

SME WEEKLY NEWS

(8 April 2019 – 12 April 2019)

Countries	Highlights
<p>MALAYSIA</p> <p>SMEs told to tap funding</p>	<p>SMEs told to tap funding</p> <p>MIDF Managing Director, Datuk Charon Wardini Marzuki informed that since 2007, MIDF had approved RM2.2 billion loans for SMEs under the Soft Loan Scheme for Automation & Modernisation (SLSAM). Therefore, he urged more SMEs to come forward and capitalise on the RM517 million funding made available by Malaysian Industrial Development Finance Bhd's (MIDF) and Malaysian Technology Development Corp (MTDC) under the Soft Loan Scheme for Automation and Modernisation (SLSAM). According to Datuk Charon, SLSAM aimed at helping local manufacturers adopt automation in their production process and supporting their journey towards the fourth industrial revolution(Industry4.0).</p> <p style="text-align: right;"><i>(The Star, 12 April 2019)</i></p>
<p>VIETNAM</p> <p>Reducing Corporate Income Tax is Base of Revenue</p>	<p>Reducing Corporate Income Tax is Base of Revenue</p> <p>The Ministry of Finance has drafted and sent a Resolution to the National Assembly on a number of CIT policies to support SME development, including a tax reduction policy. According to the drafting agency, small businesses are entitled to tax rate of 17%; Micro enterprises, with specific criteria, a rate of 15%. Micro enterprises are defined as enterprises with annual turnover of less than 3 billion VND and have an average number of employees not exceeding 10 people; Small businesses are enterprises with total annual revenue from 3 billion to less than 50 billion and have an average number of employees not exceeding 100 people. Turnover used as a basis for determining the correct tax rate is the total turnover of the preceding year. In order to avoid cases where enterprises set up subsidiaries to enjoy the above tax incentive policy, it will not apply to subsidiaries and companies that have an affiliated relationship. The reduction of tax rates for the two types of enterprises mentioned above will help SMEs to accumulate capital to develop production and business, improving the competitiveness of enterprises and help SMEs to develop and convert into larger-scale enterprises. Although the tax reduction is expected to reduce the state budget revenue by about VND 6,500 billion per year, it will be offset by indirect taxes and other revenue sources with the reduced tax amount being used foreign investment.</p> <p style="text-align: right;"><i>(Customs News, 10 April 2019)</i></p>
<p>THAILAND</p> <p>Shopee Bootcamp launched to help Thai SMEs</p>	<p>Shopee Bootcamp launched to help Thai SMEs</p> <p>Shopee, the leading e-commerce platform in Southeast Asia and Taiwan, reinforced its commitment to supporting the growth of Thailand's SMEs and local entrepreneurs, via the launch of Shopee Bootcamp. The campaign is an empowerment initiative designed to train, upskill and mentor Thai SMEs and entrepreneurs. It is supported by the Office of Small and Medium Enterprises Promotion (OSMEP), the Department of Business Development of Ministry of Commerce (DBD) and key industry leaders including Advanced Info Service PLC (AIS), Kasikornbank PCL, Thailand Post Co., Ltd. and LINE Company. SMEs form the core of Thailand's economy, representing more than 42 per cent of the country's total GDP. The project is an intensive 3-month CAMP that comprises an all-rounded approach to SME education which are Curriculum, Assignment, Mastering and Privilege. Shopee Bootcamp showcases the increased synergy between the Thai government and the private sector, as we combine efforts to develop Thailand's SME segment. Continuous upskilling is becoming increasingly crucial and SMEs need to increase their competitiveness in today's 4.0 digital economy.</p> <p style="text-align: right;"><i>(The Nation, 10 April 2019)</i></p>

Eking its place in the ports

Usaha Teknikal mainly operates in four key areas: leasing of equipment, refurbishment and maintenance of port equipment, carrying out automation projects, and research and development. The company was founded by Sadiq and sales director Alizi Ismail in 2008 as a pet project. Both were working in a multinational corporation and needed an avenue to look into clients' requirements which were not served by their employer. About three years ago, they left full-time employment and started to actively grow the business. "We saw an opportunity that was not really served in the port industry. For example, what do port operators do when they are short of cranes, or need to refurbish a crane? Then, they'll need a temporary arrangement. "So we bought a crane and offered leasing services so that the port can still serve vessels temporarily while making arrangement for a more permanent investment," explains Alizi. Going into business was a steep learning curve for the duo. Equipment didn't come cheap. This means heavy upfront investment and possibly a strained cashflow to finance the equipment.



Usaha Teknikal's first venture abroad is in Brunei particularly in the equipment refurbishment area. Its success in Brunei has become a confidence booster for them to eye more projects in the region. The company is also doing research and development on how to automate certain aspects of the equipment in the port and run more efficiently. Usaha Teknikal is also optimistic to develop its technology. In the future, the company aims to be a port operator as it had gained experiences in all aspects of port's engineering.

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