

**Jenis Akhbar** : Jesselton Times

**Tarikh** : 30/04/2024

**Edisi / Muka Surat** : <https://jesseltontimes.com/>

**Tajuk** : Cooperative Sector In Malaysia Holds Great Potential For Advancement

## **Cooperative sector in Malaysia holds great potential for advancement – Ewon**



**JORDAN:** *The cooperative sector in Malaysia holds great potential for advancing the country's socioeconomic development, according to Minister of Entrepreneur Development and Cooperative, Datuk Ewon Benedick.*

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He emphasised that previous accomplishments have demonstrated how the sector's policies have been adapted to address uncertainties, particularly those influenced by the external environment. He said the ability of cooperatives to thrive and compete in an increasingly challenging business landscape, shaped by globalization and market liberalization, determines their success.

Ewon stressed the effectiveness of the policies implemented by his ministry, citing the remarkable achievements of several cooperatives in Malaysia.

He said one notable example is Bank Rakyat, the largest Islamic cooperative bank in Malaysia, which achieved significant milestones in 2023.

Ewon stated that the bank's inclusion in the top 300 global cooperatives and its ranking of 244th in the World Cooperative Monitor serve as recognition of its performance and contribution to the country's economy.

Additionally, Bank Rakyat stands out in the financial sector by holding the largest market share in personal financing services in Malaysia, he said.

These statements were made by Ewon during the 11th Asia Pacific Cooperative Ministers' Conference, held here on Monday.

In addition, Ewon said the Malaysian Armed Forces Co-Operative has achieved a notable performance recently by announcing a dividend payout amounting to USD 27.24 million to its members, compared to USD 18.59 million distributed in the previous year.

The cooperative also reported a net income of USD 53.47 million for the year, with profits before tax and zakat totaling USD 32.17 million, he added.

Ewon said these strong financial results are attributed to the cooperative's successful financing services offered to small and medium enterprises.

According to him, the Malaysian Armed Forces Co-Operative has also provided assistance amounting to USD 3.70 million to its members in the areas of education, medical needs, and general welfare.

In recognition of its performance, he said the Malaysian Armed Forces Co-Operative has been given recognition as one of the premier cooperatives from the Malaysia Cooperative Societies Commission for the third consecutive year, highlighting its consistent ability to offer high returns to its members amidst challenging economic conditions.

Ewon said another cooperative, Co-opbank Pertama Berhad (CBP), has also recorded its highest profit before tax in its history, amounting to USD 21.60 million for the financial year ending December 31, 2022, an impressive 20% increase compared to the previous year.

This led to the highest dividend payout of USD 12.72 million to more than 90,000 of its members, he said.

The bank attributed the growth in profit to its personal financing and Islamic pawn broking services (Ar Rahn), as well as home financing alongside cooperative and corporate financing.

Apart from these premier cooperatives, Ewon said school cooperatives play a vital role in enhancing the cooperative ecosystem in Malaysia.

"Until 2023, a total of 2,485 school cooperatives have been registered, with a total membership of 2.05 million.

"Its achievement has contributed to the overall stellar performance of the cooperative sector.

"What makes it even more impressive is that several school cooperatives manage to achieve an annual turnover of more than USD 200 thousand," he said.

Ewon said the resounding success of the school cooperative movement lies in its comprehensive approach to imparting entrepreneurial skills to students in school by fostering business acumen and instilling values of integrity, empathy, and innovation to empower students to excel in today's dynamic landscape.