

# SME WEEKLY NEWS

(7 September 2020 – 11 September 2020)

Countries	Highlights
<p><b>MALAYSIA</b></p> <p><b>CPA Australia survey reveals Fintech usage increases among Malaysian businesses</b></p>	<p>Over 75% of Malaysian businesses embraced at least one fintech product or service over the past 12 months, according to survey findings by CPA Australia. Mobile payments and digital wallets were the most widely adopted in Malaysia in the past 12 months, with 63% of businesses surveyed indicating usage. Overall, fintech adoption in Malaysia was driven by the need to increase business efficiency, with 56.3% identifying this as an important benefit. A total of 40.4% businesses adopted fintech as means to adapt to challenges posed by the Covid-19 pandemic. Just over a third (34.4%) saw the use as a way of reducing costs. Of concern though is that one-in-four businesses surveyed do not expect to use fintech in the next 12 months with the majority of these being businesses with 50 or fewer employees. Small businesses may not have a sound understanding of the benefits of fintech to their firms. More needs to be done to improve small business understanding of what fintech solutions might be good for their businesses. Survey results showed that there was an increase of 13.9% in the number of businesses in Malaysia using fintech lending, compared to Singapore's 8.2%. As at December 2019, a total of RM633 million peer to peer lending was raised through 8,102 successful campaigns.</p> <p><i>(Source: Digital News Asia, 7 September 2020)</i></p>
<p><b>CAMBODIA</b></p> <p><b>Business cluster to boost economy</b></p>	<p>The \$30 million Worldbridge SME Cluster will break ground next month, according to Worldbridge Industrial Developments, the company behind the Industry 4.0 infrastructure. The cluster is seen as an innovative and strategic solution for SMEs and industrial development in Cambodia. Unlike special economic zones, industrial parks or traditional SME clusters, the Industry 4.0 SME Cluster is an innovative solution which supports the government's objectives under the Industrial Development Policy 2015-2025 and serves as a vehicle in which government policies supporting skills-based employment, SME development, agro-processing expansion and industrial diversification can be easily achieved. Also, it brings a new future for SMEs, entrepreneurs, the ICT sector and manufacturing investment in the Kingdom by bringing them together into complete value chains. Its unique Industry 4.0 based ecosystem will elevate Cambodia's manufacturing capabilities and enable it to leapfrog from today's Industry 2.0 environment. The SME Cluster will not only create employment and business opportunities for people living on its housing estate next door, but it will also act as a job-training and skill-development centre for the whole community.</p> <p><i>(Source: Khmer Times, 10 September 2020)</i></p>
<p><b>MYANMAR</b></p> <p><b>Myanmar extends tax deadline until end of year to aid Covid-hit businesses</b></p>	<p>The Myanmar govt again extended the tax payment deadline, giving pandemic-hit businesses across the country until the end of December to make payments as they grapple with the impact of Covid-19. The government had eased the deadlines for paying quarterly income tax and monthly commercial tax for SMEs, as well as CMP (garment &amp; textiles), and hotel &amp; tourism businesses, for the current fiscal year (2019-20). Income tax payments that were supposed to be paid by 31 March for the 2<sup>nd</sup> quarter, 30 June for the 3<sup>rd</sup> quarter and 30 September for the 4<sup>th</sup> quarter can now be made through 31 December. The monthly commercial tax for the period from March to November in the current fiscal year can also be paid by 31 December. The latest move aimed to boost the morale of the general public amid the Covid-19 crisis. Since late March, Myanmar's economy has slowed significantly due to Covid-19, with the CMP, hotel and tourism, and SME sectors hit the hardest due to pandemic-related restrictions. In June, the Ministry of Labor, Immigration &amp; Population said a total of 5,658 SMEs and 270 large factories, shops &amp; restaurants had closed due to Covid-19, leaving more than 140,000 people jobless.</p> <p><i>(Source: The Irrawaddy, 8 September 2020)</i></p>

**VIETNAM****P2P Lender Fvndit  
receives \$30 Million  
debt financing for  
SMEs in Vietnam**

Fvndit, Inc. (pronounced 'fundit'), a California / Vietnam-based Fintech has received a \$30 million investment of debt financing led by Accial Capital and Variant Investments. Fvndit operates a wholly-owned subsidiary, eLoan, JSC, an online peer-to-peer marketplace in Vietnam. Fvndit reports that SMEs account for 41% of Vietnam's GDP and 98% of all businesses but remain neglected by banks with 70% having difficulty accessing credit. eLoan is targeting this underserved market. The company's goal is to be the market-leading SME funding platform in Vietnam. eLoan is said to be the first peer-to-peer lending company and one of the few Fintech firms in Vietnam focusing purely on serving SME clients with short-term loans. Chief Investment Officer of Accial Capital, says that Fvndit's approach to managing credit risk in this segment sets it up well to scale quickly but responsibly. The vision is to provide quick and easy financing for the underserved SMEs that make up the majority of current economic activity and future growth of Vietnam. Low-cost institutional capital allows them to achieve impact at scale for the vast underbanked SME market.

*(Source: Crowdfund Insider, 8 September 2020)*

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