



MEDIA STATEMENT

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

34TH LAKSANA REPORT

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

23 December 2020



INTRODUCTION

1. I hope that everyone is in good health. As we approach the end of 2020, many will go on vacation, crossing state borders and spending time with their family and loved ones.
2. As I have done since the first LAKSANA report back in April, I would like to remind everyone to continue complying with the SOP and hygiene practices to curb the spread of the COVID-19 pandemic. Stay safe, stay healthy always.
3. Today I will share the **34th LAKSANA Report**, which is the last report for the year 2020. It is hard to believe how 9 months have passed since the first LAKSANA report in April.

PENJANA (National Economic Recovery Plan)

4. We will begin with the implementation status of the National Economic Recovery Plan or PENJANA. 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

5. We will commence with the initiatives under the objective “Empowering the People”.
6. **First, the Wage Subsidy Programme (PSU) (first phase).** As of 30 September 2020, which is the closing date for PSU 1.0, over 322,177 employers and 2.64 million employees had received PSU under PRIHATIN and PENJANA. **As of 11 December 2020, a total of RM12.608 billion of wage subsidies** had been approved.

PSU 1.0

Date As Of	Amount Approved* (RM billion)	Number of Workers* (million)	Number of Employers*
11 December	12.608	2.640	322,177
4 December	12.549	2.640	322,177
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

7. **Second, the Hiring Incentive Programme and Training Assistance.** As of 11 December, a total of **106,443 employees** have managed to secure jobs through this programme. This number includes **85,242 workers under the age of 40; 13,513 individuals in the age group 40 - 60; as well as 6,420 apprentices and 1,268 persons with disabilities (PWD).** Manufacturing, as well as wholesale and retail trade were among the main industries and sectors which actively hired workers.

Date As Of	Category of People Who Secured Jobs				Amount*
	< 40 years	40 – 60 years	Apprentice	PWD	
11 December	85,242	13,513	6,420	1,268	106,443
4 December	79,428	12,465	6,122	1,267	99,282
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

*Cumulative Amount

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

No.	< 40 years	40 – 60 years	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

8. **Third, Reskilling and Upskilling Programme.** As of 11 December, a total of **129,144 individuals had been approved** to participate in the programmes provided. LAKSANA found that courses involving entrepreneurial knowledge received the highest response. This includes how to trade online and compete internationally. Nobel Peace Prize winner, Professor Muhammad Yunus from Bangladesh once said in his book, A World of Three Zeroes that every human being is born with entrepreneurial traits. I believe that if we can spark the spirit of entrepreneurship, InsyaAllah it can empower traders as well as generate jobs to develop our society.

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

9. We will continue with the initiatives under the second objective “**Propelling Businesses**”.
10. **First, PENJANA SME Financing.** The Government has allocated RM2 billion under this programme, with priority given to SMEs which have never received any bank financing before. As of 11 December, a total of **5,576 SME applications have been approved with a financing value of RM1.097 billion.**

Date As Of	Number of Approved Applications*	Amount Disbursed* (RM million)
11 December	5,576	1,096.7
4 December	5,397	1,072.6**
27 November	5,301	1,085.7
30 October	4,488	965.5
25 September	3,351	795.3
28 August	1,615	426.2

*Cumulative Amount

**The decrease compared to the previous week was because after further coordination and analysis, recurrences of applications were found

11. **Second, PENJANA Tourism Financing** with an allocation of **RM1 billion** specially for micro, small and medium enterprises in this sector affected by COVID-19. As of 11 December, **537 SMEs have submitted their applications**, out of which **245 applications had been approved** with a total funding of **RM49.9 million.**

12. **Third, TEKUN Business Recovery Scheme (TBRS)**, especially for Micro SMEs. As of 11 December, a total of **RM99.2 million** has been channelled under TBRS to benefit **14,861 Micro SMEs**.

Date As Of	Numbers of Approved Applications*	Amount Disbursed* (RM million)
11 December	14,861	99.2
4 December	14,267	94.8
27 November	14,267	94.8
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

13. **The fourth is PENJANA Credit Micro Financing under Bank Simpanan Nasional (BSN)**. As of 11 December, a total of **RM253.1 million** had been channelled to benefit **7,252 Micro SMEs in the retail and services sectors**.

