MEDIA STATEMENT

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FINANCE MINISTER

20TH LAKSANA REPORT

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

9 September 2020

بِسْمِ اللَّهِ الرَّحْمَٰنِ الرَّحِيمِ

INTRODUCTION

1. This week, the **20th LAKSANA Report** will cover 3 areas:
   a. Updates on PRIHATIN measures;
   b. Progress of PENJANA initiatives; and
   c. Commentary on current issues.

PRIHATIN (Prihatin Rakyat Economic Stimulus Package)

2. Under PRIHATIN, the initiatives are divided into three main objectives, namely:
   a. Protecting the People;
   b. Supporting Businesses; and
   c. Strengthening the Economy.

PRIHATIN OBJECTIVE 1: PROTECTING THE PEOPLE

3. **The i-Lestari withdrawal scheme under the Employees Provident Fund (EPF) to reduce the burden and increase the cash flow of the Rakyat:** As of **28 August 2020, the total cumulative withdrawal between April to August 2020 is RM7.54 billion** (an increase from RM7.48 billion last week), involving 4.59 million recipients (an increase from 4.57 million last week). Retirement planning is important, and members of the public are recommended to use the **Retirement Advisory Service (RAS)** which is provided by EPF for free. Further information can be obtained via: https://www.kwsp.gov.my/ms/member/retirement-advisory-service.

4. **Second, electricity bill discounts.** As of **31 August 2020,** a total of **RM1.67 billion** in the form of discounts on electricity bills have been given to **around 7 million domestic consumers.** Out of the total discounts provided by TNB, 83% have been utilised by domestic consumers. The discount amount can be summarised as follows:

Category	PRE2020 PRIHATIN & BPE (% discount)	Total Discount as at 31 August 2020 (1 April - 31 August 2020)		Prihatin Electric Additional Assistance (Apr, May & June 2020)		Total Electricity Discount (RM)
		Number of Customers	Total Discount (RM)	8% for 601-900kWh (RM)	Up to RM77 (RM)	1 April - 31 August 2020
0-200 kWh	**50%**	2,402,828	126,234,265	Not Applicable	1,113,130,079	Not Applicable
201-300 kWh	**25%**	1,422,970	94,309,023	Not Applicable		Not Applicable
301-600 kWh	**15%**	2,357,473	228,370,501	Not Applicable		Not Applicable
601-900 kWh	**10%**	658,746	50,085,140	48,129,676		Not Applicable
>900 kWh	**2%**	308,844	7,929,509	Not Applicable		Not Applicable
Total Overall Domestic		**7,150,861**	**506,928,437**	**48,129,676**	**1,113,130,079**	**1,668,188,193**

Source: TNB, as at 31 August 2020

PRIHATIN OBJECTIVE 2: SUPPORTING BUSINESSES

5. **First,** as of 31 August 2020, **the total electricity bill discount given to 1.4 million companies from the commercial sector is RM181.7 million** (representing 17% of the total electricity bill discount) has been utilised by the industrial sector. The amount of discount assistance can be summarised as follows:

Category	PRE2020 PRIHATIN & BPE (% discount)	Total Discount as at 31 August 2020 (1 April - 31 August 2020)	
		Number of Customers	Total Discount (RM)
6 Commercial Sectors	15%	9,746	81,718,325
Other Commercials	2%	1,396,201	100,027,039
Total Overall Commercial		**1,405,947**	**181,745,365**

Source: TNB, as at 31 August 2020

6. **Second,** for **SME Soft Loans Funds** administered by Bank Negara Malaysia (BNM). As of 28 August 2020, the total application approved by local banks and accepted by SMEs is **RM10.3 billion** (an increase from RM10.2 billion last week) which will benefit **22,440 SMEs** (an increase from 22,322 SMEs last week). This amount includes the Special Relief Facility (SRF), Automation & Digitalisation Facility (ADF), All-Economic Sector Facility (AES) dan Agrofood Facility (AF).

SME Soft Loans Funds	Approved and Accepted Amount* (RM billion)	Number of SMEs*
28 August	10.3	22,440
21 August	10.2	22,322
14 August	10.1	22,143
7 August	9.9	21,759
July	9.6	21,410
June	8.4	19,539
May	6.9	16,833
April	1.5	3,636

**Cumulative Amount*

Although the SRF funds have been fully utilised, SMEs can still apply for financing schemes that are still available through the BNM Fund such as **ADF, AES** and **AF.** SMEs can also get other financing through the **imSME platform** at the link https://imsme.com.my/portal/en/ which can help in the making the necessary financing matches with various fund providers for SMEs.

