

SME WEEKLY NEWS

(18 May 2020 – 22 May 2020)

Countries	Highlights
<p>MALAYSIA</p> <p>Axiata makes available additional RM150 million in financing to aid underserved micro-SME sector</p>	<p>Axiata has announced the launch of a RM150 million cash fund to offer financial assistance to micro-SMEs in Malaysia, with RM20 million contributed by the Ministry of Finance. The Axiata Group set up the Axiata COVID-19 Assistance Program, which aims to offer fast, easy, and secure micro-financing. The Axiata COVID-19 Assistance Program aims to address this by making micro-financing more accessible to micro-SMEs. This is made possible through Aspirasi, a digital financing services provider that offers Shahriah-compliant micro-financing via Aspirasi Assist. The financing facility starts from RM1,000 up to RM10,000, and favourable terms include suspended repayment for the first six months, 0.5% profit rate and a 15-month tenure. There is no need for a guarantor, and minimal collateral is required. Micro-SMEs can also opt for additional micro-insurance coverage. This covers emergency situations with income, accidental death coverage, and financial assistance for COVID-19. Benefits include emergency expenses relief of up to RM1,000, and accidental death insured of RM10,000.</p> <p style="text-align: right;"><i>(Source: Axiata, 21 May 2020)</i></p>
<p>THAILAND</p> <p>BOI partners with two state banks to help SMEs affected by the Covid-19</p>	<p>The Board of Investment (BoI) will join hands with two state-backed banks to help entrepreneurs affected by the Covid-19 outbreak. BoI will work with SME Bank of Thailand and Exim Bank of Thailand to organise an online seminar 'SME Solution for the Covid-19 Crisis' to guide and assist entrepreneurs interested in obtaining BoI privileges. Furthermore, BoI and the two banks will provide several measures to help those who are affected by Covid-19. Some of the highlighted measures are reducing the minimum investment requirement for those who wish to apply for BoI privileges to Bt500,000 (excluding land investment and rotating funds); increasing corporate tax break to 200 per cent of investment value for type A entrepreneurs (those with 3-8 years privileges); and allowing the import of second hand machines to be used in the project. The BoI is also planning to provide additional benefits to SMEs who are located in special economic zones in 10 border provinces to promote inter-border investment.</p> <p style="text-align: right;"><i>(Source: Thailand Business News, 20 May 2020)</i></p>
<p>CAMBODIA</p> <p>SME competition set for July</p>	<p>The private sector plans to launch the first SME competition in Cambodia to promote the SME sector and seek financial loan support for business expansion. PLMP Venture Capital Co Ltd, the investment arm of Singapore-based blockchain firm PLMP FinTech Pte Ltd, and the Federation of Association for Small and Medium Enterprises of Cambodia (Fasmec) have jointly organised the event, which will take place on 3 July 2020. The event will help SMEs in Cambodia who are facing a shortage of capital to expand their businesses. Through the competition, entrepreneurial candidates will demonstrate their ability to manage their businesses. The event too will provide SME entrepreneurs the opportunity to seek out investment partners and expand their operations. Currently, the government is making an effort to support SMEs in Cambodia through the SME Bank with a \$150 million capital investment to provide low-interest loans to the SME sector in Cambodia. At the same time, the government has also disbursed \$50 million in financing through the Agriculture and Rural Development Bank (ARDB) to support SMEs in the agro-industrial sector.</p> <p style="text-align: right;"><i>(Source: The Phnom Penh Post, 18 May 2020)</i></p>

INDONESIA**New Govt campaign encourages SMEs to ramp up digital presence**

Coordinating Minister for Maritime Affairs and Investment said a new national campaign called #BanggaBuatanIndonesia had been designed to encourage SMEs to make more use of online platforms to advance their business. The government also hoped the campaign could minimize impacts from the Covid-19 pandemic on the economy, and that industry players might reap benefits from it. The #BanggaBuatanIndonesia campaign should encourage sales of creative economy or other SME products on online platforms, while featuring training for SMEs. The government will provide the training and a total of Rp 34.1 trillion will be given to SMEs so they can develop a good brand and develop their online presence. The minister said SMEs could improve Indonesia's competitiveness in the global market by creating stronger digital presence. The campaign was designed after President Jokowi issued an instruction to prioritise Made in Indonesia products and boost their sales. Speaking at the launch, the President said he was confident local industries would survive the challenges from the coronavirus crisis & encouraged entrepreneurs to make their own opportunities.

(Source: Jakarta Globe, 18 May 2020)

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