

SME WEEKLY NEWS

(8 February 2021 - 12 February 2021)

Countries	Highlights
<p>MALAYSIA</p> <p>MOF: Government approved RM1.2b in loans under Penjana SME financing</p>	<p>The Government approved 6,507 applications involving RM1.23 billion under Penjana SME financing scheme as of 29 January 2021. Penjana SME Financing scheme with RM2 billion allocation, prioritises SMEs that have never received any bank financing previously. For Penjana Tourism Sector Financing for SMEs and Micro SMEs still impacted by Covid-19 with an allocation of RM1 billion, there were 573 applications for this financing and of this total, 277 applications have been approved with a total financing of RM55.4 million. The Bumiputera Relief Financing introduced by PUNB with a fund of RM200 million, saw 519 SMEs receive funding of RM143.8 million, compared to 494 SMEs receiving a total of RM135.5 million the previous week. For Penjana's 3rd objective of stimulating the economy, MOF said the focus on service tax exemption for hotels to support the tourism sector, of which the value of tax exemption utilised by hotel and accommodation operators has touched RM1.37 billion, an increase of RM533.42 million vs RM836.56 million in the previous week. Among the initiatives to support the tourism sector are individual tax relief of up to RM1,000 on travel expenses as well as full exemption on tourism tax for foreign tourists.</p> <p><i>(Source: Malay Mail, 10 February 2021)</i></p>
<p>CAMBODIA</p> <p>Collective effort needed for small, medium firms to benefit from FTAs</p>	<p>The Kingdom will take a collective effort to ensure that SMEs are able to fully benefit from FTAs. Last year, Cambodia became a signatory to the historic RCEP. The deal will represent about 30% of the global population and could increase global trade by \$500 billion over the next decade. The Kingdom also inked an FTA with China last year. The two nations enjoyed some \$8 billion of trade in 2019. They aim to increase bilateral trade to \$10 billion by 2023. In order for SMEs to be able to take advantage of upcoming FTAs and get their products into new markets, they will have to strengthen not only their productivity, but the products quality. Agricultural SMEs will particularly have to improve. There is a collective effort among policy makers in all nine ministries to support SMEs and help them gain the benefits from these FTAs. Dissemination programmes such as workshops need to be conducted so that businesses are aware of government policies and new laws regarding customs and tariffs. An ADB study reported that Cambodian-made SME products account for only 10% of the Kingdom's international exports, despite the sector making up 99% of Cambodian enterprises and contributing 58% to the GDP.</p> <p><i>(Source: Khmer Times, 10 February 2021)</i></p>
<p>SINGAPORE</p> <p>DBS rolls out support measures for small business owners</p>	<p>According to DBS SME Pulse Check Survey, about six in 10 micro and small enterprises cited responsibility for protecting employee livelihoods as the main motivation for sustaining their businesses. More than half have tapped personal savings and assets to do so. Also, four in 10 respondents said their mental and physical well-being had taken a blow. So, DBS has rolled out new measures to help these business owners stay afloat. DBS will extend complimentary access to an app that helps manage workplace stress, as well as webinars giving tips for mental well-being. It also plans to run webinars on financial planning strategies and tools, such as DBS NAV Planner, the bank's digital retirement financial planning solution. Businesses are focusing on ensuring sufficient cash flow and manpower while also pivoting to new income streams. To meet these goals, more than four in 10 business owners have expressed a desire for more government measures that support their working capital needs, while over three in 10 would like more wage support. DBS has approved over 10,000 collateral-free loans totalling more than \$5 billion to SMEs in Singapore last year, over 90 per cent of which went to micro and small enterprises.</p> <p><i>(Source: The Straits Times, 9 February 2021)</i></p>