



BERITA ROTARY

SME and Micro Financing in Malaysia (Speaker: Mr Thomas Tan)

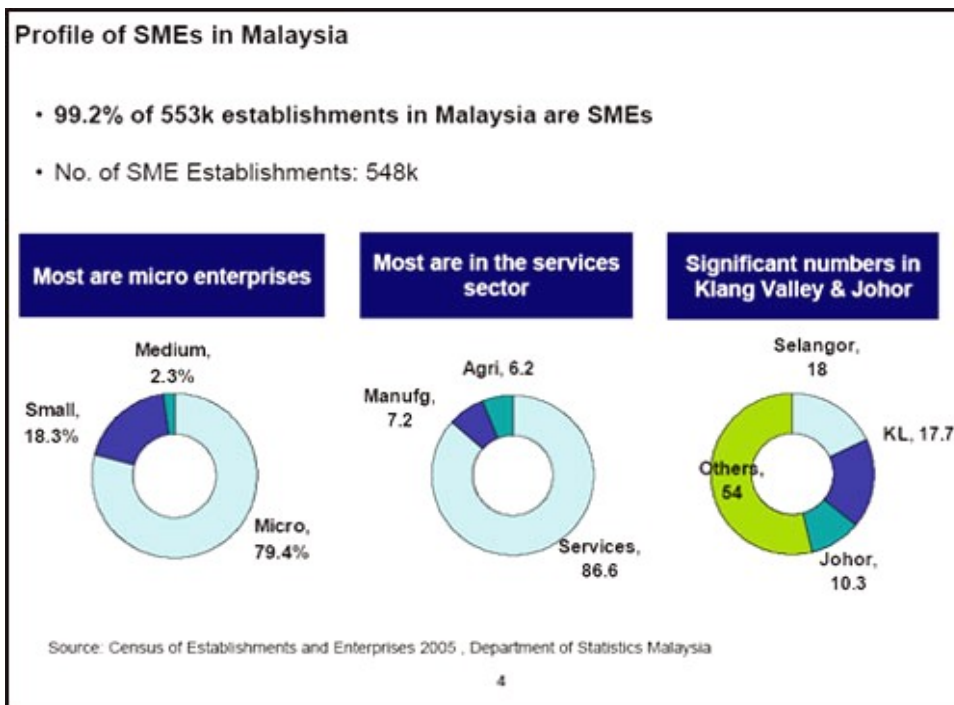
It was a 'home coming' of sort for our speaker last week. After all he had been the Community Service Director and President, respectively, of 'our' Rotaract Club of Kuala Lumpur some years back. Since then he has moved up in the corporate world and today he is Deputy Director of the Development Finance and Enterprise Department, Bank Negara Malaysia.

As an introduction he presented a slide depicting the definition of small and medium enterprises in the Malaysian context. No big surprise here. But the following slide was a bit of an eye opener showing that 99.2% of the 553,000 local enterprises are considered SMEs and some 79.4% are micro enterprises.

For their financing needs the SMEs

rely mainly on the banking institutions who account for RM 119 billion outstanding financing. In the current difficult environment SMEs continue to have access to financing albeit at a substantially reduced volume compared to previous years. Total financing applications in 2009 were RM 104 billion with some RM 45 billion being approved. The service industry accounted for the bulk of the applications, 52% followed by manufacturing (24%) and construction (13%).

