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Exclusive Interview

With MAFI Minister,
Datuk Seri Dr Ronald
Kiandee

Road To Recovery

Malaysia's Economy Can Only Improve If The
Vaccination Program Achieves Its Target



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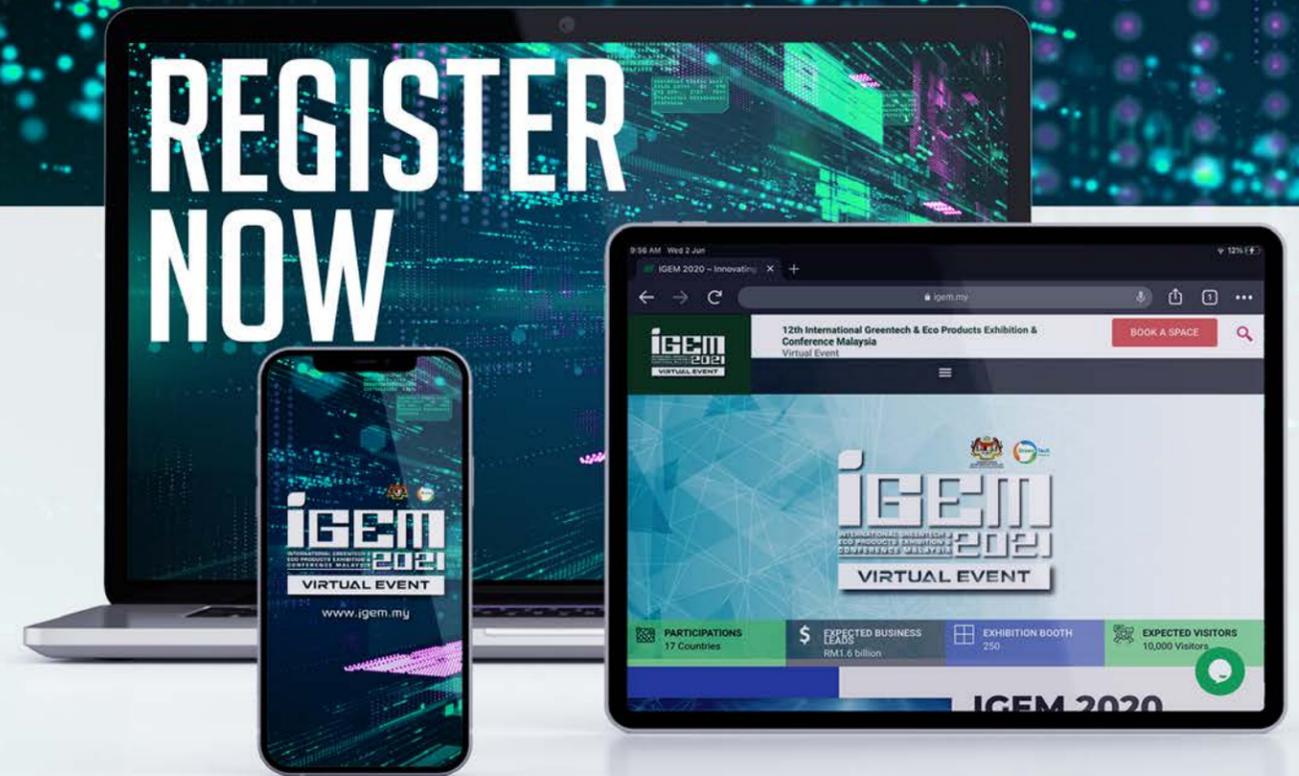
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BusinessToday's June issue is here and this month we are bringing you a couple of insightful exclusives. Our interview with Datuk Seri Dr Ronald Kiandee, MAFI Minister, shines light on efforts to revolutionise the agricultural industry and why it is more important than ever to get the youth to be part of the changing times.

We also look at what it takes to build the next generation of franchises in Malaysia. The Secretary General of Ministry Of Domestic Trade and Consumers Affairs, Datuk Seri Hj. Hasnol Zam Zam shares more on the newly launched Micro Franchise and Affordable Franchise Development Programme.

On the features side, we take a look at property affordability for the youth in major cities and why an overhaul is needed. We also have Employment Hero's CEO, Ben Thompson giving us his take on why going the extra mile will benefit businesses. Through the interview, we examine the impact of Covid-10 on on business owners and employees and what is the sentiment towards vaccination like.

BusinessToday has also taken a deep dive into the automotive industry and how the pandemic has affected mobility. Speaking to us, Michelin's Oliver Biggart, Managing Director of Michelin Malaysia, Singapore and Brunei shares his thoughts on the changes taking place and the company's efforts to champion sustainable mobility in the years to come.

As for our cover story, we look into the challenging vaccination drive Malaysia is undergoing and what's getting in the way of achieving higher numbers and is our nationwide vaccination campaign being as inclusive as it can be? There's plenty more to insights to different sectors and industries so be sure to grab a copy, get into your easy chair and get started.

Till our next issue, stay safe and stay healthy!



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Cheers,

Poovenraj Kanagaraj

Editor
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JAMAL AFIQ JAMALUDIN

NI XINGJUN,

CHIEF TECHNOLOGY OFFICER, ANT GROUP, OPERATOR OF ALIPAY

PANDEMIC RELIEF POLICIES NEED MORE RESOURCES, BETTER DESIGN

BY ANIS CHOWDHURY AND JOMO KWAME SUNDARAM

Pandemic relief measures in developing countries have been limited by modest resources, fear of financial market discipline and policy mimicry. Covid-19 has triggered not only an international public health emergency, but also a global economic crisis, setting back decades of uneven progress, especially in developing countries.

STRUGGLING TO COPE

The pandemic's economic and social impacts weigh more heavily on low- and middle-income countries (LMICs). The World Bank estimated that the pandemic pushed 119 to 124 million more people into extreme poverty in 2020.

The Bank also reported disproportionately larger business impacts in terms of closures, drops in sales, greater corporate debt and financial fragility. Meanwhile, households in poorer countries saw greater food insecurity as well as income and educational losses.

It also found public debt surging in many developing economies as a rising number of LMICs had greater difficulties servicing official debt. Facing sharp falls in tourism and export earnings, access to foreign credit for many has deteriorated.

URGENT FINANCING NEEDS

LMICs must address various urgent needs and other short-term problems. They need to finance emergency contagion containment and relief measures for those most adversely hit by the pandemic.

These would minimally include the costs of diagnostic testing, personal protective equipment for 'frontline' personnel, medical treatments for those infected, and urgent vaccination to mitigate further infections.

Liquidity support – e.g., low-interest loans and wage subsidies – can also be vital for the survival of businesses and workers. But in most countries, such credit facilities have mainly benefited more influential larger enterprises.

Policy and fiscal space as well as policy design are key elements influencing implementation of economic measures to cope with COVID-19 recessions. These require understanding the specific nature of recessions and options available, as distinct from simply following what others have done or recommend.

COVID-19 RECESSIONS DIFFERENT

What makes the pandemic economic shocks different? First, SARS-COV2 is a highly contagious aerosol-borne virus with variants and mutations rapidly evolving, with mixed, uneven, even deadly effects. COVID-19 has affected most countries, albeit with varying and unequal economic consequences.

Second, both supply and demand shocks have had mainly negative effects. The pandemic directly affected the ability to work, earn and spend. Containment measures have also hit production, supplies and incomes. In turn, these have lowered demand, spending and incentives for firms to invest.

Third, the shocks have worsened existing disparities and other inequalities. Fourth, they especially hurt LMICs, typically lacking fiscal resources and relevant governance capacities to better cope with the pandemic.

GOVERNMENT AS 'PAYER-OF-LAST-RESORT'

Misreading the COVID-19 shocks and expecting brief V-shaped recessions, some novel fiscal and monetary

measures were hastily introduced to assist businesses and workers. These typically emulated measures in developed economies including temporary tax relief, low interest loans, cash transfers and wage subsidies.

Many high- and upper middle-income governments have served as 'payers-of-last-resort', helping 'suspended' businesses to continue paying their involuntarily idle employees, instead of firing them.

Large firms have also been able to get governments to help settle some of their unavoidable bills, to cover their overheads and maintenance costs – such as rent, utility and other payments – during 'stay in shelter' lockdowns.

Such 'payer-of-last-resort' programmes have successfully complemented effective contagion containment measures, enabling early resumption of economic activity. While high, such costs can remain manageable if governments can secure sufficient fiscal resources and space.

POLICY BLIND SPOTS

There has not been enough consideration of country specific circumstances, or social, economic, cultural and institutional circumstances. Thus, large informal sectors, crowded slums and limited social protection in developing countries have been largely overlooked, or worse, ignored.

Unsurprisingly, most financing disbursed via various official channels have not reached most in the informal sector. These resources have not provided much relief to small and micro-enterprises, let alone the self-employed.

However, much of what was offered to large firms were not used due to uncertainty and reduced domestic spending options. Meanwhile, significant resources have 'leaked out' of many developing countries, including via corruption as well as tax and other incentives for foreign investors.

Such failures in policy responses and poor design have greatly impaired prospects for quick and equitable Covid-19 containment and recovery. They have also exacerbated various inequalities within and among countries.

DIVERGING RECOVERIES

The International Monetary Fund (IMF) projects divergent so-called k-shaped recoveries, leaving many LMICs and the vast majorities in most societies further behind. With ongoing vaccine apartheid and nationalism, early hopes of quickly addressing the crises in LMICs have faded.

Vaccinations in these countries have been much delayed, while donor countries, such as the UK, have significantly cut aid. Thus, economic crises in LMICs are far from over, delaying recovery with often disastrous

consequences.

IMF Managing Director Kristalina Georgieva has even warned that uneven global recovery would 'ricochet' as "poorer countries are faced with the risk of interest rates increasing while their economies aren't growing, and may find themselves 'really strangled' to service debt, especially if it's dollar-denominated".

APPROPRIATE RELIEF MEASURES

All governments must try their best to prevent protracted recessions becoming extended depressions. Relatedly, policymakers need to ensure that temporary short-term liquidity problems do not become full-blown solvency crises.

Measures are needed to change contracts and other obligations to enable firms to better cope with involuntary suspension of business operations. Much more is needed to address specific challenges facing small family businesses.

Income maintenance policies can help those losing some, if not all their incomes. Often unable to earn their livelihoods from home, lowly paid and casual workers are more likely to be displaced by lockdowns. Typically, they have much less in savings to ride out temporary earnings losses.

Social protection has been poorly, if at all institutionalised in most developing countries. Instead, temporary 'social safety nets', in response to crises, have been recommended and deemed adequate by influential foreign agencies.

Such 'one-off' relief measures, typically involving targeting, usually miss many of the deserving as they strive, often at great cost, to prevent opportunistic 'undeserving free-riders' abusing such chances to secure benefits.

RECOVERIES THREATENED

Appropriate design and efficient implementation of adequate relief measures are also vital for enabling robust and equitable recovery. These can be crucial to the survival of businesses – especially micro- and small ones – and vulnerable people.

The absence of sufficient relief measures can strengthen vicious circles of business failures, job and income losses. Declining aid inflows, more capital flight and inadequate relief for high government debt even before the pandemic have prevented most developing countries from deploying the bolder measures needed.

Facing financing constraints, many low-income countries have even cut spending! Fearing punitive market responses and longer-term problems, many developing country governments have been reluctant to borrow more. The urgent challenge now, however, is to enable them to wisely and equitably spend more.

HOW IMPORTANT ARE “DEEP” TRADE AGREEMENTS?

BY PROF DR EVELYN S. DEVADASON



Trade agreements, comprising (FTAs) and preferential trade agreements (PTAs), have expanded in terms of numbers and complexity. The astounding growth of bilateral trade agreements (BTAs), regional trade agreements (RTAs) and cross-regional trade agreements (CRTs) has sparked conversations on whether multilateral trade is approaching its end. FTAs, recognizably, are an alternative avenue to pursue trade liberalization in the advent of stalled multilateral negotiations.

Instead of debating on the future of multilateralism, the focus should be on the content of these FTAs, which have evolved significantly to establish new trade rules on emerging issues.

To reflect new forms of trade engagement or rather the way in which businesses are conducted today, recent FTAs contain dedicated (or standalone) e-commerce chapters. Among the most consequential of e-commerce chapters are provisions related to nondiscrimination and market access, e-commerce enablers and paperless trading, users' protection, and cross-border data flows.

Singapore, Chile, and New Zealand have taken a further step in digital trade negotiations to sign the first of its kind “digital-only deal” agreement, the Digital Economy Partnership Agreement (DEPA) on 12 June 2020 (which entered into force on 28 December 2020).

Another provision that has gained traction in FTAs is the chapter related to trade and sustainable development (TSD), comprising labour and environmental provisions. The sustainability agenda in fact made its way into FTAs, mainly because it is easier to reach a consensus on

such sensitive issues with greater depth and wider scope within a limited number of participants, than would be possible in the multilateral context.

To date, approximately 29% of the total global RTAs in force include labour provisions.

In moving the FTA debate forward, a more meaningful question to ask at some point is, what can “deep” FTAs promote? To identify what deep FTAs can achieve in practice, it is important to consider the breadth, along with the depth of the agreements.

Active proponents for the inclusion of the TSD, the United States (US) and the European Union (EU), defend that FTAs serve as an institutional push to introduce formal regulations on sustainable development at the national level.

While the inclusion of the modern trade agenda provisions justifies the relevance of such agreements, what follows are fundamental objections to legally enforceable commitments from some participants of these Agreements that want to retain their policy space to regulate these emerging issues in attempt to balance their regulatory, economic, and social objectives. Alternatively, countries that are on survival mode, want to side-line these new issues.

The breadth of some failings has already been documented, thereby revealing the limited effectiveness of “deep” FTAs. Yet, this does not preclude the fact that new issues need to be tackled by the parties of the Agreements. Most agreements, especially those that have fewer binding commitments, provide capacity building via a section for cooperation, which includes

development (technical) cooperation, technical assistance, dialogue/ exchange of information and best practices, among others. Economic cooperation through FTAs help their

Members promote domestic policy change or regulatory reform to close the compliance-commitment gap.

Other gains from FTAs, such as improvements in market access, however, hinges upon the depth of the agreement, which refers to provisions that are enforceable, not obligations, not aspirational commitments, or recommendations.

A high degree of enforceability of provisions is necessary to prevent the protectionist use of ‘behind-the-border’ regulations by parties to the Agreement. A case in point is to compare the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP) Agreement with the fewer binding commitments of the Regional Comprehensive Economic Partnership (RCEP).

The CPTPP has the capacity to deliver significant gains to trade and assume smaller non-discriminatory spillover effects of non-tariff measures due to the enforceability of its chapters. For example, more than 66% of the technical barriers to trade in the CPTPP Agreement are found to be enforceable. A general sense of pessimism however pervades the less ambitious and accommodative stance of the RCEP.

The enforceability and transparency in the application of domestic regulations, in turn, can provide greater scope for regulatory cooperation among the Member countries. Though the RCEP may provide the opportunities to streamline some standards, agreeing to a common base of standards that is minimum and acceptable by all Members of the Agreement may in fact be an ostensible challenge.

That said, attaining robust regulatory cooperation, however, still depends on the extent of regulatory dispersion between the Member countries in the

Agreement.

Though the feasibility of regulatory cooperation in the form of equivalence arrangements in RCEP remains questionable given its fewer binding commitments, the consolidation of the multiple rules into a common set of rules (one certification of origin for trading in the region) speak well for facilitating trade among the 15 like-minded participants.

The RCEP, therefore, is still considerably important for reinforcing regional supply chains, especially when the cross-country linkages are already well established within the Members of the Agreement. For example, 22% of the total foreign value-added exports of RCEP are contributed by its own Members.

In general, FTAs are important for ensuring better market access, achieving regulatory compatibility, and enhancing supply chains. In fact, the objectives of FTAs are also expanding, from promoting trade liberalization, trade facilitation and now trade resiliency, as there are already calls for FTAs to include “crisis response provisions.”

Ultimately, the binding aspects of the agreement may be an overriding requirement for deriving significant gains or mega benefits for its participants.

Deep FTAs, however, are “engines of change” as they provide for different arrangements to facilitate the implementation of commitments related to the modern trade agenda. Though the treatment and location (preamble, core text and side agreements) of the new provisions still varies across agreements, they have invariably become a widely accepted part of these agreements.

Evelyn S. Devadason is Professor at the Faculty of Economics & Administration, University of Malaya, and Vice-President of the Malaysian Economic Association.

DO WE HAVE THE FISCAL SPACE?

BY DR MOHD AFZANIZAM ABDUL RASHID, CHIEF ECONOMIST OF BANK ISLAM MALAYSIA BERHAD



This is rather a common question posts whenever the government dished out their fiscal stimulus. The Covid-19 pandemic has yet to subside and the number of new cases has surpassed to a worrying level of late.

This necessitates the government to impose a full lockdown from 1 to 14 June 2021. Consequently, the government decided to announce its third fiscal stimulus, dubbed as Program Strategik Memperkasa Rakyat dan Ekonomi Tambahan or PEMERKASA+. The total allocation is earmarked at RM40 billion and it is much higher than the previous package of RM20 billion. Many would argue that the stimulus plan may not be enough.

But in all honesty, no one would really know how much enough is enough. In that respect, we have to give the credit to the government in coming up with such intervention, all in the name of mitigating the side effects of having the Movement Control Order (MCO).

