



**MINISTRY OF
INVESTMENT, TRADE AND INDUSTRY**

SPEECH BY

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**FOR THE LAUNCH OF THE PROGRAMME FINANCING
*EXIM GO-EXPORT***

**12 JUNE 2023 (MONDAY)
MITI TOWER, 7, JALAN SULTAN HAJI AHMAD SHAH
50480 KUALA LUMPUR**

Yang Berbahagia Datuk Bahria Mohd Tamil
Deputy Secretary-General (Investments), MITI

Yang Berbahagia Dato' Azman Mahmud
Chairman of EXIM Bank Malaysia

Mr Arshad Ismail
President and CEO of EXIM Bank Malaysia

Mr Shahrul Azuan Mohamed
CEO of Etiqa General Takaful Berhad

Mr Chen Yin Heng
Principal Officer of Syarikat Jaminan Pembiayaan Perniagaan (SJPP)

Members of the media,
Distinguished guests,
Ladies and Gentlemen,

Assalamualaikum WBT, salam Malaysia Madani and good morning,

1. Allow me to begin by congratulating EXIM Bank Malaysia for successfully developing the EXIM GO-EXPORT Financing, a programme that supports small and medium enterprises (SMEs) and corporate clients to obtain funding for their business in areas such as export development, green technology and supply chain ecosystem.
2. **The country's economy expanded by 5.6% in the first quarter of 2023** (Q1 2023), beating countries such as Indonesia (5%), China (4.5%) and Vietnam (3.3%). The Q1 2023 growth also exceeded the 4.8% growth achieved in Q1 2022.

3. Malaysia's economic performance in the first quarter of 2023 was underpinned by broad based growth across all sectors, especially services and manufacturing, which grew by 7.3% and 3.2% respectively.
4. **The country also recorded approved investment to the tune of RM71.4 billion for Q1 2023, a jump of nearly 60% year-on-year. With 1,265 projects approved, we can expect to generate 23,977 new job opportunities** across the manufacturing, services, and primary sectors.
5. **As investment and exports are key components of our GDP, the Government is therefore, confident of achieving our GDP growth forecast of 4.0% – 5.0% for 2023,** supported by Malaysia's strong economic fundamentals and implementation of Belanjawan 2023 measures through MITI's agencies.
6. But what is most important, is for us to ask the following questions:
 - a. **Firstly, are SMEs benefitting from this economic growth?** This also begs the question: **how can SMEs be enabled to benefit from the growth in ASEAN or globally?**
 - b. **Secondly, how can SMEs be nurtured to become more resilient and future-proofed?**
7. Let me share MITI's thoughts on each of those questions one by one. **First, for a country to build a viable middle class, we must have policies to nurture broad-based socio-economic growth. And broad-based growth efforts must involve empowering SMEs, which means promoting, nurturing and encouraging entrepreneurship so they, too, can benefit from our economic growth.** This is particularly so because Malaysian SMEs make up 97.2% of total business establishment, contributing 38.2% of GDP (2021), providing employment to 7.3 million people.
8. The 12th Malaysian Plan itself has outlined that SME development must be accelerated through technology and digital adoption, particularly in embracing

new business norms and enhancing the capabilities of Bumiputra entrepreneurs. SMEs will also be guided to shift from domestic to the global market.

9. To achieve all these, Budget 2023 has a RM40-billion allocation – in the form of direct loans, alternative financing and government guarantees – to support SMEs so they can contribute more to our GDP. And it is in this space that the EXIM GO-EXPORT Programme plays its role to support businesses and SMEs.
10. **The EXIM GO-EXPORT Programme provides a holistic financing solution to SMEs and corporates.** The programme combines Government funds and grants with EXIM's long-established expertise to provide competitive solutions to export-oriented SMEs and companies.
11. The **EXIM GO SMEXPORT**, for example, is **designed to support and strengthen SMEs' production capacity and capabilities to enter global markets.** SMEs can use this financing to **develop, upgrade or expand their infrastructure, plant and facilities**, as well as procure **machinery and equipment**.
12. The **EXIM GO EXPORT ACE**, on the other hand, is a programme specifically catered to **Anchor Companies in building and maintaining a resilient supply chain ecosystem and improve business continuity of their vendors.** Vendors benefit from getting quick access to funds and enjoy great flexibility in credit terms.

Ladies and Gentlemen,

13. I would now like to discuss the second question I raised earlier: **how can SMEs be nurtured to become more resilient and future-proofed?** Let me assure you that through the upcoming **New Industrial Master Plan 2030 (NIMP2030)**, **MITI is leading institutional change and crafting strong policies to help our industries build resilience.** On this, MITI is working closely with its

agencies and key institutions, such as Bank Negara and the World Bank, to overhaul our industrial framework, including along the following lines:

- a. **First, we are looking at ways to help our industries and SMEs tech-up to future-proof themselves and build resilience. On this, MITI is re-imagining how we can build the industry’s value-chain and R&D capacity to improve our investment, trade and industrial processes.** We will work on getting both public agencies and private sector companies to tech up, and tech up quickly, safely and appropriately, to foster a more vibrant innovation DNA and future-proof Malaysia’s SMEs.
 - b. **Second, the NIMP2030 is also looking to safeguard economic resilience and inclusivity by, among others, developing a more strategic supply chain, strengthening industrial clusters and empowering halal agro-processing.** SMEs will also feature strongly in all projects in this pillar.
 - c. **Third, our SMEs will also be nurtured for resilience by our policy push to achieve Malaysia’s net zero targets by 2050.** SDGs and related ‘green’ goals are the underlying consideration for our new industrial frameworks and policies to truly decarbonise our economy. On this, we will also ensure SMEs are part of projects on, for example, Renewable Energy, Low Carbon Transition, the Circular Economy as well as Carbon Capture, Utilisation and Storage. The recently launched Greening Value Chain Programme (GVC) with the support of Bank Negara Malaysia (BNM) and strategic partners, is one good example on how the government ecosystem is incentivizing carbon emission management among our SMEs.
14. Specifically on the part of MITI and its agencies, the **EXIM GO EXPORT GREENTECH** is a comprehensive, sustainability-driven financing programme designed to help exporters grow and expand their businesses in **strategic**

sectors such as automation, digital tech, green tech and biotechnology.

This feeds into the three NIMP2030 objectives I just described earlier i.e., on getting our industries to tech-up; on safeguarding economic resilience and on pushing for Malaysia's net zero target.

15. In short, **we are proud to note that EXIM Bank has put together all these products to assist SMEs in accelerating their export momentum** by:
 - a. financing their working capital and capital expenditure (EXIM GO-SMEXPORT);
 - b. building the supply chain resilience (EXIM's GO EXPORT ACE); and
 - c. helping SMEs embrace the digital and green agenda (EXIM GO EXPORT GREENTECH).

Ladies and Gentlemen,

16. I was also informed that ETIQA General Takaful Berhad and Syarikat Jaminan Pembiayaan Perniagaan (SJPP) are here today and they will be signing MoUs with EXIM Bank. **In the whole ecosystem of nurturing and supporting SMEs, these financing guarantees are equally crucial enablers in strengthening businesses and SMEs' financial capacity.** So, thank you, too, to ETIQA Takaful and SJPP.
17. On that note, I would like to once again congratulate EXIM Bank Malaysia for coming up with the EXIM GO-EXPORT Financing Programme. MITI looks forward to working closely with you to create a supportive, enabling operating landscape for Malaysian businesses and SMEs. Thank you. Wabillahi Taufik Walhidayah, Wassalamualaikum Warahmatullahi Wabarakatuh..