

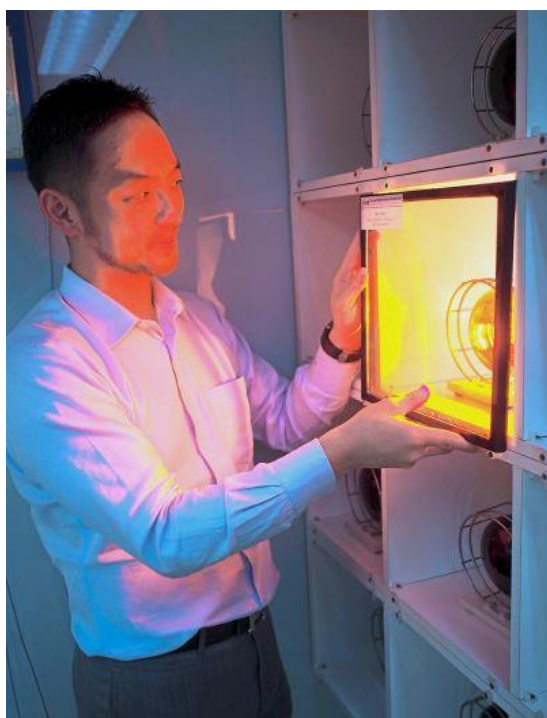
SME WEEKLY NEWS

(13 March 2017 – 17 March 2017)

Countries	Highlights
<p>MALAYSIA</p> <p>TM to launch mobile packages via webe for SMEs in April</p>	<p>Telekom Malaysia Bhd (TM) is expected to officially launch mobile solution packages for SMEs through its digital mobility services provider, webe, on 11 April 2017. Executive Vice President, Imri Mokhtar said that the product packages are currently going through the final stages of preparation, but SMEs can still register their interest with TM. "In an effort to help SMEs accelerate the adoption of ICT and the Internet of Things (IoT), we have engaged with them to understand and determine their current services in the creation of the packages. This is to ensure that it will truly benefit them, even when out of their homes or offices," said Imri. Revealing some of the features, he said the packages offered would be almost similar with the webe individual mobile service packages, but with some added value, no contract and a worry-free unlimited usage of Internet data.</p> <p style="text-align: right;"><i>(Source: The Star, 15 March 2017)</i></p>
<p>MALAYSIA</p> <p>E-commerce adoption rate among SMEs to grow to 50% by 2020</p>	<p>E-commerce adoption among SMEs is expected to grow to 50% by 2020 from 32% in 2016, driven by the sector's increasing interest in online business. CEO of SME Corp Malaysia, YBhg. Datuk (Dr.) Hafsa Hashim said SMEs were expected to be the main growth driver in the e-commerce industry, moving forward. The industry was poised to grow 11% per annum by 2020, accounting for 6.4% of gross domestic product (GDP). She also added that SMEs' success in e-commerce was due to their efficiency in running the business. "Today, we can see more SMEs getting involved in e-commerce, and they will be supported by the Go Global Malaysia programme. "We have already done it (e-commerce programmes for SMEs), but we want to do it better now. The Go Global Malaysia programme is more comprehensive, a total end-to-end package for SMEs," she said.</p> <p style="text-align: right;"><i>(Source: The Star, 16 March 2017)</i></p>
<p>MALAYSIA</p> <p>Encouraging entrepreneurship among youths</p>	<p>More effort is needed to create a business-minded generation among the youth of today. Chairman of Pahang Cooperatives, Entrepreneurship and Consumerism Committee, Datuk Seri Shahiruddin Ab Moin said the younger generation must be trained to become more business oriented in order to earn a better living. "We must encourage an entrepreneurial mindset among the younger generation. We don't want youngsters who are in debt and have to be declared bankrupt," he added. Agencies like SME Corp. Malaysia are offering various loans and grants to encourage entrepreneurship. He added that SME Corp. will also be aggressive in identifying SMEs and encouraging them to apply for these grants and loans. All public higher education institutions in the state are offering the 1 Student, 1 Enterprise programme where students start their own enterprises based on their interests.</p> <p style="text-align: right;"><i>(Source: The Star, 16 March 2017)</i></p>

