



SPEECH TEXT

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MINISTER OF FINANCE

25th LAKSANA REPORT

IMPLEMENTATION OF THE PRIHATIN RAKYAT ECONOMIC STIMULUS PACKAGE (PRIHATIN) AND NATIONAL ECONOMIC RECOVERY PLAN (PENJANA)

14 October 2020



INTRODUCTION

Assalamualaikum w.b.t and hello everyone,

1. Today we meet again for the 25th Laksana Report. I hope all my fellow Malaysians are in good health.
2. **The 25th LAKSANA Report** will begin with the overall implementation status and achievements of PENJANA, followed by a review of current issues. Meanwhile, for the PRIHATIN initiative, it will be shared as an attachment that will be uploaded on the Ministry of Finance's website, <https://www.treasury.gov.my/> as well as on official social media channels.

PENJANA (National Economic Recovery Plan)

3. Under PENJANA, the initiatives are focused on three main objectives, namely:
 - a. Empowering the People;
 - b. Propelling Businesses; and
 - c. Stimulating the Economy.

PENJANA OBJECTIVE 1: EMPOWERING THE PEOPLE

4. We will start with the initiatives under the **First Objective, Empowering the People**.
5. **First, the PEKA B40 Health Care Scheme (PEKA B40)** which is managed by the Ministry of Health (MOH). Eligible recipients of the Bantuan Sara Hidup (BSH) and their registered spouse, aged 40 years and above, will be fully funded by the Government for health screenings at clinics registered with PEKA B40. Through this scheme, emphasis is given to meet health needs such as the **early detection for non-communicable diseases**. Between 1 July and 2 October 2020, a total of **107,717 claims** worth **RM8.45 million** were received.
6. Eligible applicants will receive other benefits from this scheme which consists of the medical device assistance, incentives to complete cancer treatments and transportation fare incentives. Registration is still open and I would like to encourage those who are eligible to take this opportunity and register through MOH's official link, www.pekab40.com.my.

From 1 July 2020 to	Number of Claims*	Value of Assistance* (RM million)
2 October 2020	107,717	8.45
25 September	99,251	6.64
31 August	66,380	3.70

*Cumulative Amount

7. **Second, Social Assistance Program for Vulnerable People**. As of 2 October 2020, a total of **RM66.40 million** has been channelled, **benefitting 221,345 recipients**, including:
- a. Registered PWDs: **RM55.73 million to 185,770 recipients**
 - b. Single mothers: **RM10.13 million to 33,760 recipients**, and
 - c. Volunteers from the Home Help Services Programme: **RM544,500 to 1,815 recipients**
8. **Third, the Wage Subsidy Program (PSU)**. Assistance for PSU under PRIHATIN is given to employers for a period of 3 months from April to June. Under the PENJANA Plan, this assistance has been extended for another 3 months, starting from July until September 2020. Recently, PSU has been extended again for a period of 3 to 6 months under the KITA PRIHATIN package. As of 2 October 2020, a total of **RM11.967 billion in wage subsidies** have been approved to benefit more than 322,022 employers, as well as more than **2.6 million employees**.

Date	Amount Approved* (RM billion)	Number of Workers* (million)	Number of Employers*
2 October	11.967	2.636	322,022
25 September	11.930	2.633	321,633
28 August	10.383	2.620	320,440
31 July	8.995	2.582	318,258
26 June	7.074	2.455	307,518
29 May	4.018	2.197	286,338
24 April	1.606	1.452	207,237

*Cumulative Amount

For everyone's information, the Social Security Organisation (SOCSSO) will work with the Malaysian Anti-Corruption Commission (MACC) regarding the misappropriation of 30 cases of false Wage Subsidy Program (PSU) claims by employers. **The Government will not compromise towards any employer who tries to make a claim but does not channel this subsidy to their employees.**

9. **Fourth, the Hiring Incentive Programme and Training Assistance.** A total of **48,617 employees** (an increase from **43,998** last week) have managed to secure jobs through this programme. This number includes **38,189 people under the age of 40; 5,966 people for the age group of 40 to 60 years, as well as 293 PWD and 4,169 apprentices.**

Date	Category of People Who Secured Jobs				Amount*
	< 40 years	40 – 60 years	OKU	Apprentices	
2 October	38,189	5,966	293	4,169	48,617
25 September	34,476	5,456	284	3,782	43,998
28 August	18,354	3,266	178**	2,818	24,616
21 August	15,113	2,856	220	2,385	20,574

*Cumulative Amount

** The decrease compared to the previous week was because after further coordination and analysis, a number of applicants were found to be non-disables.

