



PREFACE



**MINISTER OF FINANCE
MALAYSIA**

The Malaysian economic growth has demonstrated remarkable steadfastness and resilience, registering an 8.7% increase in 2022. This momentum has continued in 2023 albeit at a slower pace, recording a moderate growth of 4.2% in the first half due to sluggish global economic and trade growth. Domestic spending continues to drive the momentum, underpinned by strong economic fundamentals.

The Government will uphold a sound fiscal policy to support sustainable growth momentum and improve the well-being of the rakyat in line with the Ekonomi MADANI framework. The framework, among others, focuses on achieving fiscal resilience and sustainability with a fiscal deficit target of 3% in the coming years. It also aims to transform the Malaysian economy, catapulting Malaysia to the top 30 largest economies within 10 years. Collectively, the National Energy Transition Roadmap, the New Industrial Master Plan 2030 and the Mid-Term Review of the Twelfth Malaysia Plan will consolidate the whole-of-government effort to shape Malaysia into a formidable economy and a leading player in Asia.

In 2024, the fiscal outlook will prioritise countercyclical measures to address external headwinds and support initiatives towards a new economic horizon. As the Government navigates these challenges and opportunities, we remain committed to achieve a lower fiscal deficit of 4.3% through fiscal consolidation. We are determined to uphold responsible and pragmatic public finance practices in rebuilding fiscal buffers as well as reducing exposure to debt and liabilities, while pursuing growth and socio-economic developments. The Government will undertake bold fiscal reform measures to further strengthen revenue management and mobilisation, along with efforts to reduce wastages and leakages, as well as optimise spending. In this regard, the impending enactment of the Public Finance and Fiscal Responsibility Act will solidify our efforts to enhance governance, accountability and transparency in public finance management.

In an unpredictable global economy, the need for a robust financial strategy and prudent fiscal management cannot be understated. This Report underscores the Government's commitment to maintain a high standard of fiscal transparency and governance. With a strong sense of accountability, I present a comprehensive overview of the nation's public finance management as outlined in the Fiscal Outlook and Federal Government Revenue Estimates 2024 report. As we reflect on the accomplishments and challenges of past fiscal years, we are inspired by the opportunities that lie ahead.

This Report is the result of the dedication and contributions from various stakeholders, the Ministry's staff in particular, and the rakyat at large. I extend my heartfelt appreciation to everyone involved in the preparation of this Report. Ultimately, I reaffirm our commitment to enhance fiscal sustainability. Together, we will overcome challenges, seize rising opportunities and pave the way to an era of sustainable growth that benefits all Malaysians, in line with the vision of Malaysia MADANI.



ANWAR IBRAHIM

13 October 2023