In the Prime Minister speech, it clearly states that the government has limited fiscal space. What it means is that the government may not be able to splurge excessively and they need to be mindful of the

repercussion such as the rating agencies whose opinion on credit will be taken seriously by the capital market investors.

Therein lies a problem. On one hand, the government needs to ensure that the well-being of the rakyat and businesses will be taken care of as the health crisis are extremely systemic. Unemployment rate has stayed at elevated levels of 4.8 percent during the first three months of this year despite the economy contracting at smaller pace of -0.5 percent in the first quarter of the year.

On the other spectrum, there is a group of capital owners whose interests are keeping their principle intact and along the way, expecting a higher investment returns as a result of their “sacrifice” made when they part with their money.

Nonetheless, capital owners can be the average Joe whose money is being managed by the pension funds and asset managers. In that sense, capital owners may not necessarily be the bad guy. Having said that, during economic stress, private sectors tend to shy away from committing more investment and spending.

If left unattended, the aggregate demand could be

compromised, leading to high unemployment rate. That is pretty much the standard script for those who subscribed to the Keynesian mantra. In light of the uncertainty, we should expect the government’s role to be instrumental in managing the economic recovery which is by far fragile and uneven. The K-shaped economy has been associated with the present economic condition, implying that the extent of income and wealth disparity would be acute problem going forward.

Perhaps, the notion that the government has limited fiscal space may need to be relooked at objectively. Falling back on economic literature would be necessary in order to make a sound judgment. In this case, a study done by the Bank for International Settlement (BIS) could be a good reference point.

The paper was published in 2011 entitled “The Real Effects of Debts”. Their study has found that the threshold effects for government debt is 85 percent of GDP. If the threshold is crossed, the GDP growth would become slower.

If we subscribe to this research, the Malaysian government has the means to increase its debt ceiling and subsequently, be able to improve their fiscal space.

What really matters is the spending program and the outcome. And more importantly, corruption and any rent seeking activities would need to be curtailed at all cost so that the resource allocation is precisely calibrated to cater for a sustainable recovery.

The expenditure program has to be measured and time based as the extra spending cannot be continued indefinitely as this will risks the country to reach the thresholds effects sooner. At the moment, the federal government debt is expected to reach 58.5% of GDP this year based on what has been shared by the authorities.

Assuming, the country could reach 60% of its debt limit, the extra spending could be just around RM23.5 billion. It appears that the prevailing debt limit may not be sufficient to navigate the economy in the second half of the year, there is a high likelihood that the debt limit would need to be raised further, possibly in the region of 70 percent of GDP.

That should give us roughly more than RM180 billion extra spending power by the government. So do we have the fiscal space? Indeed, yes.

AN URGENT NEED TO CLOSE THE DIGITAL SKILLS DIVIDE AMID THE PANDEMIC

BY NI XINGJUN, CHIEF TECHNOLOGY OFFICER AT ANT GROUP, OPERATOR OF ALIPAY



Recent events of new Covid-19 outbreaks across the region are reminding us that there is still a long road ahead of us before life could return to a semblance of normalcy, and that the coronavirus' impact is hitting the developing and least developed world especially hard, worsening the economic and social gap.

Earlier this year, McKinsey predicted that the end of the pandemic is in sight for some parts of the world, especially developed countries where vaccines are becoming more easily available. Since then, the outbreak has worsened dramatically as developing countries in Africa, Asia and Latin America report rises in Covid-19 cases and deaths. Meanwhile, Malaysia continues to see a resurgence and increase in daily cases, the country is undergoing its third total lockdown in its efforts to contain and combat the coronavirus.

For many of the developing and least developed countries, the resulting delay in returning to normal will have serious knock-on effects on businesses, mental health, and education, and elevates the need to push forward the urgency of bringing a more inclusive and equal world. An effective way to achieve this is through the innovative application of digital technology.

Locally, digital tools such as the MySejahtera app – developed by the government of Malaysia – has been instrumental in assisting the country in managing the Covid-19 outbreaks, enabling contact tracing, allowing

users to perform health self-assessment on themselves and their families, and also monitoring their health progress throughout the pandemic.

In a bid to boost local spending and accelerate the economic recovery, Malaysia launched the ePenjana initiative, set under the Short-Term Economic Recovery Plan (PENJANA) that is aimed at encouraging consumer spending. The initiative also seeks to instil safety practices through contactless payments and assist the public health authorities to facilitate contact tracing for Covid-19 through the MySejahtera application. Approximately 15 million Malaysians will stand to benefit from ePenjana, where the government provides RM50 ePENJANA credits, to be used for purchases through the selected e-Wallets service providers such as Touch 'n Go e-wallet.

While the methods may vary across countries, what's clear is that much more attention is needed to ensure that people in developing and least developed world are equipped with the digital skills, so that they can tackle the pandemic as well as find innovative solutions to grow the economy. For that to happen, we need quality training that not just provide concrete skills, but also enable learners to create more opportunities for everyone in the fast-arriving digital era.

In its Future of Jobs report for 2020, the World Economic Forum has found that individuals and communities most negatively affected by Covid-19 “are

likely to be those that are already most disadvantaged”, deepening existing inequalities. The report estimates that by 2025, some 85 million jobs may be displaced, while 97 million new roles may emerge that are more adapted to the shift in division of labor between humans, machines and algorithms.

This is also set to affect many Malaysians. In PWC Malaysia's “Digital resilience in a new world” survey on technology, jobs, and skills, 70 percent of respondents from the Malaysian public believe technology will change their current jobs in three to five years, but only a third (38 percent) said they are given many opportunities by their current employer to improve their digital skills outside their normal duties.

Recognition of this growing digital divide and the potential jobs disruption were what motivated the International Finance Corporation (a member of the World Bank Group) and Alipay to join hands in 2018 and launch the 10×1000 Tech for Inclusion philanthropic initiative, with the aim of training 10,000 emerging tech talents and leaders over ten years.

Our hope is that these talent will bring not only new innovations and growth to their own companies or institutions, but also inspire, motivate, and help cultivate 100,000 emerging talents in their home markets and countries, by sharing their experiences, mentoring rising stars, or passing on new opportunities.

A case in point is Indonesian e-commerce start-up Aruna, whose two co-founders were among the initiative's recent trainees, and whose platform connects local fishermen directly to customers, to help them earn more from their daily catch and break out of poverty.

Aruna is also cultivating “local heroes”, namely younger residents of coastal cities and villages who help educate and influence fishermen about the benefits of going digital.

On 24 May this year, the initiative introduced a brand-new online platform featuring the Fintech Foundation Programme, with over 160 practitioners enrolled from 17 Asian countries. Such forms of dedicated digital training – featuring expert Fintech lecturers from around the world – will be able to inculcate the mindset of using technology to further inclusion, cultivate leadership while providing learners with the exposure to industry insights and trends.

As Rosy Khanna, Regional Industry Director, South Asia and East Asia & Pacific, IFC highlighted in her speech during the launch of the Fintech Foundation Program, “The 2021 cohort has certainly joined during a very unusual time for humanity, making your roles, insights and actions all the more critical to help countries recover sustainably from the global pandemic.”

The Covid-19 pandemic is proving to be a global challenge that requires all the innovation and determination that our world can bring together to overcome. As we brace ourselves to face this extended health and economic crisis, the world needs localized and long-term solutions that can help end extreme poverty and boost shared prosperity.

That's why we believe that closing the digital skills gap in the developing and least developed world and training their future tech leaders is an urgent need, and the way forward to building a healthier, more inclusive, and sustainable world.

BUILDING THE NEXT GENERATION OF CONNECTED MALAYSIANS

The arrival of the pandemic triggered an urgency for Malaysia to address the “new normal” and cater to future connectivity demands as an enabler for all facets of life.

Globally, it has been witnessed that the requirements for fibre have grown exponentially as we move from one generation to the next. For instance, technology advancement from 3G to 4G and fixed broadband (FTTX) increased where demand for fiberised sites for backhaul increased by almost 4.5x and another surge in demand is expected with the launch of 5G services (EY, 2019).

For operators to remain competitive, it is essential that backhaul is efficiently managed.

Based on the availability and reliability of the existing Tenaga Nasional Berhad’s (TNB) network infrastructures, Allo is optimistic it can provide wider coverage resources, efficiently complete the fibre system construction in some areas and provide faster deployment services at competitive prices.

“We take pride in our fiberisation infrastructure into underserved areas, which would help in achieving Malaysia Digital Transformation Plan.

“Our coverage is mainly in the areas that other High-Speed Broadband (HSBB) providers are not yet available. Therefore, with our presence, we bridge all the gaps and at the same time helps telco players improve their coverage and bring quality service to their users,” Allo Chief Executive Officer, Rodzi Ahmad tells BusinessToday.

Allo’s open access model enables providers to offer fixed broadband services to their end-users in areas

that otherwise cannot be reached. This includes areas beyond urban segments that are not fully covered, including Alor Gajah and Jasin in Melaka, Menglembu and Silibin in Perak, as well as Kulim and Amanjaya in Kedah. Now, the residents in these areas can enjoy up to 1Gbps high-speed broadband, which is the same as urban areas in the country – opening up more digital opportunities.

Late last year, the company targeted to facilitate 150,000 homes with HSBB connectivity by Q2 2021, leveraging on TNB’s existing -18,000 km fibre-optic infrastructure nationwide. This, in return, allowed other telecommunication retail service providers (RSPs) to leverage the shared fibre optic network.

Furthermore, with a strong connectivity backbone through Allo Carrier Network System’s (ACNS) infrastructure, it helps the country to improve the network experience and enable the digitalisation experience further and faster.

The ACNS, with a total capacity of 25.6Tbps from Singapore to Thailand with its highly advanced 600G Dense Wavelength Division Multiplexing (DWDM) technology, was built to link the inter-ASEAN terrestrial connectivity requirement mainly for backhaul network diversity, mobile connectivity coverage and Internet gateway. Allo’s ACNS is strategically located to connect the Indochina region from Singapore to Malaysia.

The DWDM technology enables Allo to support the ever-growing capacity for data transaction within the telco network.

“Through the superhighway backbone, massive quantities of data can be transported over a great

distance. This state-of-the-art technology allows us to offer better data transmission in terms of speed and quantity due to its higher capacity, while its digital nature ensures seamless route protection and data security,” Rodzi says.

By providing infrastructure through its tower fiberisation plan, Allo has improved coverage, quality of broadband and digital services. It has also contributed towards growth opportunities, development, and smooth functioning in rural and underserved areas for online education, businesses, and entertainment.

This, in return, has led to an improvement in economy and lifestyle, as well as creating more career opportunities.

Building the next generation of connected Malaysians through the advancement of 5G and IR4.0

“Fibre connectivity is key to creating a high performing, dense urban network and sustaining smooth transaction even when data growth is experienced. It delivers higher bandwidth, which has become highly vital for supporting rapidly growing data traffic,” says Rodzi.

ALLO IS A KEY TECHNOLOGY ENabler WITH ITS CELLULAR TOWER FIBERISATION PLAN

As a telecommunication provider, Rodzi says Allo’s connectivity supports the advancement of the latest technology which includes 5G and IR 4.0 requirements.

Allo’s offerings are made across state-backed companies, mobile network operators and neutral TowerCo providers by provisioning of mobile backhaul infrastructure. By leveraging the existing assets of TNB, the telco can also provide a valuable role to improve connectivity, stability at a competitive rate and quality services.

Tower fiberisation will be indispensable for the 5G

network as it plays vital supporting roles in transporting signals to and from 5G tower location and its exchange.

Given the current surge in data traffic, which is expected to go up even further with the launch of 5G services, industry stakeholders in the telco sector are increasingly realising the need to improve the capacity of the existing networks.

“As we catapult into the Industrial Revolution 4.0 at a rapid rate, Allo is doing its part in supporting the requirements needed to ensure that we have the infrastructure ready as Malaysia moves towards an era of technological advancement,” he says.

HELPING MALAYSIA ACHIEVE MORE

Based on Malaysia’s Telecommunication Infrastructure Market Report 2020 - 2026, it has been estimated that an additional 8,000 structures may be needed in Malaysia for 4G, and with operators exploring 5G, much of the new demand will be met by microcells, lamp poles, Distributed Antenna System, and In-Building System.

“Conventionally, individual service providers have been fiberising their own tower sites, and TowerCo are sourcing fibre from their respective independent operations and maintenance providers for their mobile backhaul needs,” he says.

However, this approach may not have been proven very efficient in the coming times as the need for more fiberised sites increases exponentially.

Moving forward, one of the key priorities for Allo will be to build more fibre routes across the country for connectivity that supports the national aspiration and makes 5G a reality.

“Allo plays a valuable role in bridging the gap between 4G and 5G by deploying more fibre through utility providers by leveraging on existing TNB’s infrastructure nationwide,” Rodzi concludes.





Ar. Hud Bakar, visionary Principal of RSPKL

ARCHITECTURE AS FUNCTIONAL ART

BY JAMAL AFIQ JAMALUDIN

To break the monotony of repeated functional architectural designs, an architect must possess the bearing of balance; that sense of aesthetic taste and functionalism that can meet the demands of commercial success.

An architect must know when to pivot and strategise accordingly to satisfy the need of clients. The role of the architect in shaping the aesthetic value is as equally important as dollars and cents.

For RSP Architects Kuala Lumpur (RSPKL), through the firm's philosophy of "Architecture should connect with people and its surroundings", artistic value has never taken the back seat. As a matter of fact, almost all designs begin with a simple artful sketch. Thoughts are scribbled and doodled to envision shapes, forms and spaces.

RSPKL, spearheaded by Ar. Hud. Bakar as the Managing and Design Director is one of the "BIG 3" architectural firms in Malaysia. The firm is recognised as one of the major experts and specialists in high-rise development of towers and skyscrapers in Malaysia.

This has led them to being entrusted to shoulder as the executive architecture firm of the upcoming tallest building in South East Asia; PNB's Merdeka 118. Equally outstanding projects but fully designed by RSPKL include the luxurious 8 Conlay towers and mixed development within KL's Golden Triangle, the captivating Paradigm Mall in PJ and the aerodynamic MITEC (Malaysian International Trade & Exhibition Centre) at KL Metropolis in Duta.

RSPKL embraces the challenges it faces to put up extraordinary architectural landmarks across the country and transform its appreciation and setting.

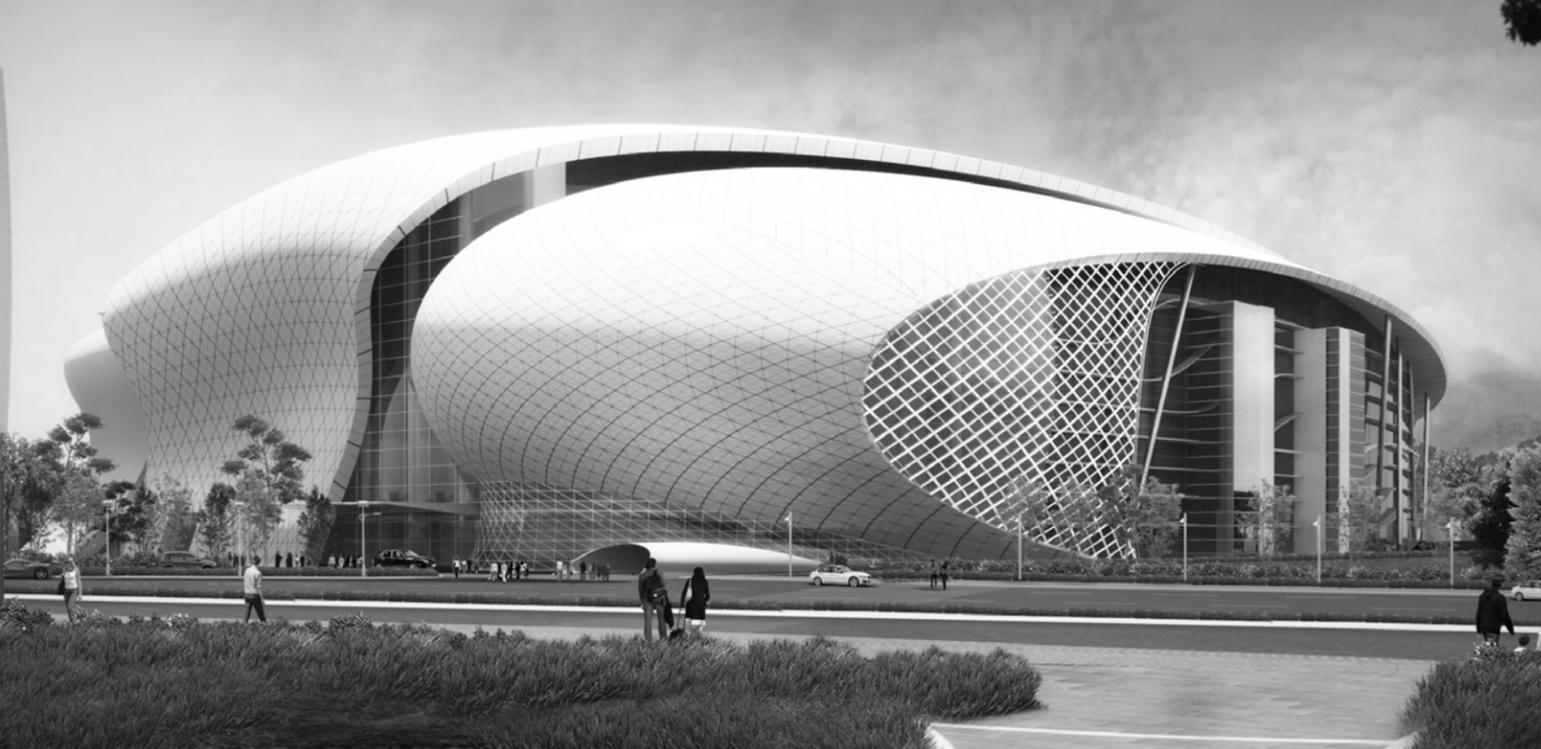
Throughout time, Architecture has always been 'Functional Art' by the virtue of the creative process it entails that involves the coordination of multiple visual and structural elements to aesthetic effect.