Interestingly, Malaysia has a high ranking in terms of financing access. It has been first in the world for the past three years for 'getting credit'; no. 5 out of 72 countries in terms of 'loans accounts per 1000 adults'; and no. 13 (up from 15) out of 133



In This Issue

- 2. Announcements / Diary
- 3. Weekly Proceedings
- 5. RI News / Picture Gallery
- 6. RI News

(Continued on page 4)

ROYAL PATRON
Duli Yang Maha Mulia
Sultan Selangor Darul Ehsan

YEAR 2009 - 2010 President
Dato' Rizal Sardon, PHF
Tel: 012 - 297 8197
tai_loh@yahoo.com

President-Elect
Andy Khoo, PHF
Tel: 012 - 226 4646
aakhoo@yahoo.com

Vice President
Mohd Nor Halim
Tel: 012 - 383 3755
rtnhalim@yahoo.com

Honorary Treasurer
Richard Barrett
Tel: 016 - 910 4763
barlow168@hotmail.com

Honorary Secretary
Mohd Ridza Abdullah, PHF
Tel: 012 - 217 9917
ridza@ridzalaw.com.my

Immediate Past President
Francis Chan, PHF
Tel: 012 - 212 8182
francischan1628@gmail.com

Club Administration
Horst H Wippem, PHF
Tel: 012 - 339 9487
hwippem@hotmail.com

Club Service Projects
Hardeep Singh, PHF
Tel: 016 - 368 2633
hardeep@gmail.com

Membership
Datuk Adenan Mohd Zain
Tel: 019-353 6118
adenan@gamatemas.com.my

The Rotary Foundation
Gerald Lee
Tel: 012-320 7540
gerald.m.lee@gmail.com

Club Public Relations
Andy Khoo, PHF
Tel: 016-226 4646
aakhoo@yahoo.com

Special Projects / Function
Wong Cham Mew
Tel: 019 - 333 3766
wmcpa@tm.net.my

Editorial Team
Horst H, Wippem, PHF
Tel: 012 - 393 9487
hwippem@hotmail.com

Gerald Lee
Tel: 012 - 320 7540
gerald.m.lee@gmail.com

Louis Cheah, PHF
Tel: 03 - 7803 0410
lcbp@streamyx.com



BERITA ROTARY

ANNOUNCEMENTS / DIARY

COMMITTEE

ANNOUNCEMENTS

MEMBERSHIP

COMMITTEE

Meeting every 2nd Wednesday of the month

CLUB ADMINISTRATION

COMMITTEE

Meeting every 1st Wednesday of the month (immediately after luncheon meeting)

SERVICE PROJECTS

COMMITTEE

Meeting every 3rd and 4th Wednesday of the month (immediately after club meeting)

CLUB

ANNOUNCEMENTS

83rd Installation Banquet

Date: 20 June 2010

Venue: Shangri-La Hotel

Programme: To be advised
Watch this space for further details

Chinese New Year

Fellowship

Date: 23.02.2010

Time: 19.00 hrs (7:00 pm)

Venue: Maju Palace Restaurant, Maju Junction
Event hosted by Chinese members of RCKL DiRaja

Wednesday Speakers / Events Diary

10.02.

Ms Chan Su An - Pres.
Interact Club of Convent Bukit Nanas
(Report on Interact Conference / Joint Project with RCC Kpg Sungei Lui)

17.02.

Meeting cancelled
(Chinese New Year)

24.02.

Mr Katsuoko Matsumoto
(Japan Int. Cooperation Agency in Malaysia)

DISTRICT

ANNOUNCEMENTS

District Assembly

The 76th District Assembly will be held as follows:

Date:

16-18 April 2010

Venue:

Sunway Resort Hotel & Spa, Selangor

Host Club:

RC Bandar Sunway

Partner Clubs:

RCs Port Klang, Kelana Jaya, USJ, Central Damansara, Damansara West, and Puchong

PROGRAMME

HIGHLIGHTS

16 April:

Bowling, Registration, PETS/SETS/TETS, Fellowship Dinner

17 April:

Opening Ceremony, Plenary Sessions, Workshops, Spouses' Programme and Governor's Banquet

