

WEATHERING THE ECONOMIC STORM

A Journey through the Uncharted Waters
of COVID-19



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TENGGU ZAFRUL AZIZ

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of COVID-19

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*This book is dedicated to my universe – my dearest Dina,
Mama, Bapak, Zahra, Zaeem, Zahira and Zayn...*

*... and to all my colleagues in the Cabinet and at the Ministry
of Finance...*

*... as well as to all those who – with generosity of spirit,
integrity, and an undying optimism for a better Malaysia –
have selflessly answered the call of service to our beloved
tanah air in the past, present and future.*

FOREWORD

by Tun Musa Hitam

This book is a collection of reminders in various forms made by Tengku Zafrul, currently Malaysia's Minister of Finance. It attempts to put on record all related matters on Malaysia's dealings on the crisis resulting from the "invasion" by COVID-19 based on his knowledge, experiences and perspective. In this book are various options – chosen by the Government – of which he himself was a major architect.

Shortly before the COVID-19 crisis became a matter of great concern to the Government, Tengku Zafrul was "roped in" to be appointed to the post of Minister of Finance. The appointment was made when a new Government was formed by Tan Sri Muhyiddin Yassin after Tun Mahathir resigned. In other words, Tengku Zafrul was taken in into Government as a personality considered qualified for the job as Minister of Finance. He is a rare species these days in Malaysian politics when proven political loyalty based on partisan politics – rather than qualification and experience – reigns supreme.

In independent Malaysia's history, crisis has never been far on the horizon facing the Government of the day. The communist emergency, an attempt to take over our country by force, was certainly our huge experience in crisis management. The Government of the day came out winning mostly because the leadership used constructive national development as a defensive weapon against the communists. As time went by, various issues emerged, and some even exploded into violence developing into crisis at the national level. Based on our own national complexities in nation-building, each time that a crisis erupted – be it on education, national development, health, agriculture, industrial and foreign as well as domestic investments – this would be related to race and religion.

The interesting thing about independent Malaysia was that health had never been such a major issue since it had been taken for granted, more so that these were confined to urban areas. In rural areas the government was proactive in that everyday health matters were readily available. We even took over from the British administration the Malaysian Institute of Medical Research, founded in 1900. On taking over the institute, we mostly focused on health in the rural areas, which reflected the Government's priority on rural development then.

It is against the above background that we had to face the COVID-19 invasion. This invasion is one that we had never seen before, not by us and not even by the world at large.

In human behaviour, it is said that the real test of leadership is when the human being is facing times of crisis. With COVID-19 which spread so fast from something like the normal flu to an epidemic, and then on to a pandemic, the world was jolted to act. Literally overnight COVID-19 was around the world threatening and killing human beings apparently without rhyme or reason.

The world woke up somewhat groggily as if we were in a daze, not quite sure as to what to do. There was no antidote and there was no defence except the ringing bells of warning of 'fire' spreading so fast all over and around us.

In Malaysia, I personally felt that the pandemic did, indeed, receive serious attention as much as the people deserve from all, including those in positions of power as well those in opposition. The irony was that the Government of the day actually was in disarray, resulting in "over-politicking". Thanks to COVID-19 we all got together in one mind. That is, to unite to confront and fight the invasion of COVID-19.

In doing so the Government of the day, led by Muhyiddin Yassin (later on changing hands to Ismail Sabri) took various positive steps in which selected political leaders as well as civil servants with professional qualifications were given tasks needed to tackle the most challenging jobs. Not only was the Prime Minister more and more visible with various relevant announcements, but these were also being carried out by relevant ministers. Accompanied by professionals, the appearance of these ministers was, indeed, adding a sense of comfort and confidence.

Among those ministers was the Minister of Finance, Tengku Zafrul.

In this particular book we are given the opportunity to look into further detail as well as to further understand the intricacies of the crisis in a manner not done before. This book is to put on record what the Government had done, and is still doing in facing the myriads of problems relating to COVID-19 as well as emerging new health threats.

