


ANNUAL REPORT 2018

MALAYSIAN PLASTICS MANUFACTURERS ASSOCIATION

www.mpma.org.my

# CONTENTS


02 Notice of Annual General Meeting

03 Corporate Information

05 President's Review

11 List of Committees: 2016 – 2018

19 Report of the Central Committee (From June 2017 to May 2018)

19 Membership of the Association

21 Financial Review

21 Human Resource Development

26 Standards Development

29 Sustainability

35 Government and Industry

38 International Liaison

41 Raw Materials

42 Process Group

43 Report from Branches

51 Plastics Eagle-MPMA

52 MPMA's Presidents

53 Financial Statements

# NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the **51st Annual General Meeting** of the **Malaysian Plastics Manufacturers Association** will be held at **10.00 am** on **Saturday, 30 June 2018 at the MPMA Conference Hall, MPMA Head Office, 37 Jalan 20/14, Paramount Garden, 46300 Petaling Jaya, Selangor.**

## AGENDA

1. To confirm the minutes of the last Annual General Meeting held on 4 May 2017.

2. To consider and adopt the Annual Report for the period June 2017 to May 2018.

3. To consider and adopt the audited accounts of the Association for the year 2017.

4. To appoint an external auditor.

5. To review the progress of the following activities:
   i) Human Resource Development
   ii) Standards Development
   iii) Sustainability
   iv) Government and Industry
   v) International Liaison

6. To receive reports from MPMA Branches:
   i) Johor Branch
   ii) Northern Branch
   iii) Perak Branch
   iv) Sabah Branch
   v) Sarawak Branch

7. To elect Central Committee Members for the 2018-2020 term.

8. To consider any other matters.

**Eddie Fong**
Secretary-General

# CORPORATE INFORMATION

## PROFILE

The Malaysian Plastics Manufacturers Association (MPMA), established in 1967, is a progressive trade association providing leadership and quality service to its members and the plastics industry. MPMA is the official voice of the Malaysian plastics industry, representing its members and the industry in Government interaction, spearheading the plastics industry's growth by providing the platforms to assist members to be globally competitive.

MPMA's current emphasis, inter alia, is to upgrade the technological level of the plastics industry by providing higher skills technical training for members, in particular, on Industry 4.0.

In all aspects of its activities, MPMA places special attention to its social responsibility towards the environment, by promoting sustainability practices for the protection of the environment and the community.

MPMA currently has about 750 members comprising Ordinary members, which represent about 60 percent of the plastics manufacturers in the country and account for 80 percent of the country's total production of plastic products.

## VISION STATEMENT

To be a progressive trade association providing leadership to the plastics industry.

## MISSION STATEMENTS

- We provide direction and leadership to upgrade the plastics industry through effective government liaison, strategic alliances as well as specialised training and industry studies.
- We promote sustainability practices and the proper usage of plastics with due care to the environment and the community.

## OBJECTIVES

- To promote the use, manufacture and processing of plastics.
- To protect, assist and enhance the interest of manufacturers of plastic products.
- To organise and provide various means of training to help upgrade the technological level of the plastics industry.
- To encourage co-operation among manufacturers of plastic products, both within and outside Malaysia.
- To gather, analyse and provide statistical and technical data as well as other information of interest to the industry.
- To provide a platform for members to interact and to foster closer rapport among members.
- To co-operate with other trade associations, non-governmental organisations and other bodies of common interest to ensure the healthy growth of the plastics industry.
- To collaborate with the Government in the promotion of the plastics industry towards achieving the country's vision of becoming a developed nation.
- To promote the growth of the plastics industry and transform it into a global player taking into cognisance its social responsibility, via sustainability practices towards the environment and the community.

# CORPORATE INFORMATION

## MPMA'S NETWORK

**Head Office**
Malaysian Plastics Manufacturers Association
37, Jalan 20/14, Paramount Garden
46300 Petaling Jaya, Selangor, Malaysia
Tel : 603-7876 3027
Fax : 603-7876 8352
E-mail : info@mpma.org.my
URL : www.mpma.org.my

**Johor Branch**
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Tel : 607-558 6558
Fax : 607-557 5855
E-mail : mpmajbacc@gmail.com

**Northern Branch**
40, Jalan Bagan Satu, Taman Bagan
13400 Butterworth, Penang, Malaysia
Tel : 604-333 3936
Fax : 604-333 3942
E-mail : mpmanorthern@gmail.com

**Perak Branch**
15, Medan Istana 3, Bandar Ipoh Raya
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Fax : 605-241 3370
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**Sabah Branch**
c/o Uniang Plastic Industries (Sabah) Sdn Bhd
11.2km, Jalan Tuaran, 89350 Inanam
PO Box 13624, 88841 Kota Kinabalu
Sabah, Malaysia
Tel : 6088-423 881
Fax : 6088-423 880
E-mail : psang@uniang.com

**Sarawak Branch**
c/o Elim Industries Sdn Bhd
Lot 1370, Block 12, MTLD
Sama Jaya Free Industrial Zone
93450 Kuching
Sarawak, Malaysia
Tel : 6082-365 075
Fax : 6082-366 475
E-mail : elimind1369@gmail.com

# PRESIDENT'S REVIEW

On behalf of the Central Committee, I am pleased to present the Annual Report of the Association for the period from June 2017 to May 2018 and the audited accounts for the financial year ended 31 December 2017.



## GLOBAL AND MALAYSIAN ECONOMY

2017 marked a year of strong economic rebound, with the global economy recording its highest growth rate since 2011. Growth in world trade exceeded that of global GDP for the first time in three years. The pick-up in economic growth was broad-based across the advanced and emerging market economies.

Against a background of broad-based global recovery and the relatively low volatility in the international financial markets, the Malaysian economy performed strongly in 2017. It recorded a robust growth of 5.9% in 2017 compared to 4.2% in 2016, supported by faster expansion in both private and public sectors spending.

The global economy is projected to expand at a faster pace in 2018, driven largely by private consumption and boosted by investment activity in the advanced economies. Amidst the stronger global economic conditions, the Malaysian economy is projected to grow between 5.5% and 6.0% in 2018. Domestic demand will continue to be the anchor of growth, underpinned by private sector activity. (Bank Negara Annual Report 2017).

## A NEW ERA FOR THE POLICIES, POLITICS AND DIRECTION OF THE COUNTRY

The recent GE14 has changed the political landscape in a manner that was rather unexpected. There are now high expectations that the new Government will bring about changes on many policies that would augur well for the general public as well as the business sector. We are hopeful that during the policy formation process, views from all the stakeholders would be given due consideration to ensure that the policies are business-friendly and transparent, and would do away with all the "red tapes" and the unnecessary cost burden that have

# PRESIDENT'S REVIEW

been a bane to the business community, and at an eventual cost to the consumers.

The new Government must effectively implement the promises outlined in its manifesto which, amongst others, stated that it would *"spur investment and simplify business processes and trade, introduce a tax system that is people-friendly and entrepreneur-friendly, as well as implement the National Integrity Plan and eliminate corruptions".*

It is envisaged that MPMA, together with other trade associations, would be engaged with the new Government to discuss on new policies and set future directions for the country's economic growth. It is crucial that both the public and private sectors work as close partners to jointly develop the economy and the country for a better future.

## PERFORMANCE OF THE PLASTICS INDUSTRY

The plastics industry registered a total turnover of RM29.80 billion in 2017, representing an increase of 9.1% from RM27.32 billion in 2016. Exports increased substantially by 11.2%, from RM13.11 billion in 2016 to RM14.58 billion in 2017. The strong growth in the major export markets was due largely to the substantial 18.5% increase in films export. Indirect export of plastic parts and components in the form of electrical and electronics appliances including television sets and air-conditioner units has also increased strongly by more than 40%. However, part of the increase in turnover is due to cost-pushed factors arising from higher cost of raw materials and operating expenses.

## MEETING THE CHALLENGES OF 2017 – 2018

The main issues faced by the industry during the period under review was the increase in cost of doing business. The Employment Insurance System (EIS) has been implemented effective 1 January 2018 and the levy of foreign workers is now borne by the employers instead of by the employees. The cost of raw materials, transportation and logistics costs have also increased drastically during the period.

The minimum wage is currently under review and MPMA had been invited to provide our inputs. Given the various increases in the cost of doing business, MPMA and other trade associations had appealed to the Government not to increase the minimum wage rate in the coming review.

Given that the majority of the challenges faced by the industry are labour-related matters, we are of the considered view that the only way forward to face these challenges in the competitive global market is to move up the value chain by investing in people, machines and technology. A well trained workforce, when paired with investments in machines and technology, will translate to an increase in productivity and the resultant lowering of unit costs and the benefits of being more competitive with better margins. In addition to reducing the dependence on workers, particularly foreign workers which has become increasingly difficult and expensive to hire, the move to higher levels of automation by investing in people, machines and technology, will lead to our members being able to manufacture products with more CONSISTENT QUALITY. This is extremely important as customers in the export markets are thousands of miles away, and inconsistent product quality is not acceptable given that replacements for product failures can only be rectified after several weeks due to the shipping distance.

In this regard, throughout the years, MPMA has been emphasizing and allocating resources to the training and skills upgrading of our members.

## MANAGING MANPOWER ISSUES WITH TALENT DEVELOPMENT

The challenges faced by many SMEs today in Malaysia continue to include the lack of awareness, investment, digital culture and technical skills in the shop floor. These factors make it

a challenge for companies to move up the value chain, let alone implement automation and digitalisation. Unfortunately, this transformation is not a choice but a MUST as Malaysia will face more competition from neighbouring countries such as Thailand, Indonesia and Vietnam.

In September 2017, the Human Resources Development Fund (HRDF) under the purview of the Ministry of Human Resources, allocated a fund for MPMA to undertake a one-year pilot programme, "First Step to Injection Moulding 4.0". Four companies were selected to participate in this Programme. The Programme would assist companies to speed up and strengthen their basic foundations such as process stability and lean management before embarking on automation and digitalisation. With automation and artificial intelligence deployed in production, cost of production will be less location-dependent. Industry 4.0 will greatly assist the industry to embark onto the next level of excellence.

MPMA is well aware that our members must embrace the changes that are necessary for them to remain competitive globally. Hence, looking ahead, MPMA would be replicating what is learnt and achieved in these four companies to other member companies in the industry.

## PLASTICS SUSTAINABILITY

During the period under review, clarion calls against plastics in general had been gaining momentum, not only in Malaysia, but on a global level. In 2016, we had seen several Malaysian States taking actions to limit the use of plastic bags and polystyrene food packaging by introducing bans. In 2017, we observed how these actions were also implemented in other countries affecting more and more types of plastic products. Starting from 1 January 2018, Canada is reported to have banned all toiletries containing plastic microbeads. The United Kingdom is set to ban all plastic straws, Q-tips and single-use plastics as early as 2019. Along with other similar actions, planned or effected, in other parts of the world, plastics has been labelled as an 'enemy' of the world, with Earth Day 2018 adopting the theme 'End Plastic Pollution'.

Although MPMA is fully aware that the root cause of all problems relating to plastics in the environment are due to littering and the lack of effective waste management measures, there is however, no denying that anti-plastics movements are moving rapidly across the globe. Despite these developments, MPMA would continue our efforts in plastics waste management education. Besides expanding our activities within the country to address the issue of waste management and marine litter through education programmes, MPMA is also working with regional and global partners to work on collective efforts to address these issues through forums such as the Asia Plastics Forum, Global Plastics Alliance and the Asia Pacific Coalition, which are focused on plastics waste.

## MOVING FORWARD

While the policies and directions to be established by the new Government are generally expected to be more people and business-friendly, the plastics industry must also play our part. We must strive to be more efficient. We must recognize that taking the next step must come from within the industry. The drive to be world standard can only be achieved if we are committed towards investing in people, machines and technology. In this regard, we are strongly supportive of the new Government's aim to increase the competiveness of our economy through an increase in productivity.

Investing in the appropriate technology and machines as well as building a pool of highly skilled and competent workers for the plastics industry are the key factors to achieving higher productivity, enhance competitiveness and reducing dependency on foreign workers.

