22 June 2021 *URGENT* 

## OPEN LETTER TO YB TAN SRI DATO SERI HAJI MAHIADDIN BIN HAJI MOHD YASSIN Prime Minister of Malaysia

This open letter represents the view of the following associations representing the shopping mall and retail industries nation-wide in Malaysia as follows:

- Persatuan Pengurusan Kompleks Malaysia (PPK) (or Malaysia Shopping Malls Association) http://ppkm.org.my/
- Malaysia Retailers Association (MRA) <a href="https://mra.com.my/">https://mra.com.my/</a>
- Malaysia Retail Chain Association (MRCA) <a href="https://www.mrca.org.my/">https://www.mrca.org.my/</a>
- Bumiputra Retailers Organisation (BRO)
- The Selangor & Wilayah Persekutuan (KL) Electrical Home Appliances Dealers' Association (SWEDA) <a href="https://www.facebook.com/swedamalaysia/">https://www.facebook.com/swedamalaysia/</a>

The extension of the Full Movement Control Order (FMCO) from 1 June to 28 June 2021 for the entire country is drastically and tragically damaging to business and the economy. The announcement of the National Recovery Plan based on the threshold of absolute numbers of covid cases is too broad brushed and imprecise resulting in unnecessary losses.

With the upcoming deadline to review the next course of action, we appeal to the government to judiciously research the data and incidences of covid cases by economic sector and by locality.

The Ministry of Health (MOH) data reveals that retail and shopping sector contributed merely 0.8% of all cases in May 2021, even prior to the FMCO lockdown which started on 1 June 2021. This significantly improved and extremely low figures testify to the retail and mall industries' strict adherence to the SOPs and should not be unduly penalised with closure from operating. Thus, we believe the retail and shopping sector should be re-opened immediately to provide essential and other services to the community without risk of infectivity.

Firstly, activities that are not able to comply with the social distancing requirements and crowding have already been listed in the Negative List. Opportunities to congregate are now non-existent with the closure of cinemas, gyms, spas, dancing and merry-making in pubs and entertainment centres etc. All promotional events normally held in the concourse and halls that attract crowds are also not allowed.

The public is also conscious not to linger and browse and the duration of their visits at the malls have significantly reduced from the normal 3 to 4 hours to merely 1.5 to 2 hours. These shoppers are diligently practising social distancing and complying well with mask wearing at all times.

Malls only allow entry of those whose MySejahtera status is "Low-Risk" and whose temperatures do not exceed 37.5°C.

Malls are thus very safe places to be and serve as avenues for some relief, both physically and mentally, whilst doing the necessary shopping chores for food and necessities.

We appeal to the Government to take all these positive factors into account in the upcoming review and allow the immediate re-opening of all trades in the malls (except for those in the Negative List).

Presently, already 20-30% of shops in malls have been closed due to the adverse conditions of the past 16 months, and with 30% of staff being laid off, this amounts to 300,000 personnel. We foresee that in the event the mall and retail industry including street-front shops are not re-opened by beginning of July 2021, there will be another 50% of the remainder closing their doors for good, including prominent domestic and international retail brands with more employees at risk of being laid off. Once these international brands exit from our country, it will be doubly difficult to attract these brands to return.

With these massive lay-offs and shop closures, the entire retail and shopping malls industries will be grievously and critically damaged and will need massive efforts and time to re-build malls' ecosystem or the malls themselves will permanently close, and the retail supply chain will be deeply fractured.

Any prolongation in re-opening will cause irreparable damage to both the retail and shopping mall industry which may not recover for the next few years, leaving us far behind in the economic recovery process. Therefore, we seek the government's urgent consideration to mitigate the catastrophic but real scenario as predicted above.

LIVES and LIVELIHOODS MATTER.

Thank you.

Yours faithfully

PERSATUAN PENGURUSAN KOMPLEKS MALAYSIA (PPK)



- Economic Planning Unit, Prime Minister's Department
  ATTN: YB DATO SRI MUSTAPA MOHAMED, Minister in The Prime Minister's Department
- Ministry of International Trade and Industry
   ATTN: DATO' SERI MOHAMED AZMIN ALI, Minister of International Trade and Industry
- Ministry of Domestic Trade and Consumer Affairs
   ATTN: YB DATO SRI ALEXANDER NANTA LINGGI, Minister of Domestic Trade and Consumer Affairs
- Economic Action Council, Prime Minister's Office Putrajaya
   ATTN: YBhg PROF TAN SRI DATO SERI DR NOOR AZLAN GHAZALI, Executive Director

Ministry of International Trade and Industry
 ATTN: DATO LOKMAN HAKIM ALI, Secretary General

Ministry of International Trade and Industry
 ATTN: DATO SRI NORAZMAN AYOB, Deputy Secretary General (Industry)

Ministry of Domestic Trade and Consumer Affairs (MDTCA)
 ATTN: DR ALAUDDIN B SIDAL, Deputy Secretary General

Ministry of Domestic Trade and Consumer Affairs
 ATTN: EN MUHAMAD HANIF ASA'ARI, Director, Distributive Trade & Services Industry Secretariat

Persatuan Pengurusan Kompleks Malaysia (PPK)
 Attn: Ms Phang Sau Lian, Vice President 1 / Ir YL Lum, Vice President 2

 Malaysia Retailers Association (MRA)
 Attn: YBhg Tan Sri Datuk Seri Utama William Cheng, President/ Mr BE Law / Ms Evelyn Cheong

Malaysia Retail Chain Association (MRCA)
 Attn: Ms Shirley Tay, President/Mr Simon Wong

Bumiputra Retailers Organisation (BRO)
 Attn: Datuk Wira (Dr.) Haji Ameer Ali Mydin, President

 The Selangor & Wilayah Persekutuan (KL) Electrical Home Appliances Dealers' Association (SWEDA)

Attn: Mr Kee Keng Huat, President