

SME WEEKLY NEWS

(16 March 2020 – 20 March 2020)

Countries	Highlights
<p>MALAYSIA</p> <p>More Malaysian banks offer loan repayment moratoriums to virus-hit clients</p>	<p>More Malaysian banks, including Public Bank Bhd, RHB Bank Bhd and MBSB Bank Bhd, have announced that they are offering moratoriums of up to 6 months for loan repayments to clients hit hard by the continued proliferation of Covid-19. Public Bank is offering immediate moratorium for monthly instalment payments of loans and financing to individuals and business customers affected by the pandemic, while it continues to accommodate requests to restructure or reschedule loans and financing. It is also working with BNM to offer a special relief facility for its SME customers, and that it has enhanced its internal processes to facilitate faster loan approval and disbursement to assist eligible SME customers to overcome their financial constraints under the current situation. RHB Bank and its Islamic arm, RHB Islamic Bank, meanwhile, are offering the moratorium as part of their financial relief programme, which includes restructuring or rescheduling of loans and financing for viable businesses and individuals. In addition, BNM is also providing a RM2 billion Special Relief Facility, which will be deployed in the form of working capital to assist SMEs in alleviating short-term cash flow problems.</p> <p style="text-align: right;"><i>(Source: The Edge Markets, 20 March 2020)</i></p>
<p>SINGAPORE</p> <p>SBF, V3 Fintech launch digital academy for SMEs</p>	<p>Singapore Business Federation (SBF) and V3 Fintech launched Beyond Lab, a digital academy to train SMEs in digital competencies. The lab will help SMEs use digital technology to be more resilient, adaptable and able to cope with disruptions like the Covid-19 outbreak which is reshaping business practices and consumer habits. It will focus on areas such as data analytics, fintech innovations and support for green solutions. Beyond Lab will also support the digital upskilling of SME owners and staff to maximise efficiency & champion digital transformation in the organisation. The Covid-19 outbreak has made the value of digital transformation more apparent, as businesses that have invested in digital channels, products and operations may be able to better mitigate the outbreak's impact. Beyond Lab's pilot cohort of 30 SMEs will undergo diagnostics with Ernst & Young Advisory to set their performance targets and prioritise areas for growth. Then, they will be matched to SkillsFuture Singapore programmes, of which firms' leaders and staff will get access to subsidised courses, ranging from AI in finance to data science bootcamps. Beyond Lab aims to have two intakes per year, which will see about 60 SMEs graduating from the programme by the end of this year.</p> <p style="text-align: right;"><i>(Source: Business Times, 19 March 2020)</i></p>
<p>PHILIPPINES</p> <p>Financial firms extend payment deadlines amid quarantine</p>	<p>Several banks have announced their decision on payment extensions on loan products after the government put Luzon under enhanced community quarantine until April 12. The BDO said it is giving qualified credit card, auto, home, SME, and personal loans customers with due dates of up to April 15, 2020, a 60-day payment extension. The Philippine Savings Bank (PSBank) is giving a 30-day grace period on payments for a qualified auto loan, home and personal loan borrowers. PSBank is also waiving fees on fund transfers by its account holders to other bank accounts made through InstaPay and PESONet. The Security Bank Corporation said a 30-day extension will be given to credit card, home, personal, auto, business mortgage, and business express loan borrowers with no past-due balance and have due dates as of March 16, 2020. The bank is also waiving the transaction fees for EGiveCash and ATM fees for Security Bank ATM cardholders nationwide even if they withdraw from other banks' machines. First Digital Finance Corporation said its financial technology firm, Billease, is extending installment payment dues for free and will waive fees to those who have received their payment notification prior to enhanced community quarantine announcement.</p> <p style="text-align: right;"><i>(Source: Philippine News Agency, 18 March 2020)</i></p>

CAMBODIA

New ARDB fund to expand SME access to credit

The state-owned Agricultural and Rural Development Bank (ARDB) launched a \$50-million fund to increase access to credit for SMEs in the local agriculture sector. CEO of ARDB, Kao Thach said more than 500,000 local SMEs could benefit from the fund. The fund aims to help companies boost productivity and improve their competitiveness. Enterprises can borrow up to \$300,000 on each loan, with a 6% annual interest rate for loans used as working capital and 6.5% for that used for investment. An International Finance Corporation report released in August said Cambodia's women entrepreneurs continue to struggle with limited access to financing for business expansion. Only 3% have access to credit from microfinance institutions (MFIs) and banks. The report estimates that the unmet demand for credit from women entrepreneurs is currently \$4.2 billion – equivalent to almost 63% of Cambodia's \$6.7 billion national budget for 2019. A survey by the Ministry of Industry & Handicraft of 71 enterprises in the Kingdom found they needed assistance in market research, service development, packaging, technology adoption, human resources, access to labour, access to finance, business registration, taxation and improving hygiene standards.

(Source: The Phnom Penh Post, 17 March 2020)