Date As Of	Number of Approved Applications*	Amount Disbursed* (RM million)
11 December	7,252	253.1
4 December	7,252	253.1
27 November	6,492	227.5
30 October	4,674	167.4
25 September	2,007	73.7
28 August	399	15.2

*Cumulative Amount

14. Fifth, **Bumiputera Relief Financing (BRF)** which was introduced by Perbadanan Usahawan Nasional Bhd (PUNB). The RM200 million special fund allocation is for Bumiputera SMEs affected by COVID-19, with financing between **RM100,000 and RM1 million** for the SMEs involved. As of 11 December, this fund has been channelled to **160 SMEs** involving a total of **RM40.8 million**.

PENJANA OBJECTIVE 3: STIMULATING THE ECONOMY

15. Now, I will continue with the third objective of PENJANA which is “**Stimulating the Economy**”.
16. **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 to provide revolving capital for farmers, ranchers and fishermen**. Out of the total allocation of RM400 million, RM350 million comprises allocation under the **Agrobank Micro Credit Financing**. As of 11 December, a total of **RM60.9 million** had been channelled, benefitting **6,094 Agricultural Micro SMEs**.

17. **Second, service tax exemption for hotels** to support the tourism sector. This service tax exemption is extended to services by accommodation operators between **1 September 2020 to 30 June 2021**. As of 11 December, the value of the tax exemption that had been utilised by these operators was **RM836.6 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.
18. **Third, 100% export duty exemption to the commodity sector** which involves palm oil-based industries to stimulate growth of the country's commodity sector and export value. This initiative will help smallholders in the sale of their produce to factories. As of 11 December, the value of export duty exemption successfully utilised by the national industry is **RM373 million**.

KITA PRIHATIN ECONOMIC STIMULUS PACKAGE

19. Next, a brief sharing about the KITA PRIHATIN package worth RM10 billion announced last September.
20. **First, Bantuan Prihatin Nasional 2.0 (BPN 2.0)**. New applications and appeals are currently being processed, and approved payments will be made in January 2021. As of 4 December, **10.13 million** beneficiaries benefited from the first phase payment of BPN 2.0, involving an amount of **RM4.6 billion**, or 97% of the RM4.8 billion approved in the first phase. The payment process through BSN has been ongoing since 26 October.
21. **Second, for the PRIHATIN Special Grant (GKP) 2.0**. As of 4 December 2020, a total of **RM856.9 million** had been successfully credited into the accounts of **285,626** eligible Micro SMEs. The appeal period was opened from 7 to 21 December. All appeals will go through a cross-checking process between the IRB and the Local Authorities, and results will be announced in the near future.
22. **Third, PSU 2.0 under the KITA PRIHATIN package** that has started since 1 October. As of 11 December 2020, a total of **RM239.73** million had been channeled to help 39,203 employers continue their operations and retain a total of 307,420 employees. 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*
11 December	239.73	307,420	39,203
4 December	239.73	307,420	39,203
27 November	239.73	307,420	39,203
20 November	164.26	273,767	34,479

*Cumulative Amount

REVIEW OF CURRENT ISSUES – LAKSANA REPORT

23. Allow me to comment on a few current issues.
24. First of all, I would like to touch on the **LAKSANA Report**. In the blink of an eye, this is the 34th edition of the weekly report for the Government's economic stimulus package initiatives.
25. I can still recall how nervous I was when I shared the first report on 14 April. However, this effort will continue because **this Government believes in transparency and openness**, as this involves public funds and public interest. I welcome the words of encouragement and feedback in the comments section of my Facebook account. But let's try to ignore the trolls. To the others, thank you for your continued support.
26. These LAKSANA Reports have also become an important medium to obtain feedback from the people on the challenges they are facing, and when combined with big data, the Government has been able to improve or extend certain initiatives. For example, the increase in Bantuan Prihatin Nasional from RM11.5 billion to RM18 billion, Prihatin Special Grant from RM1.64 billion to RM2.55 billion, electricity bill subsidy to more than RM2 billion, wage subsidy programme from the initial RM10 billion to over RM17 billion and many more – all of these, among other things, are the result of continuous monitoring and feedback received from the people and businesses.
27. Next, I would like to share a summary of the overall achievements of the stimulus packages announced so far.
28. First, the PRIHATIN and PRIHATIN SME Plus initiatives have reached a distribution rate of around 94 percent for short-term programmes such as BPN and GKP; followed by the achievement of around 89 percent for medium-term programmes such as PSU and employment retention programmes. For long-term programmes, take-up rates are still low, such as the food security financing programmes at 31 percent, and some are as high as the TEKUN micro credit loan programmes at 99.8 percent. The rates of these assistance depend on various factors such as economic conditions and current needs. InsyaAllah, the Government will use this data to improve its support moving forward.
29. As for the PENJANA package, short-term assistance has reached a 76-percent distribution rate, followed by between 77 percent to 90 percent for medium and long-term assistance.
30. I would like to express my appreciation to all the implementing agencies of the PRIHATIN, PENJANA and KITA PRIHATIN initiatives, especially in ensuring efficient implementation at a time when the people and businesses are in dire need of assistance. Thank you.

