



MEDIA STATEMENT

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

36TH LAKSANA REPORT

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

14 January 2021

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

INTRODUCTION

1. I hope everyone is safe and sound, as we endeavour to contain the rise of COVID-19 cases especially in states that are still experiencing floods during this monsoon season. May God facilitate everyone's planning, InsyaAllah.

REVIEW OF LATEST DEVELOPMENTS – ENFORCEMENT OF MCO, CMCO AND RMCO
AS WELL AS THE THE EMERGENCY ORDINANCE

2. I would like to begin this report in recognition of KDYMM Seri Paduka Baginda Yang Di-Pertuan Agong's declaration of a public health and economic emergency ("Emergency Ordinance") on 12 January, and the YAB Prime Minister's announcement on 11 January on the various forms of Movement Control Order (MCO) (including Conditional MCO and Recovery MCO) to curb the spread of COVID-19.
3. To all Malaysians and investors, I would like to again reassure that **multiple sectors of the economy and the financial ecosystem remain open, in accordance with the stipulated SOPs**. You can still go to the banks and the financial institutions to manage your savings and investments as per usual. The Government and its related agencies will facilitate and ensure market conditions remain conducive and orderly during this period. And I assure you that our financial ecosystem is resilient, well-managed and well-regulated.
4. In terms of businesses and the economy, key manufacturing and services sectors, as well as their supply chain, are allowed to operate. The Government would also like to reassure the public that supply of essential goods is sufficient, to enable key economic activities to continue. **For micro and small enterprises, stalls are also allowed to**

operate during this period, albeit with stricter SOPs, i.e., customers can only buy via takeaway.

5. **We will do our best to protect the *Rakyat*'s livelihood.** I understand that what we are facing unprecedented circumstances. The Government has repeatedly proven that we will not compromise in ensuring the *Rakyat*'s wellbeing, business continuity and economic resilience.
6. Next, **this 36th LAKSANA Report** will touch on 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 the Ministry of Finance website.

PENJANA (National Economic Recovery Plan)

7. 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

8. We go straight to the first Objective which is **Empowering the People. First, Hiring Incentive and Training Assistance Programmes.** As of **1 January 2021**, a total of **128,779 employees** had secured employment through this programme (compared with 128,778 employees as of the previous week). This number includes **102,657 people under the age of 40; 17,395 people for the age group of 40 and 60, as well as 7,382 apprentices and 1,344 people with disabilities (OKU).** Among the key industries and sectors actively hiring include manufacturing as well as wholesale and retail trade.

Date As Of	Category of People Who Get Jobs				Amount*
	< 40 years	40 – 60 years	Apprentices	OKU	
1 January 2021	102,657	17,395	7,382**	1,345	128,779
25 December 2020	102,623	17,394	7,417	1,344	128,778
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

**The decrease compared to the previous week was due to recategorisation of identified applications into Budget 2021 initiatives after further coordination and analysis.

List of top 5 recruitment industries / sectors by category

No.	< 40 years	40 – 60 years	Apprentices	OKU	Overall
1	Manufacturing	Other Services	Other Services	Wholesale and Retail Trade; Motor Vehicle and Motorcycle Repair	Manufacturing
2	Other Services	Manufacturing	Manufacturing	Other Services	Other Services
3	Wholesale and Retail Trade; Motor Vehicle and Motorcycle Repair	Wholesale and Retail Trade; Motor Vehicle and Motorcycle Repair	Wholesale and Retail Trade; Motor Vehicle and Motorcycle Repair	Manufacturing	Wholesale and Retail Trade; Motor Vehicle and Motorcycle Repair
4	Accommodation & Food Services	Accommodation & Food Services	Accommodation & Food Services	Accommodation & Food Services	Accommodation & Food Services
5	Education	Construction	Information & Communication	Education	Construction

9. **Second, Reskilling and Upskilling Programme.** As of **1 January**, a total of **133,936 individuals had been approved** to participate in the programmes provided (compared with 130,385 individuals as of the previous week). Among the courses that have received good responses include entrepreneurship and digitalisation. Please visit the website of agencies as listed below. For those who are looking for a job, especially youths, grab this opportunity and participate in these programmes.

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
		Program Micro Connector
3.	Majlis Amanah Rakyat (MARA)	New Health Care and Safety Special Module
		Building Internal Entrepreneur Capabilities by Engaging E-Commerce Bespoke Program (e-entrepreneur) -Training e-Commerce Platform
		Building Capabilities and Providing Jobs Through Competencies / Short Courses Program
		Building Capabilities and Providing Jobs Through Industry Boot Camp

		Building Internal Entrepreneur Capabilities by Engaging e-Commerce Bespoke Program (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

10. **Third, public transport subsidy MY30.** As of **1 January**, a total of **RM127.74 million** had been channelled for the subscription of **751,414 unlimited monthly public transport passes** worth RM30, which is provided specifically for Malaysian citizens (no increase from the previous week). As announced under the Budget 2021, **this initiative is extended into 2021 to** further promote mobility and reduce the burden of public transport costs for the People.