The end creation i.e., buildings and structures will ultimately be viewed by the general public. In this sense, it is very much similar to the process of creating a painting or any work of art.

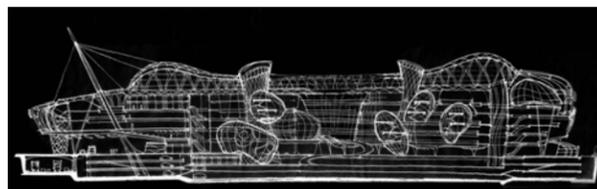
RSPKL's design practices abide to this idea yet never disregard the aspect of functionalities. The underlying elements which make paintings different from architecture are that it has to obey safety and municipal guidelines, as well as serve a functional purpose to which the reason why it is best beheld as 'Functional Art'.



PNB's Neo-Futurist Merdeka 118, a collaborative effort with Fender Katsalidis Australia



3D Perspective of MITEC, a green certified building & 3rd largest exhibition centre in Asia



Paradigm Mall initial sketch, purpose built to awe-inspire

Architecture, like art, never disregards the sensory elements incorporated into its designs. RSPKL studies and applies these many-fold sensory elements in colour, shape, line, texture, dark and light space to produce designs suchlike MITEC or the 8 Conlay.

The firm is even sensitive to measures such like human emotional states and mood properties to further enhance the aesthetics of a building design. This notion is similar to an artist's studio practice or even an enthusiast's art appreciation.

The design ethics of RSPKL are in tandem with any given architectural theory of; no building is beautiful unless it properly fulfils its function, if the building fulfils its function it is ipso facto beautiful and all artefacts, including buildings are species of industrial or applied art.

In words of an American Architect, Steven Holl, "While Artists may work from the real to the abstract, Architects must work from the abstract to the real" (Holl, 2013)



8 Conlay, a symphonic colossal sculpture in the city

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SMOOTHENING THE TRANSITION INTO THE NEW NORMAL

The new normal brought on by the pandemic has sparked more conversations around automation, artificial intelligence and robotics and the impact they have on jobs and processes. The age of automation had already made its mark even prior to the pandemic the world is undergoing currently, creating new needs for skills and long-term learning.

“Automating a facility is a complex process involving different parties for different scopes of work. When shifting from a manual production process where it can be costly and time-consuming, manufacturers need to first analyse their existing process and identify areas to improve on via automation or other Industrial 4.0 components,” says Matthew Schultz, Haskell’s Director of Operations APAC.

In order to make the transition easier for manufacturers and other players in the industry, Haskell has partnered with RoviSys by being a single source provider for Industrial 4.0 upgrades in a manufacturing facility within the Food & Beverage, Consumer Packaged Goods, Aviation & Aerospace, Electrical & Electronics, and Pharmaceutical industries.

Both Haskell and RoviSys will work hand in hand throughout the project, keeping the client’s goals in mind, to ensure that the project is executed according to expectations, if not exceeding them.

Haskell’s in-house Architecture, Engineering Construction capabilities combined with the sophistication of RoviSys within the automation components of the project allows for a seamless integration of Industrial 4.0 technologies into a manufacturing facility.

EVERY STEP OF THE WAY

According to Haskell, each variety of Industrial 4.0 elements are implemented in a way that is designed to help manufacturers boost the overall facility performance. To decide on which element is needed for a facility to improve, the firm assists manufacturers through a process optimisation study conducted at the very beginning of the project to examine its existing state and understand its current manufacturing process.

The client will later be presented with a full business case report at the end of the study to learn about the gaps identified in their existing production, as well as several Industrial 4.0 elements to be considered that would help their production goal, backed with forecasted results.

Schultz says the intricacy that the business case provides would help manufacturers to weigh their options against the cost to be incurred and make an informed decision on how to move forward with their automation upgrades.

The next phase of the project involves both Haskell

and RoviSys working alongside each other to execute the project. At this stage, a project management team is important to ensure smooth execution for the facility automation upgrades, given the complex, largescale, systematic transformation process involved in the project.

CHALLENGES AHEAD

“When shifting from a manual production process where it can be costly and time-consuming, manufacturers need to first analyze their existing process and identify areas to improve on via automation or other Industrial 4.0 components.

“This includes contracting different parties to carry out the different works involved from start to finish. A full automation procedure demands for an engineering team to assess the facility; a systems provider with a strong expertise in the automation field, and a project management team,” Schultz highlights.

He further says that from the early stage of the project, conducting a process optimisation study and identifying opportunities to integrate technology to boost overall productivity requires an in-depth knowledge of process engineering.

Once key areas have been identified, a series of procedure takes place before finally arriving at the upgrading phase.

IMPORTANCE OF AUTOMATION

“The multi-faceted nature of Industrial 4.0 brings about a number of benefits to manufacturers that centers around the goal of achieving a higher productivity and reduce long-term cost.

“Among manufacturers, the typical key indicators of success are productivity and efficiency. When relying on manual labour for a production line, for example, it is a

lot more productive, efficient, and cost-effective to have an automated filler rather than a worker manually filling one bottle at a time,” Schultz tells BusinessToday.

This can be solved by having automated filler systems installed within the production line, allowing for a shorter production time and boosts overall productivity.

Pharmaceutical companies on the other hand typically manufactures temperature-sensitive products and may consider using cybersecurity to their advantage to prevent potential compromise of their temperature system that could cause severe damage to the drugs manufactured.

Haskell also highlights that it is important to employ a party that works with a wide array of system integrators and are certified partners with many, allowing for flexibility to meet the facility’s needs. This may come in handy when trying to track product movements and rapidly identify bottlenecks and efficiency problems across the facility and identify a root cause.

“When executed properly, having an integrated system implemented throughout the facility can accelerate production quality and throughput.

In Malaysia, Putrajaya has implemented several measures to ensure that the adoption process well-received by manufacturers in Malaysia. The Readiness Assessment (RA) conducted by MITI and several other agencies helps assess a manufacturer’s readiness to automate, by looking at several key factors including current product process, monetary capabilities, and human capital.

Despite all that, automation within the manufacturing industry in Malaysia is still at its early stages and there is a gap between the demand for automation and supply of the right team to plan and execute the automation process from start to finish, says Schultz.



REVOLUTIONISING MALAYSIA'S AGRICULTURE INDUSTRY

DATUK SERI DR RONALD KIANDEE
MINISTER OF AGRICULTURE AND FOOD

FINANCE

According to the World Bank, an increasing number of countries are facing growing levels of acute food insecurity, reversing years of development gains.

Even before the pandemic had affect incomes and disrupted supply chains, acute hunger was already on the rise due to various factors. The arrival of the pandemic had only led to more severe situations which included widespread increases in global food security.

Closer to home, the Ministry of Agriculture and Food Industries (MAFI) is implementing a series of measures to prevent a more drastic turn in events related to food security.

The Cabinet Committee on Food Security Policy (FSCC) which was established on March 25, 2020, had been tasked with identifying issues that are pertinent to food security and develop policy, strategies and action plans to strengthen the national food security and food supply chain.

To support the FSCC in achieving its goal, the Executive Committee on National Food Security Policy was formed as the coordinating committee to execute the mandate of the Cabinet Committee in upholding the resilience of the food system.

“The first challenge that the Committee was set to tackle is the productivity of food production. Specifically, the Committee was looking into increasing the ability and capacity to produce food locally,” says MAFI Minister Datuk Seri Dr Ronald Kiandee.

In doing so, the Committee had for instance given its approval in principle to the creation of a dedicated

board to overcome the underlying challenges within the ruminant sector.

Currently, the Ministry is actively engaging various parties to create the best business model for the board's operation.

Other than that, the implementation of the Large-Scale Smart Field Project or SMART SBB is another initiative that demonstrates the Cabinet Committee's commitment in increasing the productivity of paddy and facilitate the involvement of the private sector in the food system.



Under the SMART SBB project, 11 companies will collaborate to develop paddy cultivation with a target of 150,000 hectares and this will be achieved through contract farming and renting.

The project is expected to contribute towards reducing the Government's financial liabilities in terms of subsidised agricultural input in the long term, as well as introducing a new approach in the industry through the concept of modern agriculture with the

“Implementation of the Large-Scale Smart Field Project or SMART SBB is another initiative that demonstrates the Cabinet Committee's commitment in increasing the productivity of paddy”



of land profile systems and smart agriculture.

Furthermore, four Food Security Clusters have been established across ministries and agencies to monitor and recommend solutions to fulfill the need to improve the country's food security. The Cluster's role evolves around the main tenets of food security namely availability, accessibility and utilisation of food, which is strongly connected to stability and sustainability of food system.



KEEPING MALAYSIANS FED

"MAFI is committed in ensuring that Malaysians could enjoy adequate food on their table either through local production or import. However, the Covid-19 crisis is unprecedented since it affects not only the food supply but the supply chain as well," Kiandee says.

"If we look at the country's economic performance for 2020, during the Movement Control Order's period in effect, the food sector recorded positive growth compared to other sectors with a growth of 2.3%. This shows that the food sector continued to operate in

ensuring the country's food supply remained sufficient and secured," he added.

When the pandemic started, the immediate and initial step taken by MAFI was the establishment of the Crisis Management Center (CMC) which operated daily. Simultaneously, the Ministry created a daily supply monitoring mechanism and system to monitor the situation of food supply and the supply chain.

This allowed MAFI to detect any disruption early and the officers would take immediate intervention to address and solve the issue.

"With the help and cooperation from MITI, MAFI ensured that our community of farmers, livestock breeders, fishermen and food industry entrepreneurs continued to operate during the MCO. Furthermore, our Pasar Segar Terkawal (PST) in major locations across Malaysia was also allowed to operate during the MCO period and ensuring the access to food supply is not disrupted," Kiandee tells BusinessToday.

In efforts to increase marketing and sales, MAFI leveraged on existing e-commerce platforms such as Agrobazaar Online, Nekmat Biz, Shopee and Lazada.

KEY FOCUS AREAS

For Malaysia to become self-reliant in terms of food security, MAFI identified several key focus areas to improve the production of food. These included enhancing the application of modern technologies such as smart agriculture mechanisation and automation and the development of integrated data systems in line with



the Industrial Revolution 4.0 (IR4.0).

The Ministry also points out the need to optimise the use of agricultural land to increase productivity including the development of unused land, consolidated land management and farm integration.

Other key focus areas also include enhancing the effectiveness of the agrofood value chain through research & development, commercialisation and innovation, prioritising food safety and quality and the development of agricultural inputs.

The Ministry is also looking to strengthen the development of specialised industries including paddy, vegetables, fruits and ruminants, fisheries and high value agricultural products to develop high value agricultural industries that can create economic opportunities for the people.

According to Kiandee, MAFI has incorporated all these key focus areas under the 12th Malaysian Plan and the National Agrofood Policy 2.0 (2021-2030) (NAP 2.0) which is currently in the final stage of drafting.

"With these focus areas, Malaysia's food industry aspires to become self-reliant and at the same time contribute to the growth of national economy."

GETTING YOUNGER MALAYSIANS ONBOARD

The Ministry is also looking to encourage the younger generation to explore opportunities to generate income through agriculture entrepreneurship.

The Young Agropreneur Programme is a special initiative under MAFI that is specifically designed to attract the younger generation who are interested in exploring the potential of the agriculture sector.

"The approach of this programme is to facilitate and encourage our youth to participate in agriculture-based entrepreneurship which includes all agriculture sectors namely crops, fisheries, livestock and food processing," Kiandee says.

Since 2016, 7,114 youth have received the Young Agropreneur Grant worth RM126 million. In 2020, the Ministry increased the participation of youth in agriculture with 1,149 youth receiving grants worth RM21.74 million compared to 750 youth in 2019 and 785

youth in 2018.

For 2021, RM15 million has been allocated for the grant, with RM4.08 million already disbursed to RM204 young agropreneurs.

"We have also launched the Agro-Youth Entrepreneur Scheme (Agro-YES) this year to help young agropreneurs to expend their current agriculture project. We have taken proactive steps to rebrand the loan programme under the Young Agropreneur Programme to Agro-YES to reduce the chain of bureaucracy and time taken applying for the loan," Kiandee tells BusinessToday.

The loan amount has also been increased to RM500,000 compared to RM200,000 previously.

A sum of RM21 million has been allocated in March 2021 for this program. Agrobank has disbursed all the loan under Agro-YES to 104 young agropreneurs.

To date, 95 percent of participating young agropreneurs are still active throughout the country, having managed to increase their income for more than 50 percent after they received the grant.

VISION AND MISSION

"When I took over as the Minister of Agriculture and Food Industries, it has always been my mission to rejuvenate the agriculture sector. In doing so, I sought to engage all of our agrofood producers including our farmers and fishermen in this important mission towards improving our food security in order improve food availability, availability, quality and resilience," the Minister says.

He further highlights that his Ministry has always encouraged mechanisation and automation using modern technologies in agriculture to not only improve their food production but to also reduce the industry's dependency on foreign labour which remains one of the major challenges in this sector.

While he acknowledges that there are concerns that agriculture in Malaysia is a traditional and aging sector, Kiandee says he would like to see more participation among the youth in the agriculture sector.

"I believe they are the main drivers of change, and we owe some of the recent innovations in the agriculture to their creativity and knack for innovation.

"The income of food producers and the competitiveness of the agrofood sector is another challenge that should be addressed, for the sustenance of food systems, precisely to retain the food producers in the system," he says.

"It is my hope that the agrofood sector will be strongly driven by modernisation through mechanization and technology adoption to increase the contribution of total agriculture to the country's GDP," Kiandee concludes.

"When I took over as the Minister of Agriculture and Food Industries, it has always been my mission to rejuvenate the agriculture sector."



Cloud α

THE KEY TO EMPOWERING DIGITAL MALAYSIA

When the Covid-19 pandemic hit Malaysian shores in early 2020, we started to see an avalanche of shifts in the way we work and operate our businesses. Digitalisation quickly became a clarion call for many businesses and topped the leadership agenda; which was manifested in the form of a continuing surge of Cloud adoption.

Multiple surveys have shown that business executives in Malaysia are upscaling their plans to invest in hybrid multi-Cloud platform strategies and capabilities to boost business transformation and unlock much-needed value.

According to Gartner, almost 70 per cent of organisations using Cloud services today intend to increase their Cloud spending as part of their pandemic-coping strategies.

THE KEY ENABLER

In Malaysia, one local key Digital solution player committed to ensuring that businesses are equipped to keep up ahead of the disruptive curve, is Malaysian's national connectivity and Digital infrastructure provider, Telekom Malaysia Berhad (TM) through its enterprise and public sector business arm, TM ONE.

In addition, TM ONE is the only local Cloud Service Provider (CSP) selected to serve the Cloud needs of the Malaysian Government under Malaysia Digital Economy Blueprint (MyDIGITAL).

"After more than a year since the outbreak of Covid-19 in this country, Malaysian organisations' response to the pandemic has changed from crisis response to

building business resilience. Business leaders need to future proof their organisation by making investments in modular, scalable, and cost-effective technology infrastructure and data platform that allows them to meet their customer needs in an agile manner," says TM ONE Head of Product and Innovation Mohamad Rejab Sulaiman.

TM ONE is securely positioned as the key enabler of the digital transformation for Malaysian enterprises and public sectors. Its Cloud services – Cloud α (pronounced as Cloud Alpha) helps organisations by reducing IT infrastructure complexity, and as a trusted partner helps to take their transformation forward through innovative offerings and solutions.

Speed is the name of the game in today's digital economy. The Cloud's clear benefits against on-prem infrastructure – the greater computing and storage capabilities, faster deployment timeframe, and the flexibility to scale up or down on-demand – enables organisations to venture into technologies such as Artificial Intelligence (AI), Internet of Things (IoT), Robotic Process Automation (RPA) and many more to improve their service offerings to their customers and enhance customer experience.

TM ONE Cloud α 's robust and high resilience infrastructure is hosted in highly secured, Tier III certified, and global standards compliant data centres within Malaysia, thus ensuring their customers are able to fulfil their data residency requirements, and ultimately, data sovereignty.

Moreover, TM ONE's Cloud Professional Service also

offers a complete set of services that are designed to help its customers implement the necessary business and technology strategies for their organisation to succeed in the Cloud adoption journey.

This also includes strategy and business outcomes consultancy, baseline and readiness assessment services, Cloud design planning, migration services and workloads optimisation services.

ACCELERATING MYDIGITAL; FULFILLING THE GOVERNMENT'S CLOUD NEEDS

As the only local CSP, TM ONE is committed to providing a comprehensive range of ICT solutions to support Government agencies' Cloud Transformation Plan.

"Data residency, locality and sovereignty are extremely important for Malaysian organisations when considering their Cloud services. Government agencies subscribing to any Cloud providers that do not reside in Malaysia will be subject to data regulations in the data centre's territory. In addition, a Cloud service for the government must be able to ensure availability, uptime and compliance to sustain operations and staff productivity at all times, even in times of crisis," Mohamad Rejab says.