REVIEW OF CURRENT ISSUES – COVID-19 BILL VOTE APPROVAL

31. We recently witnessed the approval in Dewan Rakyat for the **Government Financing (Coronavirus Disease 2019 (COVID-19)) (Amendment) Bill 2020**, soon after the approval of Budget 2021.
32. I would like to take this opportunity to thank all the Members of Parliament, who **unanimously** supported this Bill. This approval is very much needed in the effort to fight COVID-19 and ensure the safety of the people. This additional RM20 billion, among others, will enable the Government to purchase **vaccine for the people and channel additional allowance to our frontliners**.
33. Despite the heat of the debates that took place, I truly appreciate the views and suggestions of the Members of Parliament. The Government took note of all views, and will be ready to increase assistance if necessary; for the people, businesses and the country's economy.

REVIEW OF CURRENT ISSUES – ENTERING THE YEAR 2021

34. There is less than two weeks left before we draw the curtains close on this 'extraordinary' year of 2020 and move on to 2021 with new hopes.
35. As we continue to face the COVID-19 situation, the Government has already provided various assistance, including the ongoing PENJANA and KITA PRIHATIN packages, as well as Budget 2021 initiatives that will soon be implemented.
36. This includes the second phase of BPN 2.0 amounting to RM2.2 billion which will be channelled in January 2021, as well as the EPF i-Sinar programme. In addition, in ensuring the welfare of the people, especially the vulnerable; the Government, under Budget 2021, has planned various programmes to support the vulnerable groups. This includes:
- a. MySalam Takaful Coverage for the B40 which is expanded to include medical devices cost claims.
 - b. One-Stop Social Support Centre with an allocation of RM21 million to address the issue of domestic violence.
 - c. Perlindungan TENANG Voucher amounting to RM50 for the B40 group to obtain TENANG insurance coverage, including life takaful and personal accident.
 - d. The extension of the Employment Insurance System.
 - e. Withdrawal of EPF Account 2 for insurance/takaful protection.
 - f. My30 unlimited travel pass and MyRail for school students and the differently-abled for commuter and inter-city train services.
 - g. Provision of laptops to 150 thousand students in 500 schools, as well as
 - h. Over RM460 million for PPR maintenance projects, building Mesra Rakyat houses and maintenance of low and medium cost housing, as well as assistance in repairing dilapidated houses damaged by natural disasters.
37. In addition, for SMEs, micro enterprises and part-time workers in need of financing; there are seven (7) SME funds by BNM, namely:

- a. Targeted Assistance and Rehabilitation Facility (TRRF)
- b. High Technology Fund - National Investment Aspirations (HTF - NIA)
- c. Micro Enterprises Facility (MEF)
- d. All-Economic Sector Facility (AES)
- e. Agrofood Facility (AF)
- f. Automation & Digitalisation Facility (ADF)
- g. PENJANA Tourism Financing (PTF)

For more information, please visit: https://www.bnm.gov.my/o/covid-19/index_bm.html

