



MEDIA STATEMENT

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

30TH LAKSANA REPORT

**IMPLEMENTATION OF THE PRIHATIN RAKYAT
ECONOMIC STIMULUS PACKAGE (PRIHATIN),
NATIONAL ECONOMIC RECOVERY PLAN (PENJANA) &
KITA PRIHATIN ECONOMIC STIMULUS PACKAGE (KITA PRIHATIN)**

24 November 2020



INTRODUCTION

1. I hope all Malaysians are always healthy and continue to abide by the SOPs in their daily lives, in line with the efforts to curb the increase in COVID-19 cases.
2. This **30th LAKSANA report** will begin with the implementation status of the PENJANA and KITA PRIHATIN initiatives, 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)

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. **First, the PeKa B40 Health Care Scheme (PeKa B40)** which is managed by the Ministry of Health (MOH). Through this scheme, emphasis is given to meet health needs such as the **early detection for non-communicable diseases, especially for the B40 group**. Those eligible are recipients of Bantuan Sara Hidup (BSH) and their registered spouses, aged 40 years and above. Between 1 July and 13 November 2020, a total of **153,440** worth **RM13.98 million** were received.
5. **Second, the Hiring Incentive Programme and Training Assistance**. As of 13 November 2020, a total of **78,317 employees** (an increase from 74,141 last week) have managed to secure jobs through this programme. This number includes **62,860 workers under the age of 40; 9,963 individuals in the age group of 40 and 60; as well as 344 people with disabilities (PWD) and 5,150 apprentices**.

Date As Of	Category of People Who Get Jobs				Amount*
	< 40 years	40 – 60 years	PWD	Apprentices	
13 November	62,860	9,963	344	5,150	78,317
6 November	59,539	9,370	336	4,896	74,141
30 October	56,315	8,743	331	4,724	70,113
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

6. **Third, Reskilling and Upskilling Programme**. As of 13 November 2020, a total of **118,715 individuals have been approved** (an increase from 115,876 individuals last week) to participate in the programmes provided. According to the data obtained, among the courses that are in high demand are as follows:

No.	Ministry/ Agency	Programme/ Scheme/ Initiative
1.	Human Resource Development Berhad	SME Development
		Industrial Revolution 4.0 (IREV4.0)
		Place & Train
		Gerak Insan Gemilang (GIG)
		B40 Development
2.	Ministry of Development, Entrepreneurs and Cooperatives (MEDAC)	INSKEN Business Training
		Micro Connector Programme
3.	Majlis Amanah Rakyat (MARA)	New Health Care and Safety Special Module

		Building Internal Entrepreneur Capabilities by Engaging E-Commerce Bespoke Programme (e-entrepreneur) - Training E-Commerce Platform
		Building Capabilities and Providing Jobs Through Competencies / Short Courses Programme
		Building Capabilities and Providing Jobs Through Industry Boot Camp
		Building Internal Entrepreneur Capabilities by Engaging E-Commerce Bespoke Programme (e-entrepreneur) - Bespoke
4.	East Coast Economic Region Development Council	ETEP Enhanced Train & Place (PENJANA)
5.	Northern Corridor Implementation Authority	JomNiaga@NCER
		JomKerja@NCER
6.	Ministry of Tourism, Arts and Culture Malaysia (MOTAC)	Community Skills Development
7.	Ministry of Higher Education (MOHE)	Gig Economy Programme
		Entrepreneurship Programme

PENJANA OBJECTIVE 2: PROPELLING BUSINESSES

- First, PENJANA SME Financing to continue assisting the Small Medium Enterprises (SME).** The Government has allocated RM2 billion, with priority given to SMEs which have never received any bank financing before. As of 13 November 2020, a total of **4,937 SME applications have been approved with a financing value of RM1.033 billion.**
- 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 affected by COVID-19. The financing rate of 3.5% can help tourism sector entrepreneurs in terms of working capital and capital expenditure up to 7 years for the financing period. As of 13 November 2020, **478 SMEs have submitted their applications**, out of which **208 applications with a total of RM41.8 million have been approved.**
- Third, TEKUN Business Recovery Scheme (TBRS),** especially for Micro SMEs. As of 13 November 2020, a total of **RM86.7 million** has been channelled under TBRS to benefit **13,042 Micro SMEs.**

