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KUALA LUMPUR: The Malaysia Co-Investment Fund (MyCIF), set up by the Finance Ministry (MoF), has continued to support micro, small and medium enterprises (MSME) to promote greater capital market access and inclusivity among the under-served segments.

In its annual report 2022 released yesterday, MyCIF noted that the total funds raised by equity crowd funding (ECF) and peer-to-peer (P2P) platforms rose by RM300 million to RM1.7 billion in 2022 from 2021.

It said the 26% year-on-year growth in the overall ECF and P2P markets reflected the growing investor and business interest in alternative financing options.

Of the total, MyCIF invested RM282 million compared to RM193 million in 2021, reflecting strong growth in the overall ECF and P2P lending spaces.

MyCIF's public-private co-investment model via alternative financing platforms is the first-of-its-kind in Southeast Asia. It was set up by the MoF as part of Budget 2019. MyCIF also reached a higher proportion of under-served segments in 2022. During the year, it implemented a special 1:2 co-investment ratio for agricultural businesses.

As a result, almost four times more agricultural issuers fund-raised on ECF and P2P platforms. Similarly, 28% of MyCIF funds were channelled to non-Klang Valley campaigns, up from 21% in 2021.

"MyCIF has proven to play a key role in supporting the growth of the ECF and P2P lending spaces," SC chairman Datuk Seri Dr Awang Adek Hussin said.

By 2022, a total of RM638 million have been co-invested in almost 35,000 ECF and P2P financing campaigns, benefitting some 3,635 Malaysian MSME.