PRIHATIN OBJECTIVE 3: STRENGTHENING THE ECONOMY

7. **First, the Moratorium on Loan Repayment by financial institutions** effective since 1 April 2020; as of 28 August 2020, the value of the moratorium is estimated at **RM81.9 billion.** Out of this, **RM28.6 billion was utilised by the business sector while RM53.3 billion was utilised by individual borrowers.**

8. As of **28 August 2020, the bank has contacted over 2.0 million borrowers comprising of individuals, SMEs and other companies**; including corporates and commercial businesses to offer repayment assistance. An encouraging fact is that **732,000 borrowers** who took the automatic loan moratorium **have resumed their monthly instalments** compared to 336,000 borrowers in April 2020.

9. As we approach the end of the automatic moratorium period on 30 September 2020, **banking institutions are ready to assist borrowers who are still affected by COVID-19 through the moratorium extension and targeted bank assistance starting 1 October 2020.** This initiative is to ensure that businesses and households with a real need will continue to have access to financing. The discovery and commercial manufacturing of COVID-19 vaccine will take time. Therefore, we need to ensure that the country's banking system remains strong and ready for any possibilities in the future.

10. **In addition, Bank Negara Malaysia (BNM) in collaboration with the Credit Counselling and Management Agency (AKPK) and local banks** has also held **more than 100 engagement sessions** involving stakeholders **to ensure that the transition from the automatic moratorium to more targeted financing assistance is smooth**. This includes the **Repayment Assistance Campaign (RAC)** which aims to provide advisory services, as well as loan repayment planning/post-moratorium financing plans.

11. The RACs that have been and will be held are as follows:

NO.	DATE	LOCATION
1.	15-16 August 2020	Perpustakaan Awam Kuala Terengganu, Terengganu
2.		Sabah International Convention Centre (SICC) Kota Kinabalu, Sabah
3.		Melaka International Trade Centre (MITC)
4.	15 August 2020	Dewan Suarah Mukah, Sarawak
5.	22-23 August 2020	Stadium Indera Mulia, Ipoh, Perak
6.	5 September 2020	Dewan Suarah Bintulu, Sarawak
7.	5-6 September 2020	World Trade Center, Kuala Lumpur
8.		Sabah International Convention Centre (SICC) Kota Kinabalu
9.	12-13 September 2020	Persada Johor International Convention Cente, Johor Bharu
10.		Hotel RAIA, Bayan Lepas, Pulau Pinang
11.	13-14 September 2020	Dewan Utama Majlis Perbandaran Kuantan, Pahang
12.	15 September 2020	Dewan Kampung Jerijeh Belawai, Sibu, Sarawak

12. **Second,** for the **COVID-19 Outbreak Prevention Program,** RM1 billion has been allocated to finance the purchase of medical equipment, personal protective equipment (PPE) and laboratory requirements for COVID-19 screening. Controlling the COVID-19 pandemic is a critical factor in economic recovery. As of 28 August 2020, a total of **RM627.1 million** (an increase from RM515.0 million last week) **has been channelled to enhance the capacity of the Ministry of Health (MOH) Malaysia to combat COVID-19**.

OVERALL SUMMARY OF PRIHATIN ACHIEVEMENTS

13. As of **28 August 2020**, the PRIHATIN achievements are as follows:

    a. For one-off assistance - such as the Bantuan Prihatin Nasionaal (BPN), assistance to students from higher-learning institutions, e-hailing and taxi drivers, government retirees and others – to the value of **RM14.7 billion,** the **implementation rate is at 94%**; and

    b. For initiatives to be implemented within 3 to 6 months – such as the electricity bill discounts, wage subsidies (original), moratorium, EPF e-CAP and others -- this is valued at **RM92.3 billion, with a 73% implementation rate.**

14. Details on the achievement of other initiatives under PRIHATIN can be found in the Appendix of this report.

PENJANA (National Economic Recovery Plan)

15. Under PENJANA, the initiatives are focused on three objectives, namely:
    a. Empowering the People;
    b. Propelling Businesses; and
    c. Stimulating the Economy

PENJANA OBJECTIVE 1: EMPOWERING THE PEOPLE

16. **First, PEKA B40 Health Support**. Through this scheme, the Government has allocated RM50 million to support the B40 group with an **emphasis on early detection of non-communicable diseases (NCD),** particularly for those in the aging category, to support their treatment costs. The B40 group can register with the PEKA B40 Scheme through the official link managed by MOH, which is https://www.pekab40.com.my/. It is fully funded by the Government and provides four benefits that cover the following services:

    a. Health screening (e.g. mental health, breast cancer, blood tests, diabetes, cholesterol, urine and kidney function);
    b. Selected medical equipment;
    c. Cancer treatment incentives; and
    d. Transport incentives to travel to receive health treatment.