**Datuk Lim Kok Boon**
MPMA President

# 会 长 回 顾

我很高兴能代表中央理事会提呈本会2017年6月至2018年5月的年度报告，以及截至2017年12月31日财政年度的经审计帐目。

## 全球及马来西亚经济

2017年是经济强势反弹的一年，也是全球经济自2011年以来增长率最高的一年。而世界贸易增长率更是三年来首次超过全球国内生产总值。在发达经济体和新兴市场的带动下，经济增长获得全面的复苏。

在全球经济普遍复苏和国际金融市场波动相对较低的背景下，马来西亚的经济在2017年表现强劲。与2016年的4.2%相比之下，2017年的经济因私营机构和公共部门的开支迅速增长而达5.9%。

2018年全球经济预计将以更快的速度增长，这主要归功于私人消费和发达经济体投资活动的推动。在全球经济环境更加强劲的情况下，2018年马来西亚经济的增长率预计在5.5%至6.0%之间。由于私营领域的活动，国内需求将继续成为经济增长的支柱。（国家银行2017年度报告）。

## 政策、政治及国家发展方向的新局面

最近的第14届全国大选（GE4）已经落幕，其始料未及的结果改变了政治的格局。新政府将作出政策调整，这对人民和商界而言无疑是一个吉兆，也被寄予了很高的期望。我们希望在政策制定过程中，所有利益相关者的意见都会被纳入考量，以确保那些政策是透明且对商界有利的，同时，废除官僚机构设置的繁琐规定并取消商界正在承担的不必要成本负担，进而卸下转嫁到消费者身上的成本。此外，新政府还必须切实履行其宣言中提出的承诺，其中包括*“促进投资并简化业务流程和贸易，引入对人民友好和企业家友好的税收制度，并落实国家廉正计划和根除腐败”*。

马来西亚塑胶厂商工会(MPMA)预计将与其他贸易商会一起与新政府进行磋商，就新政策进行讨论并为国家未来的经济增长制定方向。最为关键的是，公共部门和私营机构应以密切的合作伙伴关系共同发展经济和国家，以实现更美好的将来。

## 塑胶业表现

塑胶业的2017年总营业额达298亿令吉，相较于2016年的273.2亿令吉增长9.1%。而出口额由2016年的131.1亿令吉增长11.2%至2017年的145.8亿令吉。出口市场的强势增长的主要原因是由于包装塑料出口大幅增长18.5%。电器和电子设备包括电视机和空调机等塑料零部件的间接出口也大幅增长超过40%。然而，营业额提高的部分原因是由于原材料成本上升以及营运开支增加所致。

## 2017至2018年的挑战

在回顾期间，塑胶业所面对的一大难题是经营成本的增加。全新的就业保险计划（EIS）自2018年1月1日起生效，对外籍雇员的征款（人头税）从雇员改由雇主承担。在此期间，原材料成本、运输成本和物流成本也大幅度增加。

最低工资的实施目前仍在进行每两年一次的审查中，而我们MPMA也被邀请提供意见。由于经营成本不断提高，MPMA及其他贸易协会呼吁政府在下一个的审查中不要提高最低工资。

鉴于行业所面临的大部分挑战都是与人力资源相关的问题，我们认为通过投资于人员、机器和技术来提升价值链是唯一

能够面对这些挑战的方法。训练有素的员工及对机器和技术的投资将提高生产力，从而降低单位成本，并以更高利润率带来竞争优势。除了减少对工人的依赖，特别是在外籍员工的雇佣越来越困难和昂贵的情况下，通过投资于人员、机器和技术来实现更高水平的自动化将为我们的会员带来质量更一致的生产。质量稳定的生产非常重要，因为出口市场的客户远在千里之外，而且由于运输距离的原因，缺陷产品的替换品需花时几周才能送达客户手中，因此不一致的产品质量是不可接受的。

有鉴于此，MPMA多年来一直着重于将会员的培训和技能升级。

## 通过人才发展处理人力资源问题

目前，马来西亚许多中小企业面临的挑战仍然是对工作实际场面缺乏认识、投资、数码科枝和技能。这些因素成为了公司走向高增值路线时需面对的挑战，自动化和数码化的实施更是举足难行。不幸的是，这种转变并不是一种选择，而是必须采取的举动，否则，马来西亚将无法与邻国如泰国、印度尼西亚和越南等国家进一步竞争。

2017年9月，隶属人力资源部的人力资源发展基金（HRDF）将一项为期一年的试验项目《注塑成型第一步4.0》分配给了MPMA。四家公司被选中参加本次项目。本项目将在开始自动化和数码化之前，协助这些公司加快并加强其基础，如流程稳定性和精益管理。随着生产部署自动化和人工智能，地理位置对于生产成本的影响将不再是主要因素。在工业4.0的协助下，塑胶行业将很快迈向下一个卓越的阶段。

MPMA深知我们的会员必须接受必要的改革才能保持在全球市场的竞争力。因此，MPMA将从这四家公司获得的经验和成果为参考并运用到业内其他成员公司。



# 会 长 回 顾

## 塑料制品的可持续性发展

在审查期间，对塑料制品的讨伐声变得越来越激烈，这不仅出现马来西亚，也已扩散至全球。2016年，我们看到马来西亚数个州已采取行动，并通过禁止使用塑料袋和聚苯乙烯食品包装来限制使用。紧接着的2017年，我们观察到其他国家也采取了这些行动，甚至进一步限制更多其他塑料产品类型的使用。据报道，加拿大从2018年1月1日起禁止使用含有塑料微珠的所有洗漱用品。而英国最快也将在2019年禁止使用所有塑料吸管、棉花棒和一次性塑料。世界各地已制定或实施了类似的计划，塑料产品也被公认为全球公敌，而2018年的地球日活动甚至将主题设为“终止塑料污染”。

尽管MPMA充分意识到，我们环境中与塑料有关的所有问题的根本原因是由于乱抛垃圾和缺乏有效的废物管理措施造成，但，不可否认的是，反塑料产品运动正在全球迅速发展。面对这些负面发展，MPMA将继续努力进行废塑料管理的教育工作。除了在国内进一步推动我们的活动，通过教育计划解决废物管理和海洋垃圾问题，MPMA还与区域和全球合作伙伴共同努力，共同致力于通过亚洲塑料论坛、全球塑料联盟和亚太联盟等论坛专注于解决塑料废料的问题。

## 展望未来

新政府预期将制定对人民和商界更友好的政策和发展方向，因此，我们作为塑胶业的一份子也必须发挥我们的作用。我们必须努力提高效率，还必须意识到，下一步的行动必须从行业内发起。只有致力投资于人员、机器和技术，我们才能拥有动力实现成为世界级的行业。在这方面，我们强烈支持新政府的目标，即透过提高生产力来提高本国经济的竞争力。

为塑胶业所需的适当技术和机器进行投资，以及培育高技能和高水平的员工队伍是关键点。这将实现更高生产力、提高竞争力和减少对外劳的依赖。

马来西亚塑胶厂商工会会长

**拿督林国文**

# LIST OF COMMITTEES: 2016 – 2018

## CENTRAL COMMITTEE

**President**
Datuk Lim Kok Boon (EXCO Member)
*Scientex Great Wall Sdn Bhd*

**Honorary Presidents**
Dato' Liew Sew Yee (EXCO Member)
*Thong Fook Corporation Sdn Bhd*

Mr Callum Chen (EXCO Member)
*LH Plus Sdn Bhd*

**Vice-Presidents**
Datuk Noraini S Talib (EXCO Member)
*Sipro Plastic Industries Sdn Bhd*

Dato' Raymond Sng (EXCO Member)
*Plastic Centre Sdn Bhd*

Mr CC Cheah (EXCO Member)
*See Hau Global Sdn Bhd*

**Secretary-General**
Mr Eddie Fong (EXCO Member)
*Plasform Sdn Bhd*

**Assistant Secretary-General**
Tn Hj Mohd Fitri Mohd Aris
(EXCO Member)
*Azman Hamzah Plastik Sdn Bhd*

**Treasurer**
Mr Tan Cheow Ho (EXCO Member)
*Lam Seng Plastics Industries Sdn Bhd*

**Internal Auditor**
Mr Liew Yew Aw (EXCO Member)
*Polyparts Sdn Bhd*

**Public Relations Officer**
Mr Chow Chee Yut (EXCO Member)
*Combi-Pack Sdn Bhd*

**Welfare & Membership**
Ms Ng Peg Shi (EXCO Member)
*Plastik V Sdn Bhd*

Ms Wee Ching Yun (EXCO Member)
*Chong Wah Plastics Sdn Bhd*

**Committee Members**
Mr Tan Tin Nam
*Everyday Brush Industries (M) Sdn Bhd*

Mr FK Lee
*Mah Sing Plastics Industries Sdn Bhd*

Mr Leong Peng Kong
*May-Plastics Manufacturers Sdn Bhd*

Mr SH Choo
*Scientex Packaging Film Sdn Bhd*

Mr Yap Kee Keong
*Texchem-Pack (PP) Sdn Bhd*

Mr Ivan Tan
*Sekoplas Industries Sdn Bhd*

Mr Hue Kon Fah
*Top Glove Sdn Bhd*

Mr Yeon Kok Kuang
*Triplus Industry Sdn Bhd*

**Chairman, Johor Branch**
Mr Tang Hong Koon
*Various Resources (M) Sdn Bhd*

**Chairman, Northern Branch**
Mr Alvin Ang See Ming
*Thong Guan Plastic & Paper Industries Sdn Bhd*

**Chairman, Perak Branch**
Mr Johnson Phoon
*Alphaplas Industries Sdn Bhd*

**Chairman, Sabah Branch**
Datuk Alan Ang
*Uniang Plastic Industries (Sabah) Sdn Bhd*

**Chairman, Sarawak Branch**
Mr George Lee He Liong
*Elim Industries Sdn Bhd*

# LIST OF COMMITTEES: 2016 – 2018

## PROJECT GROUP COMMITTEES

### 1. DESIGN AND BRANDING

#### 1.1 Malaysian Plastics Design Centre (MPDC)

Mr Callum Chen – Chairman
*LH Plus Sdn Bhd*

Datuk Lim Kok Boon
*Scientex Great Wall Sdn Bhd*

Tn Hj Mohd Fitri Bin Md Aris
*Azman Hamzah Plastik Sdn Bhd*

Mr Seow Thong Seng
*Everyday Brush Industries (M) Sdn Bhd*

Mr Goh Boon King
*Guppy Plastic Industries Sdn Bhd*

Mr Tan Tin Nam
*Everyday Brush Industries (M) Sdn Bhd*

Ms Giam Siew Tho
*MPMA Secretariat*

### 2. HUMAN RESOURCE MANAGEMENT AND DEVELOPMENT

#### 2.1 MPMA-Plastics Technology Training Centre Management Committee

Mr Eddie Fong – Chairman
*Plasform Sdn Bhd*

Mr SH Lai – Vice-Chairman
*Lotte Chemical Titan (M) Sdn Bhd*

En Zamri M Said – Vice-Chairman / Chairman, MPMA-PTTC Selangor
*Petronas Chemicals Group Bhd*

Mr Tan Cheow Ho – Treasurer
*Lam Seng Plastics Industries Sdn Bhd*

Mr Cheong Peng Khuan – Chairman, MPMA-PTTC Johor
*Lotte Chemical Titan (M) Sdn Bhd*

