



DEPARTMENT OF STATISTICS MALAYSIA

PRESS RELEASE

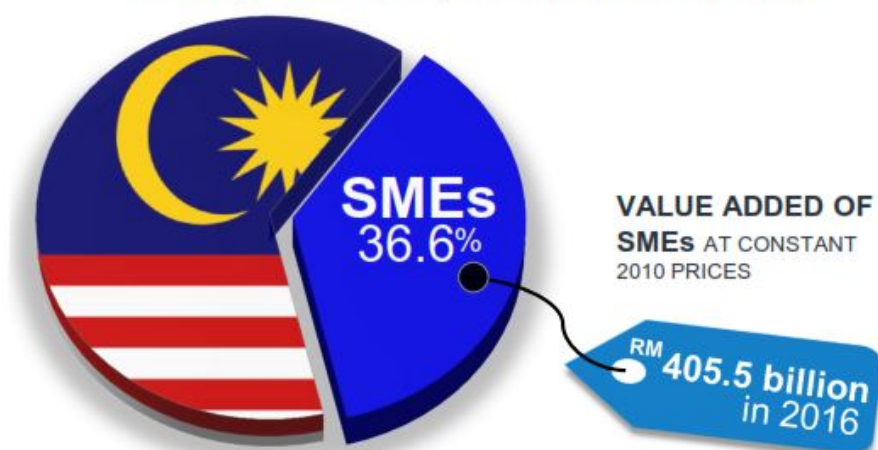
SMALL AND MEDIUM ENTERPRISES  
GROSS DOMESTIC PRODUCT (SMEs GDP)  
2016

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“ SMEs GDP contribution increased steadily to **36.6 per cent** as compared to 36.3 per cent recorded in 2015 ”



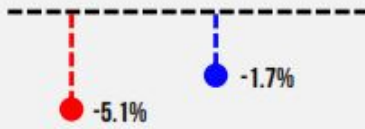
“ SMEs GDP grew by **5.2 per cent** faster than 4.2 per cent growth of Malaysia GDP in 2016 ”



## GROWTH RATE

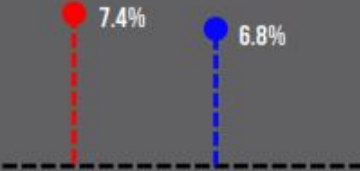
## CONTRIBUTION OF SMEs

### AGRICULTURE



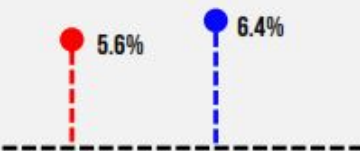
Influenced by Rubber, Oil Palm, Livestock & Other Agriculture

### CONSTRUCTION



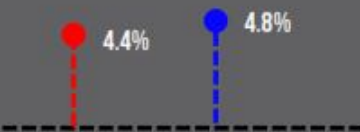
Underpinned by Specialised Construction Activities and Civil Engineering sub-sector

### SERVICES



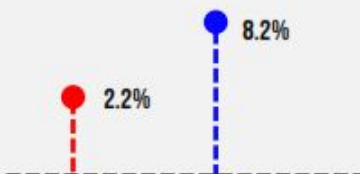
Driven by Wholesale & Retail Trade, Food & Beverages and Accommodation

### MANUFACTURING















Induced by Petroleum, Chemical, Rubber & Plastic Products

### MINING & QUARRYING



Supported by quarrying of granite and limestone

# SMEs ARE DEFINED AS...

	MICRO	SMALL	MEDIUM
MANUFACTURING SECTOR	 SALES TURNOVER < RM300,000	 SALES TURNOVER RM300,000 < RM 15 MILLION	 SALES TURNOVER RM 15 MILLION ≤ RM50 MILLION
	 FULL-TIME EMPLOYEES < 5 EMPLOYEES	 FULL-TIME EMPLOYEES FROM 5 TO < 75 EMPLOYEES	 FULL-TIME EMPLOYEES FROM 75 TO ≤ 200 EMPLOYEES
SERVICES AND OTHER SECTORS	 SALES TURNOVER < RM300,000	 SALES TURNOVER RM300,000 < RM3 MILLION	 SALES TURNOVER RM3 MILLION ≤ RM20 MILLION
	 FULL-TIME EMPLOYEES < 5 EMPLOYEES	 FULL-TIME EMPLOYEES FROM 5 TO < 30 EMPLOYEES	 FULL-TIME EMPLOYEES FROM 30 TO ≤ 75 EMPLOYEES

- Exclude:**
- Public listed company on the main board
  - Multinational corporation (MNC)
  - Government-linked companies (GLC)
  - Minister of Finance Incorporated (MOF Inc.) companies
  - State-owned enterprises
  - Subsidiaries for all of the above entities

Source : SME Corp.

