



MEDIA STATEMENT

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

31ST LAKSANA REPORT

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

2 December 2020



INTRODUCTION

1. I hope that all Malaysians are always healthy and are complying with the SOPs in their daily lives, in line with efforts to curb the spread of COVID-19.
2. This **31st LAKSANA report** will begin with the implementation status of the PENJANA and KITA PRIHATIN initiatives, followed by a review of current issues as well as additional initiatives and improvements to Budget 2021 announced in the Dewan Rakyat on 26 November 2020. 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 20 November 2020, a total of **160,208** (an increase from 153,440 last week) worth **RM15.12 million** (an increase from RM13.98 million last week) were received.
5. **Second, the Wage Subsidy Programme (PSU)**. As the application closed on 30 October 2020, a total of 322,177 employers and 2.64 million employees have been approved to benefit from this programme. Meanwhile, the review for PSU 2.0 is included in the next section under the KITA PRIHATIN package. **As of 20 November 2020, a total of RM12.49 billion of wage subsidies** (an increase from RM12.38 billion last week) have been approved.

Report Date	Amount Approved* (RM billion)	Number of Workers* (million)	Number of Employers*
20 November	12.492	2.640	322,177
13 November	12.383	2.640	322,177
6 November	12.342	2.640	322,177
30 October	12.255	2.639	322,175
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

6. **Third, the Hiring Incentive Programme and Training Assistance**. As of 20 November 2020, a total of **84,922 employees** (an increase from 78,317 last week) have managed to secure jobs through this programme. This number includes **68,198 workers under the age of 40; 10,874 individuals in the age group of 40 and 60; as well as 5,499 apprentices and 351 people with disabilities (PWD)**.

Date As Of	Category of People Who Get Jobs				Amount*
	< 40 years	40 – 60 years	PWD	Apprentices	
20 November	68,198	10,874	5,499	351	84,922
13 November	62,860	9,963	5,150	344	78,317
6 November	59,539	9,370	4,896	336	74,141
30 October	56,315	8,743	4,724	331	70,113
25 September	34,476	5,456	3,782	284	43,998
28 August	18,354	3,266	2,818	178	24,616
21 August	15,113	2,856	2,385	220	20,574

*Cumulative Amount

7. **Third, Reskilling and Upskilling Programme.** As of 20 November 2020, a total of **124,526 individuals have been approved** (an increase from 118,715 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

8. **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 20 November 2020, a total of **5,104 SME applications** (an increase from 4,937 last week) **have been approved with a financing value of RM1.056 billion** (an increase from RM1.033 billion last week).

Date As Of	Number of Approved Applications*	Amount Disbursed* (RM million)
20 November	5,104	1,056.8
13 November	4,937	1,033.6
6 November	4,727	996.9
30 October	4,488	965.5
25 September	3,351	795.3
28 August	1,615	426.2
21 August	1,172	329.5

*Cumulative Amount

9. **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 20 November 2020, **492 SMEs** (an increase from 478 last week) **have submitted their applications**, out of which **217 applications** (an increase from 208 last week) **with a total of RM43.7 million** (an increase from RM41.8 million last week) **have been approved**.
10. **Third, TEKUN Business Recovery Scheme (TBRS)**, especially for Micro SMEs. As of 20 November 2020, a total of **RM90.6 million** (an increase from RM86.7 million last week) has been channelled under TBRS to benefit **13,675 Micro SMEs** (an increase from 13,042 last week).

Date As Of	Numbers of Approved Applications*	Amount Disbursed* (RM million)
20 November	13,675	90.6
13 November	13,042	86.7
6 November	12,403	82.6
30 October	11,972	79.7
25 September	11,383	75.5
28 August	6,908	47.7
31 July	909	6.8

*Cumulative Amount

11. **The fourth is PENJANA Credit Micro Financing under Bank Simpanan Nasional (BSN).** As of 20 November 2020, a total of **RM211.3 million** (an increase from RM197.7 million last week) has been channelled to benefit **5,986 Micro SMEs** (an increase from 5,570 last week) **in the retail and services sectors.**

Date	Number of Approved Applications*	Amount Disbursed* (RM million)
20 November	5,986	211.3
13 November	5,570	197.7
6 November	5,181	184.6
30 October	4,674	167.4
25 September	2,007	73.7
28 August	399	15.2

*Cumulative Amount

PENJANA OBJECTIVE 3: STIMULATING THE ECONOMY

12. **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 20 November 2020, a total of **RM49.0 million** (an increase from RM45.2 million last week) has been channelled, benefitting **5,243 Agricultural Micro SMEs** (an increase from 4,953 last week).

13. **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 20 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.
14. **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 20 November 2020, the value of export duty exemption successfully utilised by the national industry is **RM325.2 million** (an increase from RM301.1 million last week).

KITA PRIHATIN ECONOMIC STIMULUS PACKAGE

15. **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.
16. 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. 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.
17. **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**. In total, almost 850,000 micro SMEs have received GKP and GKP 2.0 with a total of RM2.55 billion. For those who did not manage to apply, the GKP 2.0 appeal period will be open from 7 to 21 December 2020. Appeals can be made online at <https://gkp.hasil.gov.my>.

