

SME WEEKLY NEWS

(15 March 2021 – 19 March 2021)

Countries	Highlights
<p>MALAYSIA</p> <p>Pemerksa: Facilities increased for SMEs and co-ops</p>	<p>To assist SMEs in financing, BNM increased the Targeted Relief and Recovery Facility by RM2bil and the Automation and Digitalisation Facility by RM700mil. A fund totalling RM200mil under MIDF is available to finance the development of automation, digitalisation and the usage of green technology. Apart from that, additional allocation of RM50mil for the Smart Automation Grant under MIDA will enable more SMEs and mid-tier companies to enhance operational and manufacturing efficiencies through high-tech processes. To encourage SMEs to increase automation and reduce dependence on foreign workers, SME Bank will provide a fund of RM200mil to finance the purchase of machinery with a grant of up to 20% of the value of the machinery. To reduce the burden of companies facing financial difficulties and risk of winding up, SSM increased the threshold of indebtedness from RM10,000 to RM50,000. Cooperative Commission of Malaysia (CCM) will also provide financing initiatives of up to RM100,000 without collateral to help cooperatives affected by the pandemic. The government had approved a matching grant of RM30 mil to encourage investment in mechanisation and automation by palm oil industry players.</p> <p style="text-align: right;"><i>(Source: The Star, 17 March 2021)</i></p>
<p>THAILAND</p> <p>Department aims to raise SME listings</p>	<p>The Business Development Department vowed to ramp up support for medium-sized wholesale & retail operators listing on Stock Exchange of Thailand (SET) to raise funds to finance business expansion, in addition to ensuring their good corporate governance. The department has teamed up with SET since 2016 to promote medium-sized wholesalers and retailers listing on the SET. There are 2-3 potential operators strong enough to potentially list on the SET, but they still need to improve their accounting systems and good governance, as well as transparent management. There are 213 smart wholesale and retail operators in the pilot project that have the potential to list on the bourse under the partnership scheme between the SET and the department. Listing on SET will help strengthen the calibre of SMEs, helping them to increase in scale because they can raise funds for future expansion and add branches to allow them to better compete with modern trade. The department is also committed to upgrading existing traditional retailers to become smart operators by helping them systemise their store management with modern standards. There are 400,000 small retail stores and around 3 million SMEs and startups.</p> <p style="text-align: right;"><i>(Source: Bangkok Post, 15 March 2021)</i></p>
<p>INDONESIA</p> <p>Batumbu granted full digital lending license from OJK</p>	<p>Validus' Indonesian subsidiary, Batumbu received regulatory approval to operate as a licensed digital financing platform from the Indonesian Financial Services Authority (OJK). OJK undertakes a detailed and thorough licensing process, following which the approval is given. This recent development reflects Batumbu's aim to empower Indonesian MSMEs' growth through sustainable and fast financing. They will be building on strategic partnerships to expand their reach and expect to boost lending to more MSMEs in local supply chains. Batumbu will ramp up efforts to improve financing access and financial literacy within business ecosystems across provinces in Indonesia. Since its starting operations in 2019, Batumbu has disbursed over S\$207 million and is among the top FinTech lending platform for MSMEs in Indonesia. It is the Indonesian arm of Southeast Asia's leading SME financing platform Validus. As a leading regional fintech, Validus shares the same values and goal in addressing the financing gap, essential for the growth of MSMEs and the local economy.</p> <p style="text-align: right;"><i>(Source: IBS Intelligence, 16 March 2021)</i></p>