



MEDIA STATEMENT

YB TENGKU DATO' SRI ZAFRUL TENGKU ABDUL AZIZ
MINISTER OF FINANCE

27TH LAKSANA REPORT

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

27 October 2020



INTRODUCTION

Assalamu'alaikum WBT and Regards.

1. I hope my fellow Malaysians are always safe and sound, wherever you are. With the rising number of COVID-19 infections, let us all adhere to the SOPs in order to curb the spread of this virus.
2. This morning I was saddened by the news that more than 10,000 policemen and police officers have been quarantined, while at least 200 have been confirmed COVID-19 positive and are being treated. I pray that these officers and policemen across the country will recover soon. May you always be protected in executing your responsibilities. This is the reality of the challenges that the frontliners face daily. I would also like to thank all the frontliners for their sacrifices. Rest assured, the Government will continue to ensure that the frontliners get all necessary support in facing the war against COVID-19.
3. Today, I will share the **27th LAKSANA Report**, on the weekly implementation status of PENJANA, followed by a review of current issues. Meanwhile, the implementation status of the PRIHATIN initiatives can be found in Appendix 1.

PENJANA (National Economic Recovery Plan)

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

PENJANA OBJECTIVE 1: EMPOWERING THE PEOPLE

5. Let us start with the first objective of PENJANA, which is to empower the people.
6. **First, the Social Assistance Support for Vulnerable Groups.** The Government has allocated one-off RM300 aid for vulnerable groups such as the differently-abled and single mothers registered with the Department of Social Welfare Malaysia (JKM), as well as Home Help Service volunteers. As of 16 October 2020, a total of **RM66.56 million** has been channelled to benefit **221,850 recipients**. For **single mothers who are not recipients of JKM assistance**, they can apply **no later than 31 October 2020** through JKM's official portal <https://www.jpw.gov.my/>.
7. **The second initiative is the Wage Subsidy Programme (PSU).** As of 16 October 2020, a total of **RM11.998 billion of wage subsidy** has been approved to benefit **more than 322,150 employers as well as more than 2.639 million employees**. Alhamdulillah, PSU is one of the most-utilised initiatives by employers under the PRIHATIN and PENJANA packages – some have utilised this for up to a total of 9 months. The next phase of PSU 2.0 commenced on 1 October. As a reminder, applications for PSU 2.0 under the KITA PRIHATIN Package are still open until 31 December 2020.

Report Date	Amount Approved* (RM billion)	Number of Workers* (million)	Number of Employers*
16 October	11.998	2.639	322,150
9 October	11.996	2.638	322,134
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

8. **Third, the Hiring Incentive Programme and Training Assistance.** As of 16 October 2020, a total of **58,822 employees** (an increase from **52,851** last week) have managed to get jobs through this programme. This number includes **46,838 workers under the age of 40; 7,168 people for the age group 40 - 60 years old; as well as 302 OKU and 4,514 apprentices.** Based on the data obtained, the top 5 sectors of employment are manufacturing (23%); services (19%); wholesale and retail trade, including vehicle repair (15%); accommodation and food services (11%); and construction (5%).

Date As Of	Category of People Employed				Total*
	< 40 years	40 – 60 years	PWD	Apprentices	
16 October	46,838	7,168	302**	4,514	58,822
9 October	41,808	6,530	309	4,204	52,851
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.

9. **Fourth, Reskilling and Upskilling Programme.** This programme aims to provide a workforce that meets the needs of the industry, while enhancing employment opportunities. As of 16 October 2020, a total of **102,290 individuals have been approved** (an increase from **94,462** last week) to participate in the programmes provided. For those who are interested, please visit the website of the ministries and agencies involved. Job search advice and guidance are also available under this initiative.

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_jomniajo/
8.	Malaysian Handicraft Development Corporation	https://www.kraftangan.gov.my/penjana

PENJANA OBJECTIVE 2: PROPELLING BUSINESSES

10. Next, I would like to share the achievements under the second objective of PENJANA, which is Propelling Businesses.

11. **First, PENJANA SME Financing.** The Government has allocated RM2 billion, with priority given to SMEs from various business sectors who had never received any bank financing before. As of 16 October 2020, a total of **4,176 SME applications** have been approved with a financing value of **RM930.4 million**.

Date	Number of Approved Applications*	Amount Disbursed* (RM million)
<u>16 October</u>	4,176	930.4
9 October	3,964	899.6
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

12. **Second, PENJANA Tourism Financing** with an allocation of RM1 billion. This initiative aims to support local micro, small and medium enterprises in the tourism sector who had been affected by COVID-19. As of 16 October 2020, **397 SMEs** have submitted their applications, out of which **162 applications** with a total of **RM28.8 million** have been approved.

13. **Third, TEKUN Business Recovery Scheme (TBRS)**, especially for Micro SMEs. As of 16 October 2020, a total of **RM77.4 million** has been channelled under TBRS to benefit **11,683 Micro SMEs**. Among the businesses developed through TBRS include automobile workshops, sundry stores and handicraft manufacturers.