In the history of Malaysian government, I cannot remember any serving minister writing a book by themselves giving out details on how any national crisis are being taken care of with reasonable positive success.

The writer, Tengku Zafrul, to me is a "new kid-on-the block" in Malaysian politics. Saying so, I mean it as a compliment to remind that he has only recently entered Government. He is relatively young, intelligent, full of confidence and

hard-working. The fact that he had distinguished himself in his previous job, which is banking and finance, makes him a rare breed indeed.

For these, Tengku Zafrul deserves recognition.

In these days of continuous uncertainties in politics and government, all those officials assisting the Government throughout the crisis got together as never before. The whole machinery of government woke up and gave their everything.

Tengku Zafrul's ability to draw the reader's attention to the connectivity between human daily lives becomes clearer and clearer as the reader turns the pages of this book. In confronting this "mother of all crises" almost all branches of the administration were involved in one way or another.

In speeches, at press conferences, statements and interviews, articles and within the mass media, Tengku Zafrul was simply relentless yet carrying on with an enormous sense of responsibility. He took up the subject of the need for a "great reset" for Malaysia, which was much discussed recently in the mass media. His enthusiasm to engage with NGOs, politicians, including the opposition, and open debates on TV would oftentimes make the reader forget that the writer is not yet a practising politician.

As of now, it seems that he is not concerned with open talk and brickbats about his interest in active politics in the coming general elections. If at all, I am sure that all the hard work, dedication and the good things said and done by Tengku Zafrul would be very useful indeed to "convert" him from banker to treasurer and on to being a successful politician.

In being so, I hope and pray that the banker, the treasurer, "the bureaucrat-cum-politician-would-be" would continue to be "the" Tengku Zafrul as we know him as of now to be.

Insya'Allah!

Tun Musa Hitam

8 August 2022

ADVANCE PRAISE FOR WEATHERING THE ECONOMIC STORM

“This is an eminently readable and informative book. Leadership is like tea leaves. The true quality is realised only when immersed in hot water! The COVID-19 crisis was like no other in its severity. But the Malaysian leadership rose to the occasion. And Tengku Zafrul’s role as the Minister of Finance illustrates the point that the right man at the right place can make a significant positive difference in overcoming a crisis.”

- Tan Sri Nor Mohamed Yakcop

“Tengku Zafrul Aziz’s book, *Weathering the Economic Storm: A Journey through the Unchartered Waters of COVID-19*, is a timely and important historical record of how Malaysia survived the worst pandemic to hit the world for a century. As a professional banker thrown into a simultaneous health and economic crisis in March 2020, he showed not only coolness under fire, but also very clear views on how to be “responsive, responsible and reformist”. He understood straightaway that there was no quick fix, but requires a marathon of will and resilience. One cannot but be impressed by his continuous communications, which form the core of this book, to ensure that the public understood the constraints and difficult options that the country faced.

“There was realistically no playbook, theory or ‘best practice’ that even the richest and most advanced countries were prepared for. The fact that the country has recovered, despite dystopian politics, owes much to the dedicated technocrats in Malaysia that have held together her health, security and financial/economic infrastructure. They were not afraid of making mistakes; they took tough decisions, but the country came through and many lives and livelihoods were saved. All these we can never take for granted.

“It is easy to discount the country that punches below its weight, but this book brings hope that we have young leaders who see what should and could be done and ‘give much, much more to all its people than it currently does.’”

- Tan Sri Andrew Sheng

“Tengku Zafrul has drawn on his private sector experience to help him navigate his new role as Finance Minister during unprecedented times. He has developed and implemented initiatives that stabilised the economy and helped the *rakyat*. His vision for what is needed in Malaysia resonates well and I hope that he can lead the next generation of leaders to progress towards it.”

- Tan Sri Datuk G. Gnanalingam

PROLOGUE



THE MOTHER OF ALL CRISES

It has been said countless times that there was no playbook to deal with the COVID-19 novel coronavirus pandemic. It was simply unprecedented. Humanity was confronted by a virus we knew very little about, amplified by the fact that it made the one thing that powers our societies and economies – namely face-to-face, basic human contact – something potentially dangerous and even fatal.