    A summary of the support provided is as follows:

From 1 July 2020 to	Number of Claims*	Value* (RM million)
31 August	66,380	3.70
21 August	57,456	2.56

**Cumulative Amount*

17. **Second, the Hiring Incentive Programme and Training Assistance for which RM1.5 billion has been allocated to encourage hiring by employers.** Overall, those who have been successful in finding jobs are as follows:

Date	Categories of People Who Found Jobs				Amount*
	< 40 years	40 – 60 years	OKU	Apprentice	
28 August	18,354	3,266	178**	2,818	24,616
21 August	15,113	2,856	220	2,385	20,574

**Cumulative Amount*

***The decrease compared to the previous week was because upon further analysis, a number of applicants were founded to be non-OKU.*

18. **Third, the Global Online Workforce Program (GLOW)**. The gig economy is a segment that has become increasingly popular, especially among the younger generation. This program, led by the Malaysian Digital Economy Corporation (MDEC), was started in 2016. To date, almost 53,000 people have participated in this programme, registering a total revenue of more than RM168 million.

19. The GLOW program which has been extended under **PENJANA** aims to introduce new career opportunities, by closely guiding Malaysians who are digital freelancers to offer their expertise and services globally through existing digital platforms. This GLOW-PENJANA initiative will benefit up to 10,000 gig economy workers and can to provide new job opportunities. Please browse https://erezeki.my/glow.

20. **Fourth**, **the Wage Subsidy Programme**. As of 28 August 2020, a total of **RM10.38 billion of wage subsidies** have been approved, benefitting more than **2.62 million employees.**

Date of Report	Approved Amount* (RM billion)	Total Employees* (million)	Total Employers*
28 August	10.383	2.620	320,440
21 August	10.337	2.611	319,932
14 August	9.016	2.605	319,373
7 August	9.002	2.597	318,874
31 July	8.995	2.582	318,258
26 June	7.074	2.455	307,518
29 May	4.018	2.197	286,338
24 April	1.606	1.452	207,237

**Cumulative Amount*

PENJANA OBJECTIVE 2: PROPELLING BUSINESSES

21. **First, PENJANA SME Financing**. The Government has allocated funding amounting to RM2 billion to assist SMEs affected by COVID-19, with priority given to SMEs that have never received any financing from banks. As of 28 August 2020**,** the amounts disbursed are as follows:

Date as of	Applications Approved	Amount disbursed* (RM million)
28 August	1,615	426.2
21 August	1,172	329.5

**Cumulative Amount*

22. **Second, PENJANA Tourism Fund (PTF)** with an allocation of RM1 billion, is an initiative to support local micro, small and medium enterprises in the tourism sector impacted by COVID-19 in ensuring the continuity and industry competitiveness in the new norm. **Eligible SMEs can apply for financing up to RM300,000, while micro SMEs can apply for up to RM75,000 at a financing rate of up to 3.5% per annum for a financing period of up to 7 years**. A total of 12 financial institutions are participating in this scheme. Details on this scheme can be found in the PENJANA website https://penjana.treasury.gov.my/.

PENJANA OBJECTIVE 3: STIMULATING THE ECONOMY

23. **First, Sukuk PRIHATIN.** Sukuk Prihatin is an initiative that provides an opportunity for Malaysians to contribute to nation building as part of post-COVID-19 recovery efforts. Sukuk Prihatin is the first digital sukuk in Malaysia, where the funds collected will be channeled to initiatives such as enhancing connectivity to rural schools, supporting micro enterprises and supporting research on infectious diseases.

24. Sukuk PRIHATIN will not only help those affected by COVID-19, but investors will also receive **2% profit per annum over 2 years, with profits paid quarterly**. At maturity, investors can choose to donate to the principal and enjoy a tax deduction. **Subscriptions can be made through JomPAY and DuitNow platforms online through the websites of 27 banking institutions. The deadline for subscription is 17 September 2020.**

25. **Second, ePENJANA.** To boost spending and support the Malaysian economy through digitalisation and contactless transactions, eligible Malaysians can redeem RM50 of ePENJANA credit and receive additional matching incentives worth RM50. As of 28 August 2020, a total of **RM517.9 million** has been successfully channeled to **10.4 million recipients** nationwide. This is equivalent to a **69%** implementation rate. **Recipients of ePENJANA are reminded that the credit in their e-wallets must be used by 30 September 2020. After that deadline, the credit value will automatically expire from the account of the e-wallet user.**

REVIEW OF CURRENT ISSUES

26. **PRIHATIN SURVEY:** The Government is inviting the *rakyat* to provide feedback on the effectiveness of the PRIHATIN Packages through the **PRIHATIN Survey** via the following links:

