

# KERATAN AKHBAR

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## Rafizi explains issues that hinder growth of Bumiputeras firms

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**PUTRAJAYA:** Prevailing issues like the socioeconomic status of the Bumiputera community are those that need to be addressed under the Bumiputera Economic Transformation Plan (PuT-ERA35).

Economy Minister Rafizi Ramli said the Bumiputera community was still focused on economic activities that had low-added value, which widens the income gap among ethnic groups.

He said that among the factors plaguing the community was its inability to contribute meaningfully to the economy.

"The government's intention to materialise a Bumiputera Trade and Industry Community has yet

to be fully achieved. Bumiputera business owners have little ability to provide value and expand their businesses, which is why most are involved in micro, small and medium enterprises.

"Limited capital and support in the initial stages, especially for startups, are also contributors to these issues, which have led to the community being dependant on grants and fundings from the government," said Rafizi at the launch of PuT-ERA35 here.



Rafizi Ramli

He said that as at 2022, Bumiputera companies accounted for only seven per cent, or 62, of the total 945 companies listed on Bursa Malaysia.

The government had created various agencies responsible for supporting the Bumiputera development agenda.

Rafizi said there were several Bumiputera mandated agencies that were established to empower the Bumiputera development agenda, and among them were Majlis Amanah Raky-

at, Bumiputera Agenda Steering Unit, Yayasan Peneraju and Ekuiti Nasional Bhd and the State Economic Corp.

He said agencies, such as Permodalan Nasional Bhd, the Armed Forces Fund Board and Perbadanan Nasional Bhd, also played a role in supporting the agenda to lift the community.

Rafizi said issues related to weak institutional governance and less effective delivery mechanisms had resulted in leakages and targets not being achieved.

"The implementation of programmes 'in silos' that were not based on the original mandate and the absence of coordinated monitoring had led to duplica-

tion of roles and inefficiency in resource management," he said, adding that social protection was a major issue in the community.

Based on data from 2022, the incidence of poverty was high among Bumiputeras compared with other races, of which 415,400, or 79 per cent, of Bumiputera households were living in poverty compared with 1.9 per cent among the Chinese and 5.4 per cent among the Indians.

"The incidence of poverty in three Bumiputera-majority states — Sabah, Sarawak and Kelantan — exceeds 10 per cent, and 37.2 per cent of the Orang Asli are poor, with a string of limited socioeconomic opportunities.