In some ways, the uncertainties that confronted us has had one somewhat perverse ‘benefit’ – namely that no country, nor leader, nor community can be judged by benchmarks set by previous generations. This is only fair because each country was dealing with the pandemic under very different circumstances and fiscal capacities.

The COVID-19 pandemic exposed many of the vulnerabilities of Malaysia’s social system and economy but also the resilience of our people, as well as institutions. At the time of writing, we have tragically lost close to 36,000 of our fellow Malaysians. And we will likely lose more before the pandemic is truly behind us. My prayers for those who have passed on due to COVID, and my heart goes out to those who have lost their loved ones.



Credit: Exclusive Archive from KLIK

But I believe that the challenges that confronted us and how we met them have planted the seeds that, with wisdom and with visionary leadership, can lead to a much better Malaysia for all its people.

This book is a compilation of newspaper articles, interviews, key policy announcements and speeches stemming from my time as Malaysia's Minister of Finance from March 2020 onwards. As such, it is also, by choice and necessity, a record of sorts of the Ministry of Finance (MOF) and other government ministries and agencies' contribution

to Malaysia's response to the COVID-19 pandemic. Before every speech, press release or opinion piece, I have also shared some notes on the MOF's thought process, as well as some behind-the-scenes and background stories, particularly on policy formulation.

I have chosen to divide this book into three sections – the 3Rs!

RESPONSIVE – outlining the main initiatives MOF took in the COVID-19 response.

RESPONSIBLE – delving into the thinking that went behind our decisions and how we ought to keep our economy sustainable and competitive.

REFORMIST – our work at addressing the legacy issues confronting Malaysia's economy and our plans to build back better.

I chose to put this book together for the same reason that I took time from my duties as a minister to write these articles and give these speeches. Like it or not, policymaking and leadership cannot be separated from strategic and continuous communications that promote transparency and build trust.

Good leaders, whether in the public or private sector, must make an effort to articulate their policies, defend them and clarify misunderstandings. The

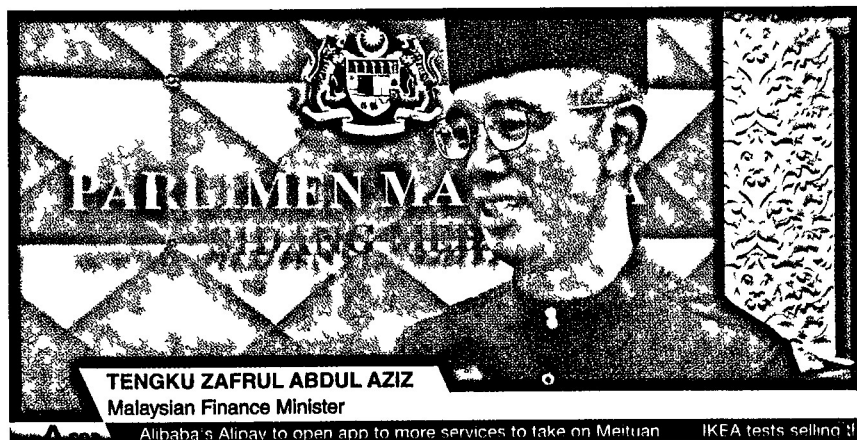
difference between communications and spin is that the former must be backed by substance, which I insisted must be supported by solid data on allocations, disbursements and impact.



Clocking in for the first time as Minister of Finance at the MOF building in Putrajaya on 10 March 2020. With me was the then Secretary-General of the Treasury, Tan Sri Ahmad Badri Mohd Zahir.

