

# FLASH ALERTS!

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**Malaysia's Employees Provident Fund (KWSP/EPF) recently launched two initiatives to ease employers' cash flow management while allowing them to fulfill their statutory obligation, during the pandemic**

### **INITIATIVE 1**

#### **Exemption on late payment charges**

Employers are given flexibility on the payment period for their current mandatory contribution. Employers do not need to apply for this initiative as it has taken effect since 13 September, starting with contributions for September 2021 until December 2021.

### **INITIATIVE 2**

#### **Employer Pay for Reduction initiative (e-PaR)**

Employers are offered incentives of up to **70% reduction** on their outstanding late payment charges for any period prior to August 2021. To be eligible, employers must ensure that any outstanding contribution payments and dividends for their employees for the periods before August 2021 have been paid in full before 31 December 2021.

For more information on this, please visit the [KWSP](#) web page.

#### **Waiver of interest for targeted loan assistance to B40, M40 and T20 groups.**

A six-month loan moratorium is currently available to all individuals (B40, M40, and T20), microenterprises, and affected SMEs starting 7 July 2021.

The Ministry of Finance recently instructed banks to work on the exemption of interest payments to further aid those who require assistance. The exemption of interest payments will only involve the recipients of the moratorium from the bottom 50% group in terms of income classification for a period of three months from October to December 2021.

To learn more on how to obtain the six-month loan moratorium and the Repayment Assistance provided by your bank, please visit the [Bank Negara](#) web page.

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