Date	Number of Approved Applications*	Amount Disbursed* (RM million)
16 October	11,683	77.4
9 October	11,546	76.6
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

14. The fourth is **PENJANA Credit Micro Financing under Bank Simpanan Nasional (BSN)**. As of 16 October 2020, a total of **RM133.3 million** had been channelled to benefit **3,668 Micro SMEs** in the retail and services sector.

Date	Number of Approved Applications*	Amount Disbursed* (RM million)
16 October	3,668	133.3
9 October	3,266	119.4
2 October	2,692	98.7
25 September	2,007	73.7
28 August	399	15.2

*Cumulative Amount

PENJANA OBJECTIVE 3: STIMULATING THE ECONOMY

15. Next, I will share the update on measures for the third PENJANA objective, which is Stimulating the Economy.
16. **First, to support the Agriculture and Food Industry.** This initiative was introduced to stimulate the growth in the agriculture and food sector through **financing as well as revolving capital for farmers, ranchers and fishermen**. Out of the total allocation of **RM400 million**, **RM350 million** has been allocated under the **Agrobank Micro Credit Financing**. As of 16 October 2020, a total of **RM30.3 million** has been channelled, benefitting **3,759 entrepreneurs**. In addition to the microcredit financing scheme, this initiative also includes incentives to facilitate the mobility of agricultural workers into start-ups, and in-kind contributions to support urban farming.
17. **Second, Micro and SMEs E-commerce Campaign.** The campaign is spearheaded by the **Malaysian Digital Economy Corporation (MDEC)** and launched at the end of June to help local businesses increase their productivity and operations through the adoption of e-commerce and digitisation. Twenty e-commerce platforms have supported this effort as strategic implementation partners. As of October, over **45,000 micro, small and medium enterprises (MSMEs)** have registered through the strategic partners' e-commerce platforms and over **115,000 MSMEs** have benefited in various ways. The total sales that have been successfully generated through this campaign is more than **RM332 million**.
18. **Third, the “Shop Malaysia Online” campaign.** This campaign is a collaboration between the Government and 22 e-commerce platform providers to jointly fund eVoucher discounts to encourage the online purchase of local products. This initiative is aimed at incentivising online demand for local products. Alhamdulillah, **since its launch on 1 August 2020, PENJANA Shop Malaysia Online has successfully generated sales worth RM896 million** and benefited 7.8 million users as well as more than 213,000 local sellers from all over the country.

19. I would like to take this opportunity to thank MDEC and the e-commerce platforms for their efforts in ensuring the success of both **PENJANA Micro and SMEs E-commerce Campaign and PENJANA Shop Malaysia Online**. Thank you, too, for training and providing guidance to the local vendors and micro, small and medium enterprises in the country. **Within a short time, more than RM1.2 billion of online sales have been successfully generated from these two initiatives.**

KITA PRIHATIN Economic Stimulus Package

20. On 23 September 2020, YAB Prime Minister of Malaysia announced the ***Kerangka Inisiatif Tambahan Khas: KITA PRIHATIN*** worth RM10 billion. The KITA PRIHATIN package prioritises three direct-assistance initiatives to benefit the people and businesses; namely, Bantuan Prihatin Nasional 2.0 (BPN 2.0) with an allocation of RM7 billion; the Wage Subsidy Programme 2.0 with an allocation of RM2.4 billion, and the reopening of the PRIHATIN Special Grant (GKP) with an allocation of RM600 million.

21. Among the latest developments is BPN 2.0. **The Government has started the process of channelling the assistance earlier than scheduled. The first phase of the BPN 2.0, which was expected to start on 26 October, has been channelled since 19 October.** This is the result of efforts by the officials from the Ministry of Finance, the Inland Revenue Board of Malaysia (LHDNM), and financial institutions that ensured the payout process could be expedited. As of 26 October, some RM3.6 billion had been channelled to over 7.32 million recipients, comprising 6.27 million recipients from the B40 category and 1.05 million from the M40 category.

22. Overall, BPN 2.0 is expected to help ease the burden of 7.5 million B40 single and household recipients, as well as 3.1 million M40 recipients, resulting in a total of 10.6 million recipients that can utilise this assistance. Insyallah, the payments will be completed by the end of this month.

23. For BPN 2.0 recipients without bank accounts, they can claim the assistance in cash at Bank Simpanan Nasional (BSN) branches from 26 October 2020. There were also 6,000 recipients whose accounts failed to be credited, involving the sum of RM2.71 million. For this category, encashment of the assistance will commence from the **second week of November 2020**. As there are a few states which are subject to CMCO, BSN will issue the SOPs and guidelines from time to time to ensure the health and safety of the attendees.