(Photo credit: Bernama)

I feel this part of the work is especially important for Ministers of Finance. The economy impacts all citizens, and taxpayers should be informed of how their taxes are spent. And yet some policymakers often underestimate the importance of consistent communications to control their narratives with the public. Such an attitude, to me, is rather dangerous, especially in this current age when public trust as well as the traditional deference to authority and expertise are breaking down across the globe. **It's true that explaining economics is not easy, but this is even more reason why those who do understand it must engage their fellow citizens patiently, accessibly and relentlessly.**



In my first doorstep broadcast interview as the Minister of Finance, with Channel News Asia. (Credit: Channel News Asia)

The importance of communicating with Malaysians was often a matter of life and death during the pandemic, given there were many misunderstandings or even outright rampant disinformation and polemics – many politically motivated – over everything from the COVID-19 lockdowns, the disbursement of aid to affected individuals and businesses, as well as the rollout of vaccines against the coronavirus.

I knew therefore that this was not the time for the MOF to be silent and so I tried, often having to work within or around the additional limitations that social distancing imposed, to engage the public as well as other stakeholders such as industry groups and investors as much as possible. There was a lot of fear and uncertainty, as well as hope that the government would do something to keep the situation under control.

Articles and speeches are of course customary messaging tools for government leaders. And I am more than aware that I am not the first and will not be the last Malaysian personality to publish a book like this.

But my team and I have also acknowledged the rise of social media through a series of weekly reports either in the form of a statement or on Facebook Live. Here, I would provide updates on the progress of the various stimulus packages and budgets, particularly disbursements of specific measures and schemes meant for the *rakyat* and businesses. At the point of this book's publication, more than 105 of these reports had been issued or broadcast.



Facebook Live sessions on updates of the rollout of the aid and stimulus packages by the Government ecosystem.

Naturally, not everyone will agree on how the government chose to tackle the pandemic. Indeed, there is every possibility that the government's decisions from March 2020 and beyond will become topics of not only economic, but also political debate.

So, I also felt the need to clarify and set the record straight on certain misconceptions of why the Government did what it did and the impact of our actions, at least in relation to the MOF. That is another reason why I have come out with this book.

TRANSITION TO THE (TREACHEROUS) UNKNOWN

To be sure, I never thought I would be Malaysia's Minister of Finance. And yet, this was the position that was offered to me in late February 2020 by the then Prime Minister, Tan Sri Muhyiddin Yassin, at first via an emissary then subsequently, a meeting with him. I was 46 years old.

As a corporate leader, I had extensive experience in finance, starting as an analyst at various international research houses, and later a stint in entrepreneurship. At 31, I was the group managing director of a listed financial group after just one year on its board as an executive director. I then headed an online finance start-up before gathering my investment banking experience through, first, a global banking group and, subsequently, three home-grown listed financial groups, all four with very different business models, asset sizes, ethos and footprints.

My most recent corporate experience was as the CEO of a regional banking group, and all those times I had always viewed Malaysian politics as something you had to navigate and be aware of. But actually offering myself as a cabinet minister was definitely not something on my bucket list. I was contented as head one of ASEAN's largest banking groups, with an asset size



Credit: The Edge Malaysia



In July 2020, attending the much-anticipated first parliamentary session since COVID-19 struck.

of roughly US\$140 billion, a presence in 13 countries, more than 33,000 staff and 18 million customers. I was fairly confident I had a decent CV for the corporate world, but for public life?

As Finance Minister, I would have a RM1.5 trillion¹ economy to manage with more than 32 million very demanding “customers” to answer to. Moreover, I knew that Malaysian politics had become more polarised over the last couple of years. All public officials – what more holders of crucial portfolios like the MOF – now undergo the intense scrutiny of the entire nation. Furthermore, shifting to the public sector would also mean a huge pay cut and adjustments for my young family, although admittedly we were and still are luckier than most people.

It also weighed on my mind that I would have to be appointed to the Dewan Negara and I would be the first technocrat Malaysian Minister of Finance who did not come from the popularly elected Dewan Rakyat lower house. Would I necessarily have the “political cover”, so to speak, to do the job? It appeared to be a gamble against long odds.

A few things persuaded me. Foremost, I am eternally grateful for the trust placed in me by both Malaysia’s 8th and 9th Prime Ministers, Tan Sri Muhyiddin Yassin, and Dato’ Sri Ismail Sabri Yaakob, respectively. This gave me the confidence to run the MOF as I deem fit.

