

SME WEEKLY NEWS

(26 October 2020 – 30 October 2020)

Countries	Highlights
<p>MALAYSIA</p> <p>Selangor introduces NaDi initiative to help spur growth of small businesses</p>	<p>The Selangor state government has introduced the Niaga Darul Ehsan (NaDi) initiative as further means to help small businesses in the state grow. The initiative was officially announced during the state government budget tabling on Friday by the Menteri Besar, stating that small business owners can apply for a loans as low as RM1,000 to RM3,000 under the new initiative. Through the NaDi program, applicants only need to apply for a license from the local authorities to carry out business activities without having to submit an SSM certificate. Next, they are eligible to apply for a loan as low as RM1,000 up to RM3,000 without having to own permanent premises, such as an online business. However, these traders will still need to obtain SSM certification within six months. If they fail to obtain an SSM certificate during that period, then their license will not be renewed. The initiative falls under the state government's Hijrah microcredit programme, which to date has provided RM517 million in loans to 53,958 entrepreneurs. Apart from NaDi, the Zero to Hero initiative, which is also offered to those wanting to start a business without SSM certification and a business license and is available to all Selangor citizens, aged 18 to 60. Realising the need to help local entrepreneurs, the government has allocated RM15 million under Hijrah for the coming year.</p> <p style="text-align: right;"><i>(Source: Malay Mail, 30 October 2020)</i></p>
<p>SINGAPORE</p> <p>Visa study finds underserved SME's look to digital banks</p>	<p>A total of 88% of SMEs in Singapore would consider switching some services to digital banks, according to a 2020 Visa Study on Digital Banking and SMEs in Singapore. These findings come as the Monetary Authority of Singapore looks to digital banks to help support the underserved SME segment with the expectation of three wholesale banking licenses to be issued in 2H 2020. This untapped segment presents a viable opportunity for digital banks, with majority of SMEs showing a positive attitude towards them. More than half the respondents believe that digital banks will provide an overall lower cost of banking (55%), increased convenience (54%), greater ease in paying bills online (53%), and save time & effort when performing banking transactions (52%). Respondents are lured by the 24/7 availability of digital banks (58%), ease of making digital payments & transfers (56%) and efficiency of money transfers when receiving payments for goods & services (55%). Other services that SMEs would like to see from digital banks include reduced or no rates for services (72%), alerts to relevant grants from the government, support and guidance to direct them to relevant government agencies (72%) and a consolidated dashboard to manage their expenses (70%).</p> <p style="text-align: right;"><i>(Source: The Fintech Times, 28 October 2020)</i></p>
<p>PHILIPPINES</p> <p>A powerful device right in your pocket: Empowering SMEs through PayMaya One Lite</p>	<p>As the country recovers from the current health crisis, SMEs have been adopting cashless payment solutions to continue their business operations in the new normal. To support the growth and recovery of SMEs, digital financial services leader, PayMaya introduced the PayMaya One Lite — a digital payment innovation that allows SMEs to accept all digital payments through a portable and smartphone-like Point-of-Sale device. It is designed to process Mastercard, Visa and JCB credit, debit and prepaid card payments as well as e-wallet accounts such as PayMaya QR. Soon, the device will also be accepting Bancnet card payments and other emerging payment options such as WeChat Pay, Alipay and QR PH. The device's wireless connectivity allows merchants to use it for cashless payment acceptance whether in their store, for delivery or when doing meet-ups with customers anywhere. Another important function of the PayMaya One Lite is its paperless receipt feature, thus SMEs can provide their customers an easier, safer and more convenient way to pay and at the same time, protect their frontline staff by eliminating payments via cash which can be a source of the virus.</p> <p style="text-align: right;"><i>(Source: Manilla Buletin, 28 October 2020)</i></p>

CAMBODIA**CSX launches
initiative to guide
SMEs**

Cambodia Securities Exchange (CSX) has launched a new initiative called “35 Minutes on Business”, a series of online events that will serve as new community platform for local SMEs. The platform will enable SMEs to present their products, services and projects, share experiences and business strategies in the current technological edge, and learn more about raising funds on the capital market. The new platform will provide local SMEs a chance to share their businesses not only with the public but also with investors. It will also serve as a bridge to investors who may take an interest in the companies, allowing them to enter a joint-investment with them. The once-a-month online events will invite business owners to talk about their businesses and enlighten them on how they can use the stock market to fund their expansions. The CSX has struggled to attract a single SME since the launch of its Growth Board in late 2015. According to Securities and Exchange Commission of Cambodia regulations, companies are required to have a minimum of \$500,000 in operating capital to list, compared to \$7.5 million on the main board. Companies that list on the platform are also required to release one year of audited financial results, compared to the two years required for bigger companies. Additionally, the results must show a positive net profit or positive operating cash flow with gross profit margin of at least 10%. SECC told that two SMEs were on track to list on the CSX’s Growth Board by the end of this year.

(Source: Phnom Penh Post, 26 October 2020)

Knowledge Management & Strategy Division
SME Corp. Malaysia
30 October 2020