



MEDIA STATEMENT

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MINISTER OF FINANCE

32ND LAKSANA REPORT

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

9 December 2020



INTRODUCTION

1. I hope that all Malaysians are in good health. As is well known, starting from 7 December, cross-state travel and district are allowed throughout the country except for Enhanced MCO (EMCO) areas. At the same time, the Conditional MCO (CMCO) has been terminated in several states.
2. This decision was made after considering the health factors of the people and to balance the need for economic activities to be boosted. However, we are all reminded to continue complying with the SOP. Although there is some good news daily about the vaccine, efforts to curb the spread of the COVID-19 through preventive measures should continue and remain a priority at this time.
3. The **32nd LAKSANA report** will begin with the implementation status of the PENJANA and KITA PRIHATIN initiatives, followed with a review on 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 objectives, namely:
- Empowering the People;
 - Propelling Businesses; and
 - Stimulating the Economy.

PENJANA OBJECTIVE 1: EMPOWERING THE PEOPLE

5. **First, the Wage Subsidy Programme (PSU) (first phase).** Up till 30 September 2020 (which is the closing date for PSU 1.0), there are over 322,177 employers and 2.64 million employees who has received PSU under PRIHATIN and PENJANA. **As of 27 November 2020, a total of RM12.52 billion of wage subsidies** (an increase from RM12.49 billion last week) have been approved.

PSU 1.0

Report Date	Amount Approved* (RM billion)	Number of Workers* (million)	Number of Employers*
27 November	12.524	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. **Second, the Hiring Incentive Programme and Training Assistance.** As of 27 November 2020, a total of **90,930 employees** (an increase from 84,922 last week) have managed to secure jobs through this programme. This number includes **72,505 workers under the age of 40; 11,370 individuals in the age group of 40 and 60; as well as 5,808 apprentices and 1,247 people with disabilities (PWD).** Among the main industries and sectors which hired workers include manufacturing, wholesale and retail trade, and other service activities. The full list is attached.

Date As Of	Category of People Who Secured Jobs				Amount*
	< 40 years	40 – 60 years	Apprentice	PWD	
27 November	72,505	11,370	5,808	1,247	90,930
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

List of top 5 industries / sectors by category which hired workers

No.	< 40 tahun	40 – 60 tahun	Apprentice	PWD	Overall
1	Manufacturing	Other Service Activities	Other Service Activities	Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	Manufacturing
2	Other Service Activities	Manufacturing	Manufacturing	Other Service Activities	Other Service Activities
3	Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	Manufacturing	Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles
4	Accommodation and Food Service Activities	Accommodation and Food Service Activities	Accommodation and Food Service Activities	Accommodation and Food Service Activities	Accommodation and Food Service Activities
5	Education	Construction	Information and Communication	Education	Construction

7. **Third, Reskilling and Upskilling Programme.** As of 27 November 2020, a total of **126,367 individuals have been approved** (an increase from 124,526 individuals last week) to participate in the programmes provided. The list of courses in demand is available online. 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 27 November 2020, a total of **5,301 SME applications** (an increase from 5,104 last week) **have been approved with a financing value of RM1.085 billion** (an increase from RM1.056 billion last week).

Date As Of	Number of Approved Applications*	Amount Disbursed* (RM million)
27 November	5,301	1,085.7
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. As of 27 November 2020, **506 SMEs** (an increase from 492 last week) **have submitted their applications**, out of which **229 applications** (an increase from 217 last week) **with a total of RM46.2 million** (an increase from RM43.7 million last week) **have been approved**. With the reopening of cross-state travel, this facility is expected to help SMEs in need of funds in the near future.
10. **Third, TEKUN Business Recovery Scheme (TBRS)**, especially for Micro SMEs. As of 27 November 2020, a total of **RM94.8 million** (an increase from RM90.6 million last week) has been channelled under TBRS to benefit **14,267 Micro SMEs** (an increase from 13,675 last week).

Date As Of	Numbers of Approved Applications*	Amount Disbursed* (RM million)
27 November	14,267	94.8
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 27 November 2020, a total of **RM227.5 million** (an increase from RM211.3 million last week) has been channelled to benefit **6,492 Micro SMEs** (an increase from 5,986 last week) **in the retail and services sectors.**

Date	Number of Approved Applications*	Amount Disbursed* (RM million)
27 November	6,492	227.5
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 27 November 2020, a total of **RM53 million** (an increase from RM49 million last week) has been channelled, benefitting **5,534 Agricultural Micro SMEs** (an increase from 5,243 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 27 November 2020, the value of the tax exemption that has been utilised by the operators of the accommodation premises has reached a value of **RM836.6 million** (an increase from RM727.4 last week). 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 30 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 27 November 2020, the value of export duty exemption successfully utilised by the national industry is **RM325.2 million.**

KITA PRIHATIN ECONOMIC STIMULUS PACKAGE

15. Next, a brief sharing about the KITA PRIHATIN package.

16. **First, the Bantuan Prihatin Nasional 2.0 (BPN 2.0)**, whereby the payment process in BSN has been going on since 26 October. The process of cross-checking new applications and appeals is also underway and approved payments will be made in January 2021.