Moreover, **public service has been deeply rooted in me through constant exposure to it during my growing-up years.** My mother, Raja Zaharaton Raja Zainal Abidin, was Director-General of the Economic Planning Unit (EPU), and my grandfather, Raja Zainal Abidin Raja Tachik, was Secretary-General of the Ministry of Health. My great-grandfather, Haji Mustafa Albakri Haji Hassan, was part of Tunku Abdul Rahman’s Merdeka delegation to secure our independence from the British government in 1957; and later became the first Chairman of the Election Commission, then the Keeper of the Ruler’s Seal. It is, therefore, no coincidence that **a deep sense of public duty and responsibility and of the importance of service to the nation had been ingrained in my upbringing.**



Credit: Reuters News Agency

¹ As at 2020.

I am not saying this to imply that I was born to lead in public service – far from it. But rather, that I am aware of the great privileges – like spending part of my childhood overseas and being able to attend good schools – that have been accorded to me; that **I understand that to whom much has been given, much is expected. I have always wanted to help and contribute to the nation in every possible way.** Even when I was in the corporate sector, I often found myself volunteering for mentorship and youth development programmes, as well as fundraising initiatives for the underprivileged and needy. It's just that, until early 2020, it never dawned on me that I would do so in any other way besides being a corporate captain.



Receiving the “watakah” as Minister of Finance on 30 August 2021 from His Majesty the King, KDYMM Seri Paduka Baginda Yang di-Pertuan Agong Al-Sultan Abdullah Ri’ayatuddin Al-Mustafa Billah Shah ibni Almarhum Sultan Haji Ahmad Shah Al-Musta’in Billah.

But then I thought, **what better way to contribute to Malaysia than by lending my experience and expertise in serving as Minister of Finance? My innate sense of duty and responsibility would not let me pass on the job. When your nation calls, you answer. Hence, I chose to join the Cabinet on 10 March 2020.**

Of course, it was not easy making the transition to public service from corporate life, where I was so used to fulfilling publicly known KPIs and following demands set by shareholders and customers, as well as policies by policymakers and financial regulators, but one in which I felt I had firmly established my mark. **The transition to becoming a policymaker in charge of the nation’s finances was made doubly difficult with COVID-19 cases rising rapidly, and the nation at the front end of a looming public health crisis.** By 18 March 2020, the Cabinet had decided to put Malaysia in lockdown, known as the Movement Control Order (MCO), telling people to stay home and shutting down the economy except for a narrow selection of essential services like supermarkets or pharmacies.

This was, unfortunately the first of several lockdowns over the 2020–2021 period. Many companies that had previously been sound suffered immense losses. What would happen to people who relied on daily earnings or were in the informal economy?

For me personally, the learning curve was very steep. There was a lot to absorb, but this could only be done on the go. Within the first two weeks of my appointment, COVID-19 quickly proved itself to be the mother of all crises, impacting our public health and well-being, and later our economy and other aspects of society. The Government was forced to act swiftly and decisively with whatever little information we had, as the lives and livelihoods of our people were at stake. It was also a baptism of fire for me.



Visiting traders at Jalan Raja Bot, Kampung Baru, on 8 February 2021 to find out first-hand whether they had received the Prihatin Special Grant (Geran Khas Prihatin) for micro-SMEs and how they were faring post-MCO.

Of course, I realised that my colleagues in the MOF were also adjusting to me, along with the sort of expectations I brought from the private sector. Again, coming from the banking sector, my feeling has always been that not only the books, but ideas and execution *must* add up to impactful results.



Tengku Zafrul dedah senarai projek rundingan terus RM6.61 bilion

Kementerian Kewangan mengeluarkan senarai 312 projek bernilai keseluruhan RM6.61 bilion yang ditawarkan secara rundingan terus ketika persidangan Dikalan Harapan (D) 2020-2021. Tengku Datuk Seri Zafrul Aziz menegaskan senarai itu disediakan bertujuan mendorong desakan untuk kemahiran berkuatkuasa dan atas dasar mendukung tadbir urus baik demi kestabilan perniagaan.

