

Empowering co-ops to power B40s

PM: Move will benefit and improve members' social economic status

KUALA LUMPUR: The government aims to revitalise cooperatives with the Malaysian Cooperative Transformation Plan 2021-2025 (TransKoM) to especially help those in the B40 group.

Tan Sri Muhyiddin Yassin said most of the 6.1 million cooperative members were from the bottom 40% of household income earners.

"If all the cooperatives moved proactively, all members would benefit and improve their social economic status.

"This will have a huge impact on our nation," the Prime Minister said at the launch here yesterday.

TransKoM outlines programmes and activities to drive the country's socio-economic growth and ensure it is balanced, inclusive, progressive and sustainable, said Muhyiddin.

He also said that TransKoM would help 68 targeted groups, including residents, single mothers, youth, graduates, workers and entrepreneurs cooperatives.

Muhyiddin added that TransKoM is in line with the Shared Prosperity Vision 2030 initiative to ensure sustainable development, and fair and inclusive distribution of wealth



Helping hand:

Muhyiddin launching the TransKoM Plan 2021-2025 at a hotel in Kuala Lumpur. He is joined by Wan Junaidi (right).
- GLENN GUAN/
The Star

among the people.

"The cooperatives movement is an institution with the most low-income bumiputras and they are the (key) in achieving the objectives under the Shared Prosperity Vision 2030," he said.

He added that there were 14,668 cooperatives registered with the Cooperatives Commission, and

urged non-active and dormant cooperatives to revive themselves.

To further develop the cooperatives sector, the Prime Minister also announced plans to set up an institution of higher learning with university status to teach cooperative management and entrepreneurship.

Muhyiddin acknowledged that

the Covid-19 pandemic has resulted in cooperative acquisitions in Malaysia decreasing to an estimated RM35bil in 2020, from RM45.79bil in 2019.

To stem this reduction, he said the government introduced several economic stimulus packages to assist affected sectors.

He cited the recent Strategic

Programme to Empower the People and the Economy (Pemerka) initiative where RM50mil was allocated to the Cooperatives Commission's revolving fund to help over 14,000 cooperatives, with incentives of up to RM100,000 without any deposit needed.

Entrepreneur Development and Cooperatives Minister Datuk Seri Dr Wan Junaidi Tuanku Jaafar told reporters later that there were 9,397 active and 2,134 non-active cooperatives, while 3,094 were dormant.

He said the ministry would work together with the Cooperatives Commission to close down cooperatives that cannot be revived.

Under the National Entrepreneurs Policy 2030, Wan Junaidi said the cooperatives movement has been identified as one of the main drivers to directly contribute to the goals of Malaysia as an entrepreneurial country.

The minister added that the acquisition value of cooperatives in the country was estimated to rise from RM45.8bil in 2019 to RM60bil in 2025, reaching RM100bil by 2030.