10. **The fourth is PENJANA Credit Micro Financing under Bank Simpanan Nasional (BSN).** As of 13 November 2020, a total of **RM197.7 million** has been channelled to benefit **5,570 Micro SMEs in the retail and services sectors.**

PENJANA OBJECTIVE 3: STIMULATING THE ECONOMY

11. **First, Support for the Agriculture and Food Industry.** This initiative was introduced to stimulate the growth of the agriculture and food sectors 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 13 November 2020, a total of **RM45.2 million** has been channelled, benefitting **4,953 Agricultural Micro SMEs.**
12. **Second, service tax exemption for hotels** to support the tourism sector. As a measure to ensure that the tourism and hospitality sector can survive and recover as usual, the Government has agreed to extend the service tax exemption on accommodation services operated by accommodation premise operators between **1 September 2020 to 30 June 2021.** As of 13 November 2020, the value of the tax exemption that has been utilised by the operators of the accommodation premises has reached a value of **RM727.4 million.** Among other initiatives to support the tourism sector include the individual income tax relief of up to RM1,000 on travel expenses as well as a full tourism tax exemption; whereby both initiatives have started and will end on 31 June 2021.
13. **Third, 100% export duty exemption to the commodity sector.** To stimulate the growth of the country's commodity sector and export value, the Government has also introduced an export duty exemption of up to 100% on palm oil-based industries. Among the benefits of this tax measure is that this will directly help smallholders ease selling of their produce to factories. As of 13 November 2020, the value of export duty exemption successfully utilised by the national industry is **RM301.1 million.**

KITA PRIHATIN ECONOMIC STIMULUS PACKAGE

14. **First, the Bantuan Prihatin Nasional 2.0 (BPN 2.0)** which aims to ease the burden of 7.5 million B40 recipients and 3.1 million M40 recipients through a one-off cash assistance. To date, Phase One payments worth RM4.5 billion have been successfully channelled to over 9.86 million recipients, comprising 7 million B40 recipients and 2.86 million M40 recipients. For BPN 2.0 recipients who do not have a bank account, payment has been provided at the Bank Simpanan Nasional branches from 26 October 2020.

15. The new application or appeal period for BPN 2.0 has ended on 15 November 2020. As such, Phase Two payments along with payments for new applications and approved appeals will be made in January 2021.
16. **Second, for the PRIHATIN Special Grant (GKP)**, yesterday, I have announced that applicants can check their application status from **27 November 2020** onwards, with payment scheduled from 30 November 2020 onwards. It is expected that 304,000 eligible Micro SMEs will receive one-off assistance amounting to RM3,000 with a **total payment of RM912 million**.
17. **Third, the Wage Subsidy Programme 2.0 (PSU 2.0)** has started since October 2020. As of 13 November 2020, a total of RM148.22 million has been spent to assist 30,492 employers to continue operating and retain a total of 247,035 employees.

REVIEW OF CURRENT ISSUES

18. Today I would like to comment about the Budget 2021 measures, which will be voted on in the Parliament on Thursday, 26 November. There have been questions on the Government's efforts, for example the improvement of the Bantuan Prihatin Rakyat, as well as the continued effectiveness of the Wage Subsidy Programme, with the (mis)perception that the Government is less concerned despite this pandemic.
19. **In terms of direct assistance:**
- a. This year alone, the Government has channelled RM21 billion to over 10 million people through Bantuan Sara Hidup (BSH) and Bantuan Prihatin Nasional (BPN).
 - b. Through Bantuan Prihatin Rakyat (BPR) for the year 2021, assistance for households is increased to up to RM1,800, depending on the total dependents and income.
 - c. An increase is also given for the eligible single category with the direct assistance of RM350, compared with RM300 through BSH previously.