Mr Tan Gim Chaw – Chairman, MPMA-PTTC Northern
*Toray Plastics (M) Sdn Bhd*

Tn Hj Mohd Fitri Md Aris
*Azman Hamzah Plastik Sdn Bhd*

Ms Wee Ching Yun
*Chong Wah Plastics Sdn Bhd*

Mr Goh Boon King
*Guppy Plastic Industries Sdn Bhd*

Mr Callum Chen
*LH Plus Sdn Bhd*

Mr FK Lee
*Mah Sing Plastics Industry Sdn Bhd*

Ms Ng Peg Shi
*Plastik V Sdn Bhd*

Mr Yeon Kok Kuang
*Triplus Industries Sdn Bhd*

### 3. STANDARDS DEVELOPMENT

#### 3.1 Internal Committee of the MPMA-Standards Development Agency (MPMA-SDA)

Datuk Noraini Soltan Talib – Chairman
*Sipro Plastic Industries Sdn Bhd*

Ms Wee Ching Yun
*Chong Wah Plastics Sdn Bhd*

Mr Tan Cheow Ho
*Lam Seng Plastics Industries Sdn Bhd*

Ms ST Giam
*MPMA Secretariat*

Ms Sujata Albert
*MPMA Secretariat*

Mr SC Chan
*MPMA Secretariat*

Ms Savitha Prabhakaradas
*MPMA Secretariat*

Ms Jackie Lam Pui Lean
*MPMA Secretariat*

#### 3.2 Industry Standards Committee on Plastics and Plastics Products (ISC-J)

Tn Hj Ahmad Khairuddin Sha'aban – Chairman
*Malaysian Plastics Forum*

Pn Anuratha Sivam
*Department of Standards Malaysia*

Mr Looi Chee Meng
*Federation of Malaysian Manufacturers*

Ir Rusniyatun Binti Sulaiman
*Jabatan Kerja Raya Malaysia*

Ms Saral James
*Malaysian Association of Standards Users*

Prof Dr Ho Chee Cheong
*Malaysian Institute of Chemistry*

Dr Mohamad Asri Ahmad
*Malaysian Rubber Board*

Pn Hasliza Khasim
*Ministry of Domestic Trade, Co-operatives and Consumerism*

Tn Hj Md Jalal B Bongkik
*Ministry of Health Malaysia*

En Mohd Reza Azman
*Ministry of International Trade and Industry*

Dr Ahmad Fuad Md Yusuf
*SIRIM QAS International Sdn Bhd*

Pn Wan Norisah Wan Awang
*SIRIM QAS International Sdn Bhd (Product Certification and Inspection Department)*

Ir Abdul Azim Abdul Rahman
*The Institution of Engineers, Malaysia*

En Muzafar Zulkifli
*The Plastics and Rubber Institute of Malaysia*

Prof Zainal Ariffin Mohd Ishak
*Universiti Sains Malaysia*

Assoc Prof Hanizam Sulaiman
*Universiti Teknologi Malaysia*

### 3.3 Technical Committee 1 (TC1) – General Methods of Test for Plastics

Dr Ahmad Fuad Md Yusuf – Chairman
*SIRIM QAS International Sdn Bhd*

Cik Zahara Husain
*Hicom-Teck See Manufacturing Sdn Bhd*

En Mohamad Akhir Abdullah
*IKRAM QA Services Sdn Bhd*

Dr Chan Boon Lye
*Malaysian Institute of Chemistry*

En Mohamad Firdaus Abu Bakar
*Petronas Chemicals Group Bhd*

Mr Ng Kian Lin
*Piping Technology Sdn Bhd*

En Muzafar Zulkifli
*The Plastics and Rubber Institute of Malaysia*

Mr Teh Sun Kiang
*Toray Plastics (M) Sdn Bhd*

Assoc Prof Hanizam Sulaiman
*Universiti Teknologi Malaysia*

Assoc Prof Dr Chan Chin Han
*Universiti Teknologi MARA*

### 3.4 Technical Committee 2 (TC2) – Plastics Pipes and Fittings

Ir V Subramaniam – Chairman
*Syarikat Bekalan Air Selangor Sdn Bhd*

Mr Amos Yeo
*George Fischer (M) Sdn Bhd*

Ms Chan Ai Ling
*Paling Industries Sdn Bhd*

Mr Mak Kok Yun
*Perbadanan Bekalan Air Pulau Pinang Sdn Bhd*

En Umat Lokman Ahmad Johari
*Petronas Chemicals Group Bhd*

En Zamri Bin Mohd Said
*Petronas Chemical Group Bhd*

Mr Ng Kian Lin
*Piping Technology Sdn Bhd*

Pn Wan Norisah Wan Awang
*SIRIM QAS International Sdn Bhd (Product Certification and Inspection Department)*

En Rahman Bin Abdul Shuko
*SIRIM QAS International Sdn Bhd (Testing Services Department)*

En Abdull Sukor Bin Ismail
*Suruhanjaya Perkhidmatan Air Negara*

Datuk Ir Ahmad Nordeen Mohd Salleh
*The Institution of Engineers, Malaysia*

Ir AH Ung
*Azeeta Pipe System Sdn Bhd*

### 3.5 Working Groups Formed Under TC2

#### 3.5.1 Working Group 2 on PVC Pipes and Fittings

En Azamy Abdul Aziz – Chairman
*Suruhanjaya Perkhidmatan Air Negara*

Mr Ong Yoong Keong
*Bina Plastic Industries Sdn Bhd*

Mr Ong Kok Cheng
*Chin Lean Plastic Factory Sdn Bhd*

En Munauwir Basri
*Lembaga Air Perak*

Ms Chan Ai Ling
*Paling Industries Sdn Bhd*

En Mohd Fauzi
*SAJ Holdings Sdn Bhd*

Pn Wan Norisah Wan Awang
*SIRIM QAS International Sdn Bhd (Product Certification and Inspection Department)*

En Abdul Razak Mat Jam
*SIRIM Berhad*

#### 3.5.2 Working Group 5 on ABS Pipes & Fittings

En Azamy Abdul Aziz – Chairman
*Suruhanjaya Perkhidmatan Air Negara*

Ir AH Ung
*Azeeta Pipe System Sdn Bhd*

Mr Ong Yoong Keong
*Bina Plastic Industries Sdn Bhd*

Mr William Wong
*Bute Engineering (M) Sdn Bhd*

# LIST OF COMMITTEES: 2016 – 2018

Mr Loh Chun Hong
*Cipli Industries Sdn Bhd*

Mr Tneh Wah Keang
*Euratech (M) Sdn Bhd*

Mr Amos Yeo
*George Fischer (M) Sdn Bhd*

Ir Hj Wan Amil Abas Wan Omar
*Lembaga Air Perak*

Mr Mak Kok Yun
*Perbadanan Bekalan Air Pulau Pinang*

Pn Wan Norisah Wan Awang
*SIRIM QAS International Sdn Bhd*

Ir Yau Ho Hu
*Syarikat Bekalan Air Selangor Sdn Bhd*

Mr Kan Tsi Liong
*TAGS Polymer Sdn Bhd*

**3.5.3 Working Group 9 on Multilayer Pipes**

En Munauwir Basri – Chairman
*Lembaga Air Perak*

Ir Rokiah Binti Salem /
En Azmi Bin Hj Hashim
*Jabatan Kerja Raya*

Mr George Choong /
Mr Pang Chee Chai
*ME-PLAS (M) Sdn Bhd*

En Mohd Aziz Jaafar
*Paling Industries Sdn Bhd*

Pn Wan Norisah Wan Awang
*SIRIM QAS International Sdn Bhd (Product Certification and Inspection Department)*

En Azamy Abdul Aziz
*Suruhanjaya Perkhidmatan Air Negara*

Ir Yau Ho Hu
*Syarikat Bekalan Air Selangor Sdn Bhd*

Ir Dr Tan Chee Fai
*The Institution of Engineers, Malaysia*

Assoc Prof Dr Aznizam Abu Bakar
*Universiti Teknologi Malaysia*

**3.6 Technical Committee 3 (TC 3) – Plastic Products**

Mr Goh Boon King – Chairman
*Guppy Plastic Industries Sdn Bhd*

Dato' Dr Zahrah A Kadir
*B & Z Plastic Industry Sdn Bhd*

Dr Dzuraidah Abd Wahab
*Jabatan Kejuruteraan Mekanik dan Bahan, UKM*

Prof Dr Mansor Ahmad
*Universiti Putra Malaysia*

En Mohd Noor Bin Sallehudin – Chairman, WG 5
*Lam Seng Plastics Industries Sdn Bhd*

Dr Ir Loke Kean Hooi – Chairman, WG 6
*The Institution of Engineers, Malaysia*

Mr Looi Chee Meng
*Lotte Chemical Titan (M) Sdn Bhd*

Ms Saral James
*Malaysian Association of Standards Users*

Dr Koh Kar Chai
*Persatuan Perubatan Malaysia*

En Zamri Bin Mohd Said – Chairman, WG 1
*PETRONAS Chemical Group Bhd*

Assoc Prof Hanizam Sulaiman
*Universiti Teknologi Malaysia*

Prof Dato' Dr Wan Md Zin Wan Yunus
*Universiti Pertahanan Nasional Malaysia*

**3.7 Working Groups formed Under TC3**

**3.7.1 Working Group 1 on Blow Moulding**

En Zamri Bin Mohd Said – Chairman
*PETRONAS Chemical Group Bhd*

Mr Lee Yeo Ngie
*K-Plastics Industries Sdn Bhd*

En Mohd Noor Bin Sallehudin
*Lam Seng Plastics Industries Sdn Bhd*

Mr Kaarthik Gunaseelan
*PETRONAS Chemical Group Bhd*

Ms Betty Chew
*Taiko Drum Industries Sdn Bhd*

Ms Catherine Lim
*Takaso Rubber Products Sdn Bhd*

Mr Danniel Woon
*Today's Plastics Industry Sdn Bhd*

**3.7.2 Working Group 4 on Plastic Sheet and Extrusion**

Ms Wee Ching Yun
*Chong Wah Plastics Sdn Bhd*

Cik Hazlinda Binti Yaakob /
En Mohd Bin Hashim
*Daibochi Plastic & Packaging Industry Bhd*

Ms Danielle Lee
*Dow Chemical (Malaysia) Sdn Bhd*

Dr Mohamed Nor Mohd Yusuff
*Forest Research Institute Malaysia*

Mr Looi Chee Meng
*Lotte Chemical Titan (M) Sdn Bhd*

En Izwan Hadi
*Petronas Chemicals Group Bhd*

Mr Chuan Teik Boon
*Tomypak Bhd*

Mr Mark Chan
*Toyo Plastics (M) Sdn Bhd*

Prof Dato' Wan Md Zin Wan Yunus
*Universiti Pertahanan Nasional Malaysia*

Mr Tan Kim Chuan
*WPC Corporation*

**3.7.3 Working Group 5 on Injection Moulding**

En Mohd Noor Bin Sallehudin – Chairman
*Lam Seng Plastics Industries Sdn Bhd*

En Noramiza Mohd
*Azman Hamzah Plastik Sdn Bhd*

Mr Woon Chee Yoong
*Everyday Brush Industry Sdn Bhd*

Mr BK Goh / En Mohd Hafiz Yacob
*Guppy Plastic Industries Sdn Bhd*

Mr Wong Duen Yuen
*Mah Sing Plastics Industry Sdn Bhd*

En Ishak Bin Zainal Abidin / Mr Kaarthik
*Petronas Chemicals Group Bhd*

Mr Ng Kian Lin
*Piping Technology Sdn Bhd*

Mr Alex Gan / Mr SC Tan
*Plastictecnic (M) Sdn Bhd*

**3.7.4 Working Group 6 on Woven/Non-Woven Plastics & Geosynthetics**

Dr Ir Loke Kean Hooi – Chairman
*The Institution of Engineers, Malaysia*

Mr Chan Chin Boon
*Mega Geoproducts and Services Sdn Bhd*

Mr Tan Kum Loom
*Oriental Sheet Piling Malaysia*

Prof Dr Fauziah Ahmad
*University Sains Malaysia*

Mr Bryant Tan Siang Meng
*Tensar International Limited*

**3.7.5 Working Group 7 on Polymeric Adhesives**

Prof Dr Mansor Ahmad – Chairman
*Universiti Putra Malaysia*

Pn Rafizah Mansor
*Malayan Adhesives & Chemical Sdn Bhd*

Pn Roslinda Idris
*Malaysian Timber Industry Board*

Prof Dr Wan Md Zin Wan Yunus
*Universiti Pertahanan Nasional Malaysia*

Dr Nor Yuziah Mohd Yunus
*Universiti Teknologi MARA*

**3.7.6 Working Group 8 on Thermosetting Materials**

Prof Dr Wan Md Zin Wan Yunus – Chairman
*Universiti Pertahanan Nasional Malaysia*

