

SME WEEKLY NEWS

(21 May 2018 – 25 May 2018)

Countries	Highlights
<p>MALAYSIA</p> <p>MTEM urges govt to relook, boost policy to uplift Bumiputera</p>	<p>The Malay Economic Action Council (MTEM) is looking forward to working closely with the new Government to re-examine and strengthen the Bumiputera economic agenda. The council hopes that the Government is truly committed to balance Malaysia's economy via decreasing the wealth and income gap between races, in line with Buku Harapan's 'Third Thrust: Boost Economic Growth that is Fair and Equitable' by developing the Malay and Bumiputera economy. The economic status of Bumiputera are still far behind in terms of economic parity between races. In 2016, Bumiputera per capita income was only RM63,000 annually compared to those from the Chinese community at RM185,000 a year; and that in 2011, Bumiputera only owned 26.1% of house assets in Malaysia. The unemployment rate of Bumiputera increased to 66.9% in 2017 (2016: 62.3%).</p> <p style="text-align: right;"><i>(Source: New Straits Times, 21 May 2018)</i></p>
<p>SINGAPORE</p> <p>Singapore to implement e-invoice framework based on Europe's PEPPOL</p>	<p>The Info-communications Media Development Authority (IMDA) will be implementing the Pan-European Public Procurement On-Line (PEPPOL), which allow businesses to speed up transactions, lower operating costs and minimise errors. Through this interoperable and low-cost standard, Singapore companies and SMEs can more easily adopt e-invoicing on a large scale. In addition, this will help them transact internationally, with businesses from many other countries that are also in the PEPPOL network. IMDA will work with businesses, including SMEs, in their adoption of e-invoicing so that they can improve their cash flow management, productivity and see greater connectivity across their supply chain. The push for e-invoicing is part of efforts to help companies go digital but recognising that this can be daunting, authorities say they are ramping up measures to help them.</p> <p style="text-align: right;"><i>(Source: Channel News Asia, 22 May 2018)</i></p>
<p>PHILIPPINES</p> <p>Philippines' DOF eyes 3 rural banking reforms to widen financial inclusion</p>	<p>Department of Finance (DOF) highlighted that the department is looking into three rural banking reforms to widen financial inclusion, especially in the rural areas i.e. (1) The Secured Transactions Reform Bill; (2) Fully automated credit information system; and (3) Consolidation Program for Rural Banks. The DOF is pushing the congressional approval of the Secured Transactions Reform Bill, which would increase use of technology in rural lending. It would also enable farmers and countryside entrepreneurs to tap their warehouse receipts, farm equipment and other forms of property as collateral to access credit. This bill will enable MSMEs and millions of unbanked Filipinos to take advantage of the economy's rapid growth. The DOF is also pushing for a fully automated credit information system that will equip FIs with a modern centralised credit registry under the Credit Information Corporation in order to facilitate lending activities.</p> <p style="text-align: right;"><i>(Source: Open Gov Asia, 22 May 2018)</i></p>
<p>MYANMAR</p> <p>Central bank issues license to Myanmar Credit Bureau</p>	<p>The Central Bank of Myanmar (CBM) has issued a license to Myanmar Credit Bureau Limited, allowing it establish a credit bureau in the country. Myanmar Credit Bureau, a joint venture between the Myanmar Bank Association and Singapore's Asian Credit Bureau Holdings, will collect information on loan repayment histories and other information on borrowers and distribute the profiles to lenders such as banks and other non-bank financial institutions. The move arrives a year after the CBM issued a regulations for credit-based loans and marks a step away from strict collateral requirements when applying for loans. With credit profiles and more borrower information available, lenders will be better able to evaluate the creditworthiness of potential borrowers and improve risk assessment procedures. Ultimately, it will enable many entrepreneurs and SMEs to qualify for loans. Apart from the license, the new Myanmar Credit Bureau will require capital of at least K3 billion (\$2.2 million).</p> <p style="text-align: right;"><i>(Source: Myanmar Times, 23 May 2018)</i></p>

SOWING THE SEEDS OF GROWTH

YM Woo Corp, a gardening and horticultural products manufacturer, has withstood the test of time in an industry where growth prospects were limited. The roots of the company's growth, originally known as Perniagaan Serbajadi, were planted by Edwin Woo and his wife back in 1986 when they started mixing up soil for gardening use in their own backyard.



In 1997, they relocated to a larger premises in Kepong with a factory and warehouses in order to cope with the increasing demand for Serbajadi products," says Stanley Woo Mun Hon, Edwin's son. The company is currently fully owned by the Woo family and is managed by Stanley and his sister Man Yee.

About 10 years ago, the company started investing in production automation to accommodate higher demand and to increase its range of products to include seeds and other garden care products. The company's initial strategy was to formulate special blends of fertilisers, sold under the Serbajadi brand name, for different plants at different stages of growth. It was mainly targeted at the home gardeners market.

However, it soon saw the value of also catering to the professional market and Stanley says its focus to move up the value chain has since enabled it to gain a foothold in the commercial market. YM Woo currently sells its products to professional landscapers, small-estate holders, orchard growers and vegetable farmers. With its success in the commercial market, the company has been working with different industry leaders to develop and introduce new products to diversify its range.

Last year, it also hit another milestone with the introduction of its AgroMarine Organic Hydrolyzed Fish Fertiliser, which became OMRI-listed, certifying it as a trusted organic product worldwide based on the coveted US National Organic Program standards.

YM Woo is also open to exploring tie-ups with a strategic partner to help it grow in the international market. Ideal strategic partners would include organic farming or plant seedling companies with wide distribution channels. Apart from expanding its presence in South-East Asia, Stanley is aiming to move into the US and European agriculture and horticulture markets,

The local market currently makes up around 80% of the group's total sales, which amounted to more than RM8 mil last year. He expects sales to double by next year once it starts exporting its organic-certified products overseas. Stanley hopes to increase the company's overseas sales contribution to around 50% by 2020.

To upscale its business, the company has been focused on R&D for the past two years to come out with products that will be able to penetrate the global market, particularly fertilisers that qualify as organic and pesticide-free. YM Woo sells an average of 60,000 packets of its own formulated fertiliser per month. It has more than 100 products, mainly under its Serbajadi brand name, for both home gardening and commercial agriculture use.

Apart from manufacturing its own products, YM Woo is also involved in trading other gardening and farming tools and products. The company currently employs around 35 people.

(Source: The Star, 21 May 2018)

Economics and Policy Division
SME Corp. Malaysia
30 May 2018