



MEDIA STATEMENT

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

38TH LAKSANA REPORT

**IMPLEMENTATION OF
BUDGET 2021, PERMAI,
KITA PRIHATIN, PENJANA, AND PRIHATIN INITIATIVES**

27 January 2021



INTRODUCTION

Assalamu'alaikum Warahmatullahi Wabarakaatuh,

1. We meet again in the review of the 38th LAKSANA Report. I hope everyone out there is staying safe, be it at home, or in the workplace for those who are still permitted to be on duty.
2. This week we saw the highest daily recoveries in the country where 4,427 individuals were declared recovered from COVID-19 on 24 January. Our hope is that this trend continues, and raises our spirit to continue to adhere to the SOPs more strictly to curb this virus.
3. Allow me to begin this report with a review of current issues, followed with the implementation status of the Government's key initiatives namely the PERMAI Assistance Package, Budget 2021, the PENJANA Economic Stimulus Package and the KITA PRIHATIN Package. The implementation status of the PRIHATIN Package initiatives can be found in Appendix 1.

REVIEW OF CURRENT ISSUES – Implementation of Budget 2021 and PERMAI Assistance Package Initiatives

Ladies and gentlemen,

4. Before I start, allow me to recall the anchor to the Ministry of Finance's initiatives, including Budget 2021, which always revolve around three main objectives namely **rakyat's wellbeing, business continuity and economic resilience**. Recently this approach is expanded through the PERMAI Assistance Package which was

formulated to **expedite and expand the scope of implementation, and to increase allocation** where needed.

5. This is the role of the Government – **to ensure all the financial support and equipment needed are readily available**. The good news is Budget 2021 and PERMAI have already commenced, and I would like to share the benefits of the approaches brought about by these initiatives which have touched multiple aspects of our community.

PERMAI Approach – Expedite, Expansion of Scope, Increase in Allocation



Visit to Jalan Duta Toll SJR



Visit to Sungai Buloh Hospital

6. Last week I had the opportunity to see for myself the situation in our front liners' hotspots such as the key roadblocks as well as the Sungai Buloh Hospital.
7. Firstly, I would like to express **my deepest gratitude to the front liners who are still so committed in protecting the rakyat in the current situation where daily COVID-19 cases are still at a high**. Our public healthcare sector, for example, really requires our cooperation to break the chain of infection and thus reduce the strain on the national healthcare system.
8. In this weekly LAKSANA report, allow me to shed some light on several issues that have been raised:
 - a. **Firstly**, some have expressed confusion over the **payment of Bantuan Prihatin Nasional 2.0 (BPN 2.0)**. Distribution of **BPN 2.0 Phase Two** with a value of **RM2.38 billion** has begun since **21 January 2021**. I hope the recipients can be patient as this is a huge sum, and requires at least one week to be fully credited to the recipients. I also would like to share that:
 - i. From **21-24 January 2021**, **6.4 million accounts have been credited**;
 - ii. From **25-29 January 2021**, **3.8 million accounts have been or are being credited**;
 - iii. From **25 January 2021**, around **750,000 recipients without bank accounts have begun cash collection in BSN branches in Peninsular Malaysia** for B40 and M40 recipients.

The Government hopes that the expedited assistance will provide some cash flow relief for **11.06 million single and household recipients** during this MCO period.

- b. **Secondly**, there are grouses that the **Wage Subsidy Programme 3.0 (PSU 3.0)** that was improved through the PERMAI Assistance Package is not adequate. I would like to repeat that this PSU 3.0 initiative must be looked at together with other initiatives, and not in isolation. Allow me to explain:
- i. **The latest allocation under PSU in 2021 is RM3 billion:** With the expansion of scope to include ALL companies affected by the MCO, **PSU 3.0 will receive an additional allocation of RM500 million, making the amount RM1.5 billion under PERMAI.** This is on top of RM1.5 billion announced during Budget 2021. This also means that the **PSU programme that was announced by the Government in 2020 and 2021 amounts to RM20.7 billion in total.**
 - ii. Apart from the RM3 billion under PSU 2021, the Government has also allocated **RM3.7 billion under the job creation programme under Budget 2021** which has just commenced. This also includes **hiring incentives** for employers and businesses.
 - iii. I would also like to remind that the **rental rate by MARA for businesses is reduced by 30%**, while the **tax incentive for those who provide similar assistance is expanded to include all business tenants**, from just SME tenants previously.
 - iv. There are many more assistance that can benefit employers and businesses. More information are available on the Budget 2021 portal at <http://belanjawan2021.treasury.gov.my/manfaat/>, which lists down all Budget 2021 benefits.
- c. **Thirdly**, for the one-off payments for bus drivers, taxi drivers and e-hailing drivers, some may wonder how these assistance will be channelled to them. I am please to inform that the payment will be facilitated by the Ministry of Transport and further information will be available at <http://belanjawan2021.treasury.gov.my/permai/>.
- d. **Fourthly, for PERMAI Prihatin Special Grant or GKP PERMAI**, I am sure that many micro SMEs are wondering how this benefit can be obtained. Due to the expansion of the MCO to over almost the entire country except Sarawak, **GKP PERMAI will receive an additional injection of RM150 million, making the total RM800 million. For micro SMEs that have received GKP before, they are not required to register again, and the RM1,000 assistance will be credited straight into their accounts.** Frequently asked questions about GKP PERMAI can be found on the LHDN website as follows:
<https://gkp.hasil.gov.my/>

