

SME WEEKLY NEWS

(14 September 2020 – 18 September 2020)

Countries	Highlights
<p>MALAYSIA</p> <p>Digitally mature SMEs poised to add billions to Malaysia's GDP, says study</p>	<p>Digitally mature SMEs could add billions to Malaysia's GDP by 2024, according to the 2020 Asia-Pacific Small and Medium Business Digital Maturity Study commissioned jointly by technology company Cisco and market intelligence company International Data Corporation. The study noted that digitally mature Malaysian SMEs could add between RM79 billion and RM99 billion to the GDP by 2024. It added that purchasing or upgrading IT hardware (18%) is the top technology investment priority for Malaysian SMEs, followed by purchase or upgrade of IT software (14%), and cybersecurity (11%). Among the respondents, 86% said they believe digitalisation will help in developing future resilience against crises like Covid-19. In addition, 59% of the respondents recognised that competition is transforming and they must keep up with the pace, while 43% said they are transforming due to demand from customers. The study also stated that SMEs are facing challenges in adopting digitalisation strategies i.e. shortage of digitally skilled talent (21%), lack of budget and commitment from management (16%) as well as lacking the proper digital transformation roadmap that is critical to any organisation looking to drive substantial change (12%). It also highlighted that nearly 70% of SMEs in Asia-Pacific are accelerating the digitalisation of their businesses because of the pandemic.</p> <p><i>(Source: Malay Mail, 17 September 2020)</i></p>
<p>THAILAND</p> <p>BoT develops digital system for better SME funding access</p>	<p>Bank of Thailand has been developing digital technology to help SMEs more easily access funding sources and improve their business potential and competitiveness in preparation for the new phase after the pandemic. Digital development will help SMEs survive the Covid-19 crisis and strengthen competitiveness after the pandemic wanes, said the governor. The central bank will continue adopting digital technology in several areas to support both individuals and businesses, especially digital payment infrastructure based on ISO 20022, to improve the back-office systems of business operators. Thailand has operated PromptPay, a digital transaction platform, for about 4 years, with registrations have increased to 55.1 million and reached a peak of 20 million transactions a day. Payment via QR code technology has also expanded to 6 million transactions. The central bank issued digital personal loan regulations on 15 Sept 2020, enabling both individuals and business owners to better access loans through alternative data analytics. The innovative financial service will also afford better access to loans in the formal financial sector and ideally reduce lending through loan sharks and other informal channels. The central bank has continued to develop its authentication technology, National Digital ID and expanded the service to other financial service providers apart from banks.</p> <p><i>(Source: Bangkok Post, 18 September 2020)</i></p>
<p>SINGAPORE</p> <p>Facebook Singapore to give S\$4.75m in grants to small businesses hit by Covid-19</p>	<p>Facebook Singapore has set aside about S\$4.75 million which it will give as grants to local small businesses affected by the coronavirus pandemic. Each grant is worth S\$5,500, comprising S\$3,500 in cash and S\$2,000 in optional ad credits. To be eligible, the business must have between two and 50 employees, and been in business for more than one year. It must also have experienced challenges due to the pandemic, the tech giant said. The business does not need to have a Facebook presence in order to apply. Facebook Singapore's country director, Damian Kim said that small businesses are the heart of the communities and the backbone of the economy. They have also been some of the hardest hit by Covid-19, impacting lives and livelihoods for so many Singaporeans. It is more important than ever for the company to move forward together through these challenging times.</p> <p><i>(Source: Business Times, 16 September 2020)</i></p>