Prof Dr Ir Tee Tiam Ting
*Universiti Tunku Abdul Rahman*

Prof Dr Gan Seng Neon
*University of Malaya*

Dr Eng Aik Hwee
*Malaysian Rubber Export Promotion Council*

Prof Dr Mansor Ahmad
*Universiti Putra Malaysia*

Assoc Prof Dr Chan Chin Han
*Universiti Teknologi MARA*

Dr Nor Yuziah Mohd Yunus
*Universiti Teknologi MARA*

**3.8 Technical Committee 4 (TC 4) – General and Raw Materials for Plastics**

Tn Hj Ahmad Khairuddin Sha'aban – Chairman
*Malaysian Plastics Forum*

Mr Looi Chee Meng
*Lotte Chemical Titan (M) Sdn Bhd*

Ms Wang Choo Ping
*Malayan Electro-Chemical Industry Co Sdn Bhd (MECI)*

En Rozaidi Mohamad
*Petronas Chemicals Group Bhd*

Mr Ng Kian Lin
*Piping Technology Sdn Bhd*

Pn Wan Norisah Wan Awang
*SIRIM QAS International Sdn Bhd*

# LIST OF COMMITTEES: 2016 – 2018

Mr Teh Sun Kiang
*Toray Plastics (M) Sdn Bhd*

Assoc Prof Dr Chan Chin Han
*Universiti Teknologi MARA*

En Helmee Mat Jenan
*Vinyl Chloride (Malaysia) Sdn Bhd*

En Mohd Noor Sallehudin
*Lam Seng Plastics Industries Sdn Bhd*

En Fahmi Asyadi Md Yusof
*Universiti Kuala Lumpur*

**3.9 Technical Committee 5 (TC 5) – Plastics Tanks**

Assoc Prof Hanizam Sulaiman – Chairman
*Universiti Teknologi Malaysia*

Mr H C Kew
*BNH Manufacturer Sdn Bhd*

Mr Chee Lin Loong
*CP Powders Sdn Bhd*

Mr Koh Tat Chuan
*ICO Polymers (M) Sdn Bhd*

Mr Looi Chee Meng
*Lotte Chemical Titan (M) Sdn Bhd*

Mr Ong Kian Min
*Loyal Impact (M) Sdn Bhd*

Mr Chia Wye Khang
*Nylex (Malaysia) Berhad*

Mr Mak Kok Yun
*Perbadanan Bekalan Air Pulau Pinang Sdn Bhd*

En Zamri Bin Mohd Said
*Petronas Chemicals Group Bhd*

En Zaini Husain
*Resintech Plastics (M) Sdn Bhd*

Pn Wan Norisah Wan Awang
*SIRIM QAS International Sdn Bhd (Product Certification and Inspection Department)*

Mr Chuah Seong Yaw
*Spirolite (M) Sdn Bhd*

En Abdull Sukor Bin Ismail
*Suruhanjaya Perkhidmatan Air Negara*

Ir Yau Ho Hu
*Syarikat Bekalan Air Selangor Sdn Bhd*

Prof Dato' Dr Wan Md Zin Wan Yunus
*Universiti Pertahanan Nasional Malaysia*

Dr Mohd Roshdi Hassan
*Universiti Putra Malaysia*

Mr John Liew
*Weida Integrated Industries Sdn Bhd*

Mr Tan Soon Huat
*YT Fiberglass Industries Sdn Bhd*

**3.9.1 WG on FRP Panel Tank**

Mr Tan Eng Huat – Chairman
*Pipeco Sdn Bhd*

Mr Tay Choi Guan
*AYS Metal Products & Engineering Sdn Bhd*

Mr Peter Low
*Potaglas Tank Sdn Bhd*

Mr Kenny Chee
*Reliance Pacific Tanks Sdn Bhd*

Mr Tan Soon Huat
*YT Fiberglass Industries Sdn Bhd*

**4. SUSTAINABILITY**

**4.1 Malaysian Plastics Forum**

Datuk Lim Kok Boon – Chairman
*Scientex Great Wall Sdn Bhd*

Tn Hj Ahmad Khairuddin Sha'aban – Chairman, Education and Awareness Committee

**4.2 Recyclers Sub-Committee**

Mr CC Cheah – Chairman
*See Hau Global Sdn Bhd*

Mr Song Eu Chai
*Chuan Weng Plastic Sdn Bhd*

Mr Seah Kian Hoe
*Heng Hiap Industries Sdn Bhd*

Mr Lawrence Ong
*Idealpoly Plastic Industries Sdn Bhd*

Ms May Teo
*Karich Sdn Bhd*

Mr Vill Chew
*Perusahaan Chew Hur Sdn Bhd*

Mr WB Tan
*Plasticycle Industries Sdn Bhd*

Mr Yap Koon Fatt
*YB Enterprise Sdn Bhd*

**4.3 Polystyrene (PS) Sub-Committee**

Mr Sri Umeswara – Chairman
*Era Suria Ecopreneurs Sdn Bhd*

Ms Angela Foo – Vice-Chairman
*Logomas Packaging Sdn Bhd*

Ms Irene Wong
*Megafoam Containers Enterprise Sdn Bhd*

Mr Kelvin Siew King Siew /
Mr Teo Yee Hui
*Panagawa Sdn Bhd*

Mr Lai Cheng Chien
*Shangwei Industries Sdn Bhd*

Mr Jeffrey Tan
*TLG Packaging Sdn Bhd*

Ms Hedy Yong / Mr Peter Yong
*Tycoplas Sdn Bhd*

Ms Tan Siang Ling
*YS Foam Industries Sdn Bhd*

Mr Ow Qin Bin
*Zhaori Packaging Industries (M) Sdn Bhd*

**4.4 Sustainability Sub-Committee**

Ms Wee Ching Yun – Chairman
*Chong Wah Plastics Sdn Bhd*

Dato' Raymond Sng
*Plastic Centre Sdn Bhd*

Mr CC Cheah
*See Hau Global Sdn Bhd*

Mr Gilbert Tan
*Green Concept Technology Sdn Bhd*

Ms Rita Teo
*Lam Chong Trading Sdn Bhd*

Mr Daniel Loo
*Vanden Global Ltd*

Mr Nick Lim
*Diyou Fibre (M) Sdn Bhd*

Mr Sri Umeswara
*Era Suria Ecopreneurs Sdn Bhd*

Dr Theng Lee Chong
*Association of Environmental Consultants & Contractors in Malaysia*

Ms Karen George Abraham
*Jabatan Pengurusan Sisa Pepejal Negara*

Cik Izira bt Mohd Desa
*Jabatan Pengurusan Sisa Pepejal Negara*

En Mazlan A Razak
*Petronas Chemicals Group*

Ms Danielle Lee
*Dow Chemical Malaysia*

En Khairul Anwar Ab Gahani
*Coca-Cola Far East Limited (Malaysia)*

En Shaiful Bahari Mahpar
*PepsiCo Malaysia*

Mr Lim Seng Huat
*Nestle Manufacturing (M) Sdn Bhd*

Ms Karen Tan
*Fraser & Neave Holdings Bhd*

Mr Thillainathan Ponniah
*Fraser & Neave Holdings Bhd*

En Wan Edi Sophean Bin Wan Mohamad
*Unilever (Malaysia) Holdings Sdn Bhd*

En Mohd Zurairi Bin Mustafa
*Etika Beverages Sdn Bhd*

**5. MEMBERSHIP**

**5.1 Membership Services Sub-Committee (Head Office)**

Ms Ng Peg Shi – Chairman
*Plastik V Sdn Bhd*

Mr Tang Hong Koon – Chairman, Johor Branch / Membership Sub-Committee
*Various Resources (M) Sdn Bhd*

Mr Alvin Ang – Chairman, Northern Branch / Membership Sub-Committee
*Thong Huat Plastic & Paper Industry Sdn Bhd*

Mr Eddie Shun – Chairman, Perak Branch / Membership Sub-Committee
*Top Plastics Industry Sdn Bhd*

Datuk Alan Ang Poon Seong – Chairman, Sabah Branch / Membership Sub-Committee
*Uniang Plastic Industries (Sabah) Sdn Bhd*

Mr George Lee – Chairman, Sarawak Branch / Membership Sub-Committee
*Elim Industries Sdn Bhd*

Mr Tan Cheow Ho
*Lam Seng Plastics Industries Sdn Bhd*

**6. INTERNATIONAL LIAISON**

Mr Callum Chen – Chairman
*LH Plus Sdn Bhd*

Mr CY Chow
*Combi-Pack Sdn Bhd*

Mr Tan Cheow Ho
*Lam Seng Plastics Industries Sdn Bhd*

Mr YA Liew
*Polyparts Sdn Bhd*

Datuk Noraini S Talib
*Sipro Plastic Industries Sdn Bhd*

**7. PROCESS GROUP**

**8.1 PE Pipes and Fittings Sub-Committee**

En Anuar Shukry Bin Ismail – Chairman
*MRPI Pipes Sdn Bhd*

# LIST OF COMMITTEES: 2016 – 2018

Mr Seow Kok Hooi
*AWT Fusion Group Bhd*

Mr Ong Yoong Keong /
Mr Ong Yoong Han
*Bina Plastic Industries Sdn Bhd*

Mr Kum Hoong Lou
*Borouge Pte Ltd*

Mr Ng Chong Lim
*Cew Sin Plastic Pipe Sdn Bhd*

Mr Ong Kok Cheng
*Chin Lean Plastic Factory Sdn Bhd*

Mr Lou Chun Heng / Ms Loh Chun Hee
*Cipli Industries Sdn Bhd*

En Muhammed Khalaf
*Dure-Mine Sdn Bhd*

Mr Amos Yeo / Mr Justin Wong
*George Fischer (M) Sdn Bhd*

Mr Looi Chee Meng
*Lotte Chemical Titan (M) Sdn Bhd*

Mr Wong Lye Seng – Honorary Member
*Petronas Chemicals Group Bhd*

Ms Rebecca Sim / Ms Karen Tay
*Polyflow Pipes Sdn Bhd*

Ms Ester Wong / Mr Tan Su Yerk
*Polyware Sdn Bhd*

Mr Teh Leng Kang
*Resintech Plastics (M) Sdn Bhd*

Mr Ng Koan Lin / Mr Tan Weng Keong
*Piping Technology Sdn Bhd*

Mr Tan Chee Leong
*Spirolite (M) Sdn Bhd*

Mr Joseph Hoh / Ms Tracy Hoh /
Ms Natalie
*Timplas Industries (M) Sdn Bhd*

Mr John Liew
*Weida Integrated Industries Sdn Bhd*

Mr Alfred Pui
*Weidasar Sdn Bhd*

Mr Lionel Pereira
*Welda System Sdn Bhd*

**8.2 PVC Pipes and Profiles Sub-Committee**

Mr Ong Kok Cheng – Chairman
*Chin Lean Plastic Factory Sdn Bhd*

Mr Hum See Beng /
Mr Vincent Pang Chun Ming
*Arensi Marley (M) Sdn Bhd*

Mr Ong Yoong Keong /
Mr Ong Yoong Han
*Bina Plastic Industries Sdn Bhd*

Mr Ng Choong Lim
*Cew Sin Plastic Pipe Sdn Bhd*

Mr Chim Weng Yew
*Hup Soon Plastic Industrial Sdn Bhd*

Mr Leow Teow Hong
*Industrial Resins (Malaysia) Bhd*

Mr Yong Wei Chong
*Lock & Key Hardware Sdn Bhd*

Mr Eric Ng / Ms Peggy Lee
*MECI Co Sdn Bhd*

Mr Tan Lay Kian
*Milnes Technoplas Sdn Bhd*

Mr Jimmy Keok / Mr Ng Kok Weng
*Nulogictec Industries Sdn Bhd*

Mr Didier Carriere /
En Mohd Aziz Jaafar
*Paling Industries Sdn Bhd*

En Umat Lokman /
En Hazemi Mohamad
*Petronas Chemicals Group Bhd*

Mr Tai Che Wan / Ms Jessy Ang Sneau
*South Asia Fibre Industries Sdn Bhd*

Mr Joseph Hoh / Mr Rendy Chong /
Ms Tracy Hoh
*Timplas Industries (M) Sdn Bhd*

En Zakry Mohd Iwaz
*Zer Plastic Sdn Bhd*

**8.3 FRP Panel Tank Manufacturers (FPTM) Group**

Mr Tan Eng Huat – Chairman
*Pipeco Sdn Bhd*

Mr Tan Teck Lim – Co-Chairman
*Wylit Industries Sdn Bhd*

Mr Chin Kok Keong
*Anchor-Link Sdn Bhd*

Mr Tay Choi Guan / Mr Tommy Chang
*AYS Metal Products & Engineering Sdn Bhd*

Mr Peter Low
*Potaglas Tank Sdn Bhd*

Mr Kenny Chee
*Reliance Pacific Tanks Sdn Bhd*

Mr Chai Foh Yon
*Yi Sing Composite Industries Sdn Bhd*

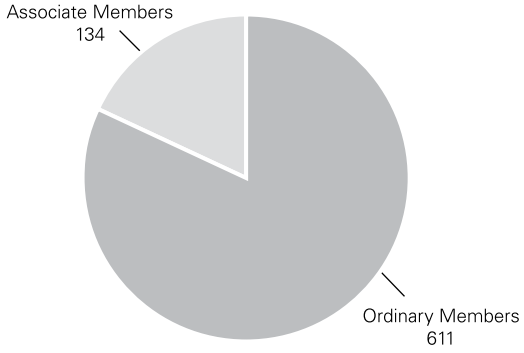
Mr Tan Soon Huat
*YT Fibreglass Industries Sdn Bhd*

