
MEDIA STATEMENT

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To quote:

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Budget 2024 To Navigate Economic Volatility and Reinforce Fiscal Position

Striking a balance between addressing immediate economic challenges and laying the groundwork for sustainable growth, the 2024 National Budget reflects the Government's commitment to strengthening the nation's socioeconomic development and driving long-term resilience and prosperity. Crucially, the target to narrow the budget deficit from 5% to 4.3% of the GDP is indeed a welcome step in terms of enhancing the nation's financial health.

Recognising the pivotal role of small to medium enterprises (SMEs) in economic growth, the allocation of RM44 billion which will go towards loans and credit guarantees for SMEs is set to further empower and enhance their competitiveness. With RM2.4 billion earmarked for micro-entrepreneurs and small traders through agencies such as Bank Negara Malaysia (BNM), Bank Simpanan Nasional and TEKUN, this is expected to spur greater opportunities and ease the financial burden of SMEs, which is certainly timely amid the current economic volatility.

Supporting this, the allocation of additional funds of up to RM25 million in matching grants with financial institutions under the existing i-TEKAD social finance programme is set to benefit more entrepreneurs. Alongside this, the RM900 million loan funds

available under BNM will unlock potential for SMEs to move up the global value chain and increase productivity through automation and digitalisation.

Furthermore, the Government's focus on Environmental, Social, and Governance (ESG) principles reflects a forward-looking approach that integrates sustainability into economic policies. The allocation of RM2 billion for the National Energy Transition Roadmap charts a strategic course towards a more sustainable future for Malaysia. This is complemented by financing funds of RM200 billion by financial institutions, providing further impetus for industries to transition towards a low-carbon economy.

Indeed, Budget 2024 is exceptionally people-centric and timely.

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