MEDIA STATEMENT

YB TENGKU DATO' SRI ZAFRUL TENGKU ABDUL AZIZ
MINISTER OF FINANCE

15TH LAKSANA REPORT

IMPLEMENTATION OF THE PRIHATIN RAKYAT ECONOMIC STIMULUS PACKAGE (PRIHATIN) AND NATIONAL ECONOMIC RECOVERY PLAN (PENJANA)

4 August 2020

بسم الله الرحمن الرحيم

INTRODUCTION

1. Assalamualaikum WBT and Regards. How is everyone doing? Thank you for joining me for the **15th LAKSANA Report.**

2. Over the past few weeks, I have answered the questions in Parliament on **PRIHATIN** and **PENJANA** achievements**.** I thank the Members of Parliament for their concern on the Government's efforts to protect the *rakyat* and restart the economy. In these challenging times, we must rise and come together to help all Malaysians.

3. This week, the 15th LAKSANA Report will cover 3 areas:
   a. First, updates on the PRIHATIN achievements;
   b. Second, progress updates on PENJANA; and
   c. Third, a commentary on current affairs.

4. As there are many items that I would like to share this week, I will specifically prioritize on certain measures and the rest will be shared as an attachment, and uploaded on the Ministry of Finance website as well as on official social media channels.

PRIHATIN

5. For the PRIHATIN Package, there are 3 main developments that I would like to share. So, let's start with the first objective which is **Protecting the Rakyat**

6. **First, *Bantuan Sara Hidup* (BSH)**. As previously announced by the Government, payments for Phase 3 of **BSH 2020** would be made starting **24 July 2020 (Friday).**

   a. The allocation is **RM3.0 billion** and will benefit almost **4.28 million BSH recipients,** covering **3.75 million households** and **0.53 million single individuals** (40-59 years old). The BSH figure also includes **3.8 million children of eligible BSH recipients aged 18 and below.**

   b. As of 31 July 2020, Phase 3 consisting of **4.13 million recipients** had had the BSH payment successfully credited into their bank accounts, amounting to **RM2.7 billion** in total**.** Approved BSH recipients whose aid could not be credited into their bank accounts, can claim it in cash at any Bank Simpanan Nasional (BSN) branch.

   c. **To ensure that communities living in rural areas receive the aid, the distribution process required more effort than usual.** This included taking boats to islands; travelling for hours through forests etc., by representatives of the Ministry, BSN as well as the Sabah and Sarawak branches of the National Treasury. Alhamdulillah, the distribution of BSH and BPN in cash to more than **50,000 recipients involving 30 locations in Sarawak and 9 locations in Sabah was completed on 31 July 2020.**

   d. For those who want to make an appeal, the appeal process will open from **7 August to 6 September 2020.** Appelas can be made online at the **BSH portal** https://bsh.hasil.gov.my or by visiting any **LHDNM Branch/ Revenue Service**

Centre (PKH) and Urban Transformation Centre (UTC). Please upload or bring along the relevant documents for re-verification by the LHDNM.

7. **Second, good news for School Bus Drivers:** The government will channel aid to an estimated 30,000 school bus drivers. This payment is expected to be disbursed on **14 August 2020.**

8. **Third, Hasanah Special Grant.** This is a collective initiative between the Ministry of Finance and Yayasan Hasanah, to support the efforts of Non-Governmental Organisations (NGOs), Civil Society Organisations (CSOs) and Social Enterprises. Grants are used to help, among others, the B40 and vulnerable communities; Indigenous Communities, Differently Abled People (OKU) and those with special needs; particularly those affected by the COVID-19 pandemic. **As of 28 July 2020, a total of 42 projects had been approved to receive this grant amounting to RM7.6 million, to benefit 115,000 individuals nationwide**. Among the projects that have been approved are:

   a. Selangor Youth Community which strives to guide 20 differently abled entrepreneurs (OKU), to grow their business and help them become independent.

   b. Borneo Sun Bear Conservation Centre to conserve and rehabilitate 42 Sun Bears for their return to the forests of Sandakan in Sabah;

   c. Tanoti Sdn Bhd, a Sarawak-based Social Enterprise, aimed at empowering 50 men and women from the B40 community to sew face masks that will be supplied to all public school students in Kota Samarahan district; and

   d. Sahabat Alam Malaysia which operates in Perak, Penang and Melaka to create a supply chain to enable 60 fishermen to sell their catch directly to consumers, and also support 77 farmers in 2 villages in Baram and Marudi, Sarawak, to increase their income by diversifying their agricultural products.