- e. For your information, the Government has channelled some **RM2.55 billion** to micro SMEs through the GKP and GKP 2.0 programmes. With GKP PERMAI, the total allocation that will be channelled to the public is **RM3.55 billion** just through GKP alone.

Budget 2021: This year's Economic Stimulus Package

- 9. In the context of protecting the people and fixing the nation's economy, I would like to reiterate that **Budget 2021 is Malaysia's Economic Stimulus Package for the year 2021**. The **PERMAI** Assistance Package, meanwhile, is an **additional package to close the gap of implementation between the flood incidents and the MCO period with the Budget 2021 measures**. Our hope is that PERMAI can bridge the gap and realign the economic recovery as planned by the Government through Budget 2021.
- 10. Allow me to touch on the implementation of several measures under Budget 2021:
 - a. **First, Bantuan Prihatin Rakyat (BPR) Phase One that was expedited from May to end-February**. I would like to reiterate that the **new application process for BPR has commenced, until 15 February through the link <https://bpr.hasil.gov.my>**. It is hoped that this assistance will benefit more than 8 million B40 recipients under BPN 2.0 and Bantuan Sara Hidup 2020 (BSH 2020), as well as those whose application are approved later.
 - b. **Second**, I thank the Ministry of Education for working closely with Yayasan Hasanah to **expedite the distribution of 150,000 laptops by GLCs and GLICs beginning this February** to ensure our children from the B40 households can continue to learn online from home. This is one way we utilise the Government's ecosystem to assist those in need. This is also not the first time Yayasan Hasanah worked hand in hand with the Ministry of Education to contribute to the growth of the education sector, particularly for students in rural areas. Between 2015 and 2019, Yayasan Hasanah has channelled some RM363 million for this purpose.
- 11. For me, **a successful execution is more important than the value of allocation which I have stated earlier**. This quick review has touched on numerous initiatives for *rakyat* and businesses. Most importantly, **Government agencies and Ministries will continue to facilitate the provision of assistance so that those in need will be supported to be resilient or to rebound**. This is also one reason why this LAKSANA report is published each week, apart from the aspect of transparency.
- 12. I hope our readers can visit the websites which we have provided, and the relevant agencies, to find out more and to register to receive these assistance.

PENJANA (National Economic Recovery Plan)

Ladies and gentlemen,

13. I now go to the review of the PENJANA Package as of **15 January 2021**. This package revolves around three main objectives which are **Empowering the People; Propelling Businesses; and Stimulating the Economy**.

PENJANA OBJECTIVE 1: EMPOWERING THE PEOPLE

14. **First**, touching on the Objective of Empowering the People, the **Wage Subsidy Programme Phase One (PSU 1.0)** is still ongoing, as I mentioned earlier. This programme had achieved a value of **RM12.702 billion** for 322,177 employers and 2.64 million employees who are registered. I will touch on PSU 2.0 later in the report.

PSU 1.0

Date As Of	Amount Approved* (RM billion)	No. of Employees* (million)	No. of Employers*
15 January	12.702	2.640	322,177
8 January	12.686	2.640	322,177
1 January	12.682	2.640	322,177
25 December	12.682	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

15. **Secondly, Reskilling and Upskilling Programme.** There was a slight increase in the number to 134,179 individuals who can take part in the programme (from 134,179 individuals as of the previous week). The Ministry of Finance website has a list of the courses which are in demand, while those who are interested can visit the websites of Government agencies to obtain more information.

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

16. **Third, the My30 public transport subsidy MY30** which has been extended into 2021. A total of **751,414** of these unlimited travel passes have been sold with a total of **RM127.74 million** in subsidies provided (no increase from the previous week). I was informed that the Government is now promoting the My30 pass with the “buy one free one” initiatives until this March. I hope this improvement can better assist Malaysians in terms of public transportation costs.

PENJANA OBJECTIVE 2: PROPELLING BUSINESSES

Ladies and gentlemen,

17. Now we go straight to the second Objective which is Propelling Businesses.

18. First, **TEKUN Business Recovery Scheme (TBRS)** especially for Micro SMEs with a fund of RM100 million. I would like to state that this scheme has achieved its objectives benefitting **14,946 Micro SMEs**. Concurrently, there are many more financing initiatives under the Objective including the **RM2 billion PENJANA SME Financing, as well as RM1 billion PENJANA Tourism Financing**, also for SMEs and micro SMEs.

