

Financial Sector Blueprint 2022-2026 to complement 12MP – Zafrul

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The strategies laid out in the Financial Sector Blueprint 2022-2026 will be critical for the sector to navigate the oncoming challenges and opportunities, and in turn, complement the 12th Malaysia Plan (12MP), Finance Minister Tengku Zafrul Abdul Aziz said.

He noted that key expected outcomes included advancing digitalisation of the financial sector; providing meaningful choice and access for consumers; increasing the vibrancy of the funding ecosystem to meet Malaysia's economic needs; and wider adoption of green finance and sustainability practices.

“I also look forward to the upcoming entry of digital banks, digital insurers and takaful operators. Their impact on the development of the nation through the use of technology and introduction of innovative financial solutions will improve the well-being of Malaysians, foster greater efficiency, and contribute towards a more competitive financial landscape,” he said.

Zafrul was speaking at the opening of MyFintech Week 2022 and the launch of the Financial Sector Blueprint 2022-2026 held virtually today.

He said the financial sector needs to collaborate with the government in putting the economy on a better footing.

“Now that our national goals are set and the blueprint is drawn, it is time to act. (The year) 2022 will not only be a pivotal recovery year for Malaysia but also a rare opportunity to reform and future-proof ourselves.

“The road ahead will require nothing less than a whole-of-nation approach involving the government, regulators, the private sector, civil society organisations, and yes, the financial community,” he added.

Zafrul said since independence, the financial sector has been critical to the development of the economy and the realisation of the nation’s aspirations.

Between 2011 and 2020 alone, the adult population, with deposit accounts, increased to nearly 96 percent from 82 percent, domestic credit to the private sector as a percentage of gross domestic product increased to 134 percent from 108 percent, and e-payment transactions per capita increased to 170 from 49.

Throughout the pandemic, Zafrul said the financial sector has been instrumental in supporting the people and businesses by extending loan repayment assistance and facilitating the restructuring of borrowing facilities.

Between June 1 and Dec 24, 2021, more than 2.7 million individual borrowers and over 95,000 small and medium enterprises (SMEs) had obtained repayment assistance.

Together with efforts by the government to reinvigorate the economy, financing to SMEs remaining steadfast, increasing 4.6 per cent as at November 2021 and cumulative disbursements of loans during the first 11 months of 2021 was RM281 billion.

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