10. **Fifth, Reskilling and Upskilling Programme.** Several ministries and agencies have coordinated reskilling and upskilling programmes across the relevant ministries and agencies, in order to provide a workforce that meets the needs of the industry. These programmes also aim to introduce new skills to the participants. Based on statistics obtained as of 2 October 2020, a total of **61,339 individuals have obtained approval** to participate in the programmes provided.

11. For those who are still looking for job opportunities, use this reskilling and upskilling programmes opportunity to increase your marketability. For more information, please visit the website of the ministries and agencies involved via the following links for more information.

No.	Ministry/Agency	Link
1.	Ministry of Youth and Sport (KBS)	http://ebelia.iyres.gov.my/
2.	Ministry of Entrepreneur Development and Cooperation (MEDAC)	https://www.insken.gov.my/pendaftaran/
3.	Ministry of Higher Education (MOHE)	great.mohe.gov.my
4.	Majlis Amanah Rakyat (MARA)	penjana.mara.gov.my
5.	East Coast Economic Region Development Council (ECERDC)	https://www.ecerdc.com.my/penjana/Website/index.html
6.	Pembangunan Sumber Manusia Berhad (PSMB)	penjanahrdf.com.my
7.	Northern Corridor Implementation Authority (NCIA)	https://www.ncer.com.my/jomkerja_jomniaga/

PENJANA OBJECTIVE 2: PROPELLING BUSINESSES

12. For the initiatives under the **second objective of PENJANA, Propelling Businesses**; the Government continues to assist Small and Medium Enterprises (SMEs) which is a vital component in the country's economic growth. This also ensures the continuity of businesses as one of the main contributors to the country's GDP.
13. **First, PENJANA SME Financing.** The Government has allocated RM2 billion, with a priority given to SMEs that have never received a loan from a bank before. As of 2 October 2020, a total of **3,617 SME applications have been approved with a loan value of RM833.6 million.**

Date	Number of Approved Applications*	Value* (RM million)
2 October	3,617	833.6
25 September	3,351	795.3
28 August	1,615	426.2
21 August	1,172	329.5

*Cumulative Amount

14. **Second**, the Government provides assistance and encourages SMEs and Mid-Tier Companies (MTCs) to digitalise of operations and trade channels. This includes an allocation of **RM100 million** under the **SME Digitalisation Matching Grant** in collaboration with telecommunication companies; **RM500 million** financing through **SME Technology Transformation Fund (STTF)**; and Smart Automation Grant amounting to **RM100 million**. As of 2 October, a total of **RM24.6 million** has been approved to benefit **1,634 SMEs and MTCs**. The breakdown of grants by type is as follows:

- a. **SME Digitisation Matching Grant.** As of 2 October 2020, a total of **RM5.3 million** was approved for **1,616 SMEs**;
- b. **SME Technology Transformation Fund.** As of 2 October 2020, a total of 23 SMEs has applied for this assistance and a total of **RM18.4 million** has been approved and will benefit **9 SMEs**; and
- c. **Smart Automation Grant.** As of 2 October 2020, a total of 128 SMEs has applied for this assistance and a total of **RM886,486** has been approved and will benefit **9 SMEs**.

15. **Third, TEKUN Business Recovery Scheme (TBRS).** This is one of the two schemes to support Micro SMEs. As of 2 October 2020, a total of **RM76.1 million** has been channelled under TBRS to benefit **11,481 Micro SMEs**.

Date	Number of Approved Applications*	Amount Disbursed* (RM million)
2 October	11,481	76.1
25 September	11,383	75.5
28 August	6,908	47.7
31 July	909	6.8

**Cumulative Amount*

16. **Fourth, PENJANA Credit Micro Financing under Bank Simpanan Nasional (BSN).** As of 2 October 2020, a total of **RM98.66 million** has been channeled and will benefit **2,692 SMEs and Micro SMEs**.

