SME WEEKLY NEWS

(15 May 2017 – 19 May 2017)

Countries	Highlights
MALAYSIA **1,500 SMEs in Malaysia to be chosen for listing on AliBaba.com platform**	A total of 1,500 SMEs will be listed on AliBaba.com e-commerce platform by year-end, said Minister of MITI, Datuk Seri Mustapa Mohamed. The selection of the eligible SMEs with a diverse product range will be conducted by SME Corp. Malaysia, MDeC and MATRADE, throughout the country from 1 Oct 2017. AliBaba.com listing would use the Digital Free Trade Zone (DFTZ) as its marketing platform. "We are confident that Alibaba's investment will be a catalyst to boost the performance of the SMEs in order to penetrate foreign markets," he said. Meanwhile, Mustapa said the Government was in the final stages of drafting a bill to empower SMEs which was expected to be tabled in Parliament in the coming session. The bill seeks to develop SMEs more systematically, particularly in data collection, he said. "Data collection is important. We're giving emphasis on the effort through the Department of Statistics in order to get enough data." *(Source: The Star, 18 May 2017)*
MALAYSIA **SIRIM launches Technology and Market Radar for SMEs**	SIRIM has launched the Technology and Market Radar (TMR), a business tool to assist local SMEs to identify relevant technology and market trends to enable them to make strategic decisions on technology investment. TMR is designed to be accessed by SMEs, Ministries and Government Agencies to retrieve relevant and strategic information on technology and business trends complemented with an analysis of opportunities and challenges. Based on Technology Audits conducted in 2015 and 2016 by SIRIM under the SIRIM Fraunhofer Programme, the lack of data on market and technology trend was identified as one of the weaknesses affecting SMEs business growth. To address this weakness, SIRIM and Fraunhofer IAO has collaborated to establish TMR. President and Group Chief Executive of SIRIM, Dr Ahmad Fadzil Mohamad Hani said the initial implementation stage of TMR has two main focus search topics namely Industry 4.0 and Renewable Energy as both technology fields are categorised as high interest fields among SMEs to boost productivity growth. There will be one radar for the non-technical trend which is based on the Social, Economic, Environment and Politics methodology. *(Source: New Straits Times, 18 May 2017)*
SINGAPORE **SMEs tightening cyber defences in view of threats**	In the wake of the latest global cyber-attacks, SMEs have been beefing up their defences amid greater awareness and having witnessed their systems come under siege. While they have not been affected by the recent WannaCry ransom ware, SMEs are now backing up their systems more frequently. SMEs, which had previously been cited as a weak link for attacks, have been now updating their anti-virus software regularly and making access to their IT systems more stringent, among other measures. Meanwhile, the authorities said that, no government agencies or critical information infrastructure have been affected by the ransomware. The Cyber Security Agency of Singapore (CSA) said it has opened up more avenues for the public to seek advice or assistance, roping in Internet service providers Singtel and StarHub, which will be setting up helplines. Describing the latest attacks as "an issue of national importance", CSA chief executive David Koh said: "We will take all the necessary measures to counter the spread of the ransomware and help businesses and members of the public prevent or recover from it as quickly as possible." *(Source : Today Online, 16 May 2017)*

SINGAPORE **Defence industry urged to seek SME tie-ups**	Militaries can draw on cutting-edge technology in areas such as artificial intelligence, robotics, data science and cognitive computing by partnering the commercial businesses that drive them, said Permanent Secretary of Defence Development, Mr. Ng Chee Khern. He also urged the defence industry to collaborate with SMEs, given their nimble size and entrepreneurial mindset. He noted that collaborations with SMEs that may not have enough financial standing for such big projects could be done through a structure such as the Defence Science and Technology Agency's SME Engagement Framework. If militaries can build on these technologies to develop new capabilities, this could profoundly change the nature of warfare, he said. Marketing Vice President ST Electronics, Ng Tee Guan said, "We don't want to reinvent the wheel. If within the industry, a company has already developed these technologies, we can easily collaborate with it, whether it is a government agency or SME." *(Source: The Straits times, 18 May 2017)*
VIETNAM **Opportunities increase for businesswomen**	Lao businesswomen have seen an increase in opportunities to expand their businesses this year as they continue to connect with foreign business partners. Executive member of the Lao Businesswomen's Association (LBWA), Vidaly Chanthaphasouk said that businesswomen have been more widely open to doing business with international partners, which makes it easier to get investment. However, businesswomen have also said they now lack sufficient supporting policies, which will result in slower decision-making on investments. Based on survey done by LBWA in cooperation with the Mekong Business Initiative and support from the Australian government and the Asian Development Bank, findings showed that even though the government had issued many policies supporting businesswomen, the environment still does not meet regional and international standards. According to another survey carried out in the production and service sectors, findings showed that 63% of businesswomen find it more difficult than male colleagues to access sources of finance while also receiving higher rates of interest from banks, which are still challenging women making the decision to start a business. *(Source: The Nation, 19 May 2017)*
MYANMAR **KBank broadens SME support in Myanmar**	Kasikornbank (KBank), which styles itself as a champion of small business, is stepping up its support for SMEs in Myanmar. KBank has been helping entrepreneurs in Myanmar over the past three years, with short training sessions on knowledge transfer and awareness of business opportunities. "First, we started with training small businesses here. Now, we have turned our focus on training government officials and regional authorities. SMEs not only need money but they also need advice. So, we will train both the government and the private sector," said Pattanapong Tansomboon, first senior vice president of KBank. He said that the bank had trained the owners of more than 300 SMEs in seven major cities in Myanmar in cooperation with the Union of Myanmar Federation of the Chamber of Commerce and Industry and the Centre for SME Development under the Ministry of Industry. The training sessions have mainly focused on sharing knowledge about basic accounting, tax, access to bank finance and the development of a business plan, including marketing, human resources, production and finance "The right framework and policies are in place to support the growth of SMEs. The government will have to drive these initiatives by creating suitable support systems like an SME promotion centre, credit guarantee corporations and other systems to facilitate their growth. The banking sector will also have to support these initiatives by providing financing access." *(Source: The Nation, 19 May 2017)*

