

SME WEEKLY NEWS

(16 November 2020 – 20 November 2020)

Countries	Highlights
<p>MALAYSIA</p> <p>Communications minister says 90% of SME digitalisation initiative applications approved</p>	<p>As of 16 November, total of 5,634 applications from SME have been received for the SME Business Digitalisation Grant initiative, said Communications and Multimedia Minister, Datuk Saifuddin Abdullah. Of the total, RM14.6 million matching grants had been approved to 5,087 eligible SMEs, which involved 90% of the total number of applications received. The government through the Ministry of Finance has appointed BSN to channel the grant while SME Bank and MDEC are its strategic partners. MDEC's role in this process is only at the early stage in providing advisory services in the field of digitalisation as well as providing a list of Technology Solutions Providers (TSPs) to be selected by SMEs before they submit applications to BSN. At the same time, BSN, SME Bank and MDEC are currently in the process of creating a digital application platform that is expected to be launched in the first quarter of 2021. With the availability of digital application facility, all parties, SMEs and TSPs can find out the status of applications online. This will address the delay issue in processing this matching grant application, while shorten the approval period to only three days compared to 14 days previously.</p> <p style="text-align: right;"><i>(Source: Malay Mail, 19 November 2020)</i></p>
<p>THAILAND</p> <p>Japanese firms seek Thai SME partners</p>	<p>Japanese investors are planning to form joint ventures with SMEs to expand their businesses in Thailand. The investors asked the Board of Investment (BoI) to help them search for prospective partners and follow through with plans to expand their businesses from Japan and China. Thailand has the potential to develop various industries including cars, auto parts, electronics and healthcare. Japanese companies want to expand into Thailand, which has served as one of their key production bases in Southeast Asia. BoI is preparing to help Japanese investors make partnerships because this will not only benefit them, but the matching will also help Thai companies expand their markets overseas. The BoI is categorising up to 2,000 SMEs, based on their business performance, which includes size, revenue, growth and experience in jointly running businesses with foreigners. Last year the BoI promoted business matching in industries such as medical equipment, cars and machinery. In fiscal 2019, matches the BoI facilitated were worth more than 38.4 billion baht. In fiscal 2020, which ended in September, the BoI's business matches were valued at 27.4 billion baht.</p> <p style="text-align: right;"><i>(Source: Bangkok Post, 20 November 2020)</i></p>
<p>INDONESIA</p> <p>Google pledges \$11 million to help SMEs, young job seekers</p>	<p>Google contributes a total of US\$11 million to the country, whereby \$10 million to be channeled to MSMEs and \$1 million to support young job seekers. Google has partnered with nonprofit microfinance company, Kiva to disburse the loans to MSMEs through local financial services providers, with details on procedures, interest rates and selected MSME sectors. To tackle youth unemployment, the company's philanthropic arm, Google.org is granting \$1 million to children's empowerment NGO Plan International Indonesia Foundation. Plan International is teaming up with the ASEAN Foundation on its inaugural two-year program, "Bridges to the Future: ASEAN Youth Employment", to provide a 3-month online vocational training workshop, as well as job matching assistance for 5,200 participants. The two foundations will also hold online job fairs in collaboration with at least 30 government institutions, companies and organisations. The ASEAN Youth Employment program also incorporates research into curriculum development, labour markets and skills demand amid the pandemic. Google also announced that it had added several features to its job search and career app, Kormo Jobs, to connect job seekers with local employers for entry-level roles in the retail, logistics, hospitality and services sectors.</p> <p style="text-align: right;"><i>(Source: The Jakarta Post, 19 November 2020)</i></p>

PHILIPPINES**SMEs invest in R&D
less affected by
pandemic**

A survey by the International Trade Center (ITC) shows that Filipino SMEs that invested in R&D are less affected by the global health and economic crisis. The ITC surveyed 515 firms for the competitiveness survey in Nov to Dec 2019. ITC then conducted a Covid-19 Business Impact Survey on 454 firms from the same sample size in April and May 2020. Half of the survey respondents were medium-sized, while 24% were micro and 18% were small. In this survey, 68% of businesses said they are strongly affected by the Covid-19 crisis. Around 88% of the surveyed firms also said they have experienced a drop in sales. About 9% of the companies expected their business to shut down permanently due to effects of the global health crisis, the study shows. Of the enterprises that said they expect their operation to shut down within three months, 6% were SMEs and 3% were large enterprises. ITC said firms that invested in R&D before the pandemic were the resilient ones amid the crisis. Firms developed new processes and goods to adapt to the new business environment. This requires enterprises to have a strong innovation capacity. Of the surveyed firms, 58% dedicated resources to R&D. In its policy recommendation, ITC encourages the government to give incentives for R&D investments and also shift support from existing business networks towards innovative startups.

(Source: Philippine News Agency, 19 November 2020)

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