 to less than RM3 million OR full time employees from 5 to less than 30	Sales turnover from RM3 million to not exceeding RM20 million OR full time employees from 30 to not exceeding 75

Source: Small Medium Enterprise Development Bank Malaysia Berhad (2019).



SMEs must be entities registered with

- SSM or
- Other equivalent bodies

Excludes:

Entities that are public listed on the main board and Subsidiaries of:

- Publicly listed companies on the main board;
- Multinational corporations (MNCs);
- Government-linked companies (GLCs);
- Syarikat Menteri Kewangan Diperbadankan (MKDs);
and
- Stated-owned enterprises.



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By ANDY CHUA



Prime Minister Tan Sri Muhyiddin Yassin had on March 27, announced a RM250bil economic stimulus package, which the chamber claimed provided little assistance to ease the financial and operational burden of SMEs. **Over two-thirds of enterprises in Malaysia are SMEs and micro-enterprises and they make a significant contribution to the economy.**

“Since the MCO was enforced, most SMEs’ operations have been suspended. However, these SMEs are required to continue to pay their employees their full salaries and are

Importance of SMEs in Malaysia

中小企业对国家的重要性

1. Gross Domestic Product (GDP)
2. Employment

Contribution in Gross Domestic Product (GDP) 中小企业对国内生产总值贡献

SMEs GDP contributed to country's GDP	
2015	36.3%
2016	36.6%
2017	37.8%
2018	38.3%

SMEs GDP contributed
to Malaysia GDP in 2018

38.3%

单是在2018，中小企业
就贡献了38.3%GDP!

Contribution in Gross Domestic Product (GDP) 中小企业对国内生产总值的贡献

Weaker global economic due to Covid-19. Malaysia Economy will be suffered without a doubt. According to Bank Negara Malaysia (BNM), Malaysia's GDP forecasted to grow between -2% and 0.5% in 2020 if compared to 4.3% in 2019.



SMEs also the victims of Covid-19, as SMEs face the biggest challenge, cash flow constraints.

中小企业对国内生产总值做出了不少贡献。但受疫情影响，中小企业都面临着现金流的问题。因此，2020国内的生产值预计也将受到影响

Contribution in Employment

中小企业提供就业机会

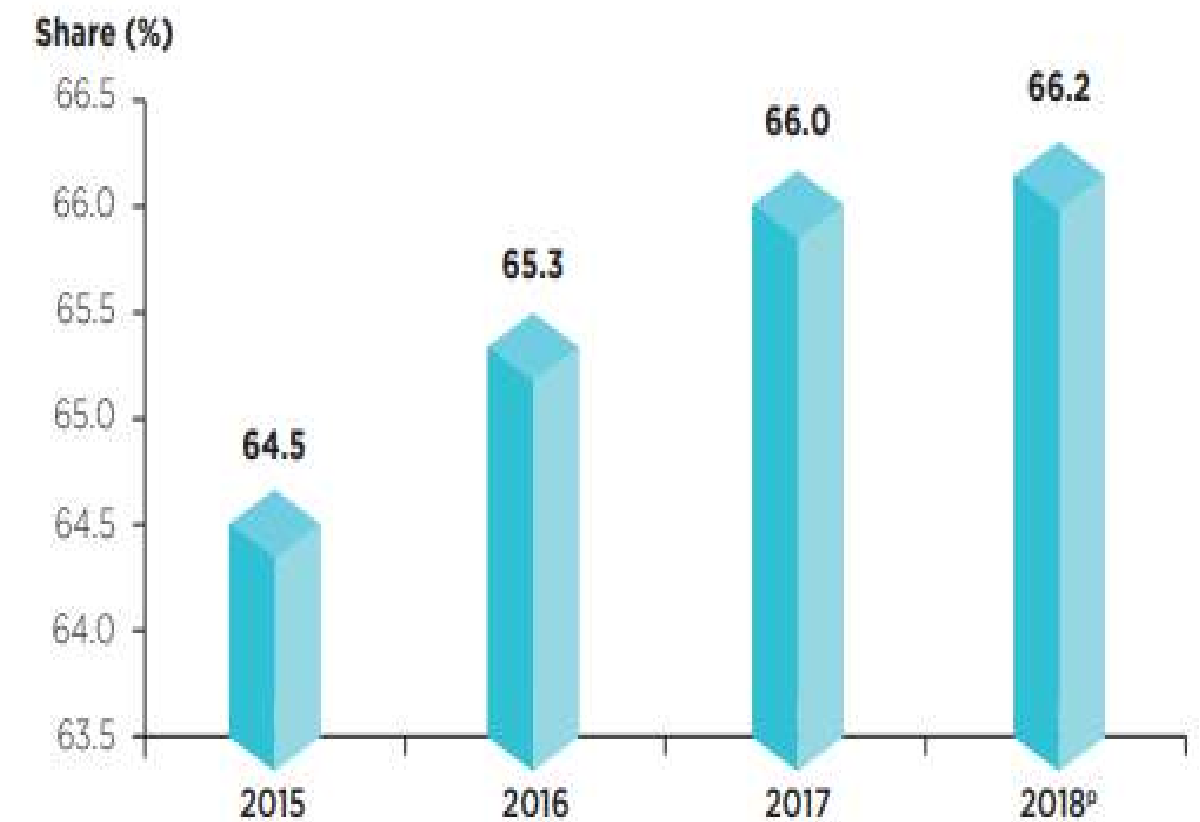
SMEs play a major role in employment/job creation

The Figure 1 showed the contribution of SMEs to total employment.

It also showed that **66.2%** of total employment in 2018 compared to 66% in 2017 (Refer to Figure 1)

In overall trend, contribution by SME in employment showed a increase.

Figure 1: Contribution of SMEs to Total Employment



Source: Department of Statistic Malaysia;
SME Annual Report 2018/2019

For more information regarding the definition of SMEs

- <https://www.smebank.com.my/en/about-us/sme-definition>
- <https://www.smecorp.gov.my/index.php/en/policies/2020-02-11-08-01-24/sme-definition>
- https://www.smecorp.gov.my/images/pdf/2020/Guideline-SMEDefinition_updated.pdf

For more information regarding the SMEs performance & statistic

- <https://mdec.my/digital-economy-initiatives/for-the-industry/sme/>
- https://www.smecorp.gov.my/images/SMEAR/SMEAR2018_2019/final/english/SME%20AR%20-%20English%20-%20All%20Chapter%20Final%2024Jan2020.pdf
- https://www.dosm.gov.my/v1/index.php?r=column/cthemeByCat&cat=159&bul_id=R0Vka2RpeVJ0cUl pR3Bqdj hudDZhdz09&menu_id=TE5CRUZCbIh4ZTZMODZl bmk2aWRRRQT09