## PERFORMANCE OF SMEs GDP

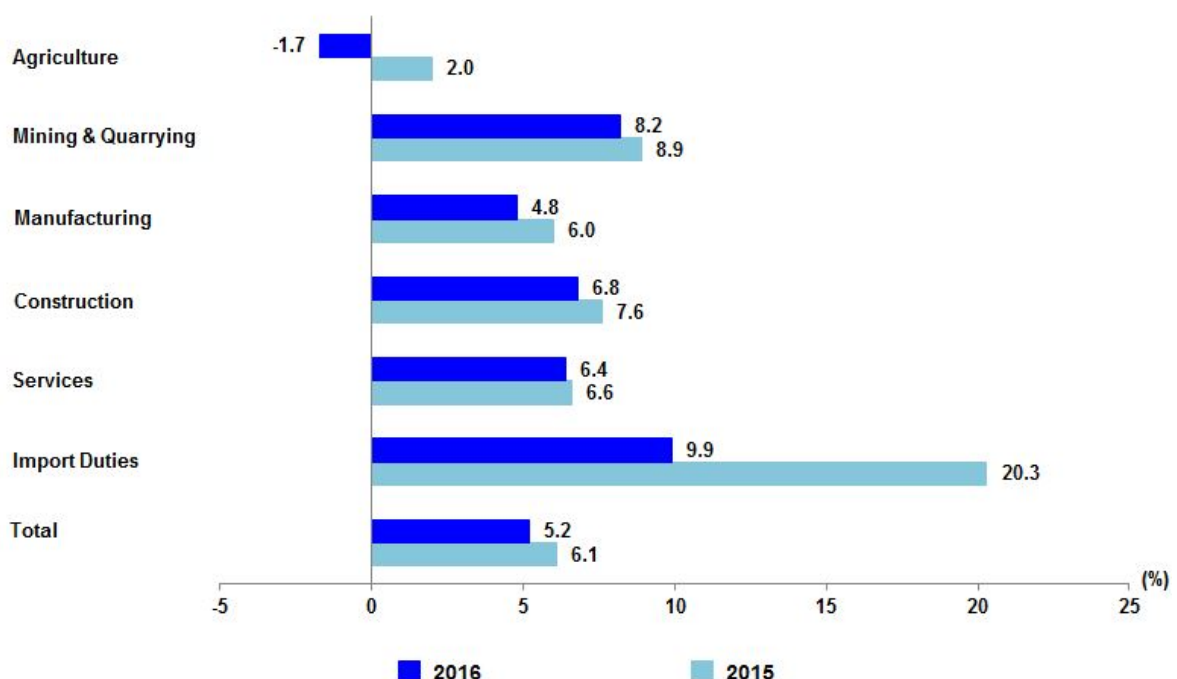
The performance of SMEs GDP outpaced the Malaysia GDP in 2016 with a growth of 5.2 per cent compared to Malaysia GDP which stood at 4.2 per cent as shown in **Exhibit 1**. This reflects the importance of SMEs in gearing up the nation's economy. The contribution of SMEs GDP to the Malaysia GDP has increased steadily to 36.6 per cent from 36.3 per cent recorded in preceding year.

In 2016, value added of SMEs at constant 2010 prices was RM405.5 billion (2015: RM385.6 billion). In nominal terms, SMEs GDP registered a value of RM463.2 billion, an increment of RM34.2 billion compared to 2015.