<p style="text-align: center;">SINGAPORE</p> <p>Singtel teams up with polytechnics to build up SMEs' digital capabilities</p>	<p>Singtel will tie-up with Nanyang Polytechnic's Singapore Institute of Retail Studies (SIRS) to help SMEs, specifically in retail and F&B sectors, hire 'digital professionals' who will guide the SMEs on adopting e-commerce, retail analytics and using digital marketing solutions such as search engine optimisation and search engine marketing. These digital professionals comprise professionals, managers, executives and technicians (PMETs) who have been re-skilled. SMEs which sign up for this scheme will enjoy government subsidies of up to 90%. SMEs can also seek additional support on social media marketing, online merchandising and analysis of online consumers from students and lecturers at the NYP's Customer Experience and Analytics Centre. Over at Singapore Polytechnic, students will advise F&B owners on ways to better showcase their offerings on the 99% SME website (www.99sme.sg), and guide them to adopt Singtel's Connected Restaurant solution, which includes online reservation and pick up service. Based on customer behavioural data obtained by this solution, students may offer recommendations to enhance the positioning of the owners' products and promotions.</p> <p style="text-align: right;"><i>(Source: The Straits Times, 13 March 2017)</i></p>
<p style="text-align: center;">INDONESIA</p> <p>Indonesia Eximbank financing soars by 18.31%</p>	<p>State-owned Indonesia Eximbank saw an increase in its financing in 2016 by 18.31% to 88.53 trillion rupiah amid a sluggish export performance in 2016. Acting President Director, Susiwijono Moegiarso said that the growth was supported by export-based SME financing that soared by 44.54% year-on-year to 10.5 trillion rupiah. Around 15.04% of the 88.53 trillion rupiahs in total financing was done in shariah schemes. He said that for next year, Indonesia Eximbank plans to increase SME financing by 50%. The bank's interest and profit-sharing revenues also increased by 18.3% to 6.63 trillion rupiah. However, net income slightly decreased by 1.2% to 1.41 trillion rupiah (2015: 1.43 trillion rupiah). Director of Indonesia Eximbank, Raharjo Adisusanto said the reduction in net income was mostly caused by an increase in interest expenses because they shifted their debt from US dollars to rupiah, which cost more as the cost of funds in rupiah is more expensive than dollars.</p> <p style="text-align: right;"><i>(Source: The Jakarta Post , 15 March 2017)</i></p>
<p style="text-align: center;">VIETNAM</p> <p>Development fund offers financial aid to SMEs</p>	<p>The Ministry of Planning and Investment has launched the SMEs Development Fund for 2017. These programmes loan SMEs a maximum of 70% of the acceptable investment capital of each project or business plan. The support programme for SMEs' innovation has total funding of VNĐ100 billion (US\$4.39 million). It provides a maximum loan of VNĐ10 billion and allows a 24-month grace period for the original loan. Another programme with the same funding targets companies involved in water supply, waste and wastewater management and treatment activities, with loans worth up to VNĐ25 billion. Two packages worth VNĐ180 billion each are designed to assist businesses in agriculture, forestry and fisheries and those in processing and manufacturing industries. Maximum lending under the scheme for agriculture, forestry and fisheries businesses is VNĐ20 billion and that for processing and manufacturing industries is VNĐ25 billion. The interest rate will be kept unchanged during the loan term at under 90% of that of commercial loans.</p> <p style="text-align: right;"><i>(Source: Viet Nam News, 16 March 2017)</i></p>

A WINDOW OF OPPORTUNITY



Founded the business in 1992, Chairman of Crystal Safety Glass Sdn Bhd, Datuk Tan Seng Huat shares his experiences with the Group Managing Director, Frank Tan and sister Tan Yi Shin, that crisis and opportunity come hand in hand, thus they need to see difficult situations as a chance to do something better.

Tan, who was running a glassware trading business then, was saddled with bad debts during the Asian Financial Crisis in 1997. One of his buyers was unable to pay him. "But it turns out, this buyer had two containers of glass that were kept at a Port Klang warehouse. The buyer eventually told my father to offset the debts with these containers," Frank relates. Tan took it, but he wondered hard about what to do with the glass. Eventually, Tan went around Klang Valley to look for a buyer for his glass and managed to sell them off to glass shops. "My dad then realised there was a market for these glass as they can be used as construction materials, such as glass windows, which were gaining popularity," Frank says.

Seeing the opportunity, Tan changed the nature of his business from trading glassware to trading glass and moved into a rented shop lot in Puchong in 1998. He borrowed money from friends and hired three staff for his new operations. Knowing that these were debts that have to be repaid, he wasted no time in looking for glass suppliers from Indonesia and China. The company was on an uptrend and by year 2006, its staff force had grown to 100 people and the operations was moved to a larger factory in Klang. Frank and his sister joined the company in mid-2000s. The two siblings took a hard look at how they could take the company to the next level. One thing they found was that ensuring the quality of the products was vital as consumer expectations have increased over the years. They started setting up a quality assurance department as well as implemented ISO standards and company-wide IT systems. This not only improved quality and increased productivity but also created a better working environment.

In 2008, they started to do aluminium extrusion manufacturing, which serves as window frames. Contractors would usually order them with the glass. Today, they have about 10 products of their own, including tempered glass, laminated glass and insulation glass. Their efforts over the next few years worked well for the company. In 2010, Crystal Safety Glass' revenue started climbing again and has maintained its uptrend till today. In 2016, they achieved a group revenue of RM150 million. Crystal Safety Glass is currently located at a bigger manufacturing plant and warehouse in Teluk Gong, Klang and has grown to a staff of about 300. The company is looking at developing green products, such as low emissivity glass that comply with green building index requirements.

(Source: The Star, 13 March 2017)

Economics and Policy Division
SME Corp. Malaysia
20 March 2017