

# SME WEEKLY NEWS

(13 January 2020 - 17 January 2020)

Countries	Highlights
<p><b>MALAYSIA</b></p> <p><b>Bank Muamalat allocates RM10m to fund SMEs</b></p>	<p>Bank Muamalat has exchanged an MoU with SIRIM to financially assist SMEs under the SIRIM-Fraunhofer programme. The bank has allocated RM10 million to fund SMEs and expects to receive about 200 applications for the first year. The grants are based on an 80:20 principle for the first cycle, where 80% of the project value will be in the form of grants, while the remaining 20% is the commitment from the participating SME. The maximum amount of the eligible grant is up to RM200,000 per SME, of which funds will be channelled in the form of machineries and equipments, and particularly for SMEs in the manufacturing sector. Through the partnership, the bank will be able to fulfil SMEs' financial needs and provide assistance in improving their productivity by using technology to stay competitive amid the Industrial Revolution 4.0. With the MoU exchange, the two parties will further explore ways to assist SMEs in reaping the opportunities available to improve their productivity. This includes services in the areas of mechanisation, automation, smart manufacturing, medical devices and energy management.</p> <p style="text-align: right;"><i>(Source: The Malaysian Reserve, 15 January 2020)</i></p>
<p><b>THAILAND</b></p> <p><b>SME package with soft loans on the cards</b></p>	<p>The government plans to launch a new package of SME support measures, in which soft loans and Board of Investment (BoI) incentives could be integral. The BoI is considering investment privileges for SMEs, while the Bank of Thailand and Government Savings Bank (GSB) are mulling soft loans to alleviate SMEs' financial costs. The Finance Ministry has delegated the Comptroller-General's Department to seek approaches to offering incentives to SMEs to take part in state auctions without distorting the market. Moreover, offering privileges to support the establishment of matching funds to invest in SMEs is under consideration. Amidst sagging economy, most SMEs are in need of fresh funding, prompting the government to step up efforts to help them by introducing aid measures. The assistance package consists of various measures, including credit guarantees, low-rate loans and relaxation of regulations associated with SME debt restructuring to match SMEs' characteristics, classified into 3 groups i.e. those who want to access financial sources but cannot; those whose debts have turned sour; and those who can access FIs lending but need additional liquidity.</p> <p style="text-align: right;"><i>(Source: The Bangkok Post, 15 January 2020)</i></p>
<p><b>MYANMAR</b></p> <p><b>New law in the works to help set up Myanmar credit market</b></p>	<p>The Ministry of Planning, Finance and Industry is drafting a Secured Transactions Law with assistance from the International Finance Corporation. The aim is to facilitate the establishing of a modern and formal credit market through which borrowers can take loans using a broad range of moveable assets as collateral and SMEs have better access to financing. The new law also provides a formal registry for moveable collateral and recourse in the event of disputes regarding the rights to collateral. The move was driven by government efforts to make getting credit easier. In its 2019 report, the World Bank noted that Myanmar needs to improve access to credit for businesses, as the number of loans made during the year had declined. One of the reasons is banks are unwilling to lend to borrowers without immovable collateral like land and property. The work on the new Secured Transactions Law began last year. In December 2018, Myanmar Credit Bureau inked an agreement with US-based Equifax New Zealand Services and Solutions Ltd to establish a credit bureau to help banks make better decisions when lending to borrowers and reduce their risks.</p> <p style="text-align: right;"><i>(Source: Myanmar Times, 13 January 2020)</i></p>

## ARCHITECTURAL FIRM MAKES SUSTAINABILITY A CORE PART OF THEIR BUSINESS

YEARS before sustainability became a buzzword, Veritas Design Group made it a point to incorporate environmental elements into its business, with environment among five of the group's core values. And as the rest of the business world slowly catches on to the importance of sustainability, Veritas has been ramping up its efforts even more over the last few years.

Veritas Architects principal, Zainal F Abdul Aziz says they always strive to include this element into our projects. From the moment a client initiates a project, the firm is already looking at ways to make it a green building. "We have our own internal green checklist, like water management and positioning on the site. As much as possible, we also use recycled materials. Beyond that, we have a standardised industry rating tool like the Green Building Index (GBI)," says Zainal.



"There may be higher upfront costs but there are also cost savings in the long run," he says. He adds that the team is always finding ways to go beyond what they have done so far to remain at the forefront. The firm continuously supports its staff to go for GBI facilitator courses to ensure that they can be accredited in green. "When we say 'green', it is really about making people more comfortable and reducing the maintenance cost of the building. So this comes down to the design of the building, like the sun orientation to lessen energy consumption, how do we implement fins to reduce glare and cool the building down," adds Zainal.

One of its star projects is the Selangor State Development Corporate headquarters in Shah Alam. The building, completed in 2016, has the highest GBI points scored for an office building at the Design Assessment stage. "We are not happy with just a certified building. Now we want to go for zero-net energy buildings. Of course, there are constraints, like cost, client preference and issues. But we are trying to educate them and get them excited about sustainability," he cited.

The company also works with DBKL to convert abandoned spaces in the city into landscaped areas or convert them into urban farms. They also open up this initiative to other organisations by working with them to beautify more areas in the city. "We collaborated with few organisations and contributed to portable solar panels for orang asli settlement. We used natural materials and taught them how to maintain the solar panels on their own," Zainal shares.

But Veritas' efforts are not just focused on its clients' projects. They have carried out a lot of initiatives internally to ensure that they are also walking the talk. Simple things like installing LED lights and recycling bins will be beneficial in the long run. Veritas also take its carbon footprint rather seriously. Funds from its recycling activities are given back to the staff through initiatives, such as rewarding those who use public transport. They also introduced indoor plants for the employees to take care of and weekly bulletins to inform and educate the staff on green trends around the world.

The company hopes to continue pushing the green envelope and that there are many more initiatives that it can adopt. "We need to push to be great. This will also create awareness on what we do. It's about all the small things. This is second nature for our staff, and the mindset really starts from the top," he says. Hopefully, the green culture within the company will also be adopted by its employees outside the office, creating not just a green working space but also a lifestyle.

*(Source: The Star, 13 January 2020)*

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