**Exhibit 1** Value Added, Percentage Share to Malaysia GDP and Annual Percentage Change for 2015 and 2016 at Constant 2010 Prices

CATEGORY	VALUE ADDED (RM BILLION)		SHARE TO MALAYSIA GDP (%)		ANNUAL PERCENTAGE CHANGE (%)	
	2015	2016	2015	2016	2015	2016
SMEs	385.6	405.5	36.3	36.6	6.1	5.2
LARGE FIRMS	677.8	702.7	63.7	63.4	4.4	3.7
MALAYSIA GDP	1,063.4	1,108.2	100.0	100.0	5.0	4.2

**Chart 1** Annual Growth of SMEs GDP for 2015 and 2016 at Constant 2010 Prices





SMEs value added for **Services sector (Chart 1)** registered a growth of 6.4 per cent as compared 6.6 per cent in 2015. The growth momentum was supported by Finance, Insurance, Real Estate and Business Services sub-sector which registered a better growth of 5.9 per cent (2015: 5.5%) driven mainly by Insurance and Business Services segments. On the same note, Wholesale & Retail Trade, Food & Beverages and Accommodation sub-sector grew to 6.8 per cent (2015: 7.0%) attributed by Wholesale and Motor Vehicles segments. Transportation & Storage and Information & Communication sub-sector moderated to 5.8 per cent (2015: 6.6%).

In **Manufacturing sector**, value added of SMEs recorded a growth of 4.8 per cent (2015: 6.0%) led by Food, Beverages and Tobacco sub-sector which increased 2.8 per cent (2015: 2.6%). Meanwhile, Petroleum, Chemical, Rubber & Plastic Products moderated to 5.4 per cent (2015: 6.1%) due to Chemicals and Rubber products. Furthermore, Non-Metallic Mineral Products, Basic Metal & Fabricated Metal Products registered at 6.2 per cent from 7.5 per cent in 2015.

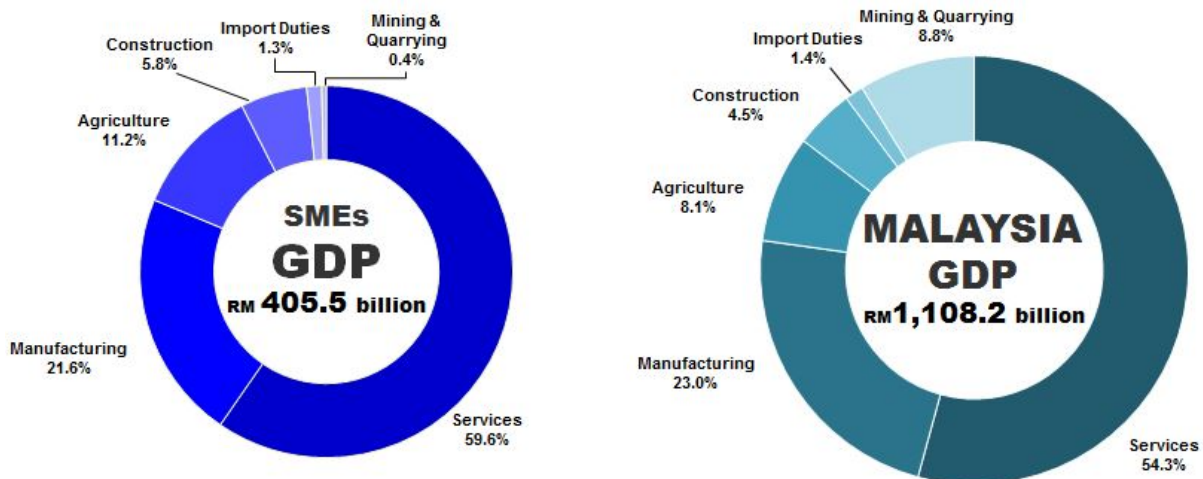
Value added of SMEs in **Construction sector** grew to 6.8 per cent (2015: 7.6%) underpinned by Specialised Construction Activities and Civil Engineering sub-sectors. Nevertheless, contraction in Non-Residential Buildings sub-sector has influenced overall performance in this sector. In addition, value added of SMEs in **Mining & Quarrying sector** recorded a growth of 8.2 per cent from 8.9 per cent in 2015.

In **Agriculture sector**, value added of SMEs declined 1.7 per cent as compared to 2.0 per cent in the previous year. This was attributed by Rubber, Oil Palm, Livestock & Other Agriculture sub-sector which contracted to 2.4 per cent (2015: 3.0%) following a decrease in production of rubber and oil palm. Nonetheless, Fishing and Forestry & Logging sub-sectors posted a better momentum as compared to the preceding year.

### COMPOSITION BY KIND OF ECONOMIC ACTIVITY

**Services and Manufacturing sectors** maintained its stronghold as the prominent economic activities in Malaysia for both SMEs GDP and Malaysia GDP. The combined share from the two sectors represented more than 70 per cent of the economy as depicted in **Chart 2**. **Agriculture sector** was the third largest contributor for SMEs GDP with a share of 11.2 per cent instead of **Mining & Quarrying sector** for Malaysia GDP.