Date	Number of Approved Applications*	Amount Disbursed* (RM million)
2 October	2,692	98.66
25 September	2,007	73.7
28 August	399	15.23

**Cumulative Amount*

PENJANA OBJECTIVE 3: STIMULATING THE ECONOMY

17. Next is the implementation of PENJANA Objective 3, Stimulating the Economy.
18. First, the ePENJANA application was closed on 24 September 2020 and the RM50 credit usage period in this eWallets has expired on 30 September 2020. In total, **11.36 million people have successfully received RM50 in their eWallets, amounting to RM567.9 million**. This means that, through ePENJANA, RM567.9 million has been spent to boost the Malaysian economy.
19. **Second, Support for the Arts, Culture and Entertainment Sector.** Among the allocations provided are **a total of RM100 million in the form of loans and RM30 million grants for the creative industry, events and exhibitions under MyCreative Ventures; and RM10 million under CENDANA**. As of 2 October 2020, **a total of 182 applications** have been received for **MyCreative Ventures worth RM43 million** and for CENDANA initiatives, a total of **184 applications** have been approved worth **RM2.7 million**.
20. Recently, I also had the opportunity to hold a Budget 2021 Consultation Session with the Creative Industry, held virtually to discuss the initiatives needed to build a sustainable and dynamic creative ecosystem. These include fostering **corporate sector-collaborations in becoming investors and ‘art partners’**, the need to expand the **rural industrial development efforts**, and ways to increase **sales of Malaysian creative products**.
21. With determination and a strong focus, there is no reason why we cannot develop our country's creative industry just as what other Asian countries such as Indonesia, South Korea and Hong Kong have done. To the creative industry activists out there, I urge and recommend that they use this opportunity provided in producing their works. All industry players involved can apply for the assistances from both relevant agencies by visiting www.mycreative.com.my/penjana and www.cendana.com.my for more information.

CURRENT OVERALL IMPLEMENTATION STATUS OF PENJANA

22. The following is the current overall implementation status of PENJANA:
- For one-off cash assistance – such as ePENJANA, assistance to the affected groups, one-off grants to registered nursery and kindergarten operators, and others – involving an amount of **RM655 million**, the level of implementation is as scheduled at 69%.

- b. For initiatives implemented over a period of 3 to 6 months - such as the extended wage subsidies (first phase), My30, PEKA B40, Shop Malaysia Online, and others – involving an amount of **RM4.38 billion**, the level of implementation is as scheduled at 44%. This is encouraging progress because a number of PENJANA initiatives were rolled out in stages between June and September.

23. Proactive monitoring will continue to be done through the LAKSANA unit to ensure that assistances can be channelled quickly and effectively, including the KITA PRIHATIN package which was announced on 23 September.

REVIEW OF CURRENT ISSUES: PRIHATIN SURVEY – OVER 80% OF THE PEOPLE ARE SATISFIED WITH THE IMPLEMENTATION OF THE PRIHATIN PACKAGES

24. Between 19 August and 22 September 2020, the LAKSANA unit conducted a **PRIHATIN Survey** to obtain public feedback on the impact of the implementation of the PRIHATIN Package. This is also one of the Government's efforts **to listen to the people on an ongoing basis**, and the findings of the PRIHATIN Survey will be used to **formulate economic recovery efforts**, including Budget 2021 which will be announced this November.

25. Alhamdulillah, more than 11,000 responses have been received from the people. This includes field trips that made by the LAKSANA team to more than 10 locations nationwide; including Kuala Lumpur, Cyberjaya, Melaka, and Kuala Terengganu. The team also gained unput from a targeted group that was categorized as “distressed” across the B40, M40 and T20 income groups. This includes individuals who are unemployed, self-employed or are business owners and entrepreneurs.

26. Among the important findings to share are as follows:

27. In terms of the **profile of the respondents**:

- a. 61% of respondents are in the 20 – 49 age category;
- b. 76% are from the B40 income group; 18% from M40 and the rest from T20;
- c. 56% are married; 81% have 1 – 4 dependents (either children, parents or close family members);
- d. 98% of respondents are social media users.

28. In terms of the **level of satisfaction toward the implementation** of PRIHATIN, among key findings of the PRIHATIN Survey include:

- a. **More than 80% of respondents are satisfied with the PRIHATIN package.** This comprises 55% with high level of satisfaction and 26% with a normal level of satisfaction.

b. When the satisfaction level is categorised according to the type and duration of assistance, it is found that:

- i. **For one-off assistance**, among the assistance that received the highest satisfaction score is the **Bantuan Prihatin Nasional or BPN (68%) and MySalam (66%)**. The implementation level of taxi driver allowances received a satisfaction score of 57%.
- ii. For **assistance implemented between 3 to 6 months**, the **highest satisfaction score is for the Employment Retention Programme (70%), followed by the PTPTN moratorium (69%), frontliners allowance (69%), and the automatic bank loan moratorium as well as electricity discounts (both 67%)**. Implementation of the 1GB free internet provision had a satisfaction score of 65%.
- iii. **For long-term assistance**, the **Private Retirement Scheme and EPF contribution reduction received the highest satisfaction score (69%)** while the rental site exemption and Public Housing Project rental exemption both received satisfaction score of 60% each.