24. The Government would also like to remind the public that new applications for BPN 2.0 is open until 15 November 2020. For those whose applications have been approved, payments will be made in one lump sum in January 2021.
25. I would also like to remind the public that the PRIHATIN Special Grant (GKP) application will close on 31 October 2020. The application is open to all Micro SMEs registered with the LHDNM, Local Authorities or the Companies Commission of Malaysia before or on 31 August 2020; AND who had never received the GKP before. Eligible Micro SMEs will receive one-off assistance amounting to RM3,000 see them through this difficult period. **The target payment date is from 25 November 2020.** I would like to take this opportunity to advise all eligible Micro SMEs to quickly apply for this GKP before the closing date at the end of this month.

REVIEW OF CURRENT ISSUES AND CLOSING REMARKS

26. Last Sunday, KDYMM Seri Paduka Baginda Yang Di-Pertuan Agong issued a reminder to stop all politicking which has disrupted the country's stability.
27. As a member of the Cabinet, I would like to thank Seri Paduka Baginda Tuanku, as well as his trust in the Government, particularly in its efforts to curb the spread of COVID-19.
28. Seri Paduka Baginda Tuanku has also stressed that Budget 2021, which will be tabled in Parliament, is very important for the people, in tackling the COVID-19 pandemic and reviving the country's economy. To this end, I would like to share that my colleagues at the Ministry of Finance and I are committed and dedicated in our efforts to provide a comprehensive Budget 2021 that focuses on the people's well-being, business continuity and economic resilience.
29. Budget 2021 will build on the momentum of economic recovery that has started since May as well as through all the economic stimulus packages; namely PRIHATIN, PRIHATIN SME+, PENJANA and KITA PRIHATIN. I am confident that Budget 2021 will not be politicised and will have the full support of the Yang Berhormat Members of Parliament for the common good. InsyaAllah, I hope that economic recovery can be achieved by next year. Let us work together for the sake of our beloved Malaysia.

30. With that, I would like to end this 27th LAKSANA Report with two paras of *pantun*:

*Mendung di langit hujan menitik,
Berdentum guruhnya di hujung muara;
Cabaran pandemik bergelut politik,
Berat padahnya menggugat Negara.*

*Kencang angin gelora pun hebat,
Bijaklah Nakhoda mengawal bahtera;
Kerajaan prihatin membantu Rakyat,
Bangkitlah bersama membina Negara.*

Thank you and stay safe.

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

APPENDIX 1 – PRIHATIN ACHIEVEMENTS

OBJECTIVE 1: PROTECTING THE RAKYAT		
1.	i-Lestari Withdrawal Scheme under the Employees Provident Fund (EPF)	As of 16 October 2020, the cumulative withdrawal is RM10.99 billion (an increase from RM10.47 billion last week), involving 4.69 million recipients (an increase from 4.66 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 16 October 2020, a total of RM315.07 million (an increase from RM313.74 million last week) has been channelled based on 965,714 claims (an increase from 957,996 claims last week) 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 16 October 2020, the Government has channelled one-off cash assistance to 33,869 taxi drivers (an increase from 33,851 taxi drivers last week), amounting to RM20.32 million (an increase from RM20.31 million last week).
4.	Tourist Guides	As of 16 October 2020, a total of 7,644 tourist guides (an increase from 7,642 tourist guides) have received one-off cash assistance amounting to RM4.6 million . The increase in the number of recipients is small and therefore, the value of the Malaysian Ringgit does not change after it is rounded off.
5.	Tour Bus Drivers	One-off cash assistance to tour bus drivers has been made, starting 22 July 2020. As of 16 October 2020, a total of 2,998 tour bus drivers have received aid amounting to RM1.8 million. There are no changes this week compared with last week.

OBJECTIVE 2: SUPPORTING BUSINESSES					
6.	EPF's COVID-19 Assistance Programme (e-CAP) for Employers	As of 16 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) for the employers' EPF contribution.			
		EPF's COVID-19 Assistance Programme (e-CAP) for Employers	Number of Applications Received*	Number of Approved Applications*	Approved Amount* (RM million)
		16 October	69,864	13,090	85.0
		9 October	69,864	13,090	85.0
		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
		*Cumulative Amount			
7.	BSN Micro Credit Scheme	As of 16 October 2020, payments have been made to 11,372 SMEs (an increase from 11,367 last week), involving a total of RM378.39 million (an increase from RM378.26 million last week).			
8.	TEKUN Programme	As of 16 October 2020, payments have been made to 26,228 SMEs (an increase from 26,222 SMEs last week) involving a total of RM199.35 million (an increase from RM199.31 mil last week).			

9.	SME Soft Loans Funds Administered by Bank Negara Malaysia (BNM)	As of 16 October 2020, the total approved applications by local banks and accepted by SMEs is RM10.81 billion (an increase from RM10.77 billion last week) which will benefit 23,234 SMEs (an increase from 23,196 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"> <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>16 October</td><td>10.81</td><td>23,234</td></tr> <tr> <td>9 October</td><td>10.77</td><td>23,196</td></tr> <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*	16 October	10.81	23,234	9 October	10.77	23,196	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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