18 April:

Plenary Sessions, Closing Ceremony and Farewell Lunch

Register online or via Hon. Secretary Mohd Ridza Abdullah



BERITA ROTARY WEEKLY PROCEEDINGS

03 February 2010

ATTENDANCE / ON DUTY

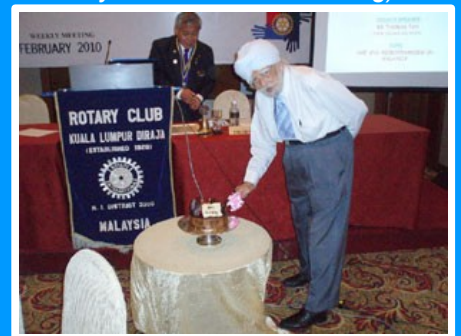
- RCKL Rotarians: 38
- RCKL Rotarian Make Ups: 2
- Convener: Rtn Lim Che Wan
- Sergeant-At-Arms: PP Attan Akmar
- Nat. Anthem & Loyal Toast: Rtn Abdul Razak
- Soeaker: Mr Thomas Tan (Bank Negara Malaysia)
- Events: SME and Microfinancing in Malaysia
- Introduction: Rtn Ramesh Pillai
- Closing Remarks: PP Mohd Hanif



Convener Lim Che Wan back at his post



A full programme for Rtn Abdul Razak (Negaraku, Loyal Toast and Club Song)



Happy Birthday, PP G. S. Gill



PE Andy Khoo making his announcements

VISITING ROTARIANS AND GUESTS

Rotarians

--

BIRTHDAYS/WEDDING ANNIVERSARIES

Birthdays

12.02. - Rtn Alex Song

Wedding Anniversaries

17.02. - Rtn Garran McPhee

Invited Guests

Mr Thomas Tan (Speaker) - guest of the club
Mdm Chong Sui Wei (RtyAnn of Ramesh Pillai)



BERITA ROTARY

(Continued from Page 1)



countries in terms of 'ease of access to loans'.

Comprehensive initiatives are in place to ensure continued access to SME financing and facilitate restructuring. The recent stimulus package introduced by the Government includes several guarantee schemes covering SME assistance and modernisation facilities, SME assistance guarantee, working capital guarantee and industry restructuring financing guarantee schemes.

The Credit Guarantee Corporation is now being transformed to play a greater role in enhancing access to SME financing. Since its establishment in 1972 by Bank Negara and commercial banks, it has assisted some 400,000 SMEs with inadequate collateral to obtain financing amounting to more than RM 44 billion in total. Its SME Credit Bureau which started operation in July 2008 has a one-stop central database of credit-related information on SMEs. So far some 23,000

SMEs have registered as members of this service.

In July 2009 the Green Technology Financing Scheme was launched and in October of the same year a RM 1.5 billion green technology financing scheme was announced by the Prime Minister. Its objective is to promote investments in green technology. The Government will guarantee 60% of financing and it will bear 2% of the financing cost. The participating financial institutions include all commercial and Islamic banks and 6 development financial institutions.

Bank Negara provides financial advisory services via its BNMLINK and BNMTELELINK as an integrated contact centre. Advisory service is also available through the SMEInfo Portal.

A 2005 census by the Department of Statistics showed that there was an opportunity for the formal financial system to serve the more than 430,000 micro enterprises of which only 13% indicated that financial institutions were their main source of financing. Interestingly 32% used their own, 24% their friends' or families' and 31% 'others' money for their financing needs.

In 2006 the National SME Development Council approved a comprehensive sustainable microfinance institutional

(Continued on page 5)

Who is Thomas Tan?



- BSc Economics and Accounting, University of Bristol (UK)
- MBA, INSEAD France
- Chartered Financial Analyst
- Bank Negara Malaysia Scholar
- Began his career with Bank Negara Malaysia (BNM) as an economist in 1995
- Previously Deputy Head of Monetary Policy Committee Secretariat
- Currently Deputy Director of Development Finance and Enterprise Department BNM
- Formerly Community Service Director and President of Rotaract Club of Kuala Lumpur



BERITA ROTARY

RI NEWS / PICTURE GALLERY

(Continued from Page 4)

framework which leverages on the existing infrastructure of the banking institutions and cooperatives to provide financing of up to RM 50,000 for business purposes to micro enterprises under an easy, fast and convenient concept with no requirement for collateral, minimum of documentation, simple application procedures and fast approval and disbursement.