**Chart 2** Percentage Share of SMEs GDP and Malaysia GDP for 2016 at Constant 2010 Prices



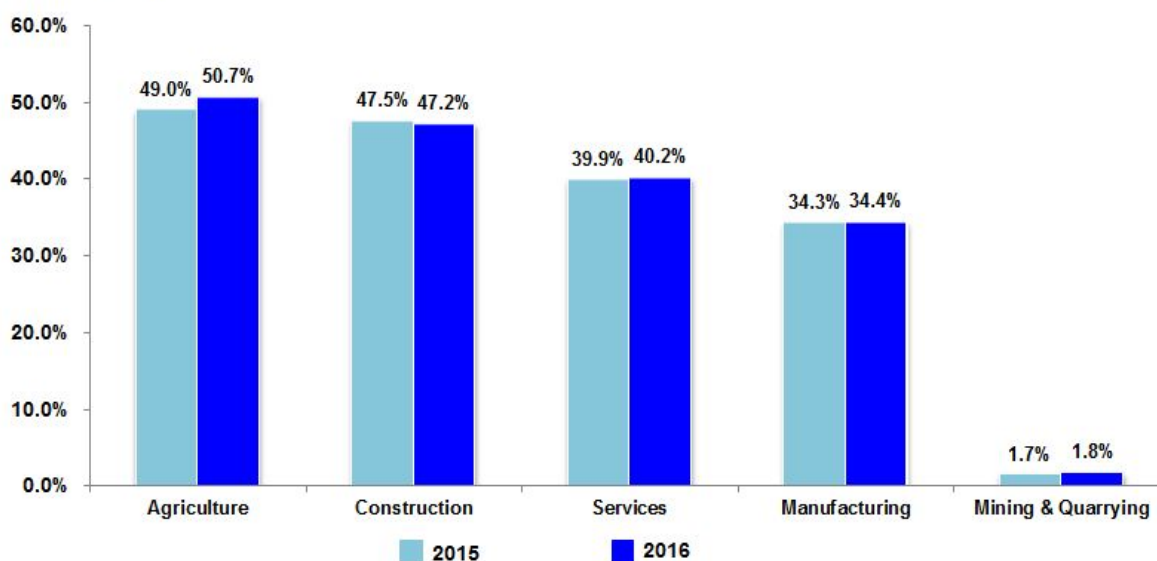
## CONTRIBUTION OF SMEs GDP BY KIND OF ECONOMIC ACTIVITY

In 2016, all sectors registered a higher contribution of SMEs value added with the exception of Construction sector. SMEs GDP led the **Agriculture sector** with a share of 50.7 per cent, an increment of 1.7 per cent from 2015 as portrayed in **Chart 3**. This was spurred by Rubber, Oil Palm, Livestock and Other Agriculture sub-sector especially in Oil Palm segment.

The contribution of SMEs GDP in **Construction sector** reduced marginally to 47.2 per cent from 47.5 per cent in preceding year reflected by the lower contribution by all sub-sectors except Specialised Construction Activities.

SMEs GDP share of **Services sector** expanded further 40.2 per cent as compared to 39.9 per cent in 2015. The contribution was dominated by Finance, Insurance, Real Estate and Business Services sub-sector impelled by Business Services segment. Furthermore, Wholesale & Retail Trade, Food & Beverages and Accommodation sub-sector also supported this sector particularly in Retail and Motor Vehicles segments.

**Chart 3** Contribution of SMEs GDP for 2015 and 2016 at Constant 2010 Prices



The share of SMEs value added for **Manufacturing sector** increased slightly to register 34.4 per cent (2015: 34.3%) attributed by Petroleum, Chemical, Rubber and Plastic Products. Subsequently, Non-Metallic Mineral Products, Basic Metal and Fabricated Metal Products also contributed towards the increment of SMEs GDP contribution in this sector.

In addition, the SMEs GDP in **Mining & Quarrying sector** recorded a share of 1.8 per cent mainly in quarrying of granite and limestone.

[SMEs GDP 2016 TABLES](#)

**Released By:**

**THE OFFICE OF CHIEF STATISTICIAN MALAYSIA  
DEPARTMENT OF STATISTICS, MALAYSIA  
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