He points out that TM's state-of-the-art data centres Klang Valley Data Centre (KVDC) and Iskandar Puteri Data Centre (IPDC) fulfils all three (3) requirements. Both data centres, collectively named TM ONE Twin Core Data Centre, are rated as Tier III by the Uptime Institute, providing world-class cloud services, AI and advanced cybersecurity.

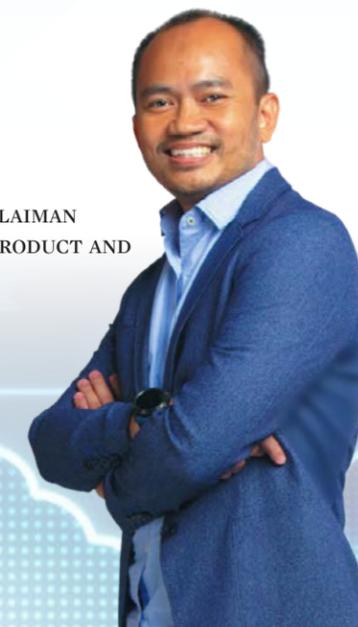
CLOUD-POWERED PUBLIC SECTOR SERVICES

Thanks to its ability to handle large volumes of information, Cloud services will allow Big Data, AI, IoT and other applications to be used to strengthen the delivery of Government services to all Malaysians.

Cloud escalates the efficiency of data collection and management, which enables the Government sector to quickly expand new smart services across different agencies at lower implementation costs.

Mohamad Rejab also believes that the move to shift the public sector to Cloud will also highly benefit the rakyat. The move will be complemented by the Jalinan Digital Negara (JENDELA) plan, as service providers expand the connectivity roll out across the country, applications and services deployed on Cloud can be easily accessible by the public in all areas including the suburban and rural communities.

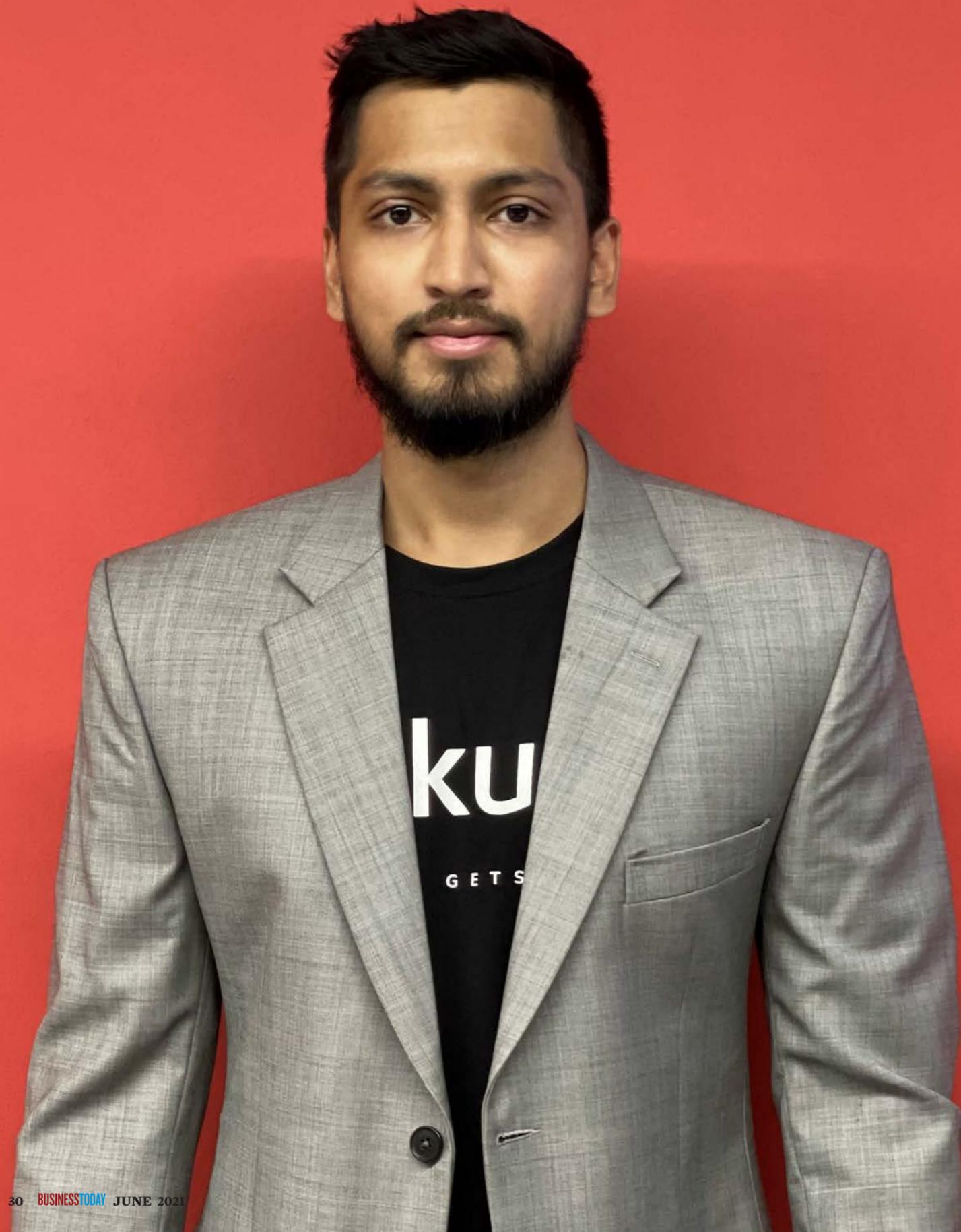
"TM ONE will also continue to grow Cloud adoption with the implementation of 5G, which is another significant avenue for greater connectivity. Together with more Edge and AI solutions, we will continue to expand our overall portfolio of digital solutions and expertise towards accelerating Digital Malaysia. We also foresee that in the next three (3) years, members of the public will become more aware of the need for Cybersecurity; meanwhile, TM ONE will continue to drive the growth of awareness, greater adoption of digital solutions, with the aim of increasing protection for the nation, and to serve the public overall interest," Mohamad Rejab concludes.



MOHAMAD REJAB SULAIMAN
TM ONE HEAD OF PRODUCT AND
INNOVATION



TMONE.COM.MY



THREE KEY TRENDS REDEFINING LAST-MILE DELIVERY IN MALAYSIA

BY NAVIN KANDAPPER, COUNTRY MANAGER OF PICKUPP MALAYSIA

As consumers increasingly show a preference for e-commerce, the efficiency of supply chain operations is crucial, especially as Malaysia has recently entered the first of a multi-phase lockdown to break the chain of Covid-19 infections. Today, all businesses must prioritize the customer experience by having a solid fulfilment strategy.

Last-mile delivery is a crucial component of logistics and fulfilment and optimized last-mile delivery services can help e-commerce players optimize their operations, saving a great deal of time and money. As more and more businesses understand the crucial role last-mile delivery plays, they will incorporate it into their business models.

As e-commerce players have identified last-mile service as a key differentiator, how will it continue to

reshape our life in 2021 and beyond?

TECHNOLOGICAL REVOLUTION

Covid-19 has accelerated digitisation and opting for last-mile delivery has become a must for all e-commerce retailers to meet consumer demand while helping a business strive forth in the increasingly competitive market. As customers are more involved in tracking their deliveries, timely updates are crucial for a smooth delivery experience, as the market standard progresses from 2-day deliveries to next-day or even same-day deliveries, as we have seen in mature markets such as the United States and China.

At Pickupp, we use automation and batching technology to improve our operational workflow. This

allows us to fulfil deliveries quickly and effectively from our warehouses. For example, Pickup route optimization and warehouse management software map out optimized and cost-efficient routes for delivery agents. The data collected through real-time tracking is applied in machine learning to analyze and further optimize the delivery process.

Pickup offers fast, efficient, and scalable services to help businesses meet dynamic market demands. Keeping Pickup's operations agile and nimble through the use of automation allows our team to focus on strategy, data insights, and process optimisation to ensure operational excellence while allowing software to perform basic decision making such as sorting and route planning in an instant.

DISRUPTING LAST-MILE DELIVERY WITH WALKERS

As delivery has become even more important, there is a need for solutions that offer an efficient and smooth delivery experience at any time. We are seeing more innovative approaches by last-mile delivery companies around the world. In some markets such as Hong Kong, Pickup has walkers – agents who deliver goods on foot – in local districts.

When orders scale in a short time, businesses can rely on walkers to fulfil deliveries within their dedicated area because they are mobile and more flexible than delivery agents in vehicles, without any concerns over parking or navigating through traffic.

Walkers at Pickup can ramp up a businesses' delivery capacity 5x at any given time of the year, preventing bottlenecks during demand spikes and saving up to 33 percent in delivery costs. Businesses no longer need to worry about logistics and are well-positioned to take as many orders as they can, driving sales and revenue.

Apart from Pickup Hong Kong, we have rolled out the service in Singapore, and are also looking to implement walkers locally, thanks to positive trends in the Malaysian public transportation system. This would offer merchants flexibility in choosing services and pave the way for individuals who do not own a vehicle to supplement their income by becoming Pickup Delivery Agents, especially during this time of uncertainty. To date, Pickup Malaysia has created

earning opportunities for 25,000 independent delivery agents.

DELIVERY TO OPTIMISE BUSINESS

Established retailers have learned from the pandemic that e-commerce is now a necessity, and speed is the secret sauce for winning in the battle of online commerce, from adjusting strategy to the efficient delivery of products and services. Successful businesses adopted digital solutions quickly to ensure a smooth shopping experience for their customers. A good case in point is FashionValet, a homegrown market leader in modest fashion and apparel.

As consumers now expect next-day delivery, FashionValet looked to a technology driven last-mile provider that could guarantee next-day deliveries during Hari Raya, a peak sale period. Due to the MCO restricting in-store shopping, consumers needed their Hari Raya shopping delivered in time for the festive season.

As Pickup could guarantee the delivery of thousands of these Hari Raya packages, FashionValet was able to accept orders up to the day before Hari Raya, providing a smooth delivery experience for their customers.

Delivery delays are intolerable, especially when your business aspires to expand overseas. Understanding international and local logistics on one's own could cause opportunity costs and miss the best timing to take the market. As such, partnering with a dedicated expert allows businesses to focus on strategy and business growth while allowing a last-mile specialist to optimize and take delivery experiences to new heights.

2020 led to a monumental shift in the importance of delivery to people's daily lives as well as business success. We are seeing this continue into 2021, especially as dependence on delivery services is an everyday reality due to movement restrictions necessitated by the pandemic. It is never too late to start planning for the logistics of fulfilling this growing volume of orders. As logistics giants prepare to meet demands during the total lockdown in Malaysia, business leaders across all sectors must prepare their businesses to move with the tides of a dynamic marketplace by putting delivery at the heart of their business planning.

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BUILDING THE NEXT GENERATION OF FRANCHISES IN MALAYSIA

Secretary General Of The Ministry Of Domestic Trade And Consumer Affairs, Datuk Seri Hj Hasnol Zam Zam Bin Hj. Ahmad



The Covid-19 pandemic that hit Malaysian shores has only proven to be more difficult over time for businesses nationwide, particularly small and medium enterprises (SMEs) and micro small and medium enterprises (MSMEs).

In efforts to help these groups along with the B40 and the M40 communities, the Ministry of Domestic Trade and Consumer Affairs has launched the Micro Franchise and Affordable Franchise Development Programme.

The programme consists of two types of grants, with the first one being the facilitating grant. The grant is a matching grant that is directly for the B40 and M40 groups that aspire to start their own business through a franchise or as a franchisee.

Financing of up to RM90,000 is provided for operating or to kickstart an affordable franchise package priced RM100,000 and below. Additionally, there is also a micro-franchise package priced RM50,000 and below.

Applicants can choose from more than 10 brands that comes with a franchise package of RM100,000 and below.

The second grant option under the programme is allocated to help franchisors create smaller sized franchise packages of RM100,000 or less. It is a full grant with a maximum payment of RM120,000.

Besides helping franchisors expand through smaller sized franchise packages, it would also lower the entry barrier for potential franchisees, with Putrajaya aiming at those from the B40 and M40 population, as well as those affected by the Covid-19 pandemic.

POTENTIAL OUTCOMES

“For applicants as a potential franchisee, franchises have a lower risk as compared to starting your own business from scratch. There’s usually immediate momentum on opening through established brand equity of the franchise and the established customer base of the franchise.

Franchisors would be able to expand their business through a larger pool of third-party investors as the entry fees is more affordable for the B40 and M40 to join in,” says Secretary General of the Ministry of Domestic

Trade And Consumer Affairs, Datuk Seri Hj Hasnol Zam Zam Bin Hj. Ahmad.

He also highlights that applicants must be from the B40 or M40 group and for applicants that have already engaged the franchisor or the interested brand, approvals would be easier.

“We are currently looking at a minimum of 27 applicants for potential franchisees and a minimum of 8 applicants for the creation of micro and affordable franchise packages by the franchisors,” he says.

Once the applications are approved for the franchisees, training and guidance will be provided by both the franchisor and Ministry.

AREAS OF FOCUS

The programme covers various sectors, namely food and beverages, services and maintenances, education and enrichment centers, clothes and accessories, health and beauty, information technology including telecommunication and electronics and also convenience stores as well as supermarkets.

To better complement the programme, the Ministry is working closely with the Malaysian Franchise Association (MFA) and Perbadanan Nasional Berhad (PNS) along with a number of franchisors and franchisees.

Additionally, the programme has also seen the likes of reputable brands such as Manhattan Fish Market come on board to help the Ministry create more affordable-sized packages for potential applicants.

“This programme has helped franchisors nationwide promote their business and the strategic collaboration with various agencies is also expected to help franchisors secure strategic business locations for their brands, especially through their B40 and M40 future-franchisees.

“We are expecting more franchisors to join in to further expand our initiatives and the Ministry is also committed to move away from the perception that the franchise business is only for the rich as it is often termed as a luxury venture,” he says.

4IR TOWARD NATIONAL FOOD SECURITY

BY WIRA RAIS HUSIN MOHAMMED ARIFF, CHAIRMAN MDEC



The domain of national food security is a key pillar in the overall strategy of national development due to its reciprocal relationships with other socio-economic fields. An effective national food security strategy will create availability and affordability, and therefore help save on household expenses. On the government side, most of the country's allocations can be channeled to other deserving sectors.

We understand that one of the unique features of the Industrial Revolution 4.0 (4IR) is the achievable efficiencies for the entire industry. The agricultural industry is among the sectors that will benefit greatly from 4IR. Through the power of 4IR, the agricultural industry will manage and provide food security assurance to people in a more organized manner while reducing the pressure on various resources.

Some aspects of technology have now become commonplace in the agricultural sector and has evolved in a short period due to the incoming updates to 4IR technology. This has caused difficulties in adapting, among in early generation farmers as they had already been accustomed to traditional farming methods including having extensive farms and utilising high levels of labor.

4IR is regarded an urgency for food safety. Therefore, it is not surprising that leading countries in the field of food security such as Finland, Ireland, the Netherlands,

Germany, Japan, Singapore and South Korea have long increased their technological capabilities to serve their people through their respective versions of "Society 5.0". This includes the ability to provide food sources to its people.

A more detailed analysis of leading countries through Global Food Security shows that they have focused on improving agricultural and food technology. They prioritise high – tech agriculture, engineering capabilities and economic principles, establishing them as the pillars of the national food security strategy in their respective countries.

Among the trends in the country involved in this sector is making food security a top priority by the administration, the provision of large investments in agricultural technology research and development, as well as a special focus on small farmers and local agricultural technology entrepreneurs through innovative funding, incentive schemes and extensive e-commerce networking.

In this regard, having a clear national food safety strategy is one of the most important requirements for all other food safety elements to be properly integrated.

Recognising that food security is a national issue requiring breadth and depth in solutions instead of just a simple introduction of new regulations, the Malaysia Digital Economy Corporation (MDEC) has a proven concept in the agricultural sector. MDEC pilot

deployment of 4IR agri-tech was highly successful in various agricultural activities such as smart fertigation, smart misting, smart aquaculture, smart poultry, smart irrigation and smart soil monitoring. It has been observed that agtech helped increased the productivity, quality and income of small farmers by over 20 percent. Numerous farmers enjoy higher incomes and have successfully brought their produce to market.

Putting the agenda on a high pedestal results in a "whole-of-government strategy" where there is a concerted effort across all agencies and ministries. There is no unhealthy competition; all actors and players in the food security ecosystem can work together. Such concerted effort will result in effective policy implementation, creating an entire ecosystem of support including various players such as producers, academia and industry R&D, policy makers and even consumers.

History has demonstrated how other countries look at the current situation and how they have taken important steps to ensure their national food security while Malaysia has achieved a zero score in food safety indicators and policies under the Global Food Safety Index (GFSI) 2020. Therefore, it is time to have a holistic approach and strategy by the government to make food security a top priority.

Results from MDEC's Digital Agtech pilot projects have showcased the viability of digital technologies and automation in agriculture. However, there is room for even more technological improvement. We can go beyond Industry 4.0's version of agri-tech, and into

"agtech 5.0" which is also envisioned under Malaysia 5.0, inspired by Japan's Society 5.0. Malaysia 5.0's vision is to create a society that is highly integrated with technology, as well as to be governed by inclusive and equitable eco-vironmental principles and practices.