9. Next, **Objective 2 of PRIHATIN which is "To Support Businesses".**

10. For the **Wage Subsidy Program:**

   a. As of 24 July 2020, a total of **RM8.97 billion of Wage Subsidy had been approved** (an increase from RM7.82 billion), benefiting over **2.58 million employees** (an increase from 2.55 million). Alhamdulillah, the Wage Subsidy Program has been able to help employers and employees affected by COVID-19.

   b. For everyone's information, **SOCSO has also uploaded the names of employers who have received the Wage Subsidy.** This action has been taken following public complaints that there were a handful of employers who received the subsidies but still laid off workers or cut their employees' salaries without their consent. **The public can also file any complaints to SOCSO via aduansip@perkeso.gov.my or call 1300 228 000 for further action.**

11. Next is **Objective 3 of PRIHATIN which is to Strengthen the Economy**.

12. For the **moratorium on loan repayments by financial institutions** which came into effect on 1 April 2020, as of 24 July 2020, the **value of the moratorium** is estimated at **RM62.8 billion.** From this figure, **RM21.9 billion benefited the business sector while RM 40.8 billion benefited the people.**

   a. Alhamdulillah, on 29 July 2020, **the Prime Minister announced the Targeted Moratorium Extension & Repayment Flexibility by Banks.** This assistance is specifically aimed at those who really need it, such as individuals who have lost their jobs and have yet to find new jobs in 2020; as well as individuals who are still working but their salaries have been affected or cut due to COVID-19. In addition, banking institutions have also committed to assist the SMEs, including traders, hawkers or the self-employed who are also affected by the COVID-19 pandemic.

   b. **The extension of the moratorium and targeted bank assistance** is expected to help individuals who are still affected by the COVID-19 pandemic to manage the financial situation, to support impacted businesses to continue their operations and to boost the country's economy.

PENJANA (Economic Recovery Plan)

Ladies and Gentlemen,

13. Next, I would like to highlight the achievements of the initiatives under PENJANA with three objectives, namely:

    a. Empowering the People
    b. Propelling Businesses
    c. Stimulating the Economy

14. I begin with the implementation of measures under the **first objective of PENJANA which is Empowering the People,** which includes assistance **in the form of discounts, one-off assistance and initiatives that focus on protecting employment and increasing competitiveness.**

15. **First, under the My30** program. As of 24 July, **a total of 179,349 passes were sold** (an increase from 119,844 passes). **The subsidy for the My30 pass is worth RM30.5 million** (an increase from RM20.4 million). My30 pass can be used for the MRT, LRT, monorail, BRT, RapidKL Bus and MRT Feeder Bus

16. **Second, social assistance for vulnerable communities**. One-off assistance of RM300 has been given to the following groups:

    a. **The OKU group, which comprises of 185,713 recipients** (an increase from 184,538 recipients) involving a total of **RM55.7 million** (an increase from RM55.36 million)

    b. **Secondly, Home Help Services Workers: 1,815 recipients** (an increase from 1,800 last week) involving a total of **RM544,500** (an increase from RM540,000 last week).

The process of disbursing payments to **single mothers** has already begun and will be shared later. Eligible single mothers who have not registered yet, you may do so online via https://www.jpw.gov.my/permohonan-bantuan-ibu-tunggal/, the **Official Portal of the Department of Women Development**.

17. **Third, the Hiring Incentive Program and Training Assistance.** Since the commencement of the registration on 15 June 2020, as of 24 July 2020, **a total of 7,543 employees have been employed. This number includes 5,302 employees under the age of 40; 1,212 employees who are 40 - 60 years old, 66 OKU and 963 apprentices.**

18. Next is the implementation of the steps under **Objective 2 of PENJANA which is Supporting Businesses.**

19. **First, PENJANA Tourism Sector Financing.** Tourism is an important sector in the Malaysian economy as tourism-related activities contributes 15% of Malaysia's GDP. This sector is also a source of income to more than 20% of our total workforce. I would like to share that the **Ministry of Tourism, Arts and Culture (MOTAC) and Bank Negara Malaysia (BNM)** have announced the **PENJANA Tourism Fund (PTF) on 30 July 2020 worth RM1 billion.** The scheme offers financing of up to RM75,000 to each micro enterprise, and up to RM300,000 to eligible SMEs. More information can be obtained from penjana.treasury.gov.my.

