

SME WEEKLY NEWS

(12 August 2019 – 16 August 2019)

Countries	Highlights
<p>MALAYSIA</p> <p>CTOS launches SME Score Solution to assess creditworthiness of SMEs</p>	<p>CTOS Data Systems Sdn. Bhd. launched 'CTOS SME Score' to provide an easy and universal assessment for creditworthiness for the SMEs. The solution would empower SMEs with confidence to make quick, consistent and objective decisions as they assess the businesses and owners to whom they will potentially extend loans, leases and trade credits. The solution was also able to provide updates on SMEs' current financial standings, allowing lenders for pre-emptive actions against potential bad debt or late payment. As a comprehensive industry score, the data is sourced from CCRIS (Central Credit Reference Information System) Company Credit Data and CCRIS Consumer Credit Data from Bank Negara Malaysia, filing data maintained at national registrars, as well as financial data and ratio and business information and proprietary CTOS Data maintained by its bureau partners. Based on CTOS SME Score analyses, out of one million SMEs in Malaysia, 54% of companies, 60% of partnerships and 52% of sole proprietors have recorded a score of 290 or more, indicating average to excellent creditworthiness.</p> <p style="text-align: right;"><i>(Source: Bernama, 15 August 2019)</i></p>
<p>INDONESIA</p> <p>GoPay to be available at 7,000 JNE vendors</p>	<p>Courier service and logistics company, PT Tiki Jalur Nugraha Ekakurir (JNE) and GoPay e-wallet, a subsidiary of Gojek announced its partnership to provide more than 7,000 courier vendors with digital payment services. The partnership aims at improving courier and logistics services by providing customers with the option to pay through a digital payment system. Through this collaboration, JNE customers could use GoPay to send their packages at more than 7,000 vendors across Indonesia. JNE has already offered GoPay services in several provinces, such as Jakarta, West Java, Bali and North Sulawesi. The collaboration was expected to make the payment process easier for customers who wished to send packages, especially for MSMEs. Online merchants contribute significantly to growth in the logistics sector, and the logistics sector helps online merchants, including MSMEs, reach more customers. The collaboration could contribute to MSMEs' scalability and encourage business development through the use of technology.</p> <p style="text-align: right;"><i>(Source: The Jakarta Post, 13 August 2019)</i></p>
<p>MYANMAR</p> <p>€8 million funding for trade initiatives</p>	<p>The European Union (EU) will provide assistance of up to 8 million euros over four years for the implementation of ARISE Plus Myanmar initiatives that will help the country integrate better with ASEAN economies in line with the ASEAN Economic Community Blueprint 2025. The financing will help support SMEs to explore business opportunities in ASEAN, EU and global markets. Other initiatives under this funding include helping to formulate trade policy and assist the country in meeting ASEAN and World Trade Organisation's commitments while addressing non-tariff barriers through the value-chain. The Arise Plus Myanmar initiatives aims to contribute to equitable and inclusive growth as well as job creation in export-oriented industries in line with the government's plans to diversify the economy and have more value-added activities that can result in more opportunities for women and better paying jobs. The initiatives also aim to increase transparency in trade rules and address barriers women-led businesses face when integrating with export value-chains and support advocacy efforts of business associations, especially from women entrepreneurs.</p> <p style="text-align: right;"><i>(Source: Myanmar Times, 12 August 2019)</i></p>

EX-SERVICEMAN BUILDS BUSINESS IN RETIREMENT

Cake entrepreneur, Mat Husin Ismail is beaming with satisfaction every time he talks about his successful business which he embarked on 19 years ago, after he opted to retire from the army. The business, called Baulu dan Kek Kak Long, specialises in making bahu, a local delicacy comprising mini sponge cakes.

His cake shop in Paya Jaras, Sungai Buloh, which produces about 5,000 pieces of bahu every day with the assistance of four workers, began almost two decades ago at his home with a humble investment of RM5, 000 including several small ovens. The cakes are delivered to various outlets throughout the Klang Valley, while larger sponge cakes are also made based on orders from individual customers – and business is so good, that he is planning to expand.



Mat Husin shares that it was not all smooth sailing from the beginning. In fact, before specialising in the cake business, he had tried his hand at other ventures including hairdressing, pizza-making and selling pre-paid mobile phone cards. “It’s normal for those with higher academic qualifications to earn higher salaries, but if people with lower qualifications like me want to earn that same high salaries, we have to venture into business,” he says.

His experiences taught him that it was not easy to succeed in business, as he faced all kinds of challenges and needed to be patient and focused. However, according to Mat Husin who served in the army for 18 years, the advantage which former army personnel enjoy is that it is easy to receive loans to start a business but they need to provide evidence of how their businesses perform.

He also advises entrepreneurial enthusiasts, including ex-servicemen, to get experience in doing business before starting out on their own, and the best way to gain experience is to work for six months as a junior staff and learn the ins and outs of a particular business. “Don’t be over-ambitious when going into business and utilise your money wisely,” he says, suggesting that if one had RM100,000 at hand, only RM20,000 should be used for a business venture, as the balance could be relied on in the future if the business failed or needed to be adapted.

Most importantly, he says: Don’t rely on others to run your business. “In a food business, for example, if the cook runs away, your business will close. Learn to be a skillful cook so that business can continue.”

(Source: The Star, 12 August 2019)

Knowledge Management & Strategy Division
SME Corp. Malaysia
20 August 2019