In the near future, innovative fintech and trading platform such as blockchain-based peer-to-peer (p2p) marketplace platform may be considered to support small farmers by minimising the role of the middle-men (if not cut out entirely) and ensure best values for the consumers and better margins for the farmers.

Similar technologies should be applied to other crops in Malaysia, rice in particular. Despite being a major rice consumer, Malaysia is only producing roughly 70 per cent of the total demand internally, while the remaining are imported. In fact, its self-sufficiency level dropped slightly from 70 percent in 2018, to 69 per cent in 2019. A global crisis such as Covid-19 pandemic has shown Malaysia's vulnerability in food security when trade activities are halted, depriving Malaysia from its staple food.

Thus, in addition to transcending the current notion of food security (achieved via imports supplementation) to actual self-sufficiency (at least for staple foods, major livestock and aquaculture; for obvious national security reasons), there is existing and sizeable captive market with an upward trend to be capitalised on and technological advancement is the only way forward towards food safety, security and sovereignty. The time to act on this is now.

RESHAPING WAYS COMPANIES ARE MANAGING THEIR BUILDINGS

Chief Operating Officer, Nazar Abdul Raof shares why it's important for companies to opt for a more holistic approach when it comes to building management and how a more sustainable option can benefit them in the long run

Asset Facilities Management (AFM) is the service of managing buildings and the assets within it and Alam Flora Environmental Solutions is committed to offering companies and businesses in Malaysia a more holistic approach to AFM.

Through AFES, the AFM service is broken down into two segments. The first being the hard services where companies only require AFES to maintain some parts of their building. This includes the maintenance and repair of lifts and escalators.

More often, these services are outsourced to separate services while the soft services which includes housekeeping and cleaning is done by the companies themselves. However, with AFES AFM services, companies do not have to seek out different companies as a more holistic option can be obtained from AFES.

"A more holistic solution is definitely in demand now

and with AFES, companies can go beyond just employing us to carry out maintenance and housekeeping, we also offer waste management services. This puts us in a very unique position in the market as we are able to offer a total solution," says Chief Operating Officer, Nazar Abdul Raof.

In terms of AFM's comprehensive range, Nazar says AFES is able to convince companies to take on the services based on the benefits it is able to provide. From lower costs to a more efficient management style, companies do not need to hire more than one party to manage their assets within the buildings.

AFES also specialises in offering companies the integration of smart technology to better manage their assets and buildings, be it either just one or more than one branches or buildings.

Additionally, Nazar says that through AFES computerised maintenance management system



"A more holistic solution is definitely in demand now and with AFES, companies can go beyond just employing us to carry out maintenance and housekeeping, we also offer waste management services. This puts us in a very unique position in the market as we are able to offer a total solution,"

(CMMS), it allows them to monitor any changes and issues taking place with systems within companies remotely. This comes in as a more effective method in the current pandemic the country is experiencing.

"Currently, we are developing what we call the Conditional Base Maintenance which allows us to immediately detect disruptions in systems, be it the air conditioning or the lighting in the building and get our team to report to both the client and maintenance person-in-charge on the spot.

"The system can also be in sync with smartphones and has been proven to be cost effective and sustainable in the long run," Nazar says.

INCORPORATING THE SUSTAINABLE ELEMENT

Furthermore, they are also committed to showcasing the core of AFES into their AFM services. By injecting the element of sustainability, not only can they avoid poor management and cost reduction, AFES will also be able to further recommend ways to reduce energy consumption and the need to consider other sustainable initiatives through the data and research.

Nazar also believes in the importance of being creative when it comes to offering companies the AFM service. "We don't want to just go to a company and convince them to take up our services, we actually want to work alongside them to provide the best curated service there is," he says.

"AFES does this by training them through a series of sustainability themed workshops and getting leaders to acknowledge the importance of integrating a more sustainable element into the managing side of their company assets," Nazar adds.

Companies that are worried about the initial costs will also be offered an option of paying later with AFES investing the initial costs. This is part of AFES efforts to showcase potential clients their commitment to help companies in Malaysia get started on their journey towards more sustainable operations.

Grants are also available for companies looking to invest in better equipment and technology. Training



and the right instruction methods are also provided by respective teams within AFES to guide companies to better adapt to the more sustainable adoption of initiatives.

AFES currently works with 26 clients which includes both hard and soft services including the Home Ministry in managing the border between Malaysia and Thailand. This includes the management of over 500 cameras overseeing the safety of the country's borders.

"We are also working with Maybank and we have been able to offer them the building management services which oversee improving their power consumption efficiency levels through change of lighting and proper auditing as well," Nazar tells BusinessToday.



ROAD TO RECOVERY

MALAYSIA'S ECONOMY CAN ONLY IMPROVE IF THE VACCINATION PROGRAM ACHIEVES ITS TARGET

One of the more common questions by individuals, organisations and governments worldwide has been are lockdowns the way to go in a pandemic? While in some countries, it has proven its worth, it has not been the case in every country.

Closer to home, lockdowns were deemed necessary and while the first Movement Control Order proved to be effective, with the cost of severely impacting livelihoods and the economy, it did not last for long. Fast forward to June 2021, Malaysians have gone through multiple MCOs with cases having reached new peaks day after day.

The most recent MCO 3.0 had been extended for another six weeks, only set to end on June 28. However, the end of this MCO is also most likely to depend on the number of cases.

According to the SME Association of Malaysia, 50,000 small and medium enterprises may go out of business and the country continues to lose RM1 billion daily throughout the current MCO.

With multiple MCOs having taken place and stringent SOPs being implemented, so why is Malaysia battling the pandemic without any consistent improvements a year and a half later?

Kevin Zhang, Research Officer at ISEAS - Yusof Ishak Institute in reference to Tomas Pueyo's "hammer" and "dance" theory says strict lockdown measures should not be seen as a viable long-term strategy.

In his commentary on Channel News Asia, Zhang says apart from employing the "hammer" and "dance" method, it is increasingly clear that the Malaysian government should be complemented with a "shield" in the form of vaccines, as lockdowns and quarantines can only do so much.

"It is becoming apparent that vaccines are a vital aspect of the fight against the pandemic," he says. At the time of writing, the number of Covid-19 vaccines administered reached a record high of 197,963 doses.

National Covid-19 Immunisation Programme coordinating minister Khairy Jamaluddin had said the government was aiming to administer an average of 150,000 vaccines a day this month, before increasing it to 200,000 jabs daily by July.

Zhang says that this renewed sense of urgency is a

positive step in the country's direction to vaccinate up to 80 percent of its population. However, this can be further exemplified in the recognition for increased collaboration between the state and the private sector in enabling mass vaccinations.

Sunway University's Professor and Associate Dean (Education), Department of Economic and Finance, Professor Wong Koy Nyen says eventhough lockdowns are seen as an effective measure to contain the pandemic, efforts to implement them could be wasted if there is a lack of communication and coordination among the different ministries and business communities in enforcing the SOPs.

"The prolonged pandemic not only could result in more Covid-19 casualties but also economic sufferings. Extended lockdowns will only have negative repercussions on the economy which can lead to higher bankruptcies and unemployment," he says.

Professor Wong also highlights that allowing Malaysians to fly to the US and China to take be vaccinated will also be able to help Malaysia ramp up the vaccine drive.

EXIT STRATEGY

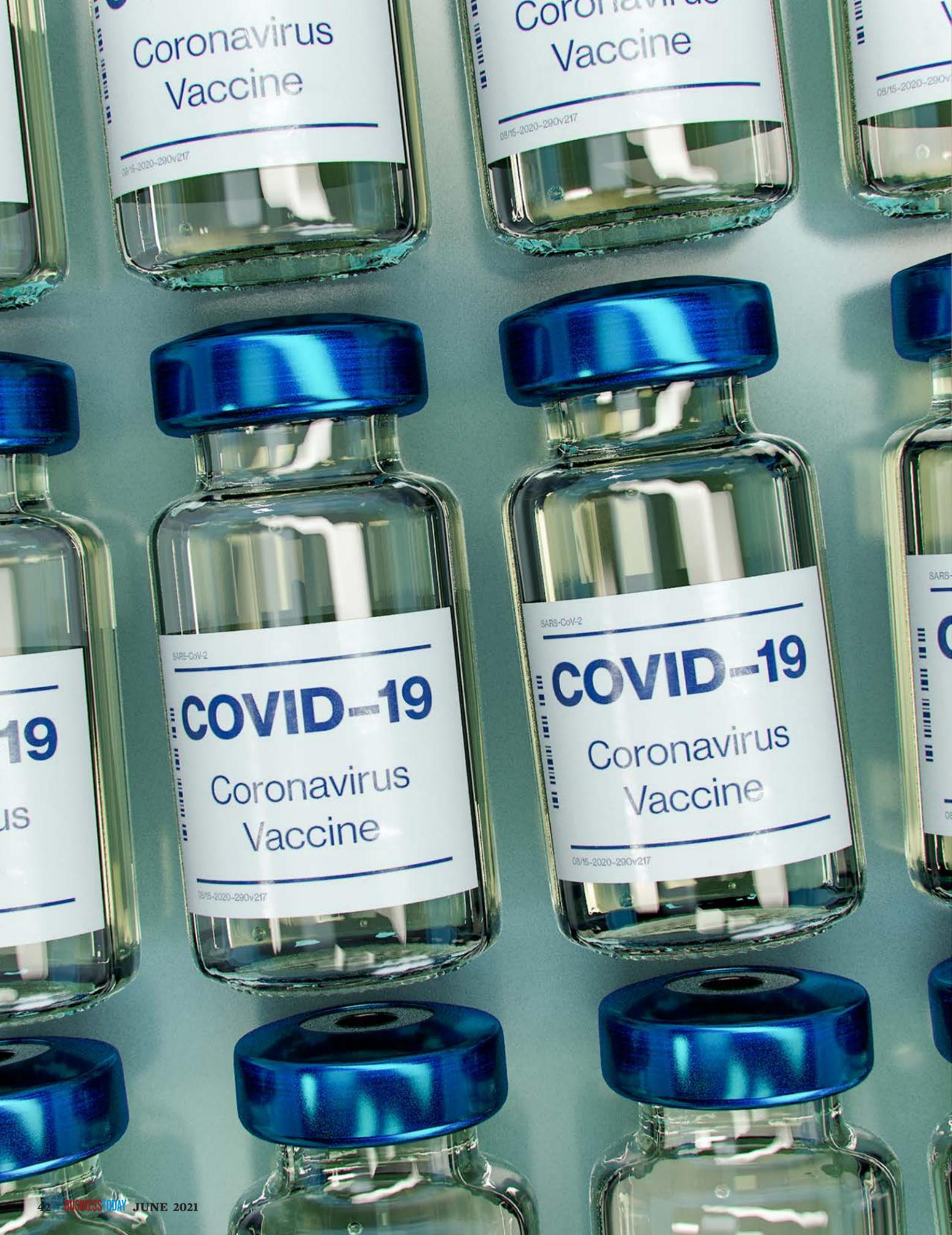
On June 15, Prime Minister Tan Sri Mahiaddin Yassin unveiled the National Recovery Plan consisting of four phases of exit strategy to help the country bounce back from the pandemic.

Each phase of the recovery plan will be based on three main threshold indicators for the country to move from one phase to the next. The indicators include the Covid-19 infection rate in the community based on the number of daily cases of infection.

Putrajaya will also be looking at the capacity of the public health system based on bed utilisation rates in the ICU wards and the level of protected population based on the percentage of people that have completed two doses of vaccine injection.

"This plan is a carefully designed guide based on data and science to enable us all to return to normal daily life or back to normalcy," the Prime Minister said during the announcement.

He also announced that Putrajaya will move into Phase 2 when the average daily cases of Covid-19 drop to below 4,000 and the public health system is no longer



at a critical stage with the rate of utilisation of ICUs recovering to moderate levels. Additionally, also when 10 percent of the population has received two doses of the vaccine.

Phase 3 of the exit strategy will involve the transition from the positive list approach to a negative list approach, where economic activities will be allowed to operate except for activities that are high risk for Covid-19 infections.

Following the announcement, businesses have welcomed this initiative as the gradual opening of sectors nationwide is part of the strategy.

“The four-phased approach has clear transitions designed to take the country out of the health and economic crisis brought about by the global Covid-19 pandemic. It provides a roadmap on easing restrictions and offers pathways to normality,” said Amiruddin Abdul Shukor, Acting Chief Executive Officer, Malaysian Global Innovation and Creativity Centre (MaGIC).

“These indicators as forecasted by the Ministry of Health (MOH) and National Security Council (NSC) based on available data, allow us to return safely, at the right time for all sectors of society. The information-focused approach allows us to prioritise for better health, economic and educational outcomes,” he said.

Bank Pembangunan Malaysia Berhad’s President and Group Chief Executive Officer, Arshad Mohamed Ismail has also lauded the exit strategy. “The four-phase exit strategy provides a clear and concrete direction for the economy. In addition, the plan reaffirms the Government’s commitment towards achieving herd immunity by year-end, further boosting confidence in the financial markets and among industry players.

“With reference to the National Recovery Plan, the economy is set to return to a higher operating capacity

from September 2021 onwards as the vaccination rate reaches 60% of the population and more economic sectors are begin to reopen,” he said.

Additionally, Imri Mokhtar, Managing Director and Group Chief Executive Officer, Telekom Malaysia Bhd said, “We welcome the clarity provided by the Government on the National Recovery Plan. It is indeed a necessary response to the serious economic and social impact of the coronavirus pandemic. We hope that through the effective implementation of this plan, the nation will be able to emerge from the Covid-19 pandemic to a reasonable level of normality by year end, revive the economy and place the country on a new growth trajectory.”

However, The Institute for Democracy and Economic Affairs (IDEAS) has called out the government for not making it clear how it plans on achieving the exit strategy it has laid out.

The think tank argued that Putrajaya’s three indicators used for the National Recovery Plan are insufficient and that the government should instead take inspiration from the Pandemic Severity Index system which IDEAS had previously proposed.

“Measuring the capacity of public health facilities is a good move, but the government did not disclose what “moderate” and “sufficient” mean. There needs to be greater transparency in how the indicators are measured as we move from phase to phase,” said IDEAS CEO, Tricia Yeoh.

The think tank called for data to be utilised to provide for targeted measures and for consistency in their application all round. Since the standard operating procedures (SOPs) for each phase will be laid out by the government soon, it is imperative that said SOPs are transparent and accurate.

NUMBER OF VACCINATED (PEOPLE)



• 4,574,685

TOTAL DOSE 1 1,060,773
TOTAL DOSE 2 666,495

COMPARED TO: (PEOPLE)

- 1. US 319,223,844
- 2. CHINA 1,071,783,000
- 3. INDIA 289,855,456
- 4. UAE 14,631,482
- 5. U.K. 74,638,083

NUMBER OF VACCINATED (PEOPLE)

4,574,685

TOTAL DOSE 1 4,574,685
TOTAL DOSE 2 1,227,042



SOURCES: JAWATANKUASA KHAS JAMINAN AKSES BEKALAN VAKSIN COVID-19 (JKJAV) / NYT VACCINATION TRACKER



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BOOSTING ASEAN PROSPERITY AND INTEGRATION WITH EFFICIENT REGIONAL CUSTOMS TRANSIT SYSTEMS

BY AIVARAS PIGAGA, LEAD ACTS IT IMPLEMENTATION EXPERT, ARISE PLUS PROGRAMME

With the ASEAN Customs Transit System, traders moving goods from Malaysia to Cambodia have enjoyed cost reductions – about 27% in one instance – in addition to streamlined Customs processes

ASEAN is a perfect example of a region that is greater than the sum of its individual parts, or countries. It comprises ten member states, each offering significant competitive advantages by way of trade that neighbouring states can tap upon. Its strategic geographical position means seven of its member states are connected by land.

This lends credibility to road freight as the optimal mode of trade between these countries, representing a middle ground between air and ocean freight that offers savings to shippers in terms of costs, transit time, flexibility, and carbon emissions.

However, the diversity that makes the ASEAN region such an attractive business destination also poses threats to its success if not managed well. Differing cultures, languages, and nuances has led to each country being very different from one another in terms of its rules and regulations, posing a highly fragmented landscape for intra-ASEAN road logistics. This has long term implications to the region's integration and prosperity, something that the ASEAN Customs Transit System (ACTS) aims to solve.

CHALLENGES FACED IN INTRA-ASEAN ROAD LOGISTICS

Land transport is expected to account for an increasing proportion of the goods moved within the region. However, in the 2020 EU-ASEAN Business Council's Business Sentiment Survey, only 4% of respondents found ASEAN customs procedures to be speedy and efficient, a decrease from 8% in 2019.

Intra-ASEAN road logistics are often hindered by non-standardised Customs border clearance procedures, as well as documentary and procedural requirements. These not only lengthen timelines, but give rise to steep transaction costs that can negatively affect cross-border trade. Obstacles brought about by inefficient customs procedures impacts the ability of ASEAN member states to realise their collective economic potential, impacting integration efforts and overall progress towards the ASEAN Economic Community.

Infrastructure improvements have already stimulated some trade growth but regulatory bottlenecks risk continuing to limit potential by adding direct costs and making journey times unreliable. Developing an

efficient logistics service would have a pervasive and favourable effect on the ASEAN economies because of their usage in the priority sectors and more generally throughout the economies.

THE ACTS AS A TRANSFORMATIVE FORCE FOR ASEAN INTEGRATION AND PROSPERITY

In the same EU-ASEAN Business Council survey, 66% of its respondents indicated that ASEAN should modernise customs procedures to ease the movements of goods in order to take advantage of changes in the global supply chain. To this end, the ACTS was developed and launched in a collaborative effort between the European Union and ASEAN, aimed at streamlining the movement of goods across the ASEAN Member States.

