

**PRESS RELEASE**

19<sup>th</sup> January 2021

**Government urged to establish Special COVID-19 Consultative Council, work with NGOs and CSOs in COVID-19 fight**

The KSI Strategic Institute for Asia Pacific (KSI) welcomes the Prime Minister's recent announcement of a RM15-billion *Perlindungan Ekonomi dan Rakyat Malaysia (PERMAI)* stimulus package. PERMAI takes into account of the needs Bottom 40 of income earners, a major portion of which are unable to engage in business activities at all due to the imposition of the second national lockdown of movement control orders (MCO 2.0). This is due to the fact that they do not fall within the exemption list of industries allowed to operate during MCO 2.0.

While KSI understands the need for MCO 2.0 to curb the spread of COVID-19, such an implementation across all states in Peninsula Malaysia needs to be managed with sensitivity particularly to the needs of the micro, small and medium enterprises (MSMEs). Following the effects of the first MCO, many MSMEs are already at their wit's end with cash flow constraints. The government should consider additional support to boost business survivability in a sustainable manner. This may require businesses to move away from their conventional business models to a form that meets the current needs of a market gripped by COVID-19, particularly through digitisation and digitalisation.

The role of nongovernmental organisations (NGOs) and civil society organisations (CSOs) during MCO 2.0 must be acknowledged for its significance. Among the government's initiatives during the Emergency is the setting up of a bipartisan parliamentary committee. However, this committee excludes consultation with the relevant NGOs/CSOs, particularly in public health and humanitarian efforts. During these crucial times, input from these groups is vital for the sake of transparency on top of the need for long-term planning for the COVID-19 pandemic, instead of limiting their input for short-term initiatives.

As such, KSI calls on the Government to consider the establishment of a Special COVID-19 Consultative Council that includes representations from NGOs, business community and medical professionals. Such a taskforce can work in tandem with the National Security Council and will allow a direct means of communication and coordination amongst groups involved in the struggle to contain the spread of the virus.

MCO 2.0 is further complicated with the aftermath of the floods affecting the states of Pahang, Kelantan, Terengganu, Perak, and Sabah. Therefore, the role of NGOs and CSOs in assisting flood victims has become ever more crucial. While some groups have been given permission to carry out relief works, a more streamlined mechanism needs to be established to allow more groups to participate in a coordinated and effective fashion. Flood victims have not been spared the socioeconomic effects of the COVID-19 pandemic and will find themselves in more vulnerable positions particularly in their ability to reengage in commerce activities. For these reasons combined, the Government through the Special COVID-19 Consultative Council can coordinate with the NGOs and medical professionals to not only provide relief for affected victims who may find themselves in further isolation due to MCO 2.0 but also to resume business activity as soon as possible.

For more information, please contact Mr. Voon Zhen Yi, Research Director of KSI at [voon@kasi.asia](mailto:voon@kasi.asia).