20. In Budget 2021, apart from the BPR, there are various other improvements for the vulnerable groups. **In total, direct assistance that the Government will be channelling through Budget 2021 is RM30.8 billion.** This includes:

- a. Assistance for children from poor families will be increased from a maximum rate of RM450 per month, to RM1,000 per month. This is an increase of over 100 percent.
- b. The Supplementary Meal Plan for students from the B40 family has been improved, with milk supply increased from twice a week to every school day – an improvement of 150 percent with an allocation of RM420 million.
- c. In addition, the allowance of non-working persons with disabilities (PWD) is increased from RM250 to RM300 per month.
- d. Assistance for senior citizens, PWD caretakers and patients with chronic illness would be increased from RM350 to RM500.
- e. Meanwhile, allowance for PWD workers is increased from RM400 to RM450.

21. **The Government also supports newly vulnerable, for example, those in the M40 group who are facing income challenges.** Apart from the various tax reduction, reliefs and exemptions, the Government also facilitates crucial expenses such as medical- and health-related costs with a tax relief of up to RM8,000 for certain categories. More importantly, the loan repayment assistance has also been extended and simplified for the M40 who are still affected. Almost all reliefs in terms of income and employment can also be utilised by this category.

22. **On employment,** the Government's commitment and efforts in generating 500,000 jobs by 2021 are through a variety of related measures, which need to be looked at holistically. **It is not justifiable for every measure to be analysed in isolation** as all these measures have been designed to complement each other in the Government's efforts to generate employment. This is not only in terms of the Wage Subsidy Programme (WSP); but also in terms of Hiring Incentive Programme and Training Assistance, which is expected to support 250,000 jobs; the Reskilling and Upskilling Programme for 200,000 trainees; and more.

23. **In terms of the Wage Subsidy Programme (WSP), allow me to comment:**

- a. This year alone, **RM18 billion has been allocated and RM12.3 billion has been approved to support more than 2.6 million employees and over 320,000 employers so far.** This does not include assistance to 200,000 workers through the hiring incentive programme and training assistance which

was also introduced since last March. In total, almost 3 million of our workforce have been assisted through Government initiatives since March.

- b. On this matter, **the Government is always responsive to current needs.** From the 3-month period in the PRIHATIN package, the WSP was extended for another 3 months under PRIHATIN SME+ package, a further 3 months during PENJANA, and finally 3 more additional months during KITA PRIHATIN.
- c. In addition, **the WSP is still ongoing and applications for WSP is still open until end-December 2020.**

24. Meanwhile in **Budget 2021**, the Government is also taking proactive measures:

- a. **First**, an additional RM1.5 billion for 3 months dedicated towards 70,000 employers and 900,000 workers in the tourism and retail sectors. I would like to emphasise that the tourism and retail sector is very broad. **These additions are designed to ensure that all the sub-sectors involved and those most affected receive adequate assistance.**
- b. **Second**, initiatives for other sectors are also available, for example for SMEs and micro SMEs whereby various grants and financing are allocated in this Budget.
- c. **Third**, the key is also in the Government's medium-term plan in improving employees' skills, and efforts to shift businesses into new areas and markets. **This is also why the Government is ready to allocate RM1 billion as a value-added investment incentive package such as aerospace and electronics, and RM3.7 billion to generate employment opportunities in collaboration with the GLCs and the private sector.**
- d. **Fourth**, more than RM9 billion will also be managed to strengthen the country's digital infrastructure; including improving the connectivity of 430 schools and industrial areas, as well as efforts to provide mobile electronics and laptops to help the people assimilate in the new norms.