The ACTS is an automated online Customs transit management system that links all Customs offices on the transit routes with Customs offices at the points of departure and destination via a secure closed communication network throughout the six participating land connected ASEAN Member States. In a nutshell, this simplifies customs processes, accelerates transit movements, and reduces the time and expenses involved in ASEAN cross-border trade.

The benefits of the ACTS can be divided into four categories that are broadly aligned with ASEAN's long term growth plans:

1. Shorter timelines by standardising Customs clearance procedures and documentary requirements for movements of goods crossing multiple countries – a single digital Customs transit declaration is required at departure.
2. Reduced costs from simplified processes, minimal checks at the borders, use of a single truck for the whole journey, and a single regional guarantee to protect the duties and taxes at risk as the goods being transported are free of duties and taxes until their final destination in the region. For example, a trader moving goods from Malaysia to Cambodia via Thailand reported a 27% overall reduction of cost while using the ACTS.
3. Enhanced visibility from the digitalisation of customs and road logistics, allowing shippers and authorities to monitor regional transit movements for better management of timelines, and to combat illicit trade.
4. Green logistics from more efficient Customs

processes that reduce congestion and idling of trucks, lowering emissions. Regional systems such as the ACTS can also facilitate the adoption of greener standards for trucking.

Other than benefitting the government and businesses, the implementation of the ACTS will also benefit ASEAN's consumers by providing them with enhanced access to a wider range of products at potentially better prices and quality.

POTENTIAL CHALLENGES TO IMPLEMENTATION

Despite its holistic benefits to the government, business and consumers, the ACTS is an optional system, and the challenge to its success relies on the willingness of all stakeholders to work together to ensure maximum take-up.

Another challenge could be posed by the recent resurgence of COVID-19 cases in the region, with pandemic containment measures potentially creating restrictions for cross-border movement. However, it is not all doom and gloom as ASEAN member states have embarked on their vaccination programmes, opening the doors to a swift restoration of essential cross-border trade.

However, from a broader economic perspective, the ACTS can play an essential role in supporting the economic recovery and growth targets set by the ASEAN Economic Ministers (AEM), potentially accelerating its adoption. Continuous awareness and visibility programmes are also being implemented at both national and regional levels across ASEAN to ensure that public and private stakeholders are aware that the ACTS is operational and of its benefits, boding well for its adoption.

THE ROAD AHEAD

Currently operating in six ASEAN member states, with additional countries scheduled to join the system in the coming years, ASEAN and EU will work together to achieve the AEM's goal to double intra-ASEAN trade and reduce cross-border trading costs by 10% by 2025.

The ARISE Plus team has also carried out a feasibility study into using ACTS to manage the movement of goods by rail, sea, air, inland waterways and rivers. In the near future, the ACTS could also be adapted for multimodal consignments, further boosting its relevance and ability to drive a tighter knit, economically robust ASEAN.

KL MAYOR'S BOLD MOVE NEEDED TO ACHIEVE COUNTRY'S RENEWABLE ENERGY AGENDA

BY KO CHUAN ZHEN, GROUP CEO, PLUS XENERGY HOLDING SDN BHD

In the past 30 years, Malaysia has successfully diversified its energy structure. Yet despite this progress, Malaysia's energy policy requires a greater share of sustainable energy. Encouragingly, just this week, Kuala Lumpur Mayor Datuk Seri Mahadi Che Ngah, imposed a 30 percent compulsory reliance on renewable energy (RE) for future commercial and residential developments in Kuala Lumpur. His statement mentions economic, social, and environmental motivations, in driving this move.

I applaud this bold stand and have much admiration as he has used his authority towards a pressing need, championing sustainable development and the wellbeing of the people.

THE REALITY OF MALAYSIA'S RE GOALS

The national RE goal set at 31 percent by 2025 is ambitious, as the latest projections by The Energy Commission targets only 17%17 percent by the end of 2021. We are only halfway there, with only three years remaining.

In spite of 1.63GW in Large Scale Solar (LSS) projects awarded by the Energy Commission thus far, further reiterations are needed as solar remains the biggest driver of renewable energy in Malaysia, as stated by Kenanga Research recently.

Whilst the Net Energy Metering (NEM) and Green

Investment Tax Allowance (GITA) government programs do stimulate the RE industry, more still needs to be done to close the gap.

CLOSING ENERGY GAPS WITH VISIONARY LEADERSHIP



Spearheading development in the nation's capital, Datuk Seri Mahadi exemplifies forward-thinking leadership, set to influence others. What I find really



striking is the major leap from zero to 30 percent RE reliance. He understands that to sustain our ever-growing energy demand, the development of renewable energy must grow in parallel.

Whilst property developers and commercial building owners in KL would be compelled, I personally wish that such a mandate becomes standard for all buildings in Malaysia.

WANGSA MAJU PILOT PROJECT – PEOPLE'S WELLBEING A PRIORITY

DBKL has rolled out a pilot project that aims to make Wangsa Maju, the first eco-conscious township in KL. This is a highly strategic move, given the township's size, population and central location. It lends the project visibility and plays a defining role in influencing stakeholders and heightening awareness.

It is extremely encouraging to see that the mayor envisions the use of renewable energy as a means of improving public health. He revealed that the council spends RM76mil a year on electricity, and suggests that savings here is channelled towards building infrastructure and converting spaces to promote healthy living. With the pandemic affecting our quality of life, any effort that contributes to this end, must be applauded. I hope that other local councils will emulate his move towards such resource efficiency.

SOLAR POWER PLAYS A MAJOR ROLE IN GREEN AGENDA

It is encouraging to see a cohesive plan to install solar panels on public assets, schools, shopping centres, apartments as well as a solar farm in the area. These details demonstrate careful thought in executing his vision of a zero-carbon town.

We are excited that the mayor shares a similar vision with us at Plus Xenergy. We strive to educate and overcome reservations about solar. We have proven how solar installations are economically attractive; major plastics manufacturer Mah Sing Plastics was able to enjoy full return on investments (ROI) in 4 years,

while Ajiya, a building solutions manufacturer, gained a monthly savings of RM50,000. We have also outfitted IKEA, for their Cheras, Penang, and Johor outlets, amongst various other buildings.

Whilst the cost of solar power has fallen dramatically, solar power generation remains variable and intermittent and battery storage options are still nascent. This has hastened our journey, at Plus Xenergy, to go beyond traditional solar, driving efforts towards an energy revolution which includes the decentralization, decarbonisation, and digitalisation of energy.

THE FUTURE – DIGITALISATION

Additional savings in electricity can be realised with emerging technologies such as AIoT (artificial intelligence internet of things). We have developed an in-house energy performance management system (EPMS) called SOURCE. With this, solar adopters can further optimize energy usage, with up to 25 percent in savings. The mayor hopes to see a 50 percent cut in electricity costs and mentions plans to work with private companies. We would be happy to contribute in any way we can, with our experience, expertise and proven track record.

Success of Policy-Driven RE Strategies

RE driven policies have proven to be vastly successful in other countries. For example, in 2017, solar energy played no part in Vietnam's energy strategy. By 2019, a policy-driven strategy enabled Vietnam to surpass other countries with the largest installed capacity of solar panels in Southeast Asia. Its national grid boasted 16.5GW in solar capacity by the end of 2020 – the world's most active solar market. In comparison, Malaysia's solar in operation is only 1.49GW.

It is apparent that good dynamic leadership in driving policy is key to ensuring that RE is a mainstream achievable agenda. Such a progressive stand in championing RE in the midst of present challenges is refreshing and gives us hope for a better future.

CHAMPIONING SUSTAINABLE MOBILITY

BY POOVENRAJ



The impact of the Coronavirus was felt across multiple industries and some of the more impacted ones included the tourism industry. International borders were locked and in most countries, even domestic travelling was banned for months.

The closure of borders translated into the lack of mobility and the impact of it affected the automotive industry.

The first three month Movement Control Order that was implemented last March saw Malaysia record 141 sales of cars in April 2020, recording a 99.7 percent decline. The lockdown also had a spillover impact on the demand for tyres.

“It was evident that business for all sectors were very much impacted by the pandemic, and the tyre industry was not spared. However, we saw a rebound in H2 2020 as Malaysians were eager to travel once again after lifting of travel restrictions,” says Oliver Biggart, Managing Director of Michelin Malaysia, Singapore and Brunei.

Now that the second wave of lockdown is beginning to ease up to allow for short-distance travel within the state, Michelin is confident the automotive industry will continue to improve in the coming months.

While a third lockdown has been imposed, it has not been as severe as the initial two. Malaysians are still allowed to drive to work and to buy the necessities.

“Motion and mobility are highly linked to our social

interactions, our sense of enjoyment and adventure, as well as the transport of people and goods. My first observation and learning from this pandemic is that people desire and require mobility, now more than ever,” he says.

His second outlook for the short to medium term ahead is that the pandemic will realign the balance for mass and private transportation.

Biggart has also identified two key trends that have come out from the industry during the pandemic. One being the increase in digitalisation amongst the manufacturer-dealer interactions and transactions, and also interactions involving dealers and consumers.

The other, he says, is the transition towards more local manufacturing links which not only allows us to remain agile but is also more sustainable for the planet.

Over the past years, the Malaysian market has remained a strong one. One of the key trends observed is in the way Malaysians consumed tyres.

According to Michelin, consumers are focusing more and more on quality, safety and performance when making their purchase decisions. Prior to the pandemic, consumers have also been changing the way they purchase their tyres and putting more value on the overall consumer experience.

“Over the past years, we observe the emergence of fast-fitters like Tyreplus that offer a best of class service experience with great prices along with many other

services like oil or battery changes,” he says.

Biggart also highlights that the company has seen a shift in consumer behaviour where customers are more wary of purchasing items in a traditional in-person sense, oftentimes prioritising service, over the price point itself.

“With consumers opting for a digital purchasing journey and service, this has given us more opportunities to further our e-commerce strategy that we initially planned for in the beginning of 2020,” he says.

The pandemic has also brought on many unique challenges for Michelin. Like many other organisations, Biggart and his team have had to reimagine their daily operations to be online and with no-contact.

In Malaysia, the company saw an increase in digitalisation amongst the manufacturer-dealer interactions and transactions, and also interactions involving dealers and consumers. There is also a transition towards more local manufacturing links, in which Biggart says not only allows them to remain agile but is also more sustainable for the planet.

CHAMPIONING SUSTAINABLE MOBILITY

Michelin has begun rolling out many new environmental initiatives that aim to cut their carbon emissions to zero by 2050. “We are beginning with the research and development of a 100% sustainable tyre in the next 10 years and recently, we partnered with NEOLINE for maritime transportation that will better decarbonise our logistics operations across the Atlantic,” he says.

On a local level, they are also multiplying awareness campaigns within their internal team and auditing the carbon footprint of the Malaysian office as well their logistics operations in an effort to reduce it.

Michelin is also developing the UPTIS (Unique Puncture-Proof Tyre System) that provides an airless mobility solution for passenger vehicles, and the VISION Concept tyres – made from biosourced and biodegradable materials.

WHAT'S NEXT?

Besides introducing their new brand campaign, “Motion for Life”, Michelin has a range of products lined up for 2021. The company is looking into reinforcing their offerings in various segments and this includes new products for electrical vehicles.

“We are also focusing strongly on our sustainability goals for the coming years and we are looking forward to our initiatives that aim to cut our carbon emissions to zero by 2050,” he says.

“The main challenge we would see throughout the next year will be recovering the demand for tyres as the pandemic continues. As of right now, we have little visibility on how the situation will evolve over the next few months. However, we remain agile in our recovery approach and will continue shifting towards e-commerce solutions for our dealers as well as customers, so they are able to maintain a safe purchasing experience,” Biggart concludes.

GOING THE EXTRA MILE WILL BENEFIT BUSINESSES

According to a recently released global report by Employment Hero that examines the impact of Covid-19 on business owners and employees, the sentiment towards vaccinations varies from country to country.

While the overall survey found that 76 percent of employees globally want to get vaccinated, Malaysia, in particular had a higher positive employee sentiment towards vaccinations, with 81 percent of Malaysian employees looking to get vaccinated once vaccines are available.

This situation has also given rise to employers worldwide to come up with ways to encourage their employees to get vaccinated and these include methods and flexibility that allows them to do so.

“There’s no one-size-fits-all approach when it comes to HR practices, and while there are some baselines that are applicable for most organisations, it really comes down to each organisation’s individual needs,” says Ben Thompson, Chief Executive Officer of Employment Hero.

There is always room for improvement, he says, when it comes to health policies in particular and this may have been a necessary wake up call for organisations to reevaluate their policies and determine how agile their HR departments are when it comes to making quick pivots.

In the meantime, Thompson says one way to cushion the workforce while managing and implementing new health policies is by maintaining a remote-work setup.

“Our survey found that the uncertainty of vaccine

rollout timeline leaves many hesitant about returning to the office anytime soon, with only 29% of Malaysian employees expecting to return to the office in the next 6 months,” he says.

Hence, allowing employees to work from the comfort of their own home helps lower their stress levels as they do not have to go to the office and potentially expose themselves to the virus.

While there are rising number of companies recently making changes to their paid leave policies to include vaccination days, Thompson says might be a tricky subject for employers.

“We see this clearly when we look at discussions concerning parental leave which have been ongoing for years. Yet the policies that companies have in place vary greatly from organisation to organisation.

“With vaccinations, companies are faced with entirely new situation and there are many variables at play to determine if offering paid leave is an option. On top of that, many employers still have their hands full managing their teams remotely and adapting to continuously changing office restrictions,” Thompson highlights.

Having said that, he believes that it is important for employers to encourage vaccinations in any way they can.

POLICIES TO LOOK INTO

Thompson says companies can implement enhanced health policies to support their employees and give them peace-of-mind during the pandemic.



Employers can also consider offering emergency expansions of paid medical leave for workers to utilise if they are experiencing symptoms, seeking testing or treatment, vaccinations or recovering from Covid-19.

In addition, he encourages companies to offer family leave for workers to provide care to a loved one or family member who contracted Covid-19.

“With many employees juggling childcare while maintaining their jobs, paid family leave policies enable them to take time away from work to deal with family matters without the fear of losing their jobs or suffering a reduction in pay,” he says.

He further shares that companies can implement flexible working arrangements, such as, having the option to work remotely, implement flexible work schedules and enabling schedule-swaps for shift workers.

“Companies should also go the extra mile for their high-risk and pregnant employees. They should also look at policies to protect their employees by implementing enhanced safety measures to protect workers and mitigate the spread of the disease.”

AN ISSUE OFTEN OVERLOOKED

Thompson also sheds light on the mental-health fallout of Covid-19 in the workforce as many continue to suffer in silence.

Employment Hero’s global report shows that 67 percent of employees said they worried about mental health stigma in the workplace and almost half of employees surveyed (47%) do not feel comfortable discussing mental health with superiors.

Additionally, 61 percent of employees and 56 percent of employers have been feeling stressed on some level over the past six months as Malaysia battles Covid-19.

“Add work-from-home to the mix and even more employees feel that it is harder to discuss mental health remotely.

“Employers have the opportunity to flip the script by making mental wellbeing a business priority. Providing employees with the right resources, supportive leadership, and taking a customised approach to mental health are great first steps,” Thompson says.

NORMALISING MENTAL HEALTH

“Organisations with a strong focus on overall health are likely to be better equipped in handling the current pandemic and improving employee happiness. It is never too late for employers to change the way they support their employees,” he highlights,

Thompson is suggesting employers to make sure their employees are aware of the internal resources available that will allow them to identify and manage their stressors.

He is also urging companies to normalise mental health. “When it comes to creating change, start small. It could be as simple as encouraging staff to take mental health days off or talking about your own need to take one.”

Employment Hero also found that having a good work-life balance would greatly benefit people’s mental health and initiative such as encouraging employees to take paid leave and inserting an end-of-year expiry date on holidays are also effective approaches to ensure employees are taking adequate time off throughout the year.

“The bottom line is that employees’ mental health and wellbeing should be a top priority for Malaysian businesses. Not only will it increase employee productivity and happiness, but it will also reduce absenteeism, which will benefit the businesses’ bottom line,” concludes Thompson.

ADDRESSING THE MACROECONOMIC ISSUE OF MEETING THE YOUTH'S LIVING NEEDS IN CENTRAL CITIES

BY POOVENRAJ KANAGARAJ



As property prices rise due to the ever-increasing land costs and material costs, property buyers and investors are having to charge higher rental for their investment yield to bring returns.

This also further leads to a gap between young people's rental affordability and rental asking. Overall, this gap is growing larger.

"There is a big gap in young people's living needs in the central cities. Properties development in the urban cities are getting more expensive, from young people not being able to purchase, to having problems in rental affordability," says Wen Khai, Co-founder and Chief Executive Officer of LiveIn.

"While young people's salaries are around RM2,000-RM3,000, one fully furnished studio in Klang Valley is easily RM1,500, one partly completed condo unit is easily RM2,000 or more. Some property directories may bring tenants to a possible lower budget, but housing

conditions might be sub-optimal, or people must do long-hour travel," he adds.

Khai also highlights that the problem of high overhang properties is due to the oversupply of properties and the income level young people remain in, leading to the problem of unaffordability.

