

SME WEEKLY NEWS

(8 August 2016 – 12 August 2016)

| Countries | Highlights |
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| <p>MALAYSIA</p> <p>Ambank in tie-up to help SMEs</p> | <p>Ambank Group has allocated RM300mil in Islamic financing for SMEs, in collaboration with Credit Guarantee Corporation (CGC). The tranche represents a continuation from the first tranche of RM300mil in conventional loans announced in January 2015. With a total of RM600mil already allocated, group chief executive officer of Ambank, Datuk Sulaiman Mohd Tahir said it hoped to raise this figure to RM1bil over the next six months under the partnership with CGC. He added that AmBank group had given out RM12.15bil worth of loans to SMEs in Malaysia to-date.</p> <p style="text-align: right;"><i>(Source: The Star Online, 9 August 2016)</i></p> |
| <p>MALAYSIA</p> <p>Exporters in fix over steeper fees</p> | <p>The Health Ministry will increase its Hazard Analysis Critical Control Point (HACCP) fees by up to seven times, thus casting uncertainty over exporters. President of SME Association, Datuk Michael Kang said the new fees, which comes into effect on 15 August, was not justifiable given the current economic trends. For new HACCP applications, the fee for SMEs was raised from RM3,235 to RM4,000 while the renewal fee was raised from RM600 to RM3,000. He said the hike would deter SMEs from renewing the HACCP certification, which addresses food safety, from raw materials to finished products. "Small businesses can barely cope with the economic slowdown and lower demand for their goods. It will not come as a surprise if they decide not to renew their license altogether". Minister of Health, Datuk Seri Dr. S. Subramaniam said the changes would reflect the current administration costs and businesses must be realistic in their demands.</p> <p style="text-align: right;"><i>(Source: Malay Mail Online, 8 August 2016)</i></p> |
| <p>THAILAND</p> <p>SME confidence tanks in Q2</p> | <p>SMEs confidence dipped in the second quarter of 2016 (2Q 2016) due to the stuttering economy and tepid domestic purchasing power. Surveying 1,262 SMEs nationwide, the TMB SME Sentiment Index fell to 39.4 points from the previous quarter's reading of 42.1. The confidence of SMEs in the North dropped to 35.3 in 2Q 2016 (1Q 2016: 37.3), while in the Northeast it fell to 37.3 (1Q 2016: 41.1). In the central region, confidence dipped to 33.5 (1Q 2016: 48) as SMEs were concerned about the drought and liquidity squeeze because of lower farm income. The South was the only region that saw SME confidence picked up in the 2Q 2016, rose to 45.4 points (1Q 2016: 37.5) following rising rubber and palm oil prices and robust tourism. SME confidence for the third quarter of 2016 is expected to fall as business operators fretted about revenue and cost control.</p> <p style="text-align: right;"><i>(Source: Bangkok Post, 10 August 2016)</i></p> |
| <p>INDONESIA</p> <p>Anabatic aims to get 10,000 SMEs online with Alibaba</p> | <p>Publicly listed IT firm, Anabatic Technologies (ATIC) is striving to get 10,000 Indonesian SMEs onto its e-commerce platform within the next three years through a collaboration with global internet giant, Alibaba.com. Anabatic's subsidiary, Emporia Digital Raya, signed a collaboration agreement with Alibaba.com in March 2016. Nearly five months since the launch, only 33 companies have signed in to Emporia's digital platform, but Anabatic is optimistic that it will see rapid growth in years to come amid the hype of e-commerce. Alibaba Group is keen on tapping the huge opportunity in Indonesia's rapidly growing e-commerce market, in which 30% of the country's population or 82 million people, use the internet.</p> <p style="text-align: right;"><i>(Source: The Jakarta Post, 9 August 2016)</i></p> |

PHILIPPINES

**PesoPay helps
Philippine SMEs ride
e-commerce wave**

To help Philippine SMEs benefit from the e-commerce, PesoPay which is the online payment gateway, now allows SMEs to create a merchant account and process card payments online. A merchant account is a business bank account that enables businesses to accept credit and debit card transactions online. Currently, getting a merchant account is not easy as SMEs must prepare a security deposit of 500,000 pesos, at least one year of profitable business operation and a monthly minimum sales volume of 150,000 pesos to keep the account. Thus, PesoPay now offers a Basic Plan at reasonable rates and simpler bank requirements for startups and SMEs. The Basic Plan operates under the so-called 'Payment Facilitator' model in which AsiaPay Philippines will process credit card payments on behalf of merchants. The payments are first collected into one central account and later disbursed respectively to each merchant account. In such cases, AsiaPay acts as the 'Master Merchant' while online businesses acted as 'Sub-Merchants'. With this setup, SMEs can now facilitate VISA and MasterCard payments without complying with the current bank requirements.

(Source: SMB World Asia, 8 August 2016)

CORE AND MORE



Apple Vacations has grown from a small business focused solely on tour packages into a group with diverse interests by slowly expanding from its core business into related fields like F&B, hospitality, cargo space and more. APPLE Vacations has come a long way since its humble beginnings as a little travel agency in 1996. The company recently celebrated its 20th anniversary, having evolved into a travel consultancy that offers comprehensive travel services.

Lee and his partner, Datuk Seri Koh Yock Heng, founded Apple Vacations at a time when the market already had several big and

established players. But, even as they went about making a name for themselves in the travel industry, the two ventured into different businesses as well, including in aviation, hotels, property, advertising and media, and food and beverage via subsidiaries held under Apple Resources Holding.

Lee says Japan tours are the company's mainstay. Having studied in Japan for six years prior to founding the company certainly helped him to understand what Japan had to offer. "For the Japan market, we capitalise on its culture and uniqueness. When we talk about snow in the winter, lavender in the summer or the onsen (hot spring), we know these will not fail us. This keeps us confident about selling the tours," he says.

Nonetheless, Apple Vacations is continuing to push new travel experiences where it can. A few years ago, it worked closely with tea specialists and started tea tours to Southern China to educate travellers on the origins of the tea. The company also intends to add special tours revolving around coffee to Taiwan and Central America soon. They are also looking forward to introducing more exotic tours such as to the Galapagos islands and the Amazon River, as well as to organise more chartered flights for tour package buyers to other countries.

Moving forward, Apple Resources Holding expects to list its travel business by the end of the year and is looking at building more boutique hotels in Kuala Lumpur, Malacca and Penang.

(Source: The Star, 8 August 2016)

Economics and Policy Planning Division
SME Corp. Malaysia
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