    PRIHATIN Rakyat Survey:
    Bahasa Melayu:
    https://www.laksanasurvey.org/index.php/957277?lang=ms&LS=PR34
    English:
    https://www.laksanasurvey.org/index.php/957277?lang=en&LS=PR34

    PRIHATIN Business Survey:
    Bahasa Melayu:
    https://www.laksanasurvey.org/index.php/322316?lang=ms&LS=PB17
    English:
    https://www.laksanasurvey.org/index.php/322316?lang=en&LS=PB17

    To date, nearly 10,000 respondents have participated in this survey. The implementation of this online survey will assist the Government in improving existing policies and formulating future initiatives for the benefit of all. **Members of the public and businesses are invited to participate in this survey.**

27. **Ministry of Finance continued its Budget 2021 consultation process in Terengganu on 5 - 6 September 2020.** Several focus group sessions were held with the tourism, culture and arts industry; attended by a total of 60 industry players, non-governmental organisations and state agency representatives. In addition, a focus group session with the oil and gas industry was held with the participation of more than 100 industry players, NGOs and state agency representatives. These sessions highlighted the role and substantive contribution of the industry to the economy of Terengganu and the country.

28. For Budget 2021, the Ministry welcomes feedback from all levels of society. Individuals and businesses are invited to submit their suggestions via http://belanjawan2021.treasury.gov.my./index.php/ms/. **The portal will be open until 15 September 2020.** Thank you.

YB Tengku Dato' Sri Zafrul Aziz
Minister of Finance
Ministry of Finance Malaysia
9 September 2020

APPENDIX – PRIHATIN ACHIEVEMENTS

OBJECTIVE 1: PROTECTING THE PEOPLE		
1.	**Frontliners Allowance**	a. As of 28 August 2020, a total of **RM261.2 million has been channelled based on 792,808 claims** comprising of doctors, nurses and other medical personnel who have been directly involved in the management and containment of the COVID-19 pandemic. b. This special allowance is also extended to members of the military, police, customs, immigration, fire brigade, members of the Malaysia Civil Defense Force as well as RELA members who are directly involved in implementing the Movement Control Order (MCO).
2.	**Bantuan Sara Hidup or BSH**	A total of **4.24 million recipients** have successfully received payments credited directly into their bank accounts, totalling **RM2.76 billion**. BSH recipients who qualified but whose payments could not be credited into their bank accounts can claim the aid in cash at any Bank Simpanan Nasional (BSN) branch until 31 December 2020.
3.	**Taxi Drivers**	As of 28 August 2020, the Government has channelled one-off cash assistance to **33,343 taxi drivers**, totalling RM20 million. ** Error: There is a correction in the 19th LAKSANA Report. The total of 33,343 taxi drivers receiving cash assistance is the total number of recipients for both phases. The number of recipients for the first phase is 30,103 taxi drivers, while for the second phase is 3,240 taxi drivers.*
4.	**Tourist Guides**	As of 28 August 2020, a total of **7,620 tourist guides** (an increase from 7,616 tourist guides) have received one-off cash assistance amounting to **RM4.57 million**.
5.	**Tour Bus Drivers**	One-off cash payments to **3,104** for tour bus drivers has been made, starting 22 July 2020. As of 28 August 2020, a total of **2,902 tour bus drivers** have received aid amounting to **RM1.74 million.**
6.	**School Bus Drivers**	A total of **RM21 million** has been allocated to provide one-off cash payments to school bus drivers nationwide. Payment was made beginning **7 September 2020.**

OBJECTIVE 2: SUPPORTING BUSINESSES		
7.	**EPF's COVID-19 Assistance Programme (e-CAP) for Employers**	As of 28 August 2020, a total of **68,532 applications** (an increase from 68,157 last week) have been received and from that, **12,904 applications have been approved worth RM84.2 million** (an increase from RM83.9 million last week) for the employers' EPF contribution.

EPF's COVID-19 Assistance Programme (e-CAP) for Employers	Number of Applications Received*	Number of Approved Applications *	Approved Amount* (RM million)
28 August	68,532	12,904	84.2
21 August	68,157	12,840	83.9
14 August	67,413	12,706	83.2
7 August	66,673	12,584	82.7
31 July	65,986	12,425	82.1
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

**Cumulative Amount*

8.	**BSN Micro Credit Scheme**	As of 28 August 2020, payment has been made to **10,538 SMEs** (an increase from 10,234 SMEs last week), involving a total of **RM356.98 million** (an increase from RM348.94 million last week).
9.	**TEKUN Programme**	As of 28 August 2020, payment has been made to **25,218 SMEs** (an increase from 25,088 SMEs last week), involving a total of **RM190.3 million** (an increase from RM189.1 million last week).