Berita dan senarai sebahagian projek Muka 2, 3

Terdahulu 7 6 125 19,291 188

Credit: Exclusive Archive from KLIK

When it comes to managing money, accuracy is non-negotiable. Also, there must be transparency. Again, the various columns, speeches and other broadcasts were part of this, to not only clarify the MOF and wider government's policies, but also respond to pressing issues or controversies that arose.

Besides that, the MOF began implementing stricter tracking mechanisms for execution and delivery, which is a common practice in the corporate world. We took as the model the "project management office" of the private sector to create a new agency under the Ministry called LAKSANA, to relentlessly track the progress and success of our initiatives. The MOF also sought to approach policymaking based on hard data and science, and not just gut feeling. In our first two years in government, my team at the MOF painstakingly collected and streamlined data to guide the implementation of more effective policies.

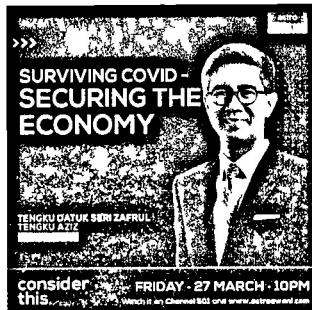
I must have it on record that my network of supportive Cabinet colleagues, the dedicated team at the MOF and friends provided me with invaluable feedback to lead the way in navigating the health crisis which also led to an economic crisis quite quickly, to say nothing of the politics of the day that always seemed ready to cast a pall or two over our daily grind.

And of course, the heroism of our Malaysian frontliners – including in healthcare, national security, e-hailing services, customs, other essential services, the media and so many others – will never be forgotten in the annals of our history and neither will the great and small acts of kindness, compassion and solidarity shared by Malaysians with each other in those dark times.

COURSING THROUGH THE TURBULENT COVID-19 WATERS

Within a fortnight of my taking office, the government was able to announce its **first stimulus package called PRIHATIN, a RM250-billion package for the most pressing requirements** like special allowances for frontliners, cash aid for the poorest Malaysians, financing support for small and medium enterprises and grants for micro-SMEs. **This package – almost the size of a regular annual budget – was unveiled on 27 March 2020, after the MOF team had engaged and negotiated with various stakeholders within the government and economic ecosystem within just two weeks! Later that evening post-PRIHATIN announcement, having had only an hour of sleep the night before, I went live on Agenda AWANI and AWANI's Consider This, two different talk shows in Bahasa and English, scheduled back-to-back, to explain the PRIHATIN measures to the public, drawing my energy purely from adrenalin.**

It must be stressed that when I talk about the MOF team it refers to the wider ecosystem within the MOF which includes its key agencies such as the Inland Revenue Board (LHDN), the Royal Malaysian Customs Department, financial institutions such as the National Savings Bank (BSN), regulators such as Malaysia's Central Bank (Bank Negara Malaysia or BNM), the Securities Commission, and Bursa Malaysia, to name a few. With MCO being enforced from 18 March 2020, the core team members took turns sleeping or resting



The various back-to-back broadcast interviews given after the first RM250-billion PRIHATIN package was launched within roughly two weeks of my starting at the MOF.

at the MOF's accommodation wing. I was suitably impressed by the discovery of 12 sleeping/resting quarters in one section of the MOF south block!

I must also mention that various agencies, such as the Welfare Department and the Social Security Organisation (SOCSO) also played key roles in supporting lives and livelihoods then.

Collectively, by June 2021, the Government had announced RM530 billion in value across eight packages, including close to RM21 billion² for wage subsidies, which eventually saved almost 358,000 businesses³, close to three million⁴ workers and their families from total despair.