18. **Third, the Wage Subsidy Programme 2.0 (PSU 2.0)** has started since October 2020. As of 20 November 2020, a total of RM164.26 million (an increase from RM148.22 million last week) has been spent to assist 34,479 employers (an increase from 30,492 last week) to continue operating and retain a total of 273,767 employees (an increase from 247,035 last week). It is reminded that new applications for PSU 2.0 are still open to employers until 31 December 2020.

REVIEW OF CURRENT ISSUES

19. The Budget 2021 approval at the policy level in the Parliament on 26 November 2020 has proven that **the Government listens to the voice of the people and the Members of Parliament in formulating a Budget that prioritizes the People's Wellbeing, Business Continuity and Economic Resilience**. It is also a step towards political stability of our country, and provides confidence to investors and businesses.
20. Among others, the Government took note of the need to increase the assistance for frontline workers including the **expansion of the RM300 one-off special assistance to all frontline workers under the National Disaster Management Agency (NADMA)**, as a continuation of the RM500 assistance for the frontline workers of the Ministry of Health Malaysia (MOH) that was announced in the Budget.
21. There are various other aids that were introduced and improved, such as the:
- a. **eBelia programme** is extended to all students in higher education institutions, and doubled to RM100 for 2 million recipients;
 - b. **extension of the one-off assistance of RM500 from 40,000 former police officers**, bringing the total recipients to 80,000;
 - c. **distribution of RM50 million to Sabah to curb the COVID-19 pandemic**;
 - d. **RM80 million for the Agricultural Disaster Fund**;
 - e. **increase in allowance for 3,400 inland fishermen** to RM300 from RM250;
 - f. **Monsoon Season Aid** of RM300 per month for 3 months to rubber smallholders;
 - g. **extension of tax deduction for premise owners to reduce premise rental rates to SMEs**; and
 - h. **review and readjustment of regional housing allowance rates** for civil servants.
22. I hope that these announcements and additional commitments are able to realise Budget 2021 as a **Budget for the People**. Indeed, these are all proposals from the People and Members of Parliament themselves from various political backgrounds,

which have been **echoed by the Government as a commitment to protect the people's wellbeing, business continuity and ensuring economic resilience.**

23. There are indeed some constraints in implementing all proposals raised, in line with the roles and responsibilities of the Government; namely to **balance short-term and long-term interests.** This includes ensuring that aid reaches those who are really in need, without neglecting the responsibility of good fiscal discipline practices for the sustainability of the country's economy in the long term. However, when there is a clash between these interests, **the Government will not compromise in prioritising the welfare of the people.**
24. The Government is also sensitive **on the need to ensure the stability of Government policies as a means to secure the wellbeing of the people who depend on Government assistance as well as the nation's economic, financial and market stability;** from those who really hope that direct assistance will not be affected during this COVID-19 uncertainties, to those who rely on the stability of Government policies to ensure the continuity of their businesses, investments, careers and at the same time, the wellbeing of their families and dependents.
25. In short, the Government is sensitive and concerned about **the need to always listen to the voice of the people, and the need to ensure economic stability** to build resilience and move forward in the face of COVID-19 and current challenges.

CLOSING

26. Thank you to the Members of Parliament who have cooperated and supported Budget 2021 at the policy level. After this approval, Budget 2021 is now being debated at the committee level and will be tabled for the third reading on 15 December 2020. Let us all pray that this matter progresses smoothly in order to achieve shared prosperity and to support the nation's economic recovery.
27. A reminder to all to not neglect the SOPs in our daily lives, work and business activities. Our success in restoring the country's economy partly hinges on our success in curbing the COVID-19 pandemic. InsyaAllah, **Stand United We Shall Prevail.**

YB Tengku Dato' Sri Zafrul Tengku Abdul Aziz
Minister of Finance
Ministry of Finance Malaysia
2 December 2020

APPENDIX 1 – PRITHATIN ACHIEVEMENTS

OBJECTIVE 1: PROTECTING THE RAKYAT		
1.	i-Lestari Withdrawal Scheme under the Employees Provident Fund (EPF)	As of 20 November 2020, the cumulative withdrawal is RM12.73 billion (an increase from RM12.66 billion last week), involving 4.78 million recipients (an increase from 4.76 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 20 November 2020, a total of RM366.78 million (an increase from RM365.89 million last week) has been channelled based on 1,125,524 claims (an increase from 1,120,762 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.	TEKUN Micro Credit Scheme	As of 20 November 2020, payments have been made to 26,241 SMEs (an increase from 26,238 SMEs last week) involving a total of RM199.46 million (an increase from RM199.42 million last week).																																	
4.	SME Soft Loans Funds Administered by Bank Negara Malaysia (BNM)	As of 20 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>20 November</td><td>11.10</td><td>23,637</td></tr> <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*	20 November	11.10	23,637	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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