20. **Second, the TEKUN Business Recovery Scheme (TBRS)** which has been open for applications since 13 July. Within 11 days, up till 24 July, a total of **718 applications were approved** (i.e. an increase from 259 applicants) **amounting to RM5.27 million** (an increase from RM1.92 million for the previous fortnight).

21. Next is the implementation of the **third objective of PENJANA which is Stimulating the Economy.**

22. The Government launched the **ePENJANA** on 31 July with the aim of stimulating retail businesses and promoting the use of digital payments. Alhamdulillah, in the first 3 days of ePENJANA, **up till 2 August, more than 4.5 million people had successfully received RM50 via their eWallets.** Since ePENJANA was announced, the number of

MySejahtera registered users has also increased **by more than 2 million users to a total of 9.4 million users.**

a. **As a reminder, ePENJANA can be redeemed using one of the three e-wallet service providers namely, Boost, GrabPay and Touch 'n Go eWallet.** Beware of fake or unofficial mobile applications.

b. Users must also **download the latest MySejahtera app**. The older version of the app does not support the redemption of ePENJANA.

c. In addition, the filter functions have been improved in the verification and approval processes. This is due to challenges faced by applicants, especially in the name-matching process in the database. I would like to remind you to **not use nicknames like Superman, Boboi, and Achik when registering.**

REVIEW OF CURRENT AFFAIRS

Ladies and Gentlemen,

23. **Budget 2021** which will be tabled on 6 November 2020 will focus on revitalizing the economy as well as restoring investors' and consumers' confidence based on four main themes, namely:

- Caring for the welfare of the people,
- Driving economic growth,
- Preserving life,
- Strengthening public service deliveries.

24. Similarly, with PENJANA, the team and I at the Ministry of Finance have gone to the ground. For example, two weeks ago, we went to Melaka to launch the **Budget 2021 Tour** which is aimed at getting feedback from various industries in drafting Budget 2021. The week after, we went to the Subang Airport to meet the representatives of the aerospace industry. I also had the opportunity to meet Yayasan Hasanah and

engage with NGOs and Civil Society Organisations (CSO) – to observe first-hand the implementation of the Hasanah Special Grant.

25. Let me share the highlights of the visits and the consultation sessions.

26. I believe that the best way is to go to the ground and listen first-hand to the problems stakeholders face, given that the whole world has been affected by the COVID-19 pandemic. From there, we will review every suggestion brought up to the ministry.

27. We are currently aware that Kedah is implementing the **Targeted Enhanced Movement Control Order (TEMCO)** in four districts in the state due to the increase in Covid-19 cases from the Sivagangga cluster. I would like to take this opportunity to remind everyone that our economy has just begun to recover after the MCO period, but we have yet to win the war in dealing with the spread of COVID-19. We must avoid a situation where we have to implement the MCO again.

28. So, for the sake of our health, family and the economic well-being of the country; always practise physical distancing, wear your face masks in public places, and avoid cramped and crowded places. Let's fight the COVID-19 virus infection together.

29. Stay safe, *kita jaga kita, kita pasti menang*. Thank you.

YB Tengku Dato' Sri Zafrul Aziz
Finance Minister
Ministry of Finance, Malaysia
4 August 2020

APPENDIX – PRIHATIN ACHIEVEMENTS

OBJECTIVE 1: PROTECTING THE RAKYAT		
1	**EPF i-Lestari Programme**	a. As of 24 July 2020, the cumulative withdrawal amount between April to July 2020 is RM 5.66 billion, involving 4.48 million recipients. b. EPF provides free Retirement Advisory Service (RAS) to facilitate retirement planning. Information on this service can be found at https://www.kwsp.gov.my/en/member/retirement-advisory-service and it is open to the public, including non-EPF members.
2	**Taxi Drivers**	The government has channeled aid to **29,665 taxi drivers** (an increase from 29,193 taxi drivers) amounting to **RM17.8 million** (an increase from RM17.5 million) for the first phase recipients. For the **second phase** recipients, payment was made **starting 22 July 2020, involving 4,814 drivers**.
3	**Tourist Guides**	A total of **7,547 tourist guides** (an increase from 7,484 guides) have received assistance amounting to **RM4.53 million** (an increase from RM4.5 million)
4	**Tour Bus Drivers**	Payment to 3,104 tour bus drivers has been made, starting 22 July 2020.
5	**School Bus Drivers**	Additional initiatives, i.e., **assistance to school bus drivers** which is estimated to involve 30,000 school bus drivers. The aid distribution process is expected to commence on 14 August 2020.