PENJANA OBJECTIVE 2: PROPELLING BUSINESSES

Ladies and gentlemen,

11. Next, we go to the second Objective which is **Propelling Businesses**.
12. **First, PENJANA SME Financing.** The Government's allocation of RM2 billion under this programme prioritises SMEs that had never received any bank financing before. As of **1 January**, a total of **5,976 applications had been approved** with a **total financing value of RM1.149 billion** (compared with 5,764 applications with total financing value of RM1.122 billion as of the previous week).

Date As Of	Number of Approved Applications*	Amount Disbursed* (RM million)
1 January 2021	5,976	1,149.1
25 December 2020	5,764	1,122.1
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 due to repetition applications identified due to further coordination and analysis.

13. **Second, PENJANA Tourism Financing** with a total allocation of **RM1 billion** specifically for SMEs and micro SMEs in this sector who are still affected by COVID-19. As of **1 January**, there were **566 applications** for this financing, and of this total **272 applications had been approved** with a total financing of **RM54.8 million** (compared with 261 applications with a value of RM52.8 million as of the previous week).
14. **Third, TEKUN Business Recovery Scheme (TBRs)**, also especially for Micro SMEs. As of **1 January**, a total of **RM99.9 million** had been channelled under this scheme, benefitting **14,946 Micro SMEs** (compared with RM99.4 million for 14,893 Micro SMEs as of the previous week).

Date As Of	Number of Approved Applications*	Amount Disbursed* (RM million)
1 January 2021	14,946	99.9
25 December 2020	14,893	99.4
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

15. **The fourth is PENJANA Credit Micro Financing under Bank Simpanan Nasional (BSN).** As of **1 January**, a total of **RM307.2 million** had been channelled to benefit **8,936 Micro SMEs** including in retail and services (compared with RM282.8 million for 8,158 Micro SMEs as of the previous week).

Date As Of	Number of Approved Applications*	Amount Disbursed* (RM million)
1 January 2021	8,936	307.2
25 December 2020	8,158	282.8
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

16. **Fifth, Bumiputera Relief Financing (BRF)** which managed by Perbadanan Usahawan Nasional Bhd (PUNB). The RM200 million special fund assistance is meant for Bumiputera SMEs affected by COVID-19, with financing **between RM100,000 and RM1 million** for the SMEs. As of **1 January**, this fund had been channelled to **356 SMEs** involving a value of **RM94.2 million** (compared with 322 SMEs with a total of RM82.8 million as of the previous week).

PENJANA OBJECTIVE 3: STIMULATING THE ECONOMY

Ladies and gentlemen,

17. We touch on the third Objective of PENJANA which is **Stimulating the Economy**.
18. **First, 100% export duty exemption to the commodity sector** which also includes the palm oil-based industry, to stimulate the growth of the country's commodity sector and export value. As of **1 January**, the value of export duty exemption successfully utilised by the country's commodities industry is **RM593.9 million** (compared with RM426.9 million as of the previous week).
19. **Second, service tax exemption for hotels** to support the tourism sector, which is available until **30 June 2021**. As of **1 January**, the value of the tax exemption that had been utilised by the operators of the accommodation premises reached a value of **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.
20. **Third, sales tax exemption for passenger vehicles**. These sales tax incentives include a 100% exemption for locally assembled cars (CKD - Complete Knocked-Down) and a 50% reduction for full import (CBU - Completely Built-Up) models. As of **1 January**, the value of sales tax relief that had been utilized is **RM201.5 million** (compared with RM197.6 million as of the previous week). **As announced two weeks ago, the Government has agreed to extend this tax incentive until 30 June 2021**, as a measure to further boost the automotive sector and the country's economic activity.

KITA PRIHATIN ECONOMIC STIMULUS PACKAGE

21. Ladies and gentlemen, we continue with the initiatives under the KITA PRIHATIN package.
22. **First, for the Bantuan Prihatin Nasional 2.0 (BPN 2.0)**, yesterday I announced that **Phase Two of BPN 2.0** will be distributed as early as **21 January for B40 recipients** and **25 January for M40 recipients**. This includes those whose appeals had been approved. For those without a bank account or whose account **failed the crediting process**, they can claim the cashed at Bank Simpanan Nasional **as early as 25 January**. In total, **phase two of BPN 2.0 will place RM2.38 billion into the hands of over 11.06 million recipients**, comprising 5.82 million individuals and 5.24 million households.
23. **For recipients in Peninsula Malaysia without a bank account, cash distribution will be made via BSN on 25 January**. For recipients in **Sabah and Sarawak without a bank account, the locations for cash distribution will be announced by the end of January**, taking into account factors like logistics, safety and public health. We will ensure a safe and systematic delivery process, to ensure that this assistance reaches the hands of the recipients.