29. Next, the PRIHATIN Survey also asked respondents questions about the **acceptance and use of assistances**. Among the key findings include:

- a. **50% of respondents have received between 3 to 5 different assistances**. This shows that the diversity of the PRIHATIN assistance has been able to protect the people from various needs.
- b. **77% of respondents who have received the PRIHATIN assistance have used it for household expenses**. The main household expenses are food, followed by utilities and transportation.
- c. Of all the measures under PRIHATIN, the 3 main assistances received or utilised by the respondents are:
 - i. BPN/BSH
 - ii. Free internet
 - iii. Electricity discount

30. Moving forward, **the findings of the PRIHATIN Survey will be used by the Government in formulating comprehensive measures under Budget 2021**. Among the findings that will be considered include the following:

- a. Increasing support for mental health services;
- b. Facilitating access to assistance for vulnerable groups such as the elderly;
- c. Strengthening the role of Government Linked Companies (GLCs) in supporting communities;
- d. Enhancing the role of Social Enterprises; and
- e. Increasing job opportunities.

31. On this occasion, **I would like to thank the Department of Statistics Malaysia as well as more than 32 Government and private agencies, for their cooperation in implementing the PRIHATIN Survey.** The solid cooperation in obtaining this data is in line with the Government's commitment in strengthening the delivery of services. Under Budget 2021, the Government hopes to allocate resources to further strengthen the coordination of data-sharing across the Federal and State Government agencies, local authorities and NGOs.

32. The Government is aware that there is still room for improvement, and will always provide the best for the people, business and economy.

REVIEW OF OTHER CURRENT ISSUES

33. According to the latest statement from the Department of Statistics Malaysia, the national unemployment rate in August 2020 remained at 4.7%, with the number of unemployed declining from 745,100 to 741,600 in July 2020.

34. This shows that the Government's efforts to support employment is on the right track, through initiatives such as the Wage Subsidy Programme and Reskilling and Upskilling Programme which have already successfully reduced the unemployment rate which was previously at 5.3% in May 2020. This effort will continue through Budget 2021 which will be presented in November.

CLOSING

35. As the public is aware, the Government has announced the Conditional Movement Control Order (CMCO) in Sabah, Selangor, Putrajaya and Kuala Lumpur this week. This decision was made in consideration of the increase of new COVID-19 cases in certain locations, as well as the pattern of transmission of the virus.

36. I hope that everyone remain resilient, and understand that this action is taken to protect the people. Let us not be complacent. We are still at war with the unseen enemy.

37. The **Government will learn from experiences** from past movement control orders and the impact of those measures to revenue sources in the effort to break the COVID-19 chain of transmission.
38. It is reminded that this CMCO is different from the MCO implemented in March to May, **whereby almost all economic activities such as businesses, manufacturing factories and stalls can still operate** by following the SOP.
39. I assure you that the Government will balance the movement control order with the need to carry out daily activities, in order to continue protecting lives and livelihoods. As the Minister of Finance, ensuring that the people can continue to earn a living and for businesses to continue their operations is important to me. Economic sustainability needs to be protected to ensure that the momentum of economic recovery can be maintained.
40. Finally, let us all fight hard in this battle against COVID-19 in Malaysia. Do always practice the new norms and physical distancing, maintain hygiene and health, as well as discipline in complying with the SOPs issued by the Government. Insya-Allah, do not falter, we will surely win.

YB Tengku Dato' Sri Zafrul Aziz
Minister of Finance
Ministry of Finance Malaysia
14 October 2020

APPENDIX 1 – PRIHATIN ACHIEVEMENTS

OBJECTIVE 1: PROTECTING THE RAKYAT		
1.	i-Lestari Withdrawal Scheme under the Employees Provident Fund (EPF)	As of 2 October 2020, the cumulative withdrawal is RM9.56 billion (an increase from RM9.33 billion last week), involving 4.66 million recipients (an increase from 4.65 million recipients last week). Retirement planning is crucial, and the people are encouraged to utilise the free Retirement Advisory Service (RAS) provided by EPF. Information on this free service can be found at: https://www.kwsp.gov.my/ms/member/retirement-advisory-service .
2.	Frontliners Allowance	a. As of 2 October 2020, a total of RM313.72 million has been channelled based on 957,902 claims comprising of doctors, nurses and other medical personnel who have been directly involved in the management and containment of the COVID-19 pandemic. b. This special allowance is also extended to members of the military, police, customs, immigration, fire brigade, members of the Malaysia Civil Defence Force as well as RELA members who are directly involved in implementing the Movement Control Order (MCO).
3.	Taxi Drivers	As of 2 October 2020, the Government has channelled one-off cash assistance to 33,839 taxi drivers (an increase from 33,835 taxi drivers last week), amounting to RM20.30 million .
4.	Tourist Guides	As of 2 October 2020, a total of 7,638 tourist guides (an increase from 7,635 tourist guides) have received one-off cash assistance amounting to RM4.6 million .
5.	Tour Bus Drivers	One-off cash assistance to tour bus drivers has been made, starting 22 July 2020. As of 2 October 2020, a total of 3,016 tour bus drivers (an increase from 2,902 tour bus drivers last week) have received aid amounting to RM1.8 million (an increase from RM1.74 mil last week).

