

PRESS STATEMENT

2nd September 2025

For Immediate Release

SERI Urges Stronger Execution for SARA to Rebuild Public Trust

Kuala Lumpur - Social & Economic Research Initiative (SERI) welcomes the Madani Government's continued commitment to relieve cost-of-living pressures through Sumbangan Asas Rahmah (SARA). In 2025, SARA broadened access to essential goods nationwide via MyKad, expanded eligible item categories, and raised targeted support for poor and hardcore poor households - up to RM2,100 annually - while also extending coverage to Sabah and Sarawak.

However, SERI emphasises that good intentions must be matched by resilient execution. On 31 August 2025, many Malaysians encountered checkout failures and long delays as payment terminals struggled under load; the Ministry of Finance and MyKasih Foundation issued public apologies. These problems undermined beneficiaries' experience - some even paid cash despite having SARA credit - and eroded confidence not only in SARA but also in future digital public-service rollouts.

'Relief must feel reliable. When essential-goods aid fails at the checkout, good feelings turn sour - and trust suffers,' said Rashaad Ali, Managing Director of SERI. Malaysia is moving toward a more digital, targeted safety net. That transition will only succeed if citizens can trust that systems are ready on Day One.'

SERI notes several strengths worth preserving: simple redemption via MyKad, wider item categories that match real household needs, and broadening merchant networks. The strong transaction volume (RM110 million within two days) shows how responsive households are when systems work.

At the same time, confusing public messaging around "SARA for all" versus targeted monthly SARA and the proliferation of fake links have increased user anxiety and workload for front-line staff. Clearer communication and scam-proofing are essential to protect the public and programme credibility.

To prevent recurrence, SERI recommends:

1. Staggered go-live & load-testing: Simulate first-day peaks; roll out by state or ID number to avoid terminal overload; publish readiness and capacity tests pre-launch
2. Real-time status & Service Level Agreements: Maintain a public dashboard for system uptime, incident tickets, and recovery times; set Service Level

Objectives with enforcement for providers

3. Merchant network readiness: Prioritise onboarding of small/community retailers (esp. rural Sabah/Sarawak) with mobile POS kits, “test-swipe” days, and micro-grants for equipment
4. Clear product branding & FAQs: Distinguish one-off RM100 “SARA Appreciation” from monthly targeted SARA across all channels; consolidate FAQs (eligibility, item categories, expiry, balance checks) in BM + major languages with consistent visuals
5. Fallbacks for outages: Provide offline/backup redemption, e.g., secure e-vouchers or claim-later reimbursement for verified failures, so households are not stranded at tills
6. Anti-scam measures: Pre-announce official sender domains, verify social posts, and coordinate with telcos/platforms for rapid takedown of fake links; keep a single official portal as the source of truth
7. Independent post-mortems: After each major release, publish a lessons-learned report (what failed, why, timelines, fixes) to rebuild trust and improve subsequent phases

‘Digital social protection is the right direction,’ added Dr Helmy Haja Mydin, Chairman of SERI. ‘But to make it durable, we must engineer trust by design: robust systems, transparent comms, strong merchant networks, and visible accountability.’

SERI is a non-partisan think-tank dedicated to the promotion of evidence-based policies that address issues of inequality. For more information, please visit www.seri.my or email us at hello@seri.my.