Terkini COVID-19
 88,000 telah diasingkan, 150 telah meninggal dunia, 57 telah sembuh, 3,483 masih dirawat

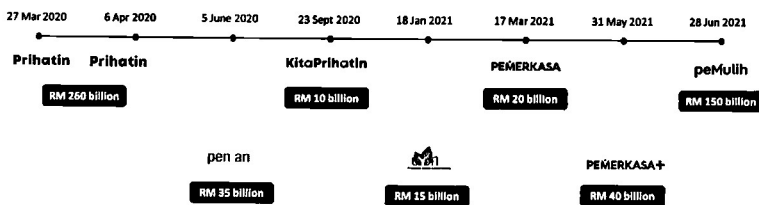
Bantuan Prihatin Nasional (BPN)
RM5.63 bilion
diagih mulai esok

BH AHAD
 Wajah Pembangunan
 100% Digital
 BANTUAN PRIHATIN NASIONAL
 Secure <https://bantuan.gov.my>

Perbayaran fasa pertama BPN membolehkan peruntukan RM5.63 bilion kepada 8.3 juta isi rumah dan orang bujang dalam kalangan B40 dan M40 yang layak akan dibuat secara berperingkat mulai Isnin ini. Pengagihan dibuat lebih awal daripada yang diumumkan sebelumnya, iaitu akhir bulan ini.
 Muka 2

PM umum pakej tambahan bantu perniagaan mikro, PKS minggu depan. Muka 7

Credit: Exclusive Archive from KLIK



You will see the names of these packages mentioned in the text, like PRIHATIN, PRIHATIN SME+, PENJANA and KITA PRIHATIN (launched in 2020), as well as PERMAI, PEMERKASA, PEMERKASA+ and PEMULIH (introduced in 2021). Like children in a large family, it is often hard to track which is which, but each had its own “personality”, with measures and targets that we believe were largely fit for purpose for different periods of the pandemic.

² Actual amount disbursed was RM20,878,884,000 as of 22 June 2022.

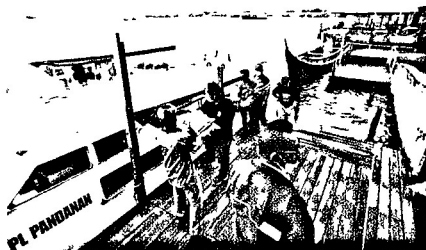
³ The actual number of businesses saved was 357,725 as of 22 June 2022.

⁴ The actual number of employees who benefited was 2,956,791, as of 22 June 2022.

The concept of 'data as the new oil' started in 2006, and I had been talking and implementing this with the different teams I was with while still in the banking sector. Bringing this to bear when I joined the public sector, the Government capitalised on one of COVID-19's silver linings i.e., the natural, major push towards digitalisation as physical, face-to-face contact had to be minimised during the MCO. We wasted no time in leveraging on technology to deliver aid to the poor and needy.



Checking out the system at LHDN for registering potential recipients of government aid.



(Top) Perbendaharaan Sabah and Sarawak delivering cash aid to the beneficiaries in the interiors of Borneo and (bottom) BSN staff going the extra mile to deliver cash aid to differently-abled beneficiaries and those in the interiors of Peninsular Malaysia.

Having examined all our agencies' digital capabilities, the MOF finally decided on the LHDN's platform for registration of individuals and small traders, and the BSN's platform for delivering aid safely and swiftly directly into the bank accounts of the B40 and micro-SME recipients, to name a few.

Through those platforms, we also managed to eventually collate the data of 8.6 million households or a total of 12.6 million individuals⁵ in the B40 group that were not holistically recorded anywhere prior to that. This was also key for future policymaking and necessary interventions. That data set continues to be refined and utilised for direct aid like the Bantuan Prihatin Rakyat, Bantuan Kehilangan Pendapatan, Bantuan Khas COVID-19 and Bantuan Keluarga Malaysia in subsequent years. Only a small percentage received the aid in cash, for which we also utilised BSN's nationwide network of branches, which proved highly useful and efficient even for the interiors of Sabah and Sarawak.