38. The application process for EPF i-Sinar has already commenced on 21 December. So far, all applications, digital and physical, are proceeding smoothly. For those eligible and whose information is available in the EPF database, their applications will be automatically approved by the system, and the first results will be known on 4 January 2021. Please be patient while EPF processes these applications. Insyallah, the first payment will be made on 11 January 2021.
39. I hope that these aids are able to, some extent, reduce the cash flow burden; for example, early-year spending for children's schooling, household expenses, and so on. There is also the distribution of GKP 2.0 for approved SME appeals, and various programmes such as wage subsidies, grants, financing, soft loans, tax relief, and more.
40. The LAKSANA Agency will also monitor one of the most important objectives of the Budget; which is to generate 500,000 jobs for the Rakyat under the JanaKerja initiative. On this matter, I would like to state that the Government is very concerned about those who have lost their jobs due to COVID-19. Starting next year, SOCSO with the support of the Ministry and related agencies will hold various employment-related activities under the Active Labour Market Programmes to increase employment opportunities for all job seekers, graduates and school leavers.
41. Among the activities to be implemented are weekly interviews at all SOCSO offices in each state, virtual and physical employment carnivals, as well as résumé-preparation assistance, career counselling, and workability improvement programmes. The programmes will kick-start with a virtual employment carnival at Kolej Komuniti Tinggi MARA di Ledang, Johor on 17 January, and at Kolej Politeknik MARA Kuala Lumpur on 28 January. The PenjanaKerjaya 2.0 carnival will be physically held at UMP Pahang on 23 January.
42. I would like to encourage job seekers to utilise the facilities provided by the Government. As stated earlier, the combination of the LAKSANA monitoring and the people's feedback as well as data will enable us to improve these initiatives for your benefit.

CLOSING

43. Finally, I assure you that the Ministry will continue to ensure effective implementation for the Rakyat's wellbeing, business continuity and economic resilience. The LAKSANA Agency will continue to monitor 32 initiatives under the Government's ongoing economic stimulus packages, along with at least 21 initiatives under the Budget which will commence from as early as January 2021.

44. Our success in restoring the country's economy, in part, depends on our success in curbing this COVID-19 pandemic. InsyaAllah, **Stand United, We Shall Prevail.**

45. I would like to end with 2 stanzas of *pantun*:

*Hinggap merbah di dahan cendana,
Di senja kala sebelah gaharu;
Berakhir sudah Laporan LAKSANA,
Kelak terbuka lembaran baharu.*

*Berpencak teguh pahlawan putera,
Pertahan kota dalam Hikayat;
Belanjawan kukuh pulihkan negara,
Bantuan disalur prihatin Rakyat.*

46. That's all from me for this year. To our Christian friends, Merry Christmas. Happy holidays to all and stay safe. See you next year, InsyaAllah. Happy New Year in advance. Take care.

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

APPENDIX 1 – PRITHATIN ACHIEVEMENTS

OBJECTIVE 1: PROTECTING THE RAKYAT		
1.	i-Lestari Withdrawal Scheme under the Employees Provident Fund (EPF)	As of 11 December 2020, the cumulative withdrawal is RM14.05 billion (an increase from RM13.37 billion last week), involving 4.86 million recipients (an increase from 4.83 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 11 December 2020, a total of RM445.19 million has been channelled based on 1,305,934 claims (no increment) 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).
3.	Diskaun bil elektrik	a. As of 11 December 2020, a total of RM2.08 billion in the form of electricity bill discounts (an increase from RM2.04 billion last week) has been channelled to 8.6 million domestic consumers of electricity supplied by Tenaga Nasional Bhd. b. This electricity bill discount is an extension of the Bantuan PRIHATIN Elektrik introduced during the PRIHATIN package. The discount given is at a rate of between 2 percent to 50 percent based on the usage rate, and this initiative is available until 31 December 2020.

OBJECTIVE 2: SUPPORTING BUSINESSES																																			
4.	TEKUN Micro Credit Scheme	As of 11 December 2020, payments have been made to 26,251 SMEs involving a total of RM199.54 million (no increment).																																	
5.	SME Soft Loans Funds Administered by Bank Negara Malaysia (BNM)	As of 11 December 2020, the total approved applications by local banks and accepted by SMEs is RM11.24 billion (an increase from RM11.17 billion last week) which will benefit 23,875 SMEs (an increase from 23,759 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>11 December</td><td>11.24</td><td>23,875</td></tr> <tr> <td>4 December</td><td>11.17</td><td>23,759</td></tr> <tr> <td>27 November</td><td>11.13</td><td>23,711</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*	11 December	11.24	23,875	4 December	11.17	23,759	27 November	11.13	23,711	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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