

MEF: Banks must step forward to enhance moratorium under PEMERKASA+

PETALING JAYA: As the MCO 3.0 lockdown enters its second week, the impact on SMEs and micro enterprises has reached breaking point with many such employers struggling to survive.

“MEF received feedback from many of these employers that the situation is no longer sustainable. For many of them, it’s about survival because there is zero cash flow to keep the operations alive,” said MEF President Dato’ Dr Syed Hussain Syed Husman.

“We appreciate the government’s RM40 billion PEMERKASA+ stimulus package to cushion the impact of the MCO 3.0 lockdown on the economy and employment.

“But more has to be done to save the economy and livelihoods. In this national emergency, all hands must be on deck, especially the banks and financial institutions.”

Dato’ Dr Syed Hussain said the banks should step forward because in past crisis, the tax payers assisted the government to come up with fiscal stimulus to ensure that the banks remained viable.

“In consideration of the extremely dire situation of business, MEF proposes that the scope of the moratorium under PEMERKASA+ be expanded to include the M40 and all businesses, and this should also cover all personal facilities including loans for overdrafts, mortgages, vehicles and credit cards.

“The moratorium should be automatically granted for six months until end 2021 at 0% interest. During this period, the banks should waive all interest and bank charges such as for rescheduling exercise and late interest payments.”

He said in 2020 the banks made a total profit of RM31.15 billion, and based on the first quarter report of 2021, all banks recorded higher profit compared to the same period in 2020 – led by CIMB at RM2.46 billion (2020: RM507.93 million), Maybank RM2.39 billion (RM2.05 billion), and Public Bank RM1.529 billion (RM1.329 billion).

“The banks coming forward to assist businesses and individual borrowers during this challenging period would go a long way in helping and ensuring a smooth recovery of the economy,” he added.

For further information, contact the MEF Secretariat at 03-7955-7778 or fax 03-7955-9008 or email mef-hq@mef.org.my.

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