In its effort to combat this issue, instead of renting out the entire unit as whole for RM2,000, LiveIn rents RM800 per room, fully furnished, equipped with high-speed WiFi, cleaning, and maintenance services. All these are accessible through their app.

The company currently covers condominium buildings, which comes with facilities and amenities for their tenant community. It also regularly hosts community events for their tenant community to help tenants socialise and transition to their new environment.

LiveIn is also looking to match as many of the available properties in the market to young people.

HOW HAS COVID-19 AFFECTED THE SEGMENT?

"The pandemic has brought some changes to the way people rent and afford properties. People who previously had a higher budget to rent or rent share an entire unit, are undergoing uncertainty about it now.

"People are also considering downsizing their living standards and millennials are not looking to buy property, instead are seeking rented places that match their lives' flexibility and offer better lifestyle experiences," Khai says.

Last year, the company launched the Pay-What-You-Can campaign in April as well as virtual room tours and Flexible Terms to help as many new tenants as they could.

WHAT DOES THE FUTURE HOLD?

"The 2020 experience has been challenging and encouraging at the same time. While initially last year, we struggled in juggling with our necessary SOPs, we came up with new solutions. These steps really helped

us to bounce back into business and continue supporting our customers," Khai says.

The company was supported by Cradle Fund when they first started and have engaged with MAGiC and MDEC later on.

In the short-term, the company is aiming to cover a larger geographical coverage in Malaysia in the coming future, providing the same support to owners, allowing them to rent available empty properties to young people at an affordable rate along with better and more comfortable living experiences.

In the long-term however, LiveIn hopes to expand regionally to other countries in the SEA region.

"Initially, we were planning to look into Indonesia and the Philippines, however due to Covid-19, we have decided to retain our focus on Malaysia for now.

"We also hope to be able to work with more authorities in time to address the macroeconomic issue of meeting young people's living needs in central cities," Khai says.

GOING BEYOND CUSTOMER PROFILING IN E-COMMERCE

BY RACHEL TAN, HEAD OF BUSINESS, OXWHITE

As e-commerce blossoms, a progressive and forward-looking brand needs to understand its competitors and stakeholders to thrive in this landscape. By practising customer analytics, a brand will be able to make better key business decisions and predictive analysis via market segmentation. The information is used for direct marketing, site selection and customer relationship management.

It is a common practice to categorise the customers data based on male and female segments by analysing their preference, consumer habits, shopping frequency and spending power.

Women are often defined as impulsive buyers. They shop on journeys and prefer to browse for what they want. Sensible marketers would spend more time on designing alluring web pages to attract more women visitors. On the other hand, men are identified as utilitarian consumers who shop based on mission. They will do pre-shopping research and are “fast, firm, accurate” while making buying decisions. Therefore, marketers need to make men see their “needs” and subconsciously stimulate their buying decision.

As of June 2021, close to half (48 percent) of

Oxwhite's customers are men, this is contrary to the notion suggesting men dislike online shopping. Not discounting the research showing men usually prefer to shop physically and enjoy the instant gratification of bringing an item home, it is fair to say that this pattern is changing. It is challenging to achieve maximum market benefits, so it is extremely important to understand the major differences between men and women.

According to Oxwhite's data, a male customer's shopping cart size is at least 10 percent larger than a female's, reflecting their objective of completing a mission and needs in a single activity.

The same data also revealed that men's buying frequency is higher by 30 percent than women's, this can be read as how men perceive value and their tendency to stay with it. On the other hand, women enjoy the shopping experience more and are attracted to creative and eye-catching advertisements and aesthetically pleasing web platforms.

Therefore, brands need to play a proactive role in planning a marketing strategy that could satisfy both men and women's needs by:

(1) Consistently feeding the needs of all segments

If a brand wants to meet the buying needs of men and women at the same time, the brand must make consumers eager to meet their needs by creating demand. According to Bain & Company recently published a comprehensive report in 2020 on Southeast Asia Consumers survey, 54 of Southeast Asian respondents have switched their most purchased brand in the last 3 months.

Reliability and value are the top 2 reasons cited for switching brands. 42 percent said they switched due to better pricing, while 34% cited better product quality. In the case of Oxwhite, this is reflected in its core value to provide “premium affordable lifestyle products” to make customers “look good and feel good”.

(2) Customer engagement for better product development

In catering to both men and women, most brands will utilise social media to get their customers to follow their latest news and trend. The engagement is often one-way, and it is difficult to understand customers' voices. Oxwhite has also a strong presence on social media with over 230,000 followers and a close-knit community group with over 25,000 customers via Facebook, receiving feedback and customers' daily needs directly. These continuous engagements can help brands to develop targeted, demand-oriented, and profitable products based on a better understanding of customer

needs. If a brand blindly develops novelty products, it may cause resistance among customers thus making it unsellable. Due to the pandemic situation, brands need to focus on their customers' needs and create value for them to achieve sustainable profits.

(3) Establish trust and brand loyalty

A sustainable brand not only relies on the value of the product, but also requires building trust and brand loyalty. To generate a higher repeat purchase rate, brands need to put more effort on building trust and engaging consistently with customers.

According to Oxwhite's customer database, one of the methods used by Oxwhite to keep the relationship warm apart from engaging with customers daily on social media is to provide them additional value such as affordable price products they can enjoy, and to take into consideration their feedback on product development suggestions and quality.

Additionally, an average of 10 customers will be selected every month as winners of Oxwhite's community giveaway as a token of appreciation alongside a handwritten note by its founder, CK Changr. Recently, in conjunction with its 3rd birthday celebration, Oxwhite also gave away over RM 1 million worth of prizes to its customers. With such interaction, Oxwhite is able to maintain a higher-than-average 58 percent repeat purchase rate.

WHAT ENTREPRENEURS SHOULD KNOW WHEN RAISING FUNDS POST COVID-19

BY AHMAD IZMIR MUJAB

Ahmad Izmir Mujab, Chief Executive Officer of Crewstone International Sdn Bhd, a private equity firm based in Kuala Lumpur Malaysia, shares insights into the inner workings of investment decisions in an effort to bridge this gap to allow entrepreneurs to raise funding more effectively.

Due to the global Covid-19 pandemic, investors have become more selective with their investments now more than ever, and for good reasons. Market volatility, combined with the uncertain economic outlook for most industries, has made it more difficult for most startups and businesses to raise funds for sustenance or growth.

According to investment professionals, the strategy gap between startups and investors has never been so wide. But with the right mindset and approach, startups and businesses will be able to put themselves in the shoes of their investors to secure a much-needed investment in this post Covid-19 era.

INVESTORS ARE NOT YOUR ENEMY

Entrepreneurs need to put themselves in the shoes of their potential investors to be able to structure a win-win deal that benefits both their businesses and the investor. Additionally, founders and business owners should view investors as strategic partners rather than just a source of funds.

Investors are neither interested in taking over your business nor removing you from the company.

But if it comes to that, it becomes a bad investment that reflects poorly on their leadership capabilities while letting their peers and partners down. They want to work with entrepreneurs to realize their returns for the least amount of effort. Being too defensive, especially in times of capital scarcity, will not help.

SPEAK YOUR INVESTOR'S LANGUAGE

Investors hire professionals to scout for the best investment deals. Oftentimes, these professionals are presented with potential deals on a daily basis and have a set of predetermined systems when evaluating potential investments.

Keep in mind that these are not your average business managers, product specialists or marketing gurus. Do not pitch to them as you are pitching to a business owner or entrepreneur.

They understand numbers, and they are able to view and break your business down to examine it based on Internal Rate of Return, Price / Earning Ratio, Hurdle Rate or Weighted Average Cost of Capital, much like an Excel spreadsheet

ASK "WHAT WOULD YOU LIKE TO INVEST IN?", AS OPPOSED TO "WOULD YOU INVEST IN MY BUSINESS?"

Try to understand the type of investments that have provided them with the best returns previously. What

industries do they feel comfortable investing in? What is their risk tolerance? What is their investment mandate? What is their asset under management?

Also consider your own preferred exit strategy with most of your investments. With this heightened level of understanding, adjust your business plans, strategies and returns where possible to match their investment mandates and preferences.

UNDERSTANDING YOUR COMPETITION

Your biggest competition may not always be another similar startup or idea. Business owners need to understand alternative investments that are out there, especially ones that are picking up momentum.

Ask yourself these questions:

1. Will your business provide better returns in the same amount of time versus another hedge fund?
2. Will it be more secure than the bond market, and will it provide the same guarantee as asset backed securities?
3. Are the risks comparable to similar investment in different regions?
4. Why would they invest in you directly as opposed to placing it in a venture capital fund that spreads their risk profile?

TIMING IS EVERYTHING

If you're trying to pitch an idea or a technology that the market is not ready for, the investors will most likely be apprehensive. Ideas and proposals need to be what is 'hot' or being discussed right now among the investors.

If it's too early, you would be perceived as not yet having a market. If you are too late, the market becomes too competitive.

Therefore, it's crucial to be updated on everything under the sun by reading investment forums, analysing investment trends and other potential industries that

investors are eyeing.

PROVE THAT YOU ARE A GOOD INVESTMENT

Before investing more money into a business, investors are typically interested in observing how businesses perform – through the progressive management of already-secured funds. By successfully proving the ability to manage the first batch of disbursement from the investor as planned, the next incremental tranche will follow, and the cycle continues.

Think of it as being hired by a company for an annual salary package. The total amount of one's annual salary is paid on a monthly basis with strict protocols on performance and key indicators. They will be under probation for a number of months until the employer agrees to increase the salary and trust that they are keeping to their end of the bargain.

The same underlying concept is employed when investors commit to a business investment, especially during a pandemic where everything can be deemed as a risk.

INVESTORS INVEST IN PEOPLE

Investors invest in people who drive the company forward with continuous innovation. Entrepreneurs should be more focused on developing their management skills, expertise, market knowledge, sales pitching and other intrinsic factors as opposed to constantly trying to raise an exuberant amount of capital.

In an investment pitch with startups, almost all the weightage is placed on the founders' capabilities, potential and business acumen. The idea, product and plan become secondary.

Think of the pitch as a job interview. If you can't sell yourself, you won't be able to sell your business.

LET'S CELEBRATE THE NEW HEROES OF HIGHER EDUCATION: THE DIGITAL LECTURERS

DIGITALISATION OF UNIVERSITIES

BY GRAEME WILKINSON

Over the past year, owing to the Covid19 pandemic, most universities have been forced to make a major shift in the way they teach their students, moving to online teaching or using a combination of online and face-to-face teaching and learning. The trend towards this was already underway well before Covid19 arose, but the pandemic rapidly increased the pace of the shift towards greater use of online and digital education, making it a core aspect of almost every degree course in the world. Fortunately, digitally savvy students soon adapted to the new way of learning and, in many universities including my own, showed high levels of satisfaction with their new educational experience.

But the main reason this transformation in learning experience happened so well was because of the dedication, adaptability and energy of the real heroes of higher education, namely the lecturing staff. The real success of universities and of their students comes down to the qualities of the academic staff. These individuals

faced up to an enormous challenge at the very beginning of the Covid19 pandemic as they rushed to learn how to teach online and to use a wide range of new software tools to help them do so. They must be applauded for the way they rapidly adapted to the new situation and rose to the challenge; something they continue to do on a daily basis.

It is now quite clear that the delivery of higher education and the role of the university lecturer has changed over the past year in ways that will never be reversed. The long-established view of a university lecturer as a “sage on the stage” spouting wisdom to theatres full of quiet attentive students is now defunct. Instead, the new university lecturer has become a master of technical wizardry, a screen performer, and a “curator” of worldwide digital resources. In the old days (i.e. just over one year ago!), academics were still largely conducting their classes in physical classrooms and lecture theatres in front of live audiences presenting topics and engaging in discussions and dialogues with

their students face-to-face. They might move around the stage, perhaps asking the audience to debate questions and think critically about topics in the historical Socratic manner of educational discourse, and use the physicality of their hands and arms to point to people, blackboards, whiteboards and projector screens. They became used to being stage performers leading their students in group learning exercises. But as teaching shifted online the physical presence disappeared and instead of being the person up at the front on a stage, lecturers have become a small window on an electronic screen, and usually occupying the same screen area as each of their students. Digitalisation is incredibly levelling.

Whilst essentially the same topics or content may be taught, teaching from a screen is very different from teaching face-to-face in a room as most educators have rapidly come to realise. Making this shift is as radical as expecting a theatre actor suddenly to become a film actor. Some actors make the transition from stage to screen very easily; others do not. The skills of presenting convincingly to camera are very different from presenting to a live physical audience face-to-face in a theatre. The same applies in academia. Someone who has “presence” and exudes charisma when seen physically full-size in person may simply not impress when reduced to a tiny screen. For most of us it's the combination of physical characteristics, such as how we move and how we speak, that define us. But online much of that is lost as movement is often impossible, and

making a strong and enduring impression on students and ensuring full engagement in the learning process can become much more of a challenge.

Fortunately, some of the latest educational technologies now allow lecturers to physically perform in lecture spaces and be live-streamed on the web as they interact with combined physical and virtual audiences, but it takes a considerable adjustment to work the technology, perform, teach and address multiple audiences all at the same time. These days university lecturers need to develop their skills as screen performers just as much as they need to develop their expert knowledge as teachers and researchers. No one expects Hollywood actors to carry off Oscar winning performances on screen, master sophisticated technologies, convey complex subjects to future professionals, as well as do world beating fundamental research all in one job. But that's more or less what we expect of the contemporary university lecturer. I am very proud of the academics in my university for pulling off this incredible feat. Hats off to them all!

Professor Graeme Wilkinson is the Vice-Chancellor of Sunway University. He is a graduate of Imperial College London and Oxford University. His most recent book, “Managing Effectively in Academia”, is a handbook of good practice for academic leaders and managers in higher education.

REDUCE & REPURPOSE: MINIMISING THE IT CARBON IMPACT

BY POOVENRAJ KANAGARAJ



According to McKinsey & Co, in 2020, more than 4,500 companies worldwide self-reported their greenhouse-gas (GHG) emissions for public disclosure and about 40 percent of those companies have committed to specific emissions targets as part of their strategic and financial plans.

As consumers increasingly clamour for eco-friendly products and responsible corporate behaviours and with more investors embrace capital-allocation strategies that take ESG principles into account, the corporate world is making sure to take these factors into their long-term planning.

Closer to home, oil and gas companies, Petronas and Shell Malaysia have integrated strategies to lower their carbon emission production.

Petronas announced its aspiration to achieve Net Zero Carbon Emissions by 2050 as part of its holistic approach to sustainability that balances ESG considerations.

Petronas President and Group Chief Executive Officer, Tengku Muhammad Taufik said, "As the world contends with the many challenges brought about by energy transition, Petronas is embracing its role in providing access to affordable, secure and sustainable energy to businesses and society. The Group is committed to fulfill its purpose in providing cleaner energy and solutions

that benefit both the world we live in as well as the customers we serve through reduced emissions."

Shell Malaysia on the other hand recently introduced the first petrol station in the country to be awarded the Provisional Gold Standard by Green Building Index (GBI).

In January, Shell reached another milestone in its journey to lower carbon emissions in its mobility operations by the installation of solar panels at 100 of its petrol stations in Malaysia.

GETTING THEIR FIRST START

"On a macro level I believe awareness is building. Of late there has been much coverage on the impact of global warming both in the local and international press, but I think much more awareness is needed on how companies and enterprises could minimise this," says Leanne Ooi, Founder and Chief Executive Officer of Rentwise.

Leanne urges companies to look at their own operations first as many do not realise that it is more than just swapping out brand new computers with refurbished ones.

"The entire IT infrastructure often needs an overhaul to most effectively slash their carbon footprint in a

sustainable and responsible manner. We have been educating companies we work with and through our outreach programmes, how businesses could minimise their IT carbon impact," she tells BusinessToday.

Rentwise does so by advocating the act of reducing and repurposing. Leanne points out that heavy users of technology make up a small percentage with most users requiring a good enough machine that is able to run their application suites without being overkill.

This is where a remanufactured machine will do the job at no compromise to quality or efficiency.

According to Leanne, laptops and desktops generally contribute 350kg and 650kg of carbon respectively from the start of production to the end of use with 75 to 80 percent of the impact coming from the production stage itself.

"Imagine this, 15 laptops' carbon footprint is equivalent to that of a mid-size car, less so for desktops which is a much bigger device. This tells us how much carbon footprint remanufacturing can help minimise as the majority of the device remains intact with upgrades and improvements done instead.

"In fact, we are able to get a third cycle out of a machine, in which these machines are repurposed for education so companies that work with us will be able to ensure their business requirements for IT are managed

in a circular manner," she says.

While current efforts are proving to be fruitful to an extent, it is not without its challenges.

The current regulatory framework has been rather unsupportive for businesses like Rentwise and the mindset that new is always better prevails in some cases.

"We are optimistic this will change over time, and we are working very hard to build awareness amongst the government agencies we are in touch with, on how technology can be repurposed and used to solve the massive shortage of IT devices in schools for example," she says.

She also urges for the general view that retired machines should be sent for recycling rather than repurposing to change quickly.

"In the last few years and in the years to come, businesses like ours have and are going to be a lot more important to sustaining economic growth. We cannot continue linear business models without dire consequences to the environment and with growing cause for concern, we are confident we will see more stakeholders join hands in achieving a common goal," Leanne concludes.