17. **Second, for the PRIHATIN Special Grant (GKP)**, 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, PSU 2.0 under the KITA PRIHATIN package** that has started since 1 October. As of 27 November 2020, a total of **RM239.73** million (an increase from RM164.26 million last week) has been spent to assist 39,203 employers (an increase from 34,479 last week) to continue operating and retain a total of 307,420 employees (an increase from 273,767 last week). It is reminded that new applications for PSU 2.0 are still open to employers until 31 December 2020.

PSU 2.0

Report Date	Amount Approved* (RM billion)	Number of Workers* (million)	Number of Employers*
27 November	239.73	307,420	39,203
20 November	164.26	273,767	34,479

**Cumulative Amount*

REVIEW OF CURRENT ISSUES – Supporting SMEs and Micro SMEs

19. Last week, I had the opportunity to meet and see for myself how Malaysians have embarked on entrepreneurship opportunities, upon facing various challenges in their daily professions due to the impact of COVID-19 on the economy. This includes graduates and those in fields such as engineering, airlines, and services including food and beverages, which have all been impacted due to the current changes.
20. Their spirit in exploring new opportunities, coupled with the usage of technology including online marketing to generate sales in the business world should be praised. It goes without saying that SMEs and Micro SMEs are the core of the nation's economy, and the Government has committed to provide continuous support since the implementation of the first stimulus package, PRIHATIN, up to the recent Budget 2021.
21. For example, as of 27 November, the various Governmental assistances whether direct or in the form of funding or grants, have benefited over **1.4 million SMEs and micro SMEs** to the tune of **over RM24 billion**. It should be noted that some of the SMEs and micro-SMEs received more than one of the assistances offered by the Government, depending on qualification. Among the assistances and benefits include:
- a. SME Soft Loans Funds under BNM worth RM11.13 billion for 23,700 SMEs;
 - b. The Wage Subsidy Programme worth RM9.89 billion that has supported about 300,000 SMEs and micro SMEs as well as 1.85 million workers (not including mid-tier or larger companies),
 - c. *Geran Khas Prihatin* 1.0 and 2.0 worth RM2.55 billion for over 850,000 micro SMEs; and
 - d. The PENJANA e-commerce initiatives under MDEC including Shop Malaysia Online and the Micro and SMEs e-Commerce Campaign that has assisted over 21,000 micro and SME entrepreneurs generate sales of over RM1.2 billion from an allocation of RM140 million.
22. These amounts do not yet take into account other assistances such as the moratorium, electricity and premise discounts, tax reliefs and others, which has been prepared to support SMEs and micros by lowering their operational costs burdens as well as increase their cashflow.
23. As of September 2020, according to the Malaysian Companies Commission (SSM), a total of 85,901 new businesses were registered with them, compared to 76,443 for the entirety of 2019. In ensuring these businesses are supported, and in order to facilitate their operations as well as development, Government entities such as BNM, TEKUN, BSN, PUNB, SME Bank, EXIM Bank, Agrobank, SME

Corp, MDEC and others will continue to provide facilities such as soft loans and grants, including through the 2021 Budget. The Government hopes that all this support and assistances will enable the SMEs to compete in the medium and long term, as well as inculcate technology and operational systems that are modern and relevant in this new norm.

CLOSING

24. A reminder to all not to neglect the practice of the SOP in daily lives, work and business activities. Our success in restoring the country's economy depends on the country's 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
9 December 2020

APPENDIX 1 – PRITHATIN ACHIEVEMENTS

OBJECTIVE 1: PROTECTING THE RAKYAT		
1.	i-Lestari Withdrawal Scheme under the Employees Provident Fund (EPF)	As of 27 November 2020, the cumulative withdrawal is RM12.80 billion (an increase from RM12.73 billion last week), involving 4.80 million recipients (an increase from 4.78 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 27 November 2020, a total of RM441.78 million (an increase from RM366.78 million last week) has been channelled based on 1,283,189 claims (an increase from 1,125,524 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 27 November 2020, payments have been made to 26,251 SMEs (an increase from 26,241 SMEs last week) involving a total of RM199.54 million (an increase from RM199.46 million last week).																																				
4.	SME Soft Loans Funds Administered by Bank Negara Malaysia (BNM)	As of 27 November 2020, the total approved applications by local banks and accepted by SMEs is RM11.13 billion (an increase from RM11.07 billion last week) which will benefit 23,711 SMEs (an increase from 23,637 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>27 November</td><td>11.13</td><td>23,711</td></tr> <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*	27 November	11.13	23,711	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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