

SME WEEKLY NEWS

(2 November 2020 – 6 November 2020)

Countries	Highlights
<p>MALAYSIA</p> <p>2 million lay-offs if no Govt help: SME Association</p>	<p>President of SME Association of Malaysia, Datuk Michael Kang said employers are facing unprecedented challenges and the number of lay-offs could hit two million by year-end if government aid is not forthcoming. By then, more than 20% of SMEs would have been closed down, he added. Kang said SMEs are facing greater pressure now than during the MCO period earlier this year when they still had some cash in hand. Now, SMEs do not have any more money but still have to pay workers' salaries, rent and service loans, among others. Kang told the press when asked to comment on remark by the Executive Director of Malaysian Employers Federation, Datuk Shamsuddin Bardan that employers are bracing for greater challenges next year in the wake of the third wave of Covid-19 pandemic and enforcement of the conditional MCO in the Klang Valley and Sabah. Kang advised SMEs to "save themselves" through transformation while waiting for government assistance. It would be faster and easier to achieve transformation with government assistance, he added. Prime Minister Tan Sri Muhyiddin Yassin recently announcement that more than 800,000 Malaysians have lost their jobs due to the pandemic.</p> <p style="text-align: right;"><i>(Source: The Sun Daily, 5 November 2020)</i></p>
<p>SINGAPORE</p> <p>S\$6.8m disbursed to 2,700 food, retail businesses in Singapore for going digital: IMDA</p>	<p>Since August, about 2,700 food services and retail businesses in Singapore have received a total of S\$6.8 million in Digital Resilience Bonus (DRB) payouts, the Infocomm Media Development Authority (IMDA) reported. The bonus was first announced in May, as part of the S\$33 billion Fortitude Budget for additional Covid-19 support measures. It is aimed at the F&B and retail sectors, which have been among those badly hit by the pandemic, and where there is a high concentration of local SMEs. The DRB is introduced to encourage food services and retail enterprises in their digital transformation journey. More SMEs are now seeing the benefits of digitalisation on multiple fronts, by reaching new customers with e-commerce and becoming more efficient in internal processes. Companies can receive a payout of up to S\$10,000 under the DRB scheme, depending on the conditions they meet, and the payouts are given on top of other measures under the SMEs Go Digital programme. IMDA said more than 50,000 SMEs in Singapore have adopted digital solutions under the SMEs Go Digital programme as at September 2020.</p> <p style="text-align: right;"><i>(Source: The Business Times, 6 November 2020)</i></p>
<p>PHILIPPINES</p> <p>BSP creating database to help SMEs with good track records obtain less costlier bank loans</p>	<p>The central bank (BSP) will create an information storehouse that will help SMEs with good prospects and reliable credit track records obtain cheaper loans from participating banks. The proposed credit risk database will generate statistical credit scoring models and can be used by banks to assess SMEs' capacity to service their loans. Borrowers with a history of paying loans on time will be able to borrow at lower rates, while those with problematic records will have to pay a premium on their loans. As part of the strategic initiatives to improve SMEs' access to finance and support the post-pandemic recovery, this anonymised credit risk database will promote access to finance of well-managed SMEs by providing banks with a robust credit assessment tool that enables risk-based lending and reduces dependence on collateral for credit decisions. It will also address SMEs' reluctance to apply for bank loans due to lack of credit history and acceptable collateral; as well as banks' perception that SMEs in general are high risk. The project implementation phase will run for three years, with the launch of its credit scoring services targeted in the first half of 2023.</p> <p style="text-align: right;"><i>(Source: Inquirer.net, 5 November 2020)</i></p>

VIETNAM**Prudential provides SMEs access to Stash's tailored incentive payment platform for employees**

Prudential is providing its SME customers in Asia and Africa access to Stash's highly-customisable digital incentive payment platform. The offering is available through PRUWorks, Prudential's one-stop digital platform for SMEs to manage their group insurance and get access to value-added services. Stash aggregates digital payment interfaces to provide SMEs with a convenient way of presenting their employee benefits. Employees of Prudential's SME customers can enjoy flexible benefits relating to health, wellness and lifestyle offered via an extensive network of rewards partners. Through Pulse by Prudential mobile app, employees of Prudential's SME customers can redeem their rewards through digital payment solutions, including mobile wallets, digital store cards & digital coupons. Powered by AI, Pulse is a mobile app that enables users to manage their health and wealth holistically through easy access to advanced features and services, such as a symptom checker, health assessment, wellness content and virtual consultations with qualified doctors. For SMEs and their employees, PRUWorks and Pulse will become essential tools in running a good business. The business and consumer-facing platforms combined, will provide meaningful protection and value-added solutions, and help SMEs ensure their employees are productive and healthy.

(Source: Taiwan News.com, 2 November 2020)

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