SME WEEKLY NEWS

(16 December 2019 – 20 December 2019)

Countries	Highlights
MALAYSIA **CIMB Eyes 20,000 SME Merchant Downloads for New Payment Solution by Next Year**	CIMB Group Holdings Bhd targets to record at least 20,000 merchant downloads by next year for CIMB Tap n Pay, a payment solution that processes debit card transactions using an Android mobile device as a payment acceptance terminal. In a statement, it said CIMB Bank Bhd and CIMB Islamic Bank Bhd have partnered with Payments Network Malaysia Sdn Bhd (PayNet) to introduce the solution. "The facility is a viable alternative to the conventional point-of sale (POS) terminal, particularly for micro small and medium enterprises (SMEs)," the financial services group said. "Together with PayNet, we are pushing boundaries to enable SMEs to benefit from the market expertise of two established strong brands to support their growth. "This is well aligned with CIMB's Forward23 growth strategy to focus on tech and data by spurring digital innovations to benefit our customers," he said. CIMB Tap n Pay is downloadable on an Android mobile device and is currently available for all contactless MyDebit transactions below RM250 without personal identification number. *(Source: Bernama, 18 December 2019)*
CAMBODIA **Government allocates $100 million to launch SME Bank**	In a bid to support small businesses in the Kingdom, the government has budgeted $100 million to fund the SME Bank, Prime Minister Hun Sen said last week. Mr Hun Sen said he has approved the use of $100 million to set up the bank. The Ministry of Economy and Finance announced earlier this year that the SME Bank is expected to come online by the end of 2019. Te Taing Por, president of the Federation of Associations for Small and Medium Enterprises of Cambodia, said the goal of the bank is to support local businesses and help them expand. He said local SMEs often face difficulties accessing loans as many lack collateral. "To access a loan from the SME Bank, the companies will need to follow proper financial and accounting standards. The SME Bank will conduct workshops to help these firms use loans in the best possible way," he said. Heng Sokong, secretary of state at the Ministry of Industry and Handicrafts, recently said Cambodia has about 520,000 SMEs but that just about 150,000 of them are registered manufacturers. *(Source: Khmer Times, 17 December 2019)*
THAILAND **SME Exporters to Gain from Exim Scheme**	State-owned Export-Import Bank of Thailand (Exim) expects more than 750 small and medium-size enterprise (SME) exporters to benefit from the bank's two assistance measures meant to boost financial liquidity and relieve the debt burden. The Exim Liquidity Enhancement for Exporters and Exim Relieving Debt Burden for Clients schemes will support both new and existing SME clients in all sectors, enabling higher business liquidity and lowering their debt burden to cope with global market uncertainties going into 2020, said Pisit Serewiwattana, president of Exim Thailand. The liquidity programme offers short- and long-term loans to reduce debt repayment burdens and enhance business liquidity, funding export activities or improvements to machinery, factories and manufacturing technology. The scheme is targeted at SME exporters, importers for export-oriented producers and producers for exporters. The loan scheme carries a maximum seven-year tenor, with credit lines of up to 20 million baht per borrower and an annual interest rate of 3.99% for the first two years. *(Source: Bangkok Post, 20 December 2019)*

SOFT SPACE EYES CAMBODIA, MYANMAR NEXT YEAR

PAYMENT platform and service provider Soft Space Sdn Bhd aims to expand its electronic payment solution, Fasstap, to the vast untapped market in South-East Asia next year, focusing mainly on Cambodia and Myanmar. Chief executive officer Joel Tay said these two emerging markets were still growing and slowly adopting the electronic payment system in a bid to be less cash dependent economies.

"I think the acceptance point would not be a problem as we believed that there is a lot of card schemes and regulators supporting us in this (initiative to transform into a cashless society).

"Everyone has a debit, ATM or credit card, therefore, in this aspect we see the public will adopt very easily," he told. He said the company would allocate between US$5mil (RM20.7mil) and US$10mil for its regional expansion plan next year with a big chunk of it to cover the operating cost, particularly product certification that involves card schemes and payment regulators.

Tay was met after a sharing session organised by Malaysia Digital Economy Corporation (MDEC) with Global Acceleration and Innovation Network (GAIN) programme and Communications and Multimedia Minister Gobind Singh Deo held recently. Fasstap is an electronic payment service under the partnership of Soft Space and Malaysia's national payments network, Payments Network Malaysia Sdn Bhd, which allows small businesses and sole-proprietors to accept card payments at minimal cost.

Businesses may use any supported Android-based smartphones with near-field communication technology to accept and process MyDebit payments or any other e-payment card, instead of relying on traditional card point-of-sale terminals. Commenting on MDEC's GAIN programme, Tay said the programme had greatly helped the company to expand its international presence with tremendous business exposure across the region."They provide us with some grants as well but we value the exposure more because in Malaysia, and especially for a company that comes from South-East Asia, we seldom get good exposure to markets like Europe and the United States.

"MDEC plays a big role in that and I see that role is more important than money," he explained.

Soft Space is currently active in Thailand, Singapore, Indonesia, Taiwan, Vietnam, and Japan, and it hopes to venture into Australia going forward.

(Source: The Star, 16 December 2019)

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