OBJECTIVE 2: SUPPORTING BUSINESSES		
6	**Wage Subsidy Programme**	The purpose of the Wage Subsidy Programme is to help employers affected by COVID-19 to continue their normal operations following the crisis and prevent workers from losing their jobs.
7	**EPF's Covid-19 Assistance Program (e-CAP) for Employers**	EPF will be monitoring closely to ensure that contributions by employers that have been restructured will be paid in the future. Action can be taken against employers who do not fulfil their obligations in terms of contributions to the employees' retirement fund.

**Cumulative Amount*

Allocation of Wage Subsidy: RM13.8 billion	Approved Amount* (RM billion)	Number of Employers*	Number of Employees* (million)
24 July	8.97	317,292	2.58
20 July	7.82	314,423	2.55
10 July	7.79	313,644	2.53
3 July	7.15	310,622	2.48
26 June	7.07	307,518	2.46
19 June	4.89	303,596	2.40
12 June	4.08	295,265	2.31
5 June	4.00	293,033	2.30
31 May	3.22	286,338	2.20
17 May	2.24	267,752	2.00
10 May	2.10	258,165	1.90
3 May	1.90	235,000	1.70
26 April	1.35	195,000	1.50
19 April	1.20	159,000	1.00

**Cumulative Amount*

EPF's Covid-19 Assistance Program (e-CAP) for Employers	Number of Applications Received*	Number of Approved Applications*	Approved Amount* (RM million)
24 July	65,122	12,165	80.9
20 July	64,265	11,930	79.3
10 July	58,455	11,370	76.1
3 July	37,900	10,528	70.4
26 June	36,107	9,542	63.9
19 June	34,246	8,489	56.8
12 June	31,400	7,194	47.9
5 June	29,601	6,457	42.9
31 May	26,509	5,245	34.8
17 May	20,771	3,168	20.6
10 May	13,690	2,032	13.4

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<td>8.</td>
<td>SME Soft Loans Funds administered by Bank Negara Malaysia</td>
<td>Approved applications by local banks and accepted by SMEs – including the Special Relief Facility, Automation & Digitalisation Facility, All-Economic Sector Facility dan Agrofood Facility funds – are as follows:
<table>
<tr><th>SME Soft Loans Funds</th><th>Approved and Accepted Amount * (RM billion)</th><th>Number of SMEs*</th></tr>
<tr><td>24 July</td><td>9.4</td><td>21,063</td></tr>
<tr><td>20 July</td><td>9.2</td><td>20,815</td></tr>
<tr><td>10 July</td><td>9.1</td><td>20,545</td></tr>
<tr><td>3 July</td><td>8.8</td><td>20,104</td></tr>
<tr><td>26 June</td><td>8.4</td><td>19,539</td></tr>
<tr><td>19 June</td><td>8.2</td><td>19,253</td></tr>
<tr><td>12 June</td><td>7.8</td><td>18,449</td></tr>
<tr><td>5 June</td><td>7.5</td><td>18,227</td></tr>
<tr><td>31 May</td><td>6.9</td><td>16,833</td></tr>
<tr><td>17 May</td><td>5.8</td><td>14,075</td></tr>
<tr><td>10 May</td><td>4.7</td><td>11,975</td></tr>
<tr><td>3 May</td><td>3.0</td><td>6,840</td></tr>
<tr><td>26 April</td><td>1.5</td><td>3,636</td></tr>
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*Cumulative Amount</td>
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<td>9.</td>
<td>BSN Micro Credit Scheme</td>
<td>Funds has been disbursed to 7,949 SMEs totalling RM278 million.</td>
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<tr>
<td>10.</td>
<td>TEKUN Programme</td>
<td>Funds had been disbursed to 24,187 SMEs totalling RM181 million.</td>
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