25. I would also like to state here that **all direct assistance and initiatives for employment that I have reviewed so far; including large-scale initiatives such as the Wage Subsidy Programme and Special Relief Facility – amounting to over RM90 billion for 2020 and 2021;** are channelled to all citizens, workers and employers **regardless of race or religion. Anyone can apply; regardless whether they are Malay, Chinese, Indian, Iban, Orang Asal, Kadazan, or any other Malaysians.** This is part of the Government's agenda to ensure that every citizen can enjoy the results of national development, in line with the spirit of shared prosperity through Budget 2021.

26. Overall, I am confident that the Government's efforts will put the country on the right path, looking at our track record of having the best GDP performance among several ASEAN countries in the third quarter of 2020, and our declining unemployment rate.
27. However, the Government is aware of the reality of the people's difficulties in these uncertain times during this pandemic. Our efforts, to some extent, hinge on the success of curbing COVID-19 and if the Government is able to carry out its responsibilities smoothly.
28. It is my hope that this Budget will be scrutinised by all parties in terms of its substance, which is crucial for the Rakyat's wellbeing and business continuity. The Government is also committed towards refining improving proposals, whilst balancing with the needs of the people.

CLOSING

29. Recently, many accusations and criticisms have been leveled towards the Government's effort in safeguarding the people, especially as Budget 2021 awaits the approval of the Parliament on 26 November. I urge you to evaluate for yourself the Government's outstanding commitment through the four economic stimulus packages that have been implemented in just 8 months; which have benefited millions of families, citizens, and hundreds of thousands of businesses. In fact, we have all benefited, directly or indirectly.
30. The interest of the Rakyat will continue to be safeguarded by this Government, especially in the effort to build on the momentum of economic recovery.
31. Finally, I would like to remind everyone to continue with their self-discipline in order to maintain public safety, and to help curb the spread of COVID-19.
32. Before I end this speech, allow me to share a *pantun*:

*Mahsyur Sultan memakai mahkota,
Bersadur kencana berbintang lima;
Kukuh Belanjawan Teguhkan Kita,
Negara Sejahtera Menang Bersama!*

YB Tengku Dato' Sri Zafrul Tengku Abdul Aziz
Minister of Finance
Ministry of Finance Malaysia
24 November 2020

APPENDIX 1 – PRITHATIN ACHIEVEMENTS

OBJECTIVE 1: PROTECTING THE RAKYAT		
1.	i-Lestari Withdrawal Scheme under the Employees Provident Fund (EPF)	As of 13 November 2020, the cumulative withdrawal is RM12.66 billion (an increase from RM11.69 billion last week), involving 4.76 million recipients (an increase from 4.72 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 13 November 2020, a total of RM365.89 million (an increase from RM360.37 million last week) has been channelled based on 1,120,762 claims (an increase from 1,089,125 claims last week) comprising doctors, nurses and other medical personnel who have been directly involved in the management and containment of the COVID-19 pandemic. There is no change this week compared with last week as most claims are reported on a monthly basis. 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).

OBJECTIVE 2: SUPPORTING BUSINESSES																																
3.	BSN Micro Credit Scheme	As of 13 November 2020, payments have been made to 11,378 SMEs , involving a total of RM378.55 million (no increment).																														
4.	TEKUN Programme	As of 13 November 2020, payments have been made to 26,238 SMEs (an increase from 26,236 SMEs last week) involving a total of RM199.42 million (an increase from RM199.41 million last week).																														
5.	SME Soft Loans Funds Administered by Bank Negara Malaysia (BNM)	As of 13 November 2020, the total approved applications by local banks and accepted by SMEs is RM11.07 billion (an increase from RM11.02 billion last week) which will benefit 23,586 SMEs (an increase from 23,560 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>13 November</td><td>11.07</td><td>23,586</td></tr> <tr> <td>6 November</td><td>11.02</td><td>23,560</td></tr> <tr> <td>30 October</td><td>10.87</td><td>23,305</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*	13 November	11.07	23,586	6 November	11.02	23,560	30 October	10.87	23,305	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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