



**KEMENTERIAN PEMBANGUNAN
USAHAWAN DAN KOPERASI**
Ministry of Entrepreneur Development and Cooperatives

PRESS STATEMENT

ALLOW HOME-BASED BUSINESSES TO OPERATE, WITH STRICT SOP – MEDAC

Kuala Lumpur, 29 April 2021 – The Minister of Entrepreneur Development and Cooperatives (MEDAC) called on the relevant authorities to allow micro and informal businesses to operate from home and to look into ways on how this can be done while adhering to the safety SOPs.

YB Dato Sri Wan Junaidi Tuanku Jaafar said in today's post COVID-19 era many are turning to entrepreneurship as their means of livelihood, especially those who have lost their jobs because of the current economic situation.

He said the pandemic had caused all of us to adopt many ways of doing things and as such there is certainly a need to review outdated policies in order to suit the current situation – the new norms

“Due to many factors, more and more opt to operate home business. And now in response to the government's call for businesses to digitalise their operations, it may no longer be necessary to operate via a physical shop.

‘Soho concept has been widely practised in developed countries. It enables businesses to keep their overhead low and this translate to being able to offer competitive products and services to end consumers.

“It is time we update and upgrade the existing law and regulations to suit the new norm and help create a more conducive environment for small businesses to thrive so that they can also contribute to the post COVID-19 economic recovery.” he added.

Meanwhile, in response to news of several petty traders slapped with a hefty RM50,000 fine for breaking the COVID-19 SOP by operating from their homes, Dr Wan Junaidi said the authorities should use their discretion on the matter

“Logically, how can a burger seller afford a RM50,000 fine? These people do not have much money. The reason why they are operating from their homes is probably to keep their overhead cost low. The pandemic COVID-19 is not likely to end soon. In fact, no one could tell when it would end...thus we have to live with it the best we could” he said.

“These people do this because they need to put food on the table. This is something that we need to seriously take into consideration. It is best we take the middle ground on this. I would suggest that we allow small businesses to operate from their homes but they need to adhere to SOPs such as customers are only allowed to take-away their food and no dine in is allowed,” he added.

There are currently close to 2 million micro and informal businesses nationwide, and most of them are severely hit by the pandemic, as a result movements control orders (MCO) imposed by the government to control the spread of the pandemic.

The first nationwide MCO was carried on March 18 2020 and another one on January 13 this year due to the spike in numbers of those infected with virus all over the nation.

Due to the challenging economic situation at the moment, which resulted in high number of employers laying off workers, MEDAC anticipates to see more to open up small businesses to make ends meet.

MINISTER OF ENTREPRENEUR DEVELOPMENT AND COOPERATIVES