

# SME WEEKLY NEWS

(19 April 2021 – 23 April 2021)

Countries	Highlights
<p><b>MALAYSIA</b></p> <p><b>CGC and StanChart extend RM70mil financing to SMEs</b></p>	<p>As SMEs pick up the pace again following the pandemic, CGC and Standard Chartered Malaysia are extending a helping hand by allocating RM70 million in financing to provide SMEs with working capital. Under a portfolio guarantee (PG) agreement, the financing facility is expected to help ease the burdens of SMEs and sustain their business as they recover from the effects of the pandemic. The agreement brings the total amount of tranches jointly launched by both parties to RM1.71 billion, making Standard Chartered the highest contributor among all foreign banks in Malaysia in terms of SME financing. The launch of this tranche is timely as it will provide SMEs with the opportunity to revitalise their businesses. It is also aligned to Malaysia's economic recovery plan Penjana as businesses gear up to bounce back. According to a recent Mastercard survey, more than two-thirds of SMEs in Malaysia expect their businesses to recover from the effects of the pandemic by April 2021, while 80% indicated they have sufficient resources to see out the rest of the year.</p> <p style="text-align: right;"><i>(Source: Tuesday, 20 April 2021)</i></p>
<p><b>THAILAND</b></p> <p><b>BoT confident new loan scheme will help SMEs</b></p>	<p>The amended soft loan scheme worth 250 billion baht by BoT will allow a maximum debt guarantee coverage from Thai Credit Guarantee Corporation (TGC) of 40% of the total credit line offered to a commercial borrower, up from 30% earlier. This will provide more opportunity for higher-risk SMEs to access the loan. The guarantee period will last no more than 10 years and maximum claim guarantee is no more than 40% of debt under the scheme. The amended measures aim to address limitations of the existing 500-billion-baht soft loan measure by expanding the pool of eligible borrowers to include new and existing borrowers, raising credit limits, lengthening loan tenors, and amending interest rates to better support business recovery. FIs have been talking with SME borrowers about the new soft loan scheme, which is scheduled to take effect on 26 April 2021, adding that the 250 billion baht soft loan budget is expected to be sufficient to support businesses' liquidity in the short-term while helping them recover their operations in the next one to two years.</p> <p style="text-align: right;"><i>(Source: Bangkok Post, 21 April 2021)</i></p>
<p><b>BRUNEI</b></p> <p><b>Bank Islam Brunei announces they are committed to investing in local start-ups</b></p>	<p>Bank Islam Brunei Darussalam (BIBD) invested in supporting the local start-up ecosystem through various efforts aimed at encouraging innovation and creativity. BIBD is looking into developing a programme for tertiary students and start-ups to submit fresh ideas and innovative fintech solutions, which is under the education/entrepreneurship pillars of the bank's CSR. Participants will be provided with industry mentorship and development opportunities, with a grant for winning participants to develop their solutions further. The programme will create a conduit of innovation and puts BIBD in the middle of an ecosystem that supports fintech start-ups while also building a pipeline for enterprising tertiary students. The bank has complemented national efforts to boost the local economy with various SME-related initiatives and empower them with comprehensive digital business solutions. The bank's SME360 platform is a banking solution that complements the needs of businesses and includes access to a dedicated relationship management team, financial solutions as well as digital payments, in support of the nation's drive towards becoming a Smart Nation powered by a digital economy. Roughly 80% of BIBD's corporate customers are MSMEs, who have access to the SME360 platform.</p> <p style="text-align: right;"><i>(Source: The Star, 19 April 2021)</i></p>