One key legislative precedent during my initial months was the enactment of Temporary Measures for Reducing the Impact of Coronavirus Disease 2019 (COVID-19) 2020 [Act 829] (popularly known as "the COVID Act"). This was crucial to separate the RM65 billion fiscal allocation required to manage the pandemic from the regular business-as-usual annual operating expenses of the Government, and most importantly, to be transparent about our pandemic-related fiscal needs.

The COVID Act would be just one of 31 successful bills⁶ or statutory amendments – many related to coping with COVID – that MOF tabled to Parliament during the pandemic years. These bills covered new legislative provisions or amendments to existing acts, in areas such as customs, excise duty, taxes, insurance, National Trust Fund (KWAN), securities and offshore financial services. Most importantly, **pandemic-related ones were crucial in, among others, supporting lives and livelihoods, as well as ensuring businesses' survival during the height of COVID-19.**



Credit: The Star Media Group

⁵ Comprising 4.0 million households (on average 8.0 million individuals), 1.2 million single senior citizens and 3.4 million singles.

⁶ For the complete list, please refer to the appendix.

Back in 2020, MOF also outlined a six-stage plan for the economy, called 6Rs, namely **RESOLVE** (to contain COVID-19); creating **RESILIENCE** through the economic stimulus packages; **RESTART** the economy systematically; **RECOVERY** via short- and medium- term plans; **REVITALISE** the economy holistically; and structural **REFORM** to promote inclusive growth in this 'new norm', premised on environmental, social and governance (ESG) principles. This soon became the mantra of the Ministry. Indeed, it still guides some of MOF's plans and thinking to this day.

My duties, interestingly, also involved representing and advocating for Malaysia on the world stage. Whether virtually or the limited times I could do it in person, I found myself addressing international audiences at various gatherings such as the Spring Meetings of the World Bank and International Monetary Fund (IMF) in Washington DC and the World Economic Forum (WEF) in Davos. You will be surprised how nerve-racking travelling abroad again could be after the pandemic even for a seasoned traveller like me. But it all added to the challenge.



With Sri Mulyani Indrawati, Indonesia's Finance Minister in Jakarta (top – November 2021) and in Washington D.C. (bottom – April 2022).

Nevertheless, I also realised that people wanted to hear what Malaysia was doing to confront the pandemic and the economic challenges that ensued. It also became fairly clear to me that Malaysia's "voice" had to remain present and even amplified even in the throes of COVID-19. As a small trading nation and in light of ever-fiercer competition from our Southeast Asian peers, being "on the radar" internationally is not a luxury but a necessity.

Such missions also helped the MOF collate interesting perspectives as well as ideas for the future. For instance, in Dubai we got insights on urban planning and the future economy. Davos reinforced the need for a clearer and stronger Asian voice on the global stage. **Asia is supposed to be the economic engine of the world but it is still the West that dominates the international stage.**

But a stronger, more stable and more prosperous Asia – with its 4.7-billion population – is the solution to many of the world's problems and Malaysia

This book is a collection of policy insights interviews, articles and speeches by Tengku Zafrul Aziz, who was appointed as Malaysia's Minister of Finance on 10 March 2020, just as COVID-19 began to hit the nation. It provides a glimpse into the inner workings of the Ministry of Finance (MOF), particularly in meeting the nation's demanding fiscal needs, while also contributing to the difficult but ultimately successful fight against COVID-19 and managing the battered economy during the last two-and-a-half years.

Tengku Zafrul and his team in MOF as well as in its related agencies faced multiple challenges in navigating the economy through stormy, uncharted waters while setting into motion several much-needed reforms to rebuild Malaysia's strength and resilience. Throughout this unprecedented journey, he anchored his leadership of the MOF based on three key principles – to be RESPONSIVE, RESPONSIBLE and REFORMIST – with the goal of ensuring that the country emerges from the pandemic towards sustainable and inclusive growth.

Poignant, thought-provoking and insightful, *Weathering the Economic Storm* is a must-read for anyone seeking to understand how Malaysia overcame COVID-19 and how the future of its economy will be shaped from the perspective of one of the nation's rising leaders.

