

SME WEEKLY NEWS

(4 July 2016 – 8 July 2016)

Countries	Highlights
<p>MALAYSIA</p> <p>World Bank says SME Masterplan showing results</p>	<p>The World Bank reports that Malaysia has especially succeeded in its innovation and technology adaptation programme. A key element of Malaysia's Masterplan that has worked thus far is the focus on innovation and technology adaptation. For example, Malaysia targeted the green light-emitting diode (LED) business as a focus for SMEs and has seen huge growth over the years and good international exposure. In 2016, Malaysian firms sold RM116.9 million in LEDs, compared to just RM65.6 million in 2012. Future areas of focus will be medical devices, oil and gas, ship-building and repair, and aerospace.</p> <p>The TUBE youth development program is another example of innovation, to spark the entrepreneurial spirit among young Malaysians. Based on a boot camp concept, the program sends participants to a jungle for a week to test their leadership, discipline and teamwork skills. Those who make it through the camp continue on to year-long apprentice training programs.</p> <p><i>(Source: The World Bank, Free Malaysia Today, 5 July 2016)</i></p>
<p>SINGAPORE</p> <p>MAS eases crowdfunding rules for SMEs</p>	<p>The Monetary Authority of Singapore (MAS) has made it easier for startups and SMEs to gain access to securities-based crowdfunding (SCF). MAS said that SCF platform operators seeking to raise a maximum S\$5 million within a 12-month period may do so without having to issue a prospectus. It is also now easier for startups and SMEs to secure investors. Pre-qualification checks on investors have been simplified. SCF operators now need only to determine that investors have either the financial competence or are suitable to invest in the product given their investment objectives and risk tolerance. The MAS will also be reducing the financial requirements for SCF platform operators who want to raise funds from accredited and institutional investors. Both the base capital requirement and minimal operational risk requirement will be lowered from S\$250,000 to S\$50,000. In addition, the requirement for S\$100,000 security deposit will also be removed.</p> <p><i>(Source: Today Online, 8 July 2016)</i></p>
<p>INDONESIA</p> <p>Online retailers to face new tax rule</p>	<p>Online retailers should brace themselves as the government is preparing to launch a new tax regulation this year. According to the Chairman of Indonesian E-commerce Association (idEA), Daniel Tumiwa, online retailers including SMEs will be charged a small percentage of tax by the government. He acknowledged that the association had recently met with the Taxation Directorate General. The tax rate to be charged was 'reasonable', smaller than the rate currently charged on offline SMEs, but he declined to provide details on the rate. The announcement will most likely occur after the first phase of the tax amnesty policy implementation in September. With the upcoming regulation, people owning online shops, including on Instagram or Facebook, must report their incomes and pay taxes.</p> <p><i>(Source: The Jakarta Post, 6 July 2016)</i></p>

<p style="text-align: center;">THAILAND</p> <p>Dept links SMEs with foreign trade websites</p>	<p>To encourage SMEs to trade in the international arena, the Commerce Ministry has developed its thaitrade.com website to link with international trading websites such as Amazon and Alibaba. Malee Choklumlerd, the Director General of the International Trade Promotion Department, said the department will kick off a project called "Small Order OK" (SOOK) to encourage small-goods companies to trade online. Under the project, SMEs can advertise their products via www.thaitrade.com, with buyers able to purchase goods through an e-payment system. The website will also link with Amazon and Alibaba, while cooperating with DHL Express for shipping goods worldwide. SOOK will also help SMEs generate sales of small orders coming directly from customers. Since 2013, the department has encouraged 1,684 SMEs to trade online. Over the next three years, it aims to get another 15,000 SMEs to sell their products over the Internet.</p> <p style="text-align: right;"><i>(Source: The Nation, 6 July 2016)</i></p>
<p style="text-align: center;">THAILAND</p> <p>New act to boost SME funding access</p>	<p>Almost 3 million SMEs and start-ups should find it easier to access loans after the new Secured Transactions Act went into force on 1 July 2016. Commerce Minister, Apiradi Tantraporn said that this should help stimulate the economic growth as SMEs expand their businesses, while Thailand will also be more competitive. Under the new law, instead of using a mortgage or having to pawn their assets as business security, SMEs will be able to use such assets as raw materials, inventories, aircraft, freight, patents, copyrights and trademarks as guarantees for acquiring loans from financial institutions, or to secure their liabilities. The law also aims to reduce the problem of loan-sharking, as some SMEs that could not source funds had to rely on illegal creditors.</p> <p style="text-align: right;"><i>(Source: The Nation, 5 July 2016)</i></p>

TINKER TAILOR FASHION GIRL



THE AmarAmran brand, which goes back 41 years and spans three generations, is one of the pioneers of Muslim fashion, forging the path for the other Muslim fashion labels to follow. AmarAmran started as a tailor company in Kota Baru in 1975, before it expanded and became a manufacturer and boutique.

Abdullah Abdul Rahman, opened the shop in 1975 with a paid-up capital of RM300,000. Then, his son, Amar Amran inherited the business in 1999. Through stylish designs and exclusive quality, he established a successful Muslim fashion label at a

time when the competition was not so keen. From a shop at Jalan Masjid India, the boutique then moved to its present location in Shah Alam in 2014. By then, the 41-year-old businessman-designer had already launched himself as a regional player with the brand having a presence in Britain, Indonesia, Brunei, Singapore and Turkey.

In 2013, Amar then passed the baton to his eldest daughter, Qamila. Qamila, who is pursuing a degree in Sharia, believes fashion is a passion. "You should not restrict your creativity just because it has to adhere to Islamic guidelines. My father taught me how to exercise creativity so that I could explore new grounds in Muslim fashion, and I'm trying to create a few designs of my own," she says.

For her, Muslim fashion should be universal, comfortable and not overpriced. With the younger generation having taken a liking to wearing robes, AmarAmran makes it a point to cater to this demand. From slim-fit to true-to-size fit to loose-cuts, the label sells more than 1,000 robes a week through its stockists. According to Qamila, revenue recorded satisfactory growth last year and expected to be even better this year.



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