19. Secondly, **PENJANA Micro Credit Financing under Bank Simpanan Nasional (BSN)**. A total of **RM328.1 million** had been channelled to benefit **9,652 Micro SMEs**.

Date As Of	Number of Approved Applications*	Amount Disbursed* (RM million)
15 January	9,652	328.1
8 January	9,358	320.0
1 January	8,936	307.2
25 December	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*

20. Third, **Bumiputera Relief Financing (BRF)** totalling RM200 million under Perbadanan Usahawan Nasional Bhd (PUNB), where **437 SMEs** had received funding amounting to **RM118.8 million** (compared with 389 SMEs with a total of RM105.6 million as of the previous week).

21. Fourth, **Technical and Digital Utilisation Support for SMEs and Mid-Tier Companies (MTCs)**. Some **RM23.4 million** had been channelled to **5,941 companies** in the form of grants and loans for the subscription of digitalisation services.

Date As Of	Number of Recipients*	Amount Disbursed* (RM million)
15 January	5,941	23.4
8 January	5,941	23.4
1 January	5,691	21.5
25 December	5,691	21.5
27 November	3,274	12.0
30 October	1,134	6.7
25 September	439	1.5

**Cumulative Amount*

PENJANA OBJECTIVE 3: STIMULATING THE ECONOMY

Ladies and gentlemen,

22. We touch on the third Objective which is **Stimulating the Economy**.

23. This includes **support for the Agriculture and Food Industry amounting to RM400 million** for farmers, ranchers and fishermen. Under this scheme, some **RM74.5 million** had been channelled to **7,012 Agriculture Micro SMEs** (from RM71.3 million to 6,748 Agriculture Micro SMEs as of the previous week).

24. This Objective of Stimulating the Economy also covers initiatives that are still ongoing, among others including the **services tax exemption for hotels until 30 June 2021** to help those in the tourism sector, as well as **sales tax relief for passenger vehicle** to entice the national automotive industry.

KITA PRIHATIN (Kerangka Inisiatif Tambahan Khas PRIHATIN)

Ladies and gentlemen,

25. We continue with the initiatives under the KITA PRIHATIN package. **First, for 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. **Distribution is targeted to commence in March 2021, InsyaAllah.**

26. **Second, Wage Subsidy Programme 2.0 (PSU 2.0) under the KITA PRIHATIN package.** A total of **RM590.35 million** had been channelled to **57,146 employers** to continue operating and maintaining the employment for **475,510 employees**. As mentioned during Budget 2021, targeted PSU had also been introduced to assist the tourism and retail sectors, whereas all sectors affected by MCO this year are eligible to receive the PSU 3.0 support under the PERMAI Assistance Package.

PSU 2.0

Date As Of	Amount Approved* (RM billion)	Number of Workers* (million)	Number of Employers*
15 January	590.35	475,510	57,146
8 January	590.35	475,510	57,146
1 January	457.14	445,255	52,998
25 December	418.67	420,193	51,022
27 November	239.73	307,420	39,203

*Cumulative Amount

CLOSING

27. AS closing, again I remind everyone to continue to observe the SPOs in undertaking economic activities and going about your daily lives. The economic recovery partly hinges on our ability to break the chain of COVID-19 infection.

28. On that note, the Government will not stop in providing support for the public healthcare capacity, and to ensure business continuity and to secure the sources of income of the *rakyat* through the ongoing initiatives. I end with a stanza of *pantun*:

*Banyaklah sepat ditunda pukut,
Hasil tangkapan di petang kala;
Demi Rakyat bantuan ditingkat,
Sektor terkesan dipulih semula.*

29. Take care and stay safe. Thank you.

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

APPENDIX 1 – PRITHATIN ACHIEVEMENTS

OBJECTIVE 1: PROTECTING THE RAKYAT		
1.	i-Lestari Withdrawal Scheme under the Employees Provident Fund (EPF)	As of 15 January 2021 , the cumulative withdrawal was RM16.06 billion involving 5.05 million recipients (compared with RM14.77 billion involving 4.94 million recipients 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 15 January 2021, a total of RM480.35 million has been channelled based on 1,423,230 claims (compared with RM480.26 million involving 1,422,684 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 Defence Force as well as RELA members who are directly involved in implementing the Movement Control Order (MCO).

OBJECTIVE 2: SUPPORTING BUSINESSES																																									
4.	SME Soft Loans Funds Administered by Bank Negara Malaysia (BNM)	As of 15 January 2021, the total number of applications approved by local banks and approved by SMEs is RM11.58 billion which will benefit 24,564 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>15 January</td><td>11.58</td><td>24,564</td></tr> <tr> <td>8 January</td><td>11.58</td><td>24,564</td></tr> <tr> <td>1 January</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*	15 January	11.58	24,564	8 January	11.58	24,564	1 January	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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