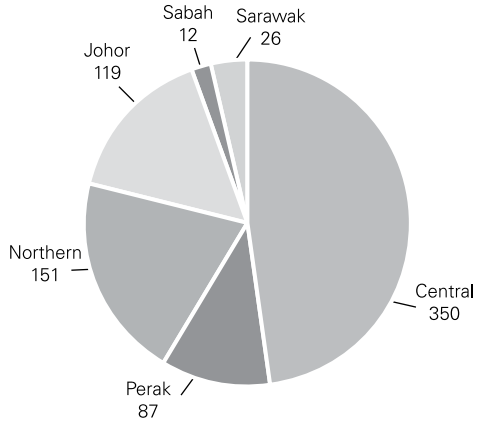
# REPORT OF THE CENTRAL COMMITTEE

(FROM JUNE 2017 TO MAY 2018)

## 1. MEMBERSHIP OF THE ASSOCIATION

Membership of the Association comprised Ordinary Members and Associate Members. Details as at 13 April 2018 are as follows:




### 1.1 Membership Services

The Membership Services Sub-Committee continued to identify and recruit new members during the period under review. During the period, 24 new members comprising 16 ordinary members and 8 associate members were recruited. During the same period, 13 ordinary members and 8 associate members resigned.

### 1.2 Membership Activities

#### 1.2.1 MPMA 50th Golden Jubilee Celebration Dinner

MPMA celebrated its 50th Golden Jubilee Celebration Dinner on Saturday, 8 July 2017 at One World Hotel, Selangor. The Dinner attracted about 1,100 members and guests.



# REPORT OF THE CENTRAL COMMITTEE

(FROM JUNE 2017 TO MAY 2018)

### 1.2.2 MPMA Golden Jubliee Golf Tournament 2017

MPMA held its Golden Jubilee Golf Tournament 2017 for members and guests on Friday, 7 July 2017 at the Glenmarie Golf and Country Club, Selangor. 132 golfers had participated in the event.



### 1.2.3 MPMA Roadshow 2018

The MPMA Roadshows are organised to update members on major issues and challenges facing the plastics industry, as well as the main activities that MPMA is undertaking. Datuk Lim Kok Boon, President, presented the latest development of the Malaysian plastics industry. Other main issues discussed were the Employment Insurance System (EIS), Holistic Management of Foreign Workers, Minimum Wages, Reinvestment Allowance and MPMA's proposals for the National Budget 2019. Datuk Lim also shared his view on the way forward for the plastics industry. In this aspect, he presented the Malaysian Plastics Industry Roadmap 2016-2025, MPMA-Talent Development Programme and MPMA's initiatives on moving towards Industry 4.0. The MPMA's Sustainability Initiatives were presented by Ms CY Wee, Chairman of MPMA's Sustainability Sub-Committee. Speakers from ICIS and Macquarie Bank also presented topics related to the raw materials market.



**Datuk Lim Kok Boon (left) and Mr Peter Taylor of Macquarie Bank (right) presenting at the Roadshow in MPMA Head Office**

## 2. FINANCIAL REVIEW

The amalgamated income for MPMA for the year 2017 amounted to RM4,606,202.

The Association recorded an amalgamated surplus of RM90,994 before taxation for the year. Please refer to the section on Financial Statement.

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## 3. HUMAN RESOURCE DEVELOPMENT

SMEs must face the challenges in the competitive global market and move up the value chain by investing in people, machines and technology. The industry is in need of people with the requisite skills. Paired with investments in machines and technology, productivity will improve with the resultant lowering of unit costs, while reducing the dependence on foreign workers. Most importantly, companies will be able to manufacture products with consistent quality.

Throughout the years, MPMA has been emphasising and allocating resources to training and skills upgrading. Pembangunan Sumber Manusia Berhad (PSMB) has been very supportive of MPMA's training initiatives in terms of providing special funding for higher skills training - training required by the industry, but not available in Malaysia.

### 3.1 Pilot Project on First Step to Injection Moulding 4.0

The latest buzzword today on technology is Industry 4.0 (i4.0). i4.0 is the fourth industrial revolution. With automation and artificial intelligence deployed in production, cost of production will be less location dependent. i4.0 will help push the industry to the next level of excellence.

In September 2017, PSMB allocated funding for MPMA to undertake a Pilot Programme - "First Step to Injection Moulding 4.0" (FSIM4.0). Four companies were selected to participate in this Programme, namely, LH Plus Sdn Bhd, Mah Sing Plastics Industries Sdn Bhd, Plasform Sdn Bhd and Triplus Industry Sdn Bhd.

FSIM4.0 incorporates training, consultancy, digitisation solutions and setting up of a Model Factory Cell (MFC). The training constitutes four modules, namely, Scientific Moulding, Smart Manufacturing, Lean and Robot Based Automation and First Step to Smart Manufacturing.

The participants to the training programmes have progressed well and have passed all necessary examinations to advance to the subsequent levels. All four companies have started setting up the MFC, with some even advancing into setting up their own Production Control Tower (PCT). All four companies have also set up their digitalisation solutions/smart data and have started collecting data for the optimisation and lean exercises.

# REPORT OF THE CENTRAL COMMITTEE

(FROM JUNE 2017 TO MAY 2018)



First Step to Smart Maintenance training in progress



First Step to Smart Manufacturing Programme – participants analysing data generated

Details of the training programmes are as follows:

| Training Dates | Module Titles | No of Pax |
|---|---|---|
| 5 September 2017 to 17 May 2018 | Scientific Moulding Programme | 45 |
| 25 September 2017 to 29 June 2018 | Smart Maintenance Programme | 25 |
| 27 November 2017 to 22 June 2018 | First Step to Smart Manufacturing Programme | 15 |
| 3 July 2018 to 25 October 2018 | Lean and Robot Based Automation Programme | 15 |

MPMA encourages members to follow the principle of "Think Big, Start Small!" - start with a "stand alone" solution, that is, a MFC; and if it delivers the expected benefits, to extend the systems gradually, factory-wide.

MPMA is keen to replicate what is learnt and achieved in these four companies in other member companies in the industry as members must embrace the changes that are necessary for them to compete in the international market. MPMA is working closely with Government Ministries and its Agencies to help members kick-start their pilot run on their journey towards i4.0 transformation.

### 3.2 Understanding Plastic Materials

MPMA conducted three training courses on Understanding Plastic Materials for the period under review. The aforementioned training is registered with the Human Resource Development Fund (HRDF) under the "Skim Bantuan Latihan-Khas" (SBL-KHAS).

| Training Dates | Details | No of Pax |
|---|---|---|
| 16 to 17 May 2017 | Understanding Plastic Materials - MPMA Head Office | 10 |
| 15 to 16 November 2017 | Understanding Plastic Materials - MPMA Head Office | 13 |
| 11 to 12 April 2018 | Understanding Plastic Materials - MPMA Head Office | 14 |



Understanding Plastic Materials training 11 to 12 April 2018 - MPMA Head Office

The aim of this training is to give plastics managers, engineers and new comers to the industry, the knowledge, skills and competence to understand the vast range of polymer materials available and to appropriately choose a cost effective material for a given application, while considering processing characteristics and design considerations and its limitations.

### 3.3 Occupational Safety and Health

MPMA in collaboration with the Social Security Organisation (SOCSO) conducted the following workshops to enhance the awareness on the prevention of injuries at the workplace and the importance of cultivating a safe working environment at the workplace:

| Training Dates | Details | No of Pax |
|---|---|---|
| 13 April 2017 | Workshop on Prevention of Injuries at the Workplace, MPMA Northern Branch | 42 |
| 25 April 2017 | Workshop on Prevention of Injuries at the Workplace, MPMA Head Office | 25 |
| 20 July 2017 | Workshop on Prevention of Injuries at the Workplace, MPMA Johor Branch | 27 |
| 8 August 2017 | Workshop on Prevention of Injuries at the Workplace, MPMA Head Office | 24 |
| 8 to 9 November 2017 | Workshop on Occupational Safety and Health Train-The Trainer, MPMA Head Office | 17 |



**Workshop on Prevention of Injuries at the Workplace 13 April 2017, MPMA Northern Branch**



**Workshop on Prevention of Injuries at the Workplace 20 July 2017, MPMA Johor Branch**



**Workshop on Occupational Safety and Health, Train-the Trainer, 8- 9 November 2017, MPMA Head Office**

### 3.4 National Occupational Skills Standards

MPMA developed the National Occupational Skills Standards (NOSS) for Plastics Film Extrusion, Levels 2 to 5 during the period in review. The document was developed and reviewed by nine panel experts from the relevant industry and academic sectors.

The development of this NOSS was crucial for the industry as the plastics film and bags sector is the largest contributing sector in terms of market share for the plastics industry. However, there seems to be a lack of training in this area. MPMA is of the view that the standards and competencies set by industrial experts in this NOSS will act as a guideline and would assist the learner to possess skills that would help companies to achieve greater productivity and profits.

# REPORT OF THE CENTRAL COMMITTEE

(FROM JUNE 2017 TO MAY 2018)



**NOSS panel at work**

| Training Dates | Details |
|---|---|
| 18 to 20 July 2017 | NOSS Development Workshop Level 2-5, MPMA Head Office |
| 1 to 2 August 2017 | SNOSS Development Workshop Level 2-5, MPMA Head Office |
| 12 to 13 September 2017 | NOSS Development Workshop Level 2-5, MPMA Head Office |
| 26 to 27 September 2017 | NOSS Development Workshop Level 2-5, MPMA Head Office |

### 3.5 Recognition of Prior Achievement

The Recognition of Prior Achievement is a programme initiated by the Department of Skills Development (DSD). Its objective is to award employees who do not have any formal qualifications, but have demonstrated proficiency skills in their working experience, with the Malaysian Skills Certification (SKM, Levels 1-5). Employees will be awarded with certifications up to the highest level according to their respective fields as specified in the National Occupational Skills Standards (NOSS).

A seminar to promote the awareness of the programme was held at the Penang Skills Development Centre, Bayan Lepas, with the assistance of MPMA Northern Branch on 28 September 2017 with 30 attendees.

For the period under review, 51 applications were submitted for certifications, out of which, 48 were approved.

### 3.6 Chemical Productivity Nexus

The Malaysian Productivity Blueprint was a strategy under the 11MP to boost productivity and propel economic growth. The Blueprint set out the following five initiatives identified for the Chemicals Industry:

i. Establishment of a Chemicals Centre of Excellence
ii. Enable SMEs to move towards high value add components in the chemical value chain
iii. Provide technical, digital and management support to enhance SME capability
iv. Deepen collaboration between industry players and educational institutions
v. Provide support to high potential SMEs to expand internationally

MPMA has been tasked to chair initiative ii. and co-chair initiative iv. MPMA also sits as a committee member in initiatives iii. and v. Mr Eddie Fong has been selected to be the Chairperson of initiative ii. and Mr PK Leong to co-chair initiative iv. with Bioeconomy Corporation.

