

SME WEEKLY NEWS

(29 August 2016 – 2 September 2016)

Countries	Highlights
<p>MALAYSIA</p> <p>Maybank, CGC to provide RM1.5bil loans to SMEs</p>	<p>Maybank has partnered with Credit Guarantee Corp Malaysia Bhd (CGC) to provide up to RM1.5bil of financing to SMEs. The scheme is via CGC's portfolio guarantee scheme, which is the largest ever amount in Malaysia to support local SMEs in expanding their businesses. Under the scheme, SMEs can apply for either the Islamic or conventional loans from Maybank and the minimum amount is RM50,000 and the maximum is RM1.5mil and at a fixed tenure of up to seven years. While the financing is processed by the bank, 70% of the principal financing amount will be guaranteed by CGC. To date, Maybank has offered lending facilities to SMEs with a total approved amount of RM3.2bil.</p> <p><i>(Source: The Star, 2 September 2016)</i></p>
<p>MALAYSIA</p> <p>Najib launches campaign to boost SME exports</p>	<p>Prime Minister, Datuk Seri Najib Abdul Razak launched a brand awareness campaign, 'Beyond Nations' aims to encourage and promote more SMEs to export, which is in line with the government's continuous initiatives to increase the contributions from SMEs to exports from 17.6% currently to 23% by 2020. The campaign's main pillars were to communicate, educate and nurture SMEs of all levels, especially first-time exporters. Malaysia is currently ranked as 23rd largest world exporting country. With the launch of the campaign, Malaysia aims to be among the top 20 world's largest exporting country.</p> <p><i>(Source: The Sun Daily, 1 September 2016)</i></p>
<p>SINGAPORE</p> <p>Shopmatic enables its Singapore SMEs to sell on Amazon, Ebay, Lazada</p>	<p>Shopmatic has joined hands with leading e-commerce marketplaces like Amazon, eBay and Lazada. The alliance will enable Shopmatic merchants in Singapore to develop their own webstores for a global presence and sell their products or services on these marketplaces in a hassle-free manner. The platform is focused on helping not only the SMEs of the Asian countries to find their feet in the online world, but also give these firms global exposure. Shopmatic has established partnerships with numerous international and local companies, with recent deal was signed with PayPal to enable its merchants in expanding their sales across the globe. On the logistics front, Shopmatic has made strategic partnerships with local and global logistics players like Delhivery and Aramex.</p> <p><i>(Source: Market Wired, 30 August 2016)</i></p>
<p>INDONESIA</p> <p>Indonesia to increase creative products trade with UK post-Brexit</p>	<p>Indonesia will ship more creative products from its SMEs to the UK, and vice versa, as both countries pledge to boost trade despite ongoing concerns over Britain exiting the EU. Indonesian Ambassador to the UK, Rizal Sukma said he was looking to work with British SMEs, which are targeted to buy local creative products, ranging from jewellery, fashion and wood products to food. The Indonesian Chamber of Commerce and Industry has started helping the Indonesian Embassy in the UK realize its plan, including by conducting some business-matching events between Indonesian creative industry players and British SMEs that have potential trade. The chamber will also find more local SMEs producing creative products to sell in the UK, as well as guide them to produce higher quality and more attractive products to suit the foreign market.</p> <p><i>(Source: The Jakarta Post, 1 September 2016)</i></p>

<p style="text-align: center;">THAILAND</p> <p style="text-align: center;">PayPal to assist Thai SMEs</p>	<p>PayPal, one of the world's leading digital payments companies, has agreed to help promote and facilitate Thai SMEs' in cross-border trade. Under the MoU signed with the Department of International Trade Promotion (DITP), the company will provide SMEs in Thailand with data and insights to the global consumer buying trends that will help them in their business planning. PayPal will also be launching a series of promotional activities to encourage Thai businesses to register with PayPal. With PayPal's high conversion rate at 87.5%, which is 42% higher than the standard checkout options, Thai businesses will be able to reduce cart abandonment and also leverage PayPal's global presence to expand their sales beyond Thailand and sell their goods and services overseas.</p> <p style="text-align: right;"><i>(Source: The Nation, 29 August 2016)</i></p>
<p style="text-align: center;">VIETNAM</p> <p style="text-align: center;">MOF proposes tax reduction to rescue SMEs</p>	<p>The Ministry of Finance (MOF) has submitted to the government a plan to lower the corporate income tax (CIT) rate to 17% for SMEs, which would be applied for no more than four years (from 2017 to 2020). The Vietnam Association of Foreign Invested Enterprises (VAFIE), applauding the MOF's suggestion on tax reduction, said the decrease in state budget revenue would be offset by indirect taxes and personal income tax, because enterprises would use their savings from the CIT reduction for re-investment. VAFIE pointed out that the CIT reduction would help increase revenue collection in the future, because SMEs would be able to make higher profits and pay more in tax.</p> <p style="text-align: right;"><i>(Source: Vietnam Net, 29 August 2016)</i></p>

PLASTIC FANTASTIC

The medical device segment is proving to be a lifesaver for plastic manufacturers in Penang in the face of the slowdown in the semiconductor and F&B sectors. The growing medical device industry has become an attractive sector for plastic-based consumer product manufacturers to source for fresh business opportunities. Rapid Growth Technology is looking to tap the plastic-based medical device business in leveraging its vast experience in making plastic-based hygiene care products.

Currently, Rapid Growth is involved in the manufacturing of hygiene care products used in residential and commercial premises, washrooms and automotive. They manufacture for a US-based multinational corporation that supplies the worldwide market. Group managing director, Ng Choon Keat says the company will be investing more than RM1mil in a production line to manufacture disposable medical device used for treating external injuries for a customer in the US. "The company already has the ISO-13485 certification, which enhances our eligibility to bid for major overseas contracts. Our plan is to focus on the US market, which accounts for 26% of the global market, making it the largest producer and consumer of medical devices in the world," he stresses.

Moving forward, Rapid Growth is also looking forward to tap into the medical device market in South-East Asia. "The medical device market in the Asean region is projected to double from US\$4.6bil in 2013 to US\$9bil in 2019, according to the data from Medical Manufacturing Asia 2016. Three Asean countries namely Malaysia, Indonesia, and Thailand account for approximately 65% of the current medical device market among the 10 member countries," Ng adds.



"In this competitive market, it is not possible to raise selling price to cover for higher salaries and higher importation costs. To save cost and to better position themselves for global competition, many of our customers now are outsourcing designing work for their products to us. Moving forward, Rapid Growth is in the process of transforming itself into an original design manufacturer. We plan to achieve this objective in three years," Ng confides.

(Source: The Star, 29 August 2016)

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