

Disaster Relief Facility 2021

Features	Details
Objective	To alleviate the financial burden of SMEs affected by floods and enable them to resume their business operations
Allocation	RM200 million
Eligibility criteria	Microenterprises and SMEs* affected by floods located in districts identified by <i>Agensi Pengurusan Bencana Negara</i> as flood disaster areas
Purpose of financing	<ul style="list-style-type: none"> • Repairs and/or replacement of assets for business use (e.g. plants and machinery) which have been damaged by natural disasters; and/or • Working capital. <p><i>Note: Financing should not be used for refinancing of existing credit/financing facilities</i></p>
Financing size	<ul style="list-style-type: none"> • Up to RM500,000 per SME; and • Up to RM75,000 per micro enterprise.
Financing rate to SMEs	The maximum effective financing rate is up to 3.50% per annum, inclusive of guarantee fee
Tenure	Up to 5 years, including a moratorium period of 6 months on both principal and interest payments.
Guarantee coverage	<ul style="list-style-type: none"> • 80% guarantee cover at 0.5% p.a. guarantee fee. • Participating financial institutions can obtain guarantee coverage from the Credit Guarantee Corporation Malaysia Berhad (CGC) for this Facility
Application procedure	Affected businesses can apply for financing from participating financial institutions comprising commercial banks, Islamic banks and development financial institutions regulated by BNM.
Availability	Until 31 July 2021 or full utilisation (whichever is earlier)

* At least 51% shares held by Malaysians and as defined by SME Corp's Guidelines on National SME Definition accessible at:

https://www.smeCorp.gov.my/images/pdf/2020/Guideline-SMEDefinition_updated.pdf