24. **Second, PRIHATIN Special Grant 2.0 (GKP 2.0).** New applications and appeals are undergoing the process of cross-checking with the Inland Revenue Board (LHDNM) and the Local Authorities, and the results will be announced in the near future.
25. **Third, Wage Subsidy programme 2.0 (PSU 2.0) under the KITA PRIHATIN package.** As of **1 January**, a total of **RM457.14 million** had been channelled to **52,998 employers** to continue operating and maintaining the employment for **445,255 employees** (compared with RM418.67 million for 51,022 employers and 420,193 employees as of the previous week).

PSU 2.0

Date As Of	Amount Approved* (RM billion)	Number of Workers* (million)	Number of Employers*
1 January 2021	457.14	445,255	52,998
25 December	418.67	420,193	51,022
27 November	239.73	307,420	39,203
20 November	164.26	273,767	34,479

*Cumulative Amount

REVIEW OF CURRENT ISSUES

Ladies and gentlemen, allow me to share some comments on several current issues.

A. Loan repayment assistance for flood victims

26. At present, our nation is still experiencing the monsoon season that has now affected more states including Selangor, Pahang, Johor, Kelantan, Terengganu, Perak, as well as Sabah and Sarawak. The Government will ensure the assistance needed will reach those who are impacted by this adversity. Recently I was also informed that several banks have agreed to provide loan repayment assistance to the flood victims, including the extension of loan repayment moratorium for up to six months. We welcome such efforts, which are much needed from across the private sector in helping reduce the burden of the *Rakyat* and businesses, especially in the current situation. We need to join hands and play our respective roles to help our economy rebound and recover.

B. Efforts towards improving MOF initiatives in the First Quarter of 2021

27. I would also like to share that #teamMOF is currently busy with the implementation of Budget 2021 initiatives. MOF itself will monitor 76 initiatives. As per the economic stimulus packages last year, the status of these initiatives will also be shared with the public.
28. As I mentioned time and time again, **MOF always listens and is ready to improve on specific initiatives, if necessary. As such, with the implementation of multiple forms of MCO across the nation, MOF is currently analysing** and discussing suitable improvements for Budget 2021 initiatives to ensure the people's wellbeing and business continuity.

C. Warning againts scams

29. As the Government rolls out its assistance to the public, I would like to advise everyone – especially those who are eligible for multiple forms Government's direct aid and facilities, for example BPN, GKP, i-Lestari and i-Sinar – to **always be careful with individuals and syndicates which have become more daring in scamming the public who are eligible for the Government's assistance. Applicants and recipients are advised to refer to official sources, and to not provide personal information to unknown parties.**
30. Multiple Government agencies, including MOF agencies have also highlighted this warning across multiple platforms, including their social media channels. Related to this, **Bank Negara Malaysia has also established a social media page that provides plenty of information about all kinds of scams.** This Facebook page can be visited via the link <https://www.facebook.com/amaranpenipuan/>.

CLOSING

31. Before I end, allow me to again remind everyone, myself included, to always adhere to the SOPs in conducting economic and daily activities, particularly with cases on the rise.
32. We have to play our respective roles to help break the chain of COVID-19 infections. Remember how the members of the Ministry of Health and our frontliners are still struggling to contain this pandemic for our safety. I end this report with a stanza of *pantun*:
- Jauh berlayar ke tanah Langkat,
Kemudi bahtera di laut Selatan,
Pandemik menular kes meningkat,
Bersama kita putuskan jangkitan.*
33. Stay safe, and thank you.

YB Tengku Dato' Sri Zafrul Tengku Abdul Aziz
Minister of Finance
Ministry of Finance Malaysia
14 January 2021

APPENDIX 1 – PRITHATIN ACHIEVEMENTS

OBJECTIVE 1: PROTECTING THE RAKYAT		
1.	i-Lestari Withdrawal Scheme under the Employees Provident Fund (EPF)	As at 1 January 2021, the cumulative withdrawal is RM14.77 billion (compared with RM14.11 billion as of the previous week) and involving 4.93 million recipients (compared with 4.88 million as of the previous 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 1 January 2021, a total of RM479.83 million has been channelled based on 1,420,509 claims (compared with RM455.23 million involving 1,361,424 claims as of the previous week) comprising doctors, nurses and other medical personnel 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 Civil Defense Force as well as RELA members who are directly involved in implementing the Movement Control Order (MCO).
3.	Electricity Bill Discount	a. As of 1 January 2021, a total of RM2.16 billion in the form of electricity bill discounts (compared with RM2.10 billion as of the previous 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 <i>Bantuan PRIHATIN Elektrik</i> 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.	SME Soft Loans Funds Administered by Bank Negara Malaysia (BNM)	As of 1 January 2021, the total number of applications approved by local banks and approved by SMEs is RM11.54 billion which will benefit 24,519 SMEs. This amount includes 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>1 January 2021</td><td>11.54</td><td>24,519</td></tr> <tr> <td>25 December</td><td>11.29</td><td>24,012</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*	1 January 2021	11.54	24,519	25 December	11.29	24,012	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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