

Questions and Answers on Micro Enterprise Fund (MEF)

1. What is the purpose of the MEF?

- MEF is established to increase access to microfinancing for micro enterprises with viable businesses.
- The fund is administered by Bank Negara Malaysia and is available since 5 November 2008. A total of RM200 million has been allocated by Bank Negara Malaysia for this purpose.

2. Who is eligible to apply for MEF?

- Any micro enterprises that is eligible to apply under *Pembiayaan Mikro* is eligible to apply for MEF.

3. Where can micro enterprises apply for the MEF?

- Micro enterprises can apply for MEF at any of the participating financial institutions of *Pembiayaan Mikro*. For the list of participating financial institutions, please refer to the [Comparative Table on Microfinance Product Features](#).

4. Who will be able to get financing from MEF?

- Any micro enterprise that is deemed to be a viable business by a participating financial institution will be able to obtain financing.

5. How do I obtain more information on the microfinancing product features offered by each participating financial institution?

- The information on microfinancing product features of each participating financial institution is available in [Comparative Table on Microfinance Product Features](#) that is published in the Bank Negara Malaysia Website (www.bnm.com.my) and BankingInfo Website (www.bankinginfo.com.my). This table is updated as and when there are changes to the product features by any participating financial institution.

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6. Is refinancing allowed under the MEF?

- No, the fund is not meant for refinancing of existing loans.

7. Can I get financing from different banks to a total of amount of more than RM50,000?

- Yes. Even if you have an outstanding microfinancing loan of RM50,000, you can approach another participating financial institution to submit a new microfinancing loan application. However, your credit evaluation will be based your repayment capacity and your total outstanding loan amount with all financial institutions.

8. What is the difference between Microfinancing (*Pembiayaan Mikro*) and MEF?

- *Pembiayaan Mikro* is small business loans ranging up to RM50,000 for micro enterprises. MEF is one of the Bank Negara Malaysia's Special Funds that is channeled to micro enterprises through the existing participating financial institutions of *Pembiayaan Mikro* scheme. Customer obtaining *Pembiayaan Mikro* under the Micro Enterprise Fund may get lower financing rate compared to financial institution's own fund.

Bank Negara Malaysia
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