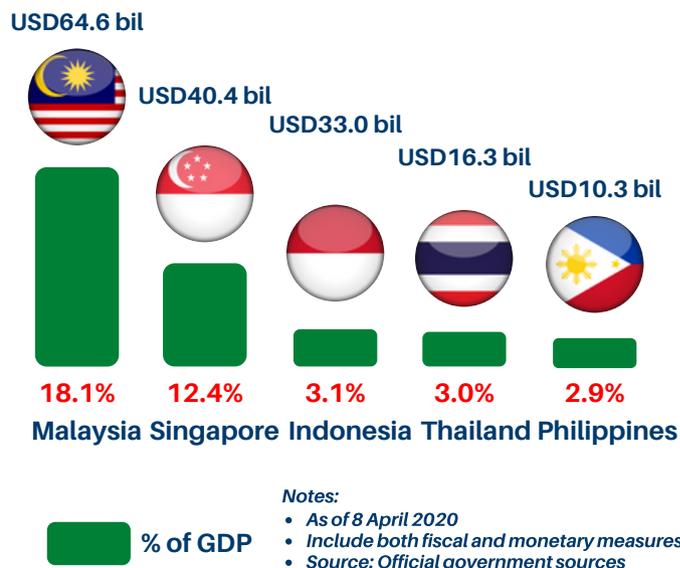
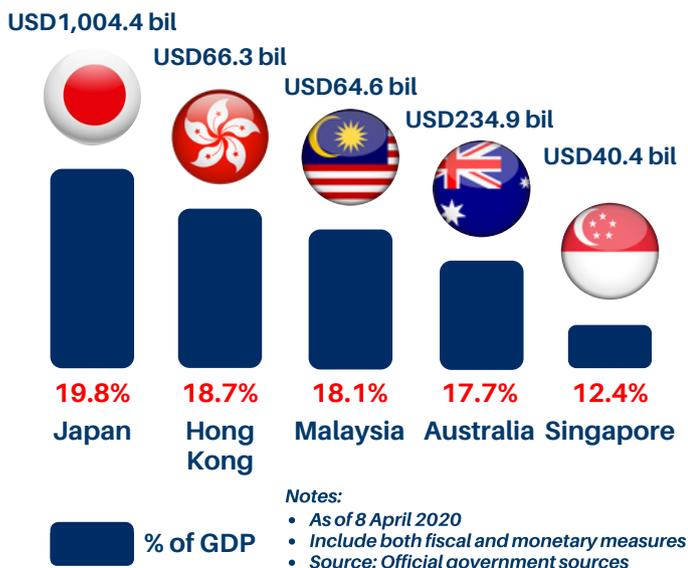


Top 5 Stimulus Packages Rolled Out by Governments in the Asia Pacific

Top 5 Stimulus Packages Rolled Out by Governments in ASEAN



Economic Stimulus Package

On 27 February 2020, the Malaysian Government announced a RM20 billion Economic Stimulus Package to mitigate the impact of COVID-19 outbreak and reinvigorate the growth of the Malaysian economy. The three strategies being promoted includes:

Strategy 1: Mitigating the impact of COVID-19

- Ease cashflow of businesses
- Assist affected individuals
- Stimulate demand for the domestic "travel and tourism" sector

Strategy 2: Catalysing rakyat-centric economic growth

- Boost household spending
- Implementation of people-centric projects

Strategy 3: Promoting quality investment

- Leverage public investments
- Provide incentives to encourage private investments

Malaysia's Economic Stimulus Package

Selected measures of the Economic Stimulus Package

1. Financing Facilities

RM2 billion allocated to establish a **Special Relief Facility ("SRF")** to assist with the cashflows of affected SMEs.



Bank Simpanan Nasional to offer **RM200 million in micro-credit facilities** to the tourism and other affected sectors.

Financial institutions to facilitate the **restructuring and rescheduling of loans**.



RM500 million to be invested by the Securities Commission Co-Investment Fund in early-stage and growth-stage Malaysian companies.