OBJECTIVE 2: SUPPORTING BUSINESSES																															
6.	EPF's COVID-19 Assistance Programme (e-CAP) for Employers	As of 2 October 2020, a total of 69,864 applications have been received and from that, 13,090 applications have been approved worth RM85 million (no increment from last week) for the employers' EPF contribution.																													
<table><tr><th>EPF's COVID-19 Assistance Programme (e-CAP) for Employers</th><th>Number of Applications Received*</th><th>Number of Approved Applications*</th><th>Approved Amount* (RM million)</th></tr><tr><td>2 October</td><td>69,864</td><td>13,090</td><td>85.0</td></tr><tr><td>25 September</td><td>69,864</td><td>13,090</td><td>84.9</td></tr><tr><td>28 August</td><td>68,532</td><td>12,904</td><td>84.2</td></tr><tr><td>31 July</td><td>65,986</td><td>12,425</td><td>82.1</td></tr><tr><td>26 June</td><td>36,107</td><td>9,542</td><td>63.9</td></tr><tr><td>31 May</td><td>26,509</td><td>5,245</td><td>34.8</td></tr></table>			EPF's COVID-19 Assistance Programme (e-CAP) for Employers	Number of Applications Received*	Number of Approved Applications*	Approved Amount* (RM million)	2 October	69,864	13,090	85.0	25 September	69,864	13,090	84.9	28 August	68,532	12,904	84.2	31 July	65,986	12,425	82.1	26 June	36,107	9,542	63.9	31 May	26,509	5,245	34.8	
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7.	BSN Micro Credit Scheme	As of 2 October 2020, payments have been made to 11,352 SMEs (an increase from 11,344 last week), involving a total of RM378.0 million (an increase from RM377.8 million last week).																													
8.		TEKUN Programme	As of 2 October 2020, payments have been made to 26,205 SMEs (an increase from 25,724 SMEs last week) involving a total of RM195.15 million (an increase from RM195.10 mil last week).																												

9.	SME Soft Loans Funds Administered by Bank Negara Malaysia (BNM)	As of 2 October 2020, the total approved applications by local banks and accepted by SMEs is RM10.73 billion (an increase from RM10.67 billion last week) which will benefit 23,078 SMEs (an increase from 22,984 SMEs last week). This amount includes the Special Relief Facility (SRF), Automation & Digitalisation Facility (ADF), All-Economic Sector Facility (AES) and Agrofood Facility (AF) funds. <table border="1" data-bbox="480 488 1358 853"> <thead> <tr> <th>SME Soft Loans Funds</th><th>Approved and Accepted Amount* (RM billion)</th><th>Number of SMEs*</th></tr> </thead> <tbody> <tr> <td>2 October</td><td>10.73</td><td>23,078</td></tr> <tr> <td>25 September</td><td>10.67</td><td>22,984</td></tr> <tr> <td>28 August</td><td>10.3</td><td>22,440</td></tr> <tr> <td>July</td><td>9.6</td><td>21,410</td></tr> <tr> <td>June</td><td>8.4</td><td>19,539</td></tr> <tr> <td>May</td><td>6.9</td><td>16,833</td></tr> <tr> <td>April</td><td>1.5</td><td>3,636</td></tr> </tbody> </table> <i>*Cumulative Amount</i> Although the SRF funds have been fully utilised, SMEs can still apply for available funding schemes under the BNM Funds such as ADF, AES and AF. SMEs can also acquire other funding via the imSME platform in the link https://imsme.com.my/portal/en/ that will help match the required funding by SMEs with multiple financial institutions.	SME Soft Loans Funds	Approved and Accepted Amount* (RM billion)	Number of SMEs*	2 October	10.73	23,078	25 September	10.67	22,984	28 August	10.3	22,440	July	9.6	21,410	June	8.4	19,539	May	6.9	16,833	April	1.5	3,636
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