



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

PRESS RELEASE

CLOSURE OF LOCAL COMPANIES BECAUSE OF COVID-19

1. The news report published by Malaysiakini on November 11 stating that "More than 30,000 small and medium enterprises (SMEs) have closed their operations since the implementation of the movement control order (PKP) due to COVID-19 which began in March" **is inaccurate**.
2. Referring to the written answer in the Parliament on 5th of November 2020, MEDAC has stated that, based on statistics released by the Companies Commission of Malaysia (SSM), the **total number of companies and businesses closing their operations** from March 18 to June 9, 2020 is 9,675 companies and for June 10 to September 2020 the number is approximately 22,794 companies.
3. This statement indicates what happened during the period March to September, as it does not only refers to SME companies that close operations, but covers the all registered companies with SSM.
4. However, based on the data released by SSM, from 1 April to 19 July 2020, a total of 82,555 new businesses have been registered. This shows that the current situation of COVID-19, does not prevent anyone from venturing into business, but they are following the current trends and needs of using

e-commerce platform as their marketing medium for supplying products or services.

5. MEDAC has always taken proactive initiatives and recommends that entrepreneurs also need to think positively in facing the situation during the outbreak of COVID-19, with the following steps:

- Preparing themselves and their businesses with the sharing of knowledge provided (without any fees or charges) by Government Agencies to prepare themselves for new ways/methods of doing business.
- Adapting their business to the new norms of life, empower business through digitalization and intensify their promotional strategies.
- SMEs are advised to maintain customer information data, relationships with customers and the good reputation of the product brand, in order for their products to be remembered by their customer after the PKP period has ended.

6. For more information, please visit www.medac.gov.my or call 1-300-88-1020.

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