

## Government launching RM40 billion SemarakNiaga scheme

THE government will launch the ambitious RM40 billion SemarakNiaga Keluarga Malaysia Programme today to help businesses recover from the ravages of the Covid-19 pandemic and create jobs.

Prime Minister Datuk Seri Ismail Sabri Yaakob said the programme would help micro, small and medium enterprises (MSMEs).

He said RM40 billion had been allocated through the 2022 Budget, which includes various forms of financing, such as equity injections.

The SemarakNiaga initiative, he said, was open to all businesses, from micro-enterprises to public-listed companies.

The prime minister said the government would support MSMEs, which were the most affected by the pandemic, through financing schemes, such as direct loans or matching grants.

He said RM22 billion worth of guarantees by Syarikat Jaminan Pembiayaan Perniagaan (SJPP), including RM2 billion for Bumiputeras, would make it easier for SMEs to apply for new financing.

"Most certainly, they will find it difficult to restart their business or continue operations, particularly if they have a large amount of debt or liabilities.

"Hence, SemarakNiaga not only supports businesses by providing working capital injections or financing, but also through equity injections or taking up shares or an equity stake in a company for businesses affected by the Covid-19 pandemic.

"Taking up equity stake is a novel and innovative solution that has never been implemented before. The government is confident that this initiative will help the entrepreneurs to recover and move forward.

"We are also creating more jobs while restoring the livelihoods of Keluarga Malaysia," he said in a written reply to questions on the SemarakNiaga programme.

Ismail Sabri said the initiative was projected to reduce unemployment to less than four per cent by the year-end.

He said the **Statistics Department** and Bank Negara Malaysia's recent announcements that the economy would grow by 3.1 per cent in 2021 as compared to a 5.6 per cent contraction in 2020 was a good sign.

He said the government was confident that job-creation and business-empowerment efforts in the 2022 Budget would contribute to this year's projected gross domestic product (GDP) growth of between 5.5 per cent and 6.5 per cent.

Ismail Sabri said SemarakNiaga aimed to maintain the country's recovery momentum from the fourth quarter of 2021.

He said the programme would help businesses develop workers' skills and enable reforms that would transition the country towards a sustainable economy, as well as enabled by Digital Transformation and IR4.0.

"The government, through relevant agencies, has crafted alternative financing and financing schemes for MSMEs and other affected businesses, allowing them to recover and generate revenue once more.

"Efforts towards digital enablement include grants for SME digitalisation and smart automation, matching grants to accelerate digital transformation as well as assistance for the gig economy players and start-ups to better navigate the world of commerce and business."

Ismail Sabri also called on all government agencies, the private sector, non-governmental organisations, government-linked companies and government-linked investment companies to collaborate with Putrajaya to execute the SemarakNiaga initiative.

"The allocation of more than RM40 billion for the SemarakNiaga Keluarga Malaysia Programme in the 2022 Budget consists of RM1.8 billion in Micro Credit Loans, RM2.2 billion in Equity/Alternative Financing, RM14.2 billion in SME Soft Loans and RM22 billion in Guarantees through SJPP.

"For MSMEs, the government had never before provided such a sizable RM1.8 billion-funding with a moratorium feature of up to 12 months."

MSMEs owners interested in the SemarakNiaga programme may the 2022 Budget portal at [budget.mof.gov.my/manfaat/](https://budget.mof.gov.my/manfaat/).

<https://www.nst.com.my/news/nation/2022/02/773157/government-launching-rm40-billion-semarakniaga-scheme>