SME WEEKLY NEWS

(4 January 2021 – 8 January 2021)

Countries	Highlights
MALAYSIA **Maxis launches Digital Readiness Index for local SMEs to go digital**	Maxis launched Digital Readiness Index (DRI), an interactive online assessment tool that allows businesses to begin their journey to digitalisation. The self-assessment tool provides insight for companies on how to use technology to improve efficiency, productivity and profitability. SMEs can benefit greatly from Maxis Business DRI as they can gauge how digitally ready they are and compare their results against the industry benchmark. Plus, it will encourage them to digitalise all aspects of their business. The Maxis Business DRI bases its analysis on three key foundations. First, Maxis Business DRI will analyse businesses based on customer satisfaction. This is through putting customers first by responding to their needs immediately, providing excellent customer service and allowing them to contact the business anytime, anywhere. The next assessment is on employee productivity. This is about making the most out of business manpower to ensure they deliver an efficient and productive performance, whether it means they are working on site or remotely. The final assessment is based on businesses' operational efficiency, which measures how well a business seizes every opportunity possible in order to maximise its potential to be ready for anything. *(Source: The Malaysian Reserve, 4 January 2021)*
PHILIPPINES **BOI-approved investments down 11% in 2020**	Total investments approved by the Board of Investments (BOI) reached 1.02 trillion pesos last year, the second highest level achieved by the agency though was down 11% compared to 2019 amid the pandemic. To improve the investment climate and entice firms to do business in the country, BOI is pushing for passage of various legislative measures, including the proposed Corporate Recovery and Tax Incentives (CREATE) Act, which seeks to cut the corporate income tax (CIT) rate to 25% from the current 30%. For SMEs, the CIT rate would immediately be reduced to 20% under the proposed measure. Under the bill, an eligible firm engaged in a priority project or activity can enjoy 4-7 years of income tax holidays (ITH). After availing the ITH, the firm will have an option to enjoy the 5% tax on gross income earned or enhanced deductions for 10 years. Other bills being pushed by the BOI to help create a more conducive environment for investment are amendments to the Retail Trade Liberalization Act and Public Services Act. The agency is also promoting IP generation and commercialisation as this would encourage confidence in the business sector to invest in the Philippines. *(Source: Philstar, 8 January 2021)*
SINGAPORE **Singapore-New Zealand digital economy partnership takes effect**	Taking effect on 7 January 2021, Singapore and New Zealand's new digital economy partnership will allow companies in both countries to conduct businesses with greater efficiency, increased trust, and reduced costs or digital barriers. The Digital Economy Partnership Agreement (DEPA) was first signed in June last year, between Singapore, New Zealand and Chile. This would allow all three countries to enjoy business continuity among each other, crucial at a time when physical meetings and flights are constrained due to the COVID-19 pandemic. The pandemic has greatly accelerated the pace of digital transformation globally. As more businesses carry out their activities in the digital sphere, agreements such as DEPA will be more critical in helping businesses transact and trade seamlessly. The partnership agreement would also facilitate cooperation among SMEs, with capacity-building efforts and dialogues held to promote information sharing and exchange. With DEPA, New Zealand hopes that it would allow small businesses to overcome the challenges of scale and distance to enter global markets that were previously only accessible to larger businesses, thereby speeding up their growth. *(Source: HRM Asia, 7 January 2021)*