2. Industry Boosters

Deferment of monthly tax instalments for six months for the tourism sector



Exemption of service tax on taxable services for six months for the hospitality industry



All affected sectors **exempted** from the Human Resources Development Fund levy



15% discount on electricity bills for all affected sectors



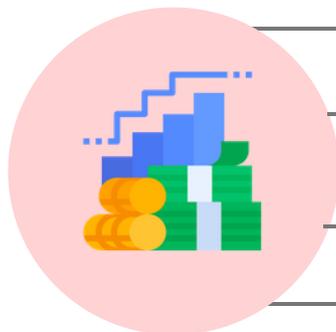
RM500 million allocated to stimulate demand for the tourism sector



Up to **RM5 million** per affected SME for guarantees to finance working capital



3. Socio-economic drivers



Fund amounting to **RM1.1 billion** to assist retrenched workers under the **Employment Insurance System ("EIS")**.



Minimum employee contribution to the Employees Provident Fund ("**EPF**") **reduced from 11% to 7%**, to potentially increase disposable income by approximately **RM10 billion**.

RM300 million for all SMEs to upgrade, modernise and rejuvenate productive assets under the **SME Automation and Digitalisation Facility ("ADF")**.



Up to **RM2 billion** worth of small-scale projects to be carried out.

PRIHATIN and PRIHATIN SME+ Economic Stimulus Package

27 MARCH 2020

The Government announced the PRIHATIN Economic Stimulus Package, injecting an additional RM230 billion into the economy.

Together with the previously announced package, the Government has ultimately pledged a total of RM250 billion to stimulate the Malaysian economy.

6 APRIL 2020

The Government announced an additional allocation of RM10 billion to further support businesses, particularly the SMEs.

Selected measures of the PRIHATIN and PRIHATIN SME+ Economic Stimulus Package

1. Rakyat-centric: RM 128 billion to preserve rakyat's welfare

- Allocation of **RM1.5 billion** to support the **Ministry of Health** to purchase equipment and services to contain COVID-19.
- **Insurance and takaful industry** to create a special fund of **RM8 million** to cover costs, and suspension of premiums by affected contributors for three months.
- Allocation of **RM10 billion** for one-off cash assistance to all **B40 households** and eligible **M40 households** under the Bantuan Prihatin Nasional.
- Allocation of **RM270 million** for one-off cash assistance to students at various levels of tertiary education.
- Allocation of **RM1 billion** to the **Food Security Fund**.
- **Loan moratorium** for all borrowers for six (6) months.
- **Free Internet services**; allocation of RM400 million investments to widen network coverage and capacity.



2. Business support: RM110 billion to support all businesses, including SMEs

- **Loan/financing moratorium** for all affected businesses for six months.
- Allocation of **RM500 million** to provide **discounts on electricity bills** for the tourism, commercial, industrial, agricultural and household sectors.
- Allocation of **RM13.8 billion** to assist up to 4.8 million workers under the **Enhanced Wage Subsidy Programme**.
- Various forms of assistance to farmers and fishermen, including allocation of **RM100 million** for the development of infrastructure for food storage and distribution and crop integration programme and allocation of **RM64.4 million** to develop short-term **agrofood projects**.
- Allocation of **RM60 million** for one-off cash assistance to full-time e-hailing drivers.
- **Exempt payment** for Human Resources Development Fund (HRDF) levy for 6 months.
- **Postponement** of income tax instalments for all SMEs.
- Allocation of **RM4.5 million** as additional funds through various financing programmes/facilities to assist SMEs including micro-entrepreneurs.
- Optional deferral of payments, **restructuring and rescheduling** of employer contribution.



3. Economic strengtheners: RM2 billion to ensure the sustainability of economic growth

- Allocation of **RM2 billion** for the implementation of small projects to benefit **G1 to G4 contractors**.
- To ensure the **implementation of the RM2 billion worth of projects** previously announced, including infrastructure projects in FELDA and other areas (RM600 million), upgrading dilapidated schools in Sabah and Sarawak (RM350 million) and upgrading the Perumahan Rakyat Termiskin (RM150 million).
- To continue and bring forward the implementation of all projects allocated under Budget 2020 such as the East Coast Rail Line project, the Mass Rapid Transit 2 project, and the National Fiberisation and Connectivity Plan.



Source:

MOF as at 27 March 2020 and 6 April 2020