INVESTORS SHOULD NEVER FORGET CRUDE OIL

BY PETER LUNDGREEN IS THE FOUNDING CEO OF LUNDGREEN'S CAPITAL

Should crude oil rise to \$90 per barrel by the end of 2022, then it will be noticeable in several economies around the world. If the potential price increase will happen in a steady trend, the drama decreases somehow, and this surely is a possible scenario. Almost all developments in the financial markets that put pressure on economies typically do not appear in neat, smooth movements.

With the current expectations about supply and demand for oil, the risk is more of a jump in oil prices. Such price jumps can cause turbulence in the financial markets in general, and I expect this to be an additional reason why volatility in all financial markets will increase during the next 12 months.

The most important counterweight to such unfortunate developments in the short term is to increase the oil production, which has traditionally

been the result after drastic increases in the oil prices – although even higher production does not change the belief in an oil price that rises above \$100 per barrel, at least if one listens to several of the top people in the oil market.

I estimate that the biggest effect will be felt in the Emerging Markets countries next year, when these economies can move forward and further away from the Covid-19 crisis. The rising economic activity will result in increased demand for crude oil, which is likely to happen in an oil market where prices are already rising due to a general higher global demand.

I can only imagine that it will either prolong the current higher inflation in Emerging Markets countries or push inflation up even higher. This is not good news for Emerging Markets countries, especially for low-income households.



9 to 12 months ago, I had expected that by the middle of 2021 (practically now), it would be time to increase the allocation to Emerging Markets bonds. I am still less worried about the current jump in inflation, however, if this is replaced by higher inflation over a longer period, then this immediately speaks in favour of postponing a further allocation to Emerging Markets bonds. This is my position right now, which I will challenge during the next 1½ months.

China is the world's second-largest oil-consuming country, but only has a production corresponding to five pct. of the world's total oil production. The country is a net importer of approximately 9 pct. of total world production. Naturally, an oil price increase to \$90 per barrel will cause another jump in China's inflation rate, though it does not give me sleepless nights.

But the country's central bank PBoC (People's Bank of China), has tightened monetary policy since the beginning of this year to return to the same level as before the Covid-19 crisis. Should the oil price generate a continued inflationary pressure, then there is a risk that PBoC will continue with the tightening. Equity investors in China will obviously not be happy about that development, so it may dampen the desire to buy more stocks, primarily in 2022.

India is hit by almost every possible negative development, currently by the Covid-19 crisis, but even before this crisis, the Indian economy was seriously under pressure. India imports as much as five pct. of the global crude oil production as well as other distillates, which means that the country's trade balance suffers every time the oil price rises.

Right now, it looks like when the crisis is fairly under control in India, the country probably will have to struggle with an unpleasant high oil price, so I do not see any rosy road ahead of the Indian economy for the next 18 months.

Of course, it is not only in the Emerging Market economies where an oil price of 90 to 100 dollars will be noticeable. It is highly likely to bring back the inflation discussion among investors, and perhaps former US Treasury Secretary Lawrence Summers is right in his assumption about an extended period of high inflation.

That risk does not make me worry about the strong economies yet, but I am prepared for more volatility in the financial markets and a recurring nervousness among some investors.

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JEWEL IN CHERATING

ROYALE CHULAN CHERATING IS NO ORDINARY FIVE-STAR HOTEL



Guests can expect a heavenly getaway like no other with the luxurious Villas and Premier Suites alongside pristine facilities such as dining, infinity pools, water sport facilities, gym, spa and meeting facilities. It has rapidly becoming one of the hottest destinations for travelers, nature-lovers and water-sport enthusiasts.

Located in a resort town on the east coast of Malaysia, Cherating is home to some of Malaysia's most picturesque seascapes, a perfect getaway for soul searching singles, lovebirds and family gathering. Cherating is the destination that could overwhelm one's senses. The air is heavy with the scent of warm sea breeze, the food richly spiced with authentic Malaysian delicacies and the landscape one of utter beauty; fronting the South China Sea, a sublime stretch of white sandy beach, the radiant green rice paddies and forests of swaying coconut palm trees are utterly bewitching. For many people, Cherating can be summed up as the nirvana for beach lovers.

Filled with sun-drenched fun, the resort is also known to be the surfer's haven where one could easily guess just by looking at the waves which break long and smooth over the beach. The surf here is appropriate for both beginners and veteran surfers. Making the most out of

the clear skies and temperate days, guests could also opt for a leisurely paddle boarding and kayaking as well as a high-speed tour on a jet-ski.

Notably, the resort is home to many outdoor activities, wildlife sanctuaries and cultural attractions. A trip to Cherating is not complete without taking a boat ride down Cherating River where one can go deeper into the beautiful mangroves and to experience the "light show". When dusk slips to darkness, thousands of fireflies pulse for hours, together in perfect harmony. It's as if the trees are strung with blinking Christmas lights. For those who are interested in wildlife conservation, head down to Chendor Turtle Sanctuary to witness an ancient lifecycle as majestic sea turtles make their journey to the shore to lay eggs between April and August. Not only volunteers can support the local community, protect the sea turtles and help with the conservation efforts of the beach, but also gain education on sustainable egg protection programs. Besides, gain hands-on experience learning the craft of Batik making at Limbong Art where visitors can make their own imaginative patterns and designs on a handkerchief or sarong. It is certainly not your average vacation souvenir.



For more information, visit www.royalechulan.com.

SOMETHING SPECIAL FOR THAT SPECIAL LADY

You don't need a reason to celebrate the queen of your heart, but Mother's Day sure is a special day for Mums. In the honour of Mother's Day, we have specially prepared a line-up of dining deals for you to celebrate with the special woman in your life. Come and create sweet moments together at Hilton by indulging in these yummy delights.



Oro Cafe, Hilton Kuala Lumpur – Mother's Day Cake

Craft this mother's day to be a memorable one for that remarkable lady in your life. If spending a lovely afternoon, sipping on the beverage of your choice, and indulging in sweet treats is your tradition with Mum, then Oro Cafe's exquisitely curated rose-hued sweet treat, The Raspberry Rose Chiffon cake is a must-have! Fluffy chiffon cake layered with white chocolate mousse and raspberry rose confiture, it's surely a gift that Mums would approve.



Makan Kitchen, DoubleTree Resort by Hilton Penang – Mother's Day High Tea Buffet

Come hungry and indulge in bottomless servings of Malaysian and international delights, including seafood on ice, Kam Heong squids, Nyonya prawns, grilled meats, pizzas, desserts and many more. Don't forget to try the chefs' signature dishes too - Chef Shahrul's vegetarian Aglio Olio with olives and nuts, Chef Hasuat's spices selection and Chef Fu Wuey's pink chocolate fountain with fresh fruits and condiments. Remember to come in matching outfits with your mum to stand a chance at winning special prizes!



Toh Yuen, Hilton Kuching – Mother's Day 7-Course Set Lunch & Dinner

Satiate your queen's palate at Toh Yuen, as the team whips up a gastronomic 7-course set meal. The menu includes mouth-watering eats like double-boiled prawn dumplings, steamed golden pomfret, Toh Yuen's signature butter prawns, braised New Zealand lamb ribs and more. Finally, cap off the meal with complimentary Mother's Day cupcakes.

A DAY IN SELANGOR, LET'S VISIT HULU LANGAT!

Hulu Langat is a district that is also known by the phrase “a village in the city” simply because there are many villages in the district that are well-populated, despite being surrounded by a rapid development. Hulu Langat is the fifth-largest district in the State of Selangor. It is rich in natural settings as well as a destination with a vibrant splash of culture. The following is a proposed 1-day itinerary in Hulu Langat which you can consider getting on to after Movement Control Order (MCO) ends!

1) BREAKFAST AT LONTONG KING

Kick-start the day by enjoying breakfast at one of the famous eateries in Hulu Langat; Lontong King. Located in Taman Sri Nanding, it is often-visited by nearby residents. The food options are merry; just what it is like being offered with a buffet spread at the hotel. Order for yourself their famous authentic Lontong with various selection of Lontongs such as Lontong Special, Lontong Biasa and Lontong Goreng - a freshly made Lontong, of course! The dining place also serves western cuisine for breakfast, shall you want a varied menu on your table.



2) KAYAKING ACTIVITY AT SEMENYIH ECO VENTURE RESORT & RECREATION

Next, you definitely do not want to miss out on the opportunity to paddle through Semenyih Eco Venture Resort & Recreation down to the river with extraordinary scenery of the surrounding nature. It is an activity that is surely exciting for your friends and you. Worry-less, as you will be provided with safety equipment and briefing prior to the activity.

3) LUNCH AT ITIK SALAI MASTHAR

If you are someone who loves smoked meat, be sure to stop by at Itik Salai Masthar to enjoy a selection of mouth-watering smoked meat. The first thing you need to order is their famous smoked duck! Besides that, the restaurant also serves their signature “gulai masak lemak” menu with rice and super spicy “sambal” as sides. It is a great restaurant serving authentic local food which is definitely worth a try!



4) EXPERIENCE INTENSE OUTDOOR ACTIVITIES AT SKYTREX SG. CHONGKAK

Skytrex Sg Chongkak offers thrilling flying fox experience with the longest zipline in Malaysia. With 110 metres long, wait no more for the surge of adrenaline you crave for, and “fly” amidst the greens. Skytrex Sg Chongkak offers 3 packages with different level of difficulty; River Thrill, Rapid Extreme and Double Dare, on which each of these packages features 25 different obstacles. So, you can choose which package that suits your needs and courage!

5) VISIT THE OSTRICH WONDERLAND SEMENYIH

Located around 15-minutes’ drive from the Semenyih Town, this place is perfect for a family visit. Started operating in 2000, this attraction allows you to watch freely-roaming ostriches in a large pen and you will also get to know the growing process of ostriches in different ages and sizes. Not only that, there are also hens, roosters and peacocks here at Ostrich Wonderland Semenyih. Experience feeding these animals and ride the ostrich if you dare enough. It is definitely an interesting destination to visit in Hulu Langat!



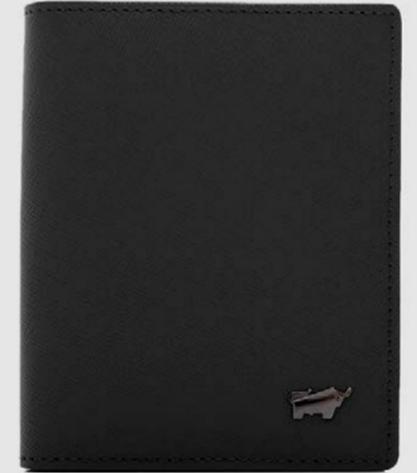
6) DINNER AT SATE KAJANG HJ. SAMURI

Do not forget to stop by and enjoy Hulu Langat’s signature dish; Sate Kajang. Enjoying Sate Kajang is definitely the best way to end the one-day trip. The popularity of Sate Kajang Hj. Samuri is undeniable, it serves tasty Sate Kajang especially when you eat them with the Peanut Sauce and “Nasi Impit”. You may choose either Chicken, Beef and Lamb sates; among other menus! Every meal served here is delicious and definitely a must-try.



STARTING ANEW

In an extraordinary time where the interconnected nature of the world had become more evident than ever; where society had been levelled from a sobering health crisis that has gripped the global community, it is impossible to work in a manner that was previously deemed essential and to proceed with an attitude that mankind is not vulnerable.



As part of Braun Büffel's latest collection, called "Back to the Origin," Creative Director Fabio Panzeri takes a step back, stripping away layers that the industry had fervently abided to like a religion to start anew. This collection sees what would originally have been the Autumn/Winter 2020 and Spring/Summer 2021 line-ups brought together as an extended season, combined with a clear vision to start again in a new world.



MASERATI TIPO 61: THE 60TH ANNIVERSARY OF ITS TRIUMPH AT THE NÜRBURGRING

BY POOVENRAJ KANAGARAJ

On 28th May, Maserati celebrates a significant anniversary; exactly 60 years ago, the Tipo 61 achieved an amazing victory at the seventh edition of the Nürburgring 1,000 kilometres, the great endurance classic held at the Nordschleife in Germany which reached the height of its splendour and popularity in those very years.

With this success, the Maserati Tipo 61 driven by Masten Gregory and Lloyd Casner recorded a memorable double, winning again just one year after the victory achieved in 1960, with Stirling Moss at the wheel alongside Dan Gurney.

The cars were customised with white and blue paintwork, the colours which inspired the Maserati MC12 Stradale, as a tribute to these victories. This supercar, which dominated the early 2000s, recently handed over the torch to the new MC20, renewing the racing spirit that has always been integral to Maserati's DNA, and which is preparing the way for the Trident's motorsports comeback.

The Tipo 61 was the best known of the series of five models designed by Giulio Alfieri, nicknamed "Birdcage" for its unusual chassis, an intricate structure containing about 200 tubes, combined in a complex assembly that resembled a birdcage. This construction method provided a more rigid chassis that was also

lighter than the other racing cars of the time, making this two-seater barchetta the ultimate and best solution for front-engined, rear-wheel drive racers.

Maserati began building the Tipo 60 in March 1959, but by November of the same year it was already being transformed into the Tipo 61, to comply with the technical regulations required to compete in the Le Mans 24 Hours.

The displacement of the four-cylinder engine was modified to 2,900 cc, while its power output became 250 hp at 7,000 rpm. Otherwise, the car retained the layout and solutions already adopted for the Tipo 60. Moreover, its weight increased from 570 to 600 kg and its top speed from 270 to 285 km/h.

In spite of its massive power output, fuel consumption was still fairly low, and this was vital in endurance races, where the Tipo 61 was able to reduce the number of refuelling stops.

In just three years of production, from 1959 to 1961, the Tipo 60 and the Tipo 61 reigned supreme on the international racing scene, with power and speed that led to a series of extraordinary wins, continuing the victorious tradition of Maserati which now, at the start of its new Era, is once again planning a future in motorsports, under the banner of the MC20.

Key technical features of the Tipo 60 – Tipo 61:

Engine: vertical straight four

Displacement: 1,990 cc – 2,890 cc

Power output: 200 – 250 hp

Gearbox: Mechanical five speed + reverse en-bloc with the differential casing

Chassis: birdcage

Weight: 570 kg – 600 kg

Top speed: 270 km/h – 285 km/h



If cars were supermodels strutting the catwalks, the designers would be very proud with the new 530e, and 530i M Sport series BMW Malaysia just launched. Just like the elegant models, the new car variants assuagingly encapsulate the gorgeous outer body shell- silhouettes curves and all, over the engineering masterpiece that would make any engineer proud.

What's sets BMW apart from any other luxury vehicles is the well thought of design concepts that perfectly combines performance and beauty in a single stroke. By the visual appearance of the new 5 Series, a keen observer will be able to expect what could possibly lie under the hood or the interior without getting closer. Hans de Visser, Managing Director of BMW Group Malaysia calls the New BMW 5 Series the 'Luxury of

Choice' a car that offers remarkable driving dynamics and stylishly sleek in appearance, perhaps that is why they were awarded the "Car of the Year" award by 'Auto, Motor und Sport' Magazine and 'What Car?' Magazine in year 2020.

The locally assembled BMW 5 Series arrives in both the plug-in hybrid and petrol, complete with M Aerodynamics package and fitted with larger kidney grilles and slimmer headlights for that distinctive look. Front and rear bumpers are redesigned with larger air intakes, alongside new LED taillight elements in the signature BMW L-shape. Completing the look, BMW added new 19-inch rims, M Sport brake with blue-painted M Sport brake callipers with M designation and double-sided exhaust tailpipe finishers with a trapezoidal design.



SUPERMODEL ON WHEELS

Malaysia's Trade Performance January-April 2021*

Trade Performance Continued to Grow at a Robust Pace for January to April 2021

Malaysia's trade sustained a remarkable growth for the period of January to April 2021, registering a double-digit increase in exports, imports and trade. Exports of almost all products and to all major markets posted expansion.

TOTAL TRADE

RM696.46 bil
(↑21.4%)

EXPORTS

RM387.81 bil
(↑27.8%)

69.9%
of
exports

-  **ASEAN**
RM109.25 bil
(↑22.8%)
-  **China**
RM57.44 bil
(↑34.0%)
-  **USA**
RM44.77 bil
(↑52.8%)
-  **EU**
RM34.45 bil
(↑35.5%)
-  **Japan**
RM25.16 bil
(↑14.8%)

61.4%
of
exports

-  **E&E Products**
RM143.96 bil
(↑30.5%)
-  **Rubber Products**
RM27.89 bil
(↑198.8%)
-  **Petroleum Products**
RM25.91 bil
(↑4.6%)
-  **Chemical Products**
RM21.63 bil
(↑25.5%)
-  **Palm Oil Agriculture**
RM18.68 bil
(↑30.8%)

IMPORTS

RM308.65 bil
(↑14.3%)

69.2%
of
imports

-  **ASEAN**
RM72.38 bil
(↑28.0%)
-  **China**
RM70.71 bil
(↑31.3%)
-  **Japan**
RM24.93 bil
(↑24.7%)
-  **USA**
RM22.74 bil
(↓2.9%)
-  **EU**
RM22.53 bil
(↑13.4%)

61.5%
of
imports

-  **E&E Products**
RM93.84 bil
(↑21.9%)
-  **Chemical Products**
RM29.57 bil
(↑18.4%)
-  **Petroleum Products**
RM26.58 bil
(↑7.8%)
-  **Machinery, Equipment & Parts**
RM21.56 bil
(↑16.1%)
-  **Manufactures of Metal**
RM18.12 bil
(↑22.9%)

*% Growth in
January-April 2021
compared to
January-April 2020

Source: DOSM



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MAJOR PRODUCTS

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