

# SME WEEKLY NEWS

(25 May 2020 – 29 May 2020)

Countries	Highlights
<p><b>MALAYSIA</b></p> <p><b>Digi and MDEC team up to launch digitalisation programme for SMEs</b></p>	<p>Digi.Com Bhd and MDEC have joined forces to release a Business Continuity Digitalisation (BCD) programme to help SMEs leverage digital opportunities to cope with the fallout from the pandemic. The programme will focus on equipping SMEs with the right knowledge to reap the benefits of digitalisation and use the right digital tools and solutions to run their business smoothly, via a series of activities this year that include free webinars and online clinics. Under the programme too, Digi will help SMEs to assess their BCD readiness and guide them towards the most suitable digital tools and solutions providers to partner with and learn how these tools can help them. In addition, Digi will also guide SMEs when they apply for the SME business digitalisation grant that was announced in the Budget 2020 tabling last year, where the government has committed to the tabling of a 50% matching grant of up to RM5,000 per company to subscribe to any three of these five digitalisation areas: electronic point of sale (e-POS), Enterprise Resource Planning (ERP), electronic HR payroll system/CRM, e-procurement and digital marketing and sales platforms.</p> <p><i>(Source: The Edge Malaysia, 28 May 2020)</i></p>
<p><b>SINGAPORE</b></p> <p><b>Fortitude Budget: SME tenants get cash grant to offset rents</b></p>	<p>The Singapore government will provide a new cash grant to offset more of the rental costs of SMEs, to be disbursed through property owners. Taken together with the property tax rebate, the government will offset about two months of rents for qualifying SME tenants of commercial properties, and about one month for qualifying SME tenants of industrial and office properties. The cash grant will be disbursed by the Inland Revenue Authority of Singapore (IRAS) to landlords from end-July. Landlords are required to pass this on to their SME tenants. It will cost about S\$2 billion in total, Deputy Prime Minister and Finance Minister Heng Swee Keat said in Parliament as he unveiled the 4<sup>th</sup> round of support measures in response to the Covid-19 pandemic. SME tenants are defined as those with not more than S\$100 million in annual turnover, based on corporate tax and individual tax returns for the Year of Assessment 2019. SME property owners who run a trade or business on their own property will also be eligible for this new grant. Previously, many businesses have given feedback that while the Jobs Support Scheme provides support on wage costs, they are still facing difficulties with rental costs, which are “especially tough” on SMEs.</p> <p><i>(Source: Business Times, 26 May 2020)</i></p>
<p><b>PHILIPPINES</b></p> <p><b>Ayala launches program to help 250,000 SME partners</b></p>	<p>The Ayala group is embarking on a comprehensive hand-holding program for about 250,000 SMEs in its ecosystem, including shopping mall tenants, suppliers and banking clients grappling with business disruptions caused by the pandemic. They launched Ayala Enterprise Circle (AEC), a synergistic initiative that is focused on helping the group’s SME partners continue their operations and recover from the pandemic. So far, the Ayala group has extended P766 million worth of free services and waiver of business operations fees to SMEs. Ayala Malls alone has waived P280 million covering more than 2,400 of SME tenants in the last two months. Ayala’s banking arm, Bank of the Philippine Islands has also encouraged its SME clients to take advantage of its loan payment deferment program of up to 90 days to help manage cash flows that were disrupted by the enhanced community quarantine (ECQ). Through Globe Telecom, the group is also offering various connectivity solutions to keep businesses running from home or to support their online operations. Ayala Malls and Zalora are exploring new retail and e-commerce models to give SME tenants an alternative digital channel, with the physical shopping malls serving as community pick-up points for digital purchases.</p> <p><i>(Source: Inquirer.net, 25 May 2020)</i></p>

<p style="text-align: center;"><b>MYANMAR</b></p> <p><b>ADB to extend loans in support of development in Myanmar</b></p>	<p>Myanmar is planning to take a US\$60 million loan from the Asian Development Bank (ADB) to establish a Credit Guarantee Corporation (CGC). SMEs in Myanmar lack a credit guarantee system which limits the amount of unsecured loans the banks are able to extend to an SME. In Myanmar, 98% of the economy comprises SMEs, while 95% of the workforce is employed by this sector. Yet, bank lending for business in Myanmar comprises just 37% of GDP, which is low compared to regional countries. Thus, establishing CGC will help solve the problem of SMEs having insufficient collateral and documentation, which prevents them from getting loan from the banks. The ADB will extend the loan at interest rate of 1% p.a. during a grace period of eight years, and 1.5% p.a. during the repayment period over the next 24 years. Meanwhile, Myanmar will also receive some \$1.8 billion in financial support for development projects in the country from the ADB. This will include a \$1.7 billion concessional loan and a grant of \$70 million to build infrastructure for transport and energy as well as for education, healthcare and urban and rural development.</p> <p style="text-align: right;"><i>(Source: Myanmar Times, 25 May 2020)</i></p>
<p style="text-align: center;"><b>CAMBODIA</b></p> <p><b>Wing and ARDB join hands to support SME &amp; Agri-business in Cambodia</b></p>	<p>Wing (Cambodia) Limited Specialised Bank and Agricultural and Rural Development Bank of Cambodia (ARDB) linked up for a partnership to provide easy access to SMEs and agri-business in Cambodia. With this partnership, the customers of ARDB will be able to make loan repayments through over 7,500 Wing Cash Xpress agents across Cambodia. Also, they can opt to transfer money instantly from their Wing Accounts using Wing Mobile App or using the USSD Code *989# on their mobile phones – anytime, any day, 24X7. Cambodia is home to approximately over 500,000 SMEs contributing to economic growth through creating jobs, generating income for low-income people, fostering social stability and the growth of a dynamic private sector. Both Wing and Agricultural and Rural Development Bank of Cambodia share the vision of providing convenient access to financial services to the community – thereby improving the quality of lives of Cambodian people. Wing has built its brand as a convenient, secure and instant money transfer service while ARDB is recognized for its commitment to take part in the poverty alleviation and raising the living condition of rural Cambodian people through providing financial support to enterprises, SMEs and farming organization.</p> <p style="text-align: right;"><i>(Source: Khmer Times, 29 May 2020)</i></p>

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