The Initiative Working Groups (IWG) are responsible to propose relevant programmes to achieve the targets set-up for each initiative and approved by the Governing Committees.

On initiative ii., the IWG2 Committee has agreed to use MPMA's current training programme as part of IWG2's Key Performance Indicator (KPI) and outcome for 2018. This programme started in September 2017 and will complete in October 2018. The second project under IWG2 for 2018 is on Lean Management Transformation System Development Programme for SMEs and mid-tier companies from the plastics, oleo chemical, pharmaceutical and chemical industries. Only five companies will be selected.

On initiative iv., for the plastics cluster, IWG4 committee will be undertaking the Technology Audit and Intervention Programme with the assistance of SIRIM-Fraunhofer. The audit provides the management of the company with an understanding of their individual strengths and weaknesses as well as potential points for improvement. The outcome of this audit will help the participating company to set up action plans to enhance their productivity, improve their technology management capabilities and move up the value chain. There are many other interesting aspects of the Technology Audit results, findings, recommendations and follow-up activities that companies will find useful in their efforts to become more competitive, innovative and productive and to make their products more accessible to the market.

### 3.7 Programme on Environmental Management For Malaysia

MPMA collaborated with the Association for Overseas Technical Cooperation and Sustainable Partnerships (AOTS), Japan, on the Programme on Environmental Management for Malaysia. The training was conducted in Osaka, Japan from 14 to 23 November 2017 with 22 participants.

The Programme on Environment Management for Malaysia (MYEM) is a management training course under the scheme of Carbon Reduction Technology Promotion (CRTP) Programmes. The purpose of the Programme is to help the participants to better understand the significance and importance of carbon reduction technology, its administration and management techniques.



**The Programme on Environment Management for Malaysia (MYEM) participants at the Kansai Kenshu Centre**

# REPORT OF THE CENTRAL COMMITTEE

(FROM JUNE 2017 TO MAY 2018)

At the end of the programme, the participants should be competent to apply and replicate the knowledge learnt in their local working environment.

The Ministry of Economy, Trade and Industry (METI) of Japan sponsored two-third of the programme cost and PSMB sponsored the remaining one-third under the InBase Programme. Only HRDF contributing companies are eligible for the funding under InBase which benefited 17 participants.

### 3.8 MPMA–Plastics Technology Training Centre

The following training activities were organised under the MPMA – Plastics Technology Training Centre (MPMA-PTTC):

**MPMA-PTTC Johor**

| Date | Details | No of Pax |
|---|---|---|
| 26 to 27 April 2017 | Blow Film Extrusion – Theory & Practical | 12 |
| 6 September 2017 | Productivity & Quality Improvement by 7 QC Tools | 25 |

## 4. STANDARDS DEVELOPMENT

### 4.1 MPMA-Standard Development Agency

Standards Malaysia had identified a total of 389 Malaysian Standards (MS) on plastics to be reviewed by the respective Technical Committee (TC) within the Industrial Standards Committee (ISC) J, details are as follows:

| Technical Committee (TC) | Title | Number of MS |
|---|---|---|
| 1 | General Method of Test for Plastics | 142 |
| 2 | Plastics Pipes & Fittings | 111 |
| 3 | Plastics Products | 108 |
| 4 | General & Raw Materials for Plastics | 23 |
| 5 | Plastics Tanks | 5 |
| | **TOTAL** | **389** |

### 4.2 Standards Development Activities Under ISC-J on Plastics and Plastics Products

i) The 389 MS are under various stages of development, summarised as follows:

| Status | | Number of MS |
|---|---|---|
| Draft Malaysian Standard (DMS) under active deliberation / reviewed by WG | | 19 |
| DMS ready for submission to TC for approval | | 1 |
| Standards withdrawn / rejected | | 2 |
| Standards re-confirmed | | 14 |
| Standards amended | | 6 |
| Published Malaysian Standards | | 347 |
| | **TOTAL** | **389** |

ii) New Work Projects

| Status | Number of MS |
|---|---|
| New work projects - Indigenous | 10 |

### 4.3 ISO/TC 61 Plastics Meeting in Seoul, Korea 18 to 22 September 2017

The 66th Meeting of ISO/TC 61 on Plastics was held in the Daejeon Convention Centre, Daejeon, Korea from 18 to 22 September 2017. The meeting was attended by more than 200 delegates from 23 countries. The Malaysian delegation comprised the following three representatives:

i) Dr Ahmad Fuad Md Yusuf, SIRIM QAS Sdn Bhd (Head of Delegation & Convenor)
ii) En Ahmad Khairuddin B Sha'aban, MPMA (Convenor)
iii) *Dr Loo Koi Sang (the late), MPMA (Expert)

This is the 18th participation of Malaysia in the TC 61 event. The Malaysian delegates have managed to participate in all sub-committees (SC) of TC 61 where Malaysia is the P-member:

- SC 1 (Terminology)
- SC 2 (Mechanical Properties)
- SC 4 (Burning behaviour)
- SC 5 (Physical-chemical properties)
- SC 9 (Thermoplastics materials)
- SC 10 (Cellular Plastics)
- SC 11 (Products)
- SC 12 (Thermosetting materials)
- SC 13 (Composites and Reinforcement fibres)
- SC 14 (Plastics and environment)



**Delegates of ISO TC 61**

The Malaysian delegates had participated in several working group meetings, sub-committee plenary sessions and the main TC 61 plenary meeting. Dr Ahmad Fuad as the Head of Delegation had also attended the Leaders' meeting and, as the Convenor for SC 2/WG 2 (Mechanical Properties/ Hardness and Surfaces) had successfully convened the WG 2 meeting on 18 September 2017.

# REPORT OF THE CENTRAL COMMITTEE

(FROM JUNE 2017 TO MAY 2018)

En Ahmad Khairuddin had successfully convened the SC9/WG6 meeting as the Convenor on 20 September 2017.

Dr Loo (the late) had attended and participated actively in the SC 1 and SC 1 / WG 1 as the official Malaysian delegate and expert where Malaysia (DSM) is now a P Member for SC 1. He also attended the Leader's Meeting on behalf of the Head of Delegation.

The Malaysian delegates had also actively participated in many technical works/projects taking up responsibility as project leaders and convenors as well as took part in important discussion and participated in the ensuing Round Robin exercises.

** Dr Loo passed away in October 2017. Dr Loo is one of the pillars of excellence in developing standards. His work is well known in the standards development committee locally as well as internationally as he had been attending ISO meetings for more than 10 years. Dr Loo was the Chairman for TC 3 (Plastics Product) and multiple WGs where he had developed over 20 standards under his portfolio. We in MPMA offer our heartfelt condolences to the family of Dr Loo.*

### 4.4 ISO/TC 138 Plastics Pipes, Fittings and Valves for the Transport of Fluids Meeting in Solothurn, Switzerland from 9 to 13 October 2017

The 26th Meeting of ISO/TC 138 on "Plastics Pipes, Fittings and Valves for the Transport of Fluids" was successfully held in Solothurn, Switzerland from 9 to 13 October 2017. The meeting was attended by more than 50 countries.

En Yahaya Bin Saad, Deputy Director from Ministry of Health represented Malaysia to attend the meeting.

ISO/TC 138 is a Technical Committee for Standardisation of Pipes, Fittings and Valves and Auxiliary Equipment Intended for the Transport of Fluids and made from all types of plastic materials including all types of reinforced plastics as well as metal fittings used with plastic pipes. This standardisation includes dimensions and their tolerances, requirements for chemical, mechanical and physical properties and appropriate test methods, requirements and test methods for other properties relevant to particular applications, pressure and temperature ratings.

The delegate had made an arrangement to attend the following SC meetings to observe the proceedings and to provide comments and also to vote on the related draft Standards.

The Committee had a working group under direct control of TC 138 and eight Sub-committees. SC 8 was established by promoting WG 12 of TC 138 to a new SC in 2013. Sub-Committee, SC 6 and SC 7 has been upgraded from O-member to P-member.

1. SC 1 – Plastic pipes & fittings for soil, waste & drainage (including land drainage)
2. SC 2 – Plastic pipes & fittings for Water Supplies
3. SC 3 - Plastic pipes & fittings for Industrial Applications
4. SC 4 - Plastic pipes & fittings for the Supply of Gaseous Fuels
5. SC 5 – General Properties Of Pipes, Fittings And Valves of Plastics Materials and their accessories -Test Methods and Basic Specifications
6. SC 6 – Reinforced Plastics Pipes & Fittings for all applications
7. SC 7 – Valves & Auxiliary Equipment of Plastic Materials

8. SC 8 – Rehabilitation of Pipeline Systems
9. WG 8 – Basic geometrical characteristics of thermoplastics pipes

## 5. SUSTAINABILITY

### 5.1 Diary of Sustainability Activities 2017

| Date | Activities |
|---|---|
| 30 – 31 March 2017 | 1st Council Meeting of the 17th Term ASEAN Federation of Plastic Industries (AFPI) (2016 – 2018) in Yogyakarta, Indonesia |
| 1 April – 6 Septmber 2017 | PETRONAS Chemicals Group (PCG) Berhad Be Green Campaign, Bintulu |
| 20 May 2017 | MPMA-ExxonMobil Eco-Ranger Programme 2017, Selangor |
| 25 May – 5 September 2017 | MPMA-Chevron Phillips Chemical Young Sustainability Innovators Award 2017, Selangor |
| 8 August – 3 October 2017 | MPMA-DOW School Environmental Challenge 2017, Melaka |
| 12 August and 24 October 2017 | River of Life – Public Outreach Programme (ROL-POP), Selangor |
| 13 – 15 September 2017 | 2nd Council Meeting of the 17th Term AFPI (2016-2018) & 27th Asia Plastics Forum (APF) 2017 in Yangon, Myanmar |
| 13 September – 17 November 2017 | MPMA-DOW RIVER Ranger Programme 2017, Selangor |
| 7 November 2017 | Formation of MPMA Sustainability Sub-Committee |
| 28 November 2017 | Innovators' Dynamic Programme organised by Ministry of Science, Technology and Innovation (MOSTI) on the implementation of Bio products |
| 10 December 2017 | International Eco-Schools Conference 2017, Melaka |
| 14 November 2017 | PCG Berhad Be Green Campaign, Gebeng |
| 18 November 2017 | National Recycling Day 2017, Putrajaya |
| 13 – 15 December 2017 | Global Plastics Alliance Meeting 2017, Penang |
| Throughout 2017 | MPMA Perak Branch 3Rs Awareness Education Programme 2017 |
| 7 March – 1 April 2018 | MPMA-ExxonMobil Eco-Park Innovation Challenge 2018, Selangor |
| 21 March 2018 | Initiation of an Asia Pacific Coalition focused on Plastics Waste, Singapore |
| 17 April - current | MPMA-DOW School Environmental Challenge 2018, Melaka |
| 28 April 2018 | River of Life – Public Outreach Programme (ROL-POP), Kuala Lumpur |

# REPORT OF THE CENTRAL COMMITTEE

(FROM JUNE 2017 TO MAY 2018)

### 5.2 PETRONAS Chemicals Group (PCG) Berhad Be Green Campaign

The PCG Be Green Campaign was organised in Bintulu, Sarawak and Gebeng, Pahang focusing on educating students and teachers on the practice of 3Rs (Reduce, Reuse, Recycle) and plastics innovation.

In Bintulu, more than 40 schools took part in the competitions organised in conjunction with the Campaign over a period of five months. The competitions were Recyclables Collection Competition; Plastics Collage Competition; and Ideation Competition.