The BNM-driven initiative Pembiayaan Mikro has taken steps to encourage financial institutions to provide micro finance, design the right product to meet the needs of the micro

enterprises and create widespread awareness on the availability and benefits of micro finance. A new logo was created, advertising and mailing campaigns were undertaken, newspaper write-ups published.



Certificate of appreciation presented by PP Mohd Hanif



Singing of the Negaraku



Welcome back, PP Hanif

RI launches new Electronic Publication (By Jennifer Lee Atkin – Rotary International News)



specifically for club and district officers.

The preview issue of Rotary Leader was unveiled at the International Assembly on 22 January by General Secretary Ed Futa. The publication will officially launch with its April 2010 edition.

“About a year ago, we surveyed the readers of *Rotary World*, our quarterly newsletter for club presidents and district governors,” explained Futa during the eighth plenary session. “We got a variety of responses, but in general, readers wanted more focus on the issues and challenges they

To better meet the needs of Rotary’s club and district leaders, RI is replacing the Rotary World newsletter with *Rotary Leader*, an electronic publication featuring practical information about everyday tasks,

(Continued on page 6)



Rtn Ramesh Pillai introducing the speaker



Convener Rtn Che Wan listening carefully



BERITA ROTARY

RI NEWS

(Continued from Page 5)

face every day in running a club or district. They also said they wanted less paper coming from RI. "In response to those two overriding themes, we created Rotary Leader, a digital newsletter for all Rotarians serving in leadership roles," Futa said.

Articles in *Rotary Leader* will focus on solutions: How do you keep new members? How can you convince everyone in your district to give to The Rotary Foundation? How do you get your club or district featured in the local newspaper? Subscribers will also be encouraged to submit questions for the Ask the Expert column, and they'll be able to link easily to key Rotary news stories and announcements to stay up-to-date on the latest information from RI.

Current Rotary club presidents and district governors will automatically receive *Rotary Leader*, but any Rotarian may subscribe to this free publication. All club and district leaders, including club secretaries, assistant governors, and district committee chairs, are encouraged to read *Rotary*

Leader, as are Rotarians who are considering a leadership position.

"Without the restrictions of printing and international mailing costs, we hope to reach many more Rotarians with *Rotary Leader* than we could with *Rotary World*," Futa said.

The electronic interface of *Rotary Leader* gives readers the choice of flipping through the publication one page at a time or clicking on links to go directly to an article that interests them. Subscribers will be able to share articles via e-mail, crop stories and photos to save digitally, and print pages for future reference. Where relevant and appropriate, articles will be accompanied by videos, audio recordings, and photo slideshows.

Like *Rotary World*, *Rotary Leader* will be published in nine languages: English, French, German, Italian, Japanese, Korean, Portuguese, Spanish, and Swedish. Beginning in the 2010-11 Rotary year, *Rotary Leader* will be published every two months rather than quarterly.



The Object of Rotary

The Object of Rotary is to encourage and foster the ideal of service as a basis of worthy enterprise and, in particular, to encourage and foster:

FIRST. The development of acquaintance as an opportunity for service;

SECOND. High ethical standards in business and professions, the recognition of the worthiness of all useful occupations, and the dignifying of each Rotarian's occupation as an opportunity to serve society;

THIRD. The application of the ideal of service in each Rotarian's personal, business, and community life;

FOURTH. The advancement of international understanding, goodwill, and peace through a world fellowship of business and professional persons united in the ideal of service.

The Four-Way Test

Of the things we think, say or do:

- 1) Is it the TRUTH?
- 2) Is it FAIR to all concerned?
- 3) Will it build GOODWILL and BETTER FRIENDSHIPS?
- 4) Will it be BENEFICIAL to all concerned?