

More relief for S'wak SMEs

State govt adds RM141.7 mln to BKSS 5.0 to help small, medium enterprises impacted by pandemic

Sam Chua

KUCHING: The Sarawak government has introduced an additional RM141.7 million worth of assistance initiatives under the Sarawakku Sayang Special Assistance (BKSS) 5.0 package, specifically tailored to help small and medium enterprises (SMEs) impacted by the Covid-19 pandemic.

Deputy Chief Minister Datuk Amar Awang Tengah Ali Hasan who announced this said the latest assistance package was divided into seven initiatives, mostly involving the allocation of funds to existing schemes as well as two new initiatives, and is expected to benefit some 10,000 entrepreneurs.

Chief Minister Datuk Patinggi Abang Johari Tun Openg has instructed me to study and discuss financial assistance that could assist SMEs in the state to overcome the challenges and difficulties brought by the pandemic," he told a press conference at Wisma Sumber Alam, here yesterday.

Awang Tengah, who is also Minister of International Trade and Industry, Industrial Terminal and Entrepreneur Development, said the additional funds allocated included RM50 million for Sarawak Micro Credit Scheme (SKMS); RM20 million for Small and Medium Industry Financing Scheme (SPIKS); RM22.2 million for interest subsidy under the Targeted Relief and Recovery

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Datuk Amar Awang Tengah Ali Hasan

Facility (TRRF); RM2.5 million for interest subsidy under Penjana Tourism Financing (PTF); and RM20 million for Graduates Towards Entrepreneurship (Gerak) as well as Vocational and Technical Entrepreneurs (Ustev) programmes.

The two new assistance initiatives set up are the Go Digital Sarawak programme with an allocation of RM20 million, and Digital Marketing Training programme which has been allocated RM2 million.

For SKMS, Awang Tengah said the additional RM50 million allocated by the state government was due to overwhelming demand for the facility.

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1,370 SMEs assisted, RM44.8 mln in loans approved under SKMS — Awang Tengah

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"The state government has also agreed to extend the loan repayment moratorium for six months for existing borrowers of the scheme," he added.

He said for new applicants who are approved by June 30 this year, they would also be entitled to enjoy six months' moratorium and interest subsidy assistance for three and a half years, with over 1,700 new SMEs set to benefit.

Awang Tengah said the scheme was first introduced last year with an allocation of RM50 million, offering soft loans up to a maximum RM50,000 at four per cent interest per annum to SMEs,

including micro and Bottom 40 per cent income (B40) entrepreneurs.

"For B40 entrepreneurs, they will enjoy zero-interest for loans up to RM10,000 which we have implemented since last year. For other loans up to RM50,000, entrepreneurs will enjoy three and half years interest subsidy," he said.

Applications for the scheme only require business permits as issued by the councils or relevant authorities, he added.

"To date, SKMS has managed to assist 1,370 SMEs, including micro and B40 entrepreneurs with a total loans approved of RM44.8 million.

"All of them now are enjoying three and a half years interest

subsidy and six months' moratorium." For January this year, it was disclosed that 180 new applications for the scheme were still being processed.

For SPIKS, the deputy chief minister said it has been allocated an additional RM20 million to assist Bumiputera entrepreneurs in expanding their business from the aspects of working capital as well as purchasing machines and equipment.

"As announced in the previous BKSS package, the state government has offered loan repayment moratorium and interest subsidy for three and a half years for borrowers of SPIKS who were approved before Dec

31 last year. A moratorium of six months until June this year was also offered to existing SPIKS borrowers under the recently announced BKSS 5.0.

"For new applications of SPIKS that are approved by June 30 this year, the state government has agreed to provide a moratorium of six months and interest subsidy for three and a half years or 42 months. The additional allocation will benefit over 200 new SMEs," he said.

He pointed out that the additional RM20 million was an increase from the RM2 million allocated last year for the SPIKS initiative. Adding on, Awang Tengah said the state government

will be providing RM22.2 million for interest subsidy for a duration of three and a half years to qualified SMEs under the Target Relief and Recovery Facility (TRRF).

He remarked that the TRRF initiative was first introduced by the federal government via Bank Negara to provide relief and support recovery for SMEs, including those involved in personal services, food and beverage services, human health and social work, arts and entertainment, and recreation.

"The federal government has allocated RM2 billion under the TRRF scheme for SMEs throughout Malaysia for working capital only. The TRRF initiative

provides loans of up to RM500,000 with 3.5 per cent interest for seven years, inclusive of six months' moratorium," he said.

To date, Awang Tengah said 279 applications from Sarawak SMEs have been approved for the scheme with a value of RM75.8 million, and that funds for the TRRF scheme are still available for application until Dec 31 this year.

He said his ministry will be collaborating with 12 local banks to implement the interest subsidy initiative under TRRF, namely CIMB Bank, Hong Leong Bank, Maybank, Muamalat Bank, Public Bank, RHB Bank, SME Bank, Agrobank, Alliance Bank, Ambank, Bank Raykat and Bank Islam.