BRUNEI **SMEs need to demonstrate agility and responsiveness to change: Minister**	A fast changing environment tied with the ever-increasing digitalisation of economies across the globe means that SMEs need to adapt quickly and be more agile to capture new opportunities and widen their reach. The Minister of Home Affairs said that SMEs today continue to face headwinds of challenges such as access to finance, changing market demands and evolving regulatory regimes, all of which require them to be more responsive to changes. He said one solution to overcoming these barriers is the digital economy; a result of an increasingly digitised world which has brought about new business models which SMEs can leverage and capitalise on. "On market access and global value chains, the digital economy substantially lowers costs and barriers to markets and customers. This can help SMEs increase their sales and exports," the minister added. On access to finance, the digital economy enables new financing models such as crowdfunding and peer-to-peer lending, giving SMEs a plethora of financing options. The digital age also offers new solutions to constraints – such as limited availability of managerial and specialised skills, while noting that digitalisation is a major driver of future competitiveness and innovation for SME development. Fostering growth in Brunei Darussalam's SME sector remains high on the government's policy agenda, and several measures have been taken to promote its growth, including the establishment of DARe (Darussalam Enterprise) to nurture and support local enterprises across all stages of development, and also the establishment of a Syariah-compliant SME Bank which will not only improve access to finance for local SMEs, but also promote Islamic Muamalah which will help in developing the finance industry in the country. *(Source: Borneo Bulletin, 16 May 2017)*

FRESH FISH SENT TO YOUR DOORSTEP

Faris Fazilan has always loved the taste of fresh seafood. That is why Faris set up IkanFresh2U a year ago. Faris and his business partner, Azli Bharudin, did a three-month survey of the business and invested RM70,000 to kick off IkanFresh2U, which now operates at Taman Permata in Ulu Kelang. The process of delivering fresh fish to houses is actually simple once you work out the mechanism. “The main idea was to provide fresh seafood with no chemicals at your doorstep. “With my family’s support and Azli’s family, whose relatives are mostly fishermen in Pantai Remis, Perak we started the delivery of fresh fish last June.

“Response was really good and after a year in business, we are trying to keep up with the orders to all areas in the Klang Valley,” said Faris. Through social media promotions and publicity, they received an order of one-and-half tonnes of seafood in the first week alone and an average of 200 regular customers in the first month. IkanFresh2U has all the popular varieties such as mackerel, garoupa, tenggiri, yellowtail scad (selar kuning), stingray, white and black pomfret, red snapper, swordfish, prawn, crab and squid. There is also a mixture of different kinds of fish depending on the season, but what gives IkanFresh2U an edge over its competitors is the fact that they also supply rare tasty fish such as ikan pari nyonya, udang tocak, ikan aji-aji and six types of premium prawns.

IkanFresh2U currently supplies to restaurants, hotels, professional caterers and individuals. “Getting good quality seafood begins from the source, which is Pantai Remis. “The prices of fish vary according to the type and size, and also the weather. We get our fish right off the boat. “Four staff are stationed at the jetty to sort out the order and handpick the best of the seafood from over 150 fishing centres. They will weigh and pack them with double layered polyethylene bags, and place them in polystyrene boxes before they are shipped back to our pick-up point in Taman Permata, Ulu Kelang,” said Faris, 28. The fish will then be cleaned, packed and wrapped accordingly before six runners deliver them to the customers. IkanFresh2U has a delivery schedule, which helps them to deliver the seafood to your doorstep in no time. Our aim is to supply top-notch seafood products and preserve the freshness until it reaches our customers because we don’t want to store any fresh fish at our shop,” said Faris, an electrical engineering graduate.

Pricing of the seafood is reasonable considering IkanFresh2U does everything right up to the cleaning process before delivering it to customers. “Depending on the weather and source, normally there is no shortage of seafood. “The only thing you cannot control is the price fluctuations. But what really determines the final price is the weather, be it fresh or frozen fish,” said Azli. Besides delivering fresh seafood, IkanFresh2U also supplies fresh frozen seafood at Iwani Frozen Food Sdn Bhd in Taman Permata, Ulu Kelang. “We will soon get our frozen seafood from Pakistan, Sri Lanka and Aceh, Indonesia. Our prices are reasonable. “We have to retain the competitive retail wholesale price because in the long run, it will help boost our sales,” said Faris, who has big plans to take IkanFresh2U to the next level. To get your supply of fresh seafood, just order through their online shop to get it delivered to your front door.

(Source: The Star, 19 May 2017)

Economics and Policy Division
SME Corp. Malaysia
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