**Standing from left, En Sallehuddin Bin Mohd Adib, Corporate Social Responsibility, Corporate Affairs & Administration Department, Petronas Chemicals Group Berhad (PCG); Ms Savitha Prabhakaradas and Ms Mandy Kok of the MPMA Secretariat, with students at the PCG Be Green Campaign 2017 in Gebeng**




**Finalists for the Ideation competition of the PCG Be Green Campaign 2017 in Bintulu with the judges (seated)**

### 5.3 MPMA-ExxonMobil Eco-Ranger Programme 2017

MPMA has collaborated with ExxonMobil on numerous environmental initiatives including programmes with students; the printing of books on topics such as 'Let's Practise 3Rs!' and 'Fantastic Plastics'; Magnetic Stickers promoting the 3Rs; public programmes on anti-littering at a Pasar Malam and at a sporting event - the Penang Bridge Marathon.

For 2017, MPMA-ExxonMobil organised an Eco-Ranger Programme, with the main objective to educate and create awareness amongst students on waste management.

Six schools with a total of 360 students took part in the programme which involved creative workshops on the different ways to manage different types of waste. The workshops educated students on Composting; Solar power; Plastics crafts; Paper crafts; Eco-drum; Bin painting; Paper making; Soap making from used cooking oil; Candle making from used cooking oil; Poster drawing; Frame making from used CDs; 'Recycle' seat.




**At back row from left, En Mohd Fikri, eijau (the facilitator of the MPMA-ExxonMobil Eco-Ranger Programme 2017); En Sukiman Mohamed General Manager – Public and Government Affairs, ExxonMobil Subsidiaries Malaysia; 2nd row from the back, at centre is Puan Siti Zaleha Ibrahim, Director, Selangor Environment Department; and on her left is Ms ST Giam, Executive Director, MPMA**

In addition to the one-day programme, MPMA-ExxonMobil sponsored a set of three recycle bins each; a 'Guide to Using the Bins' signage; and two boxes of garbage bags (approximately 300 pieces) for each participating school, so that the schools could continue to practice recycling.

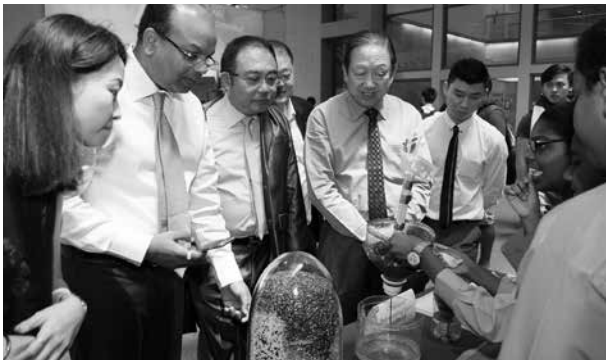
### 5.4 MPMA-Chevron Phillips Chemical Young Sustainability Innovators Award 2017

The MPMA-Chevron Phillips Chemical Young Sustainability Innovators Award, a competition amongst secondary schools within the Klang Valley, was organised for the third consecutive year in 2017. The competition aims to encourage students to think out of the box in creating innovations/inventions from recyclables especially plastics, and to educate them on the value of plastics as a green and sustainable material.

Four schools took part in the competition with a total of 17 ideas submitted during the preliminary round. Dr Bugs Tan, the Chief Judge of the competition conducted a series of innovation talks at participating schools and shortlisted ten ideas for the final round of the competition.

# REPORT OF THE CENTRAL COMMITTEE

(FROM JUNE 2017 TO MAY 2018)



**Looking on at the winning entry of the MPMA-Chevron Phillips Chemical Young Sustainability Innovators Award 2017. From left, Ms Ng Peg Shi, MPMA; Mr Mr Manoj Aravind, Chevron Phillips Chemical; Dato' Raymond Sng, Vice-President, MPMA; (partially blocked) Dr Bugs Tan, Chief Judge for the competition; and Mr Robert Chng of Chevron Phillips Chemical**

Present at the Closing Ceremony were Mr Robert Chng, Mr Manoj Aravind and Mr Shane Lee representing Chevron Phillips Chemical, Dato' Raymond Sng and Ms Ng Peg Shi representing MPMA, and Professor Mahendhiran Sanggaran Nair, Vice-President (Research & Development) and Professor Pervaiz Ahmed, Director of GA21 and eiHub of Monash University. The closing ceremony was hosted by Monash University.

The Champion of the MPMA-Chevron Phillips Chemical Young Sustainability Innovators Award 2017 was a group of girls from Sekolah Menengah Kebangsaan Bandar Baru Sungai Buloh with the invention of 'Self-Watering Plant'.

### 5.5 MPMA-DOW School Environmental Challenge 2017

The MPMA-DOW School Environmental Challenge 2017 was held for the second consecutive year in Melaka with the involvement of 12 schools, as compared to six schools in year 2016. The programme had attracted the participation of 303 students in four competitions, which were conducted over a period of two months. The competitions organised were Plastics Collage (Primary school category); Eco-Fashion (Primary school category); Public Speaking (Secondary school category ); and Plastics Robotics (Secondary school category).




**Students and guests at the Closing Ceremony for the MPMA-Dow School Environmental Challenge 2017. 3rd row from right is Dato' Raymond Sng, Vice-President, MPMA; Mr Miyauchi Fuyuto, Product Director, Dow Packaging and Specialty Plastics; Mr Yeoh Lian Kuan, Senior Account Manager, DOW Chemical; Mr CC Cheah, Vice-President, MPMA; Dr Han Zhang, Asia Pacific Sustainability and Advocacy Leader, Dow Packaging & Specialty Plastics**

The final judging of the Eco-Fashion, Public Speaking and Plastics Robotics competitions was arranged as part of the closing ceremony. The ceremony was attended by Mr Miyauchi Fuyuto, Product Director, Dow Packaging and Specialty Plastics; Dr Han Zhang, Asia Pacific Sustainability Leader; Mr Yeoh Lian Kuan, Senior Account Manager and DOW Chemical staff from its Kuala Lumpur office; Dato' Raymond Sng, Mr CC Cheah, Mr Tan Cheow Ho and Mr CY Chow representing MPMA and Ms Rita Teoh of Lam Chong Trading, a MPMA member from Melaka. The Guest-of-Honour was En Tahir bin Kasim, Head of Unit for Mathematics, Melaka State Education Department.

### 5.6 MPMA-DOW RIVER Ranger Programme 2017

The MPMA-DOW RIVER Ranger Programme 2017 is the first marine litter effort by MPMA and DOW organised for students. It was designed together with a programme partner, Global Environment Centre (GEC), to educate and create awareness among students and teachers on the importance of protecting our rivers and the marine environment.




**Students, teachers and guests at the Closing Ceremony of the MPMA-Dow River Ranger Programme 2017. 2nd row, seated at centre, Dr Han Zhang, Asia Pacific Sustainability and Advocacy Leader, Dow Packaging & Specialty Plastics; to his left is Datuk Lim Kok Boon; to his right is Dr Kalithasan Kailasam, River Care Coordinator, GEC**

A total of five schools within the Klang Valley took part in the programme which involved theoretical and practical sessions at Lembah Kiara Park. Students were taught on river water management and conducted a series of chemical and biological experiments at the Kiara Park. MPMA had also given a talk on 'Plastics in the Marine Environment' to educate teachers and students on the importance of waste management and recycling.

As part of the programme, participating students were required to conduct a river-related project in their respective schools, applying the knowledge which they have learnt during the practical session. Students were requested to share their projects at a closing ceremony organised two months after the practical session.

### 5.7 Formation of MPMA Sustainability Sub-Committee

The MPMA Sustainability Sub-Committee was formed to promote the Plastics Circular Economy, recycling and to provide a platform to engage with stakeholders including raw material suppliers, converters/manufacturers, recyclers, related Government agencies and Brand Owners. The initiative would assist to counter the negative perceptions and misconceptions about plastics amongst the public and demonstrate the value of plastics as a resource after the disposal stage.

# REPORT OF THE CENTRAL COMMITTEE

(FROM JUNE 2017 TO MAY 2018)

At the time of reporting, the Committee is working on a pilot project for plastic bottles collection and recycling within the Klang Valley.

### 5.8 MPMA-ExxonMobil Eco-Park Innovation Challenge 2018

The MPMA-ExxonMobil Eco-Park Innovation Challenge 2018 is an expansion of the Eco-Ranger Programme conducted by MPMA-ExxonMobil in 2017, in which besides educating students on waste management, students were required to build functional eco-innovations in an eco-park. Conducted at the iPlay Park, Damansara Damai, the programme attracted more than 360 students from 17 schools from Klang Valley, Perak and Melaka. The programme was organised as a camping event and students spent two nights at the iPlay Park.

A total of more than 60 innovations were created from recyclables during the programme and this included, small bird houses, park benches, hammocks and an irrigation system for plants. The Champion of the Challenge was from Sekolah Menengah Kebangsaan Bandar Baru Sungai Buloh with the creation of an Eco Chair made fully from recyclable materials.




**Students and guests at the closing ceremony for the MPMA-ExxonMobil Eco-Park Innovation Challenge 2018, at iPlay Park. Front row standing at left is Datuk Lim Kok Boon; front row squatting at right is En Sukiman Mohamed, General Manager – Public and Government Affairs, ExxonMobil Subsidiaries Malaysia; 4th row standing on left is Mr Colin Loh, Director, ExxonMobil Chemical Malaysia Sdn Bhd.**

## 6. GOVERNMENT AND INDUSTRY

MPMA continued to play a pro-active role in liaison with the Government authorities on policy matters. MPMA also actively participated and contributed to the Trade Associations Joint Meetings on Foreign Workers issues, co-ordinated by the Associated Chinese Chamber of Commerce and Industry Malaysia (ACCCIM), Federation of Malaysian Manufacturers (FMM) and the Malaysian Employers Federation (MEF). Amongst the major issues discussed were:

### 6.1 Employment Insurance System

(i) 1 August 2017 – EIS was tabled in Parliament for its 1st reading. Cabinet decided to form a four-Ministers Committee to re-study the Bill.

(ii) 1 August 2017 – Joint associations meeting held at ACCCIM to discuss on issues related to EIS.

(iii) 10 August 2017 – The Ministers Committee met trade associations to obtain their views. Trade associations recommended that the contribution rate be 0.2% for employer and 0.2% for employee, lower than the original proposed rate of 0.5% each.

(iv) 17 October 2017 – Joint associations meeting held at ACCCIM.

(v) 19 October 2017 – A joint letter was sent to the four Ministers, reminding on the 0.2% rates agreed by the Malaysian Trade Unions Congress (MTUC), Government and employers' associations. The joint letter also recommended that a tripartite consultative council be established under the EIS Act comprising representation from the Government, employers and employees to monitor and be empowered to determine appropriate contribution rates relative to the eligibility and benefits to ensure sustainability of the fund.

(vi) 20 December 2017 – The Cabinet approved the EIS with the agreed rates to be implemented effective 1 January 2018.

### 6.2 Minimum Wage Review

(i) 11 January 2018 – MPMA participated in a joint meeting in ACCCIM on minimum wage review. All trade associations agreed that given the various increases in the cost of doing business, employers would appeal to the Government not to increase the minimum wage rate in the coming review.

(ii) 16 January 2018 – MPMA attended the Focus Group meeting held by the National Wages Consultative Council whereby it was proposed that the minimum wage rates remained as status quo.

### 6.3 Holistic Management of Foreign Workers

(i) 22 January 2018 - MPMA attended a Joint Industry Meeting to discuss a proposal to the Government on the holistic management of Foreign Workers organised by FMM.

(ii) 23 January 2018 - The joint proposal was submitted to MITI.

# REPORT OF THE CENTRAL COMMITTEE

(FROM JUNE 2017 TO MAY 2018)

(iii) 5 February 2018 - A follow-up meeting was held in FMM to provide details on the proposal. The following recommendations were proposed to the Government:

(a) Proper, meaningful and early consultation with all stakeholders.

(b) Holistic, fair and transparent administration, with a single online end-to-end (recruitment to repatriation) system managed by a single agency.

(c) Market-based mechanisms to support transparency in administration, ease of compliance and business planning.

(d) Effective and efficient foreign worker re-hiring programme to legalise illegals already gainfully employed by industry and to repatriate those who are operating their own business or self-employed.

