

# PM: New debt on the decline

## Govt aims to bring the fiscal deficit down to 3.8% of the GDP this year

**KUALA LUMPUR:** The country's new debt has gradually reduced despite continued polemics on the national debt position, says Prime Minister Datuk Seri Anwar Ibrahim.

Anwar, who is also Finance Minister, said the reduction is important because as long as a fiscal deficit exists, the total debt will continue to rise.

"The fiscal deficit poses a challenge. The government is trying to reduce the fiscal deficit and new debt even though it remains a never-ending political polemic.

"Why do we need to reduce the deficit? If we don't, the debt will balloon," he said when tabling the 13th Malaysia Plan (13MP) in the Dewan Negara.

The Prime Minister said that for 2025, the government is targeting a fiscal deficit of 3.8% of the gross domestic product (GDP).

He added that the increase in overall debt is due to the interest burden from legacy debts and not from new borrowings.

Anwar also said the government remains committed to reducing the fiscal deficit gradual-

ly, with the target of reaching 3% of the GDP in the next five years, and bringing down the debt level to no more than 60% of the GDP.

The Prime Minister also reiterated that allocations received by any community should not be turned into a polemic.

He gave assurance that all development initiatives under the 13MP are implemented fairly and equitably, Bernama reported.

Anwar said his administration remains committed to ensuring that all groups - Malays, Chinese, Indians, bumiputra of Sabah and

Sarawak, Orang Asli, women, persons with disabilities (OKU) and youth receive benefits according to their needs.

He also said the implementation of the 13MP would be closely monitored to ensure that every project and initiative delivers real impact to the people.

"The 13MP is a comprehensive framework that will ensure prosperity, strengthen national unity and improve the people's quality of life.

"It should not merely be a planning document, but must serve as

an actionable plan that is implemented effectively and transparently," he said.

The Prime Minister called on the Senate to approve the 13MP for 2026-2030, as it will help "raise the ceiling" (expand economic growth potential) and "raise the floor" (uplift the people's well-being).