**6.4 Reinvestment Allowance**

In 2016, the Ministry of Finance granted a Special Reinvestment Allowance (RA) for a period of three years from 2016 to 2018 in response to MPMA's appeal to the Government to extend the 15-year claimable period of RA.

Given that the Special RA would be expiring at the end of 2018, in March 2018, MPMA appealed to the Government to extend it indefinitely as the industry need to continuously invest in the latest and ever evolving technology in order to stay relevant and be able to compete in the global market.

**6.5 Budget 2019: Preparation of Tax Incentive Proposals**

In March 2018, MPMA submitted a proposal to MIDA on tax incentives to facilitate the growth and smooth operations of the plastics companies, in the following forms:

(a) Market Development Grant for SMEs – to increase the maximum 'lifetime' claim of RM200,000 to RM500,000 per company.

(b) Reinvestment Allowance (RA) – to extend the RA claimable period indefinitely.

(c) Promotion for the usage of post-consumer recycled plastic materials – to provide Pioneer Status and Investment Tax Allowance for companies producing high value-added plastic packaging materials with more than 30% post-consumer recycled plastic.

(d) Approved Trader Scheme (ATS) for export-oriented companies – to lower the qualifying criteria, i.e. the zero-rated supplies must account for more than 50% of the total supplies instead of 80%.

(e) Temporary Employment Visit Pass (Pas Lawatan Kerja Sementara, PLKS) for foreign workers - to extend the maximum period of PLKS for foreign workers from 10 years to 15 years.

(f) Broadband and Mobile Internet Speed - to expedite the upgrading process for installation of infrastructure facilities, capable of providing internet speed up to 100 Mbps (e.g. the Unify package), for many industrial areas that are located far from the major cities.




**President Datuk Lim Kok Boon presenting an updates of the Malaysian plastics industry at the Networking Session**




**Ms CY Wee presenting on MPMA's Sustainability initiatives**

### 6.6 Networking Session with Government Officials and Major Contributors

MPMA organised the 'Let's Meet on Industry Updates' to network with Government officials and major contributors on 8 February 2018 at Connexion Conference and Event Centre, Nexus, Bangsar South City. A total of 77 Government officers from Ministry of International Trade and Industry (MITI), Malaysian Productivity Centre (MPC), Malaysian Investment Development Authority (MIDA), Malaysia External Trade Development Authority (MATRADE), SME Corp, Standards Malaysia, Ministry of Health (MOH), Ministry of Human Resources (MOHR), Pembangunan Sumber Manusia Bhd (PSMB), SIRIM, as well as the major contributors including Borouge, Chevron Phillips, Dow Chemical, Exxonmobil Chemical, Petronas Chemical Group (PCG), Lotte Chemicals Titan, etc, turned out for the event.






**Members and guests at the Networking Session**

# REPORT OF THE CENTRAL COMMITTEE

(FROM JUNE 2017 TO MAY 2018)

## 7 INTERNATIONAL LIAISON

### 7.1 2nd Council Meeting of the 17th Term AFPI (2016-2018) & 27th APF 2017 in Yangon, Myanmar

Mr Callum Chen had led a 13 member team plus Secretariat staff to the 17th Term ASEAN Federation of Plastic Industries (AFPI) and 27th Asia Plastics Forum (APF). The APF programme featured speakers from Switzerland, Belgium, US, and included a speaker from the NGO International Initiatives, Ocean Conservancy who spoke about Marine Litter issues and Trash Free Oceans. The APF had also deliberated on the proposed establishment of a 'PlasticsAsia' for the purpose of managing plastics impact on marine litter in Asia.



**Delegates at the APF meeting. Mr Callum Chen is seated at the Head of the table (centre)**




**Opening Ceremony of the IPF 2017. Datuk Noraini Soltan Talib, Vice-President, representing MPMA (second row, first left)**

### 7.2 IPF Japan 2017

The International Plastics Fair (IPF) is held once in three years. The event showcases approximately 800 exhibitors, primarily from Japan and provides the opportunity for visitors to view Japanese technology and network with businesses. A total of 19 Malaysian delegates visited IPF Japan 2017, which was held from 24 to 28 October 2017 in Tokyo, Japan.

### 7.3 Plastindia 2018 Pre-show

A special networking session was organised with MPMA members, government departments and representatives from The High Commission of India on 21 November 2017 at the Sheraton Hotel, Petaling Jaya to promote Plastindia 2018.



**Datuk Lim Kok Boon, centre, with representatives from The High Commission of India, MATRADE and Plastindia Foundation**

Plastindia 2018 which took place from 7 to 12 February 2018 at Gandhinagar–Ahmedabad, Gujarat, India showcased exhibitors from North America, Europe, South America, Middle East, South East Asia including countries like China, Taiwan and Korea, and over 1,500 Indian exhibitors of Machinery, Raw Materials, Ancillary Equipment and Finished Goods. As part of Plastindia 2018, a special hosted buyers programme was organised.

### 7.4 GPA Meeting 2017

The Global Plastics Alliance (GPA) Meeting was held on 13 to 15 December 2017 at Shangri-La Rasa Sayang Resort and Spa, Penang. The Malaysian delegation comprised Datuk Lim Kok Boon, MPMA President; Mr Callum Chen, MPMA Honorary President; Ms Wee Ching Yun, Chairman, Sustainability Sub-Committee; Mr Alvin Ang, Northern Branch Chairman; Mr Ahmad Khairuddin, Chairman, Education and Awareness, Malaysian Plastics Forum; Mr Hong Boon Khiam, Petronas Chemical Group; and MPMA Secretariat staff.



**Delegates at the Global Plastics Alliance meeting in Penang, Malaysia**

# REPORT OF THE CENTRAL COMMITTEE

(FROM JUNE 2017 TO MAY 2018)

In its largest meeting yet, representatives from 19 countries met to accelerate and advance The Declaration of the Global Plastics Associations for Solutions on Marine Litter, also informally known as the "Joint Declaration." At the meeting, the GPA welcomed a new participant, Acoplasticos (Columbia), the second association from South America. Other GPA participants came from Brazil, Canada, Europe, Ghana, India, Japan, Malaysia, Philippines, Russia, Singapore, South Africa, Thailand, Turkey, Vietnam, and the United States.

### 7.5 Visiting Delegation from CSPA

The China Scrap Plastics Association (CSPA) had visited MPMA on 8 January 2018 with a delegation of 30 members. MPMA had 14 members present to meet the delegation.



Ms Giam, Executive Director, MPMA, presenting a memento to Mr Jason Wang, Secretary-General, CSPA

### 7.6 Initiation of an Asia Pacific Coalition Focused on Plastics Waste Solutions

Datuk Lim Kok Boon and Mr Callum Chen had attended a one-day Asia Pacific Coalition on Plastics Waste on 20 and 21 March 2018 in Singapore. Initiated by ExxonMobil and Dow and convened by the Business Council for Sustainable Development (BCSD) Singapore, the objective of this coalition is to establish an Asia-Pacific based coalition dedicated to developing and implementing scalable plastic waste solutions in the region. Invitees to the first meeting were broad ranging comprising, amongst others, resins suppliers, associations/NGOs, brand owners, and plastics packaging companies. The meeting had concluded that a formalised organisation be set up, focusing on the growing problem of plastics waste. Also in attendance at this meeting was Mr Alvin Ang, representing Thong Guan and Mr Yau, representing Scientex.

### 7.7 Chinaplas 2018

The 32nd International Exhibition on Plastics and Rubber Industries in China, better known as Chinaplas, took place from 24 to 27 April 2018 at the National Exhibition and Convention Center, in Shanghai. About 40 members had participated in the MPMA visiting delegation.



Mr CY Chow (left), MPMA Exco Member, receiving a thank you plaque in recognition of MPMA's support towards Chinaplas




MPMA's visiting delegation to Chinaplas 2018.

### 7.8 China Replas 2018

The 19th edition of China Replas took place from 20 to 22 April 2018, in Shanghai. China Replas is a Recycling Trade Show and Conference, organised by CSPA. Mr CC Cheah, MPMA's Vice-President had presented a paper at the Conference.

### 7.9 3rd Council Meeting of the 17th Term AFPI 2016-2018

The 3rd Council meeting of the 17th Term AFPI 2016-2018 took place in Jakarta on May 8, 2018. Some of the key items discussed at the meeting included the progress of the redrafting of the AFPI Vision and Mission statements and the ASEAN Plastics Awards.




**Representatives at the Meeting**

## 8. RAW MATERIALS

### 8.1 Plastic Resins Producers Group (PRPG) Dialogues

The dialogues between MPMA and PRPG were organised to share information between resin producers and the plastics industry, as well as working on collaborative activities for mutual benefits of the two organisations.

The Chairmanship of the Dialogues is rotated between the two organisations on a biennial basis. MPMA held the Chairmanship for 2016-2017 and handed to PRPG during the Summit Meeting in November 2017.

Meetings conducted in 2017 are as follows:

| | |
|---|---|
| 30 May 2017 | MPMA-PRPG Dialogue at MPMA Head Office, PJ |
| 21 November 2017 | MPMA-PRPG Summit Meeting at Sheraton PJ Hotel |

# REPORT OF THE CENTRAL COMMITTEE

(FROM JUNE 2017 TO MAY 2018)

At these meetings, members of the PRPG shared market information related to major type of resin from independent source and MPMA provided a report on the performance of the plastics industry. MPMA and PRPG also worked together to address queries from the public on matters related to plastics safety and plastics effect on the environment.

### 8.2 Seminars on Raw Material Market Trends and MPMA Roadshow 2018

The Seminars had been incorporated into the MPMA Roadshow 2018. Ms Felita Widjaja of ICIS presented a paper on "Overview of the Plastics Market Fundamentals and Price Trends" at the Roadshow.

---

## 9. PROCESS GROUP

### 9.1 MPMA Polyvinyl Chloride Pipes and Profiles Sub-Committee

MPMA Polyvinyl Chloride (PVC) Pipes and Profiles Sub-Committee was involved in SIRIM's Technical Committee on Water Supply and nominated as one of the members in SIRIM's Working Group for the development of standards for the unplasticised PVC (uPVC) pipes. During the period under review, there was no project or meeting held with regards to PVC Pipes.

### 9.2 MPMA Fibre Reinforced Plastics Panel Tank Manufacturers (FPTM) Tank Sub-Committee

During the period under review, the Fibre Reinforced Plastics (FRP) Panel Tank Manufacturers Committee was in the midst of conducting round robin test on the tank related to MS1390:2010.

### 9.3 MPMA Polyethylene (PE) Pipes and Fittings Sub-Committee

During the period under review, MPMA PE Pipes & Fittings Sub-Committee held four meetings to discuss mainly on the issue of HDPE Pipes.

In 2017, the committee had participated in the 30th Jawatankuasa Tindakan Jurutera Air Daerah Se-Malaysia-JTJAD Annual Meeting from 19 to 21 December 2017 hosted by Lembaga Air Perak in Hotel Casuarina at Meru in Ipoh, Perak. The theme of the meeting was 'Innovations Toward Sustainable Water Future'. A technical paper entitled "High Quality PE Solutions for Water Utilities" was presented by Mr Justin Wong of George Fischer in conjunction with the JTJAD Conference.

## 10. REPORT FROM BRANCHES

### 10.1 MPMA Johor Branch

20 July 2017

**Workshop on "Prevention of Injuries at the Workplace"**

MPMA Johor Branch organised a Workshop on "Prevention of Injuries at the Workplace" at the MPMA Conference Hall with 27 participants from 11 member companies.



25 August 2017

**MPMA Johor Annual Golf Tournament 2017**

In conjunction with the MPMA Johor Branch 29th Anniversary Celebration, the Annual Golf Tournament 2017 was organised at Starhill Golf and Country Club, Kempas Lama on the same day. A total of 124 members and guests participated the golf games.




25 August 2017

**MPMA Johor 29th Anniversary Dinner**

MPMA Johor Branch celebrated its 29th Anniversary Dinner at the Grand Straits Garden Seafood Restaurant with about 900 members and guests attending the dinner.

For the Academic Excellence Award 2017, a total of RM32,400 was presented to 59 outstanding students from 17 member companies at the dinner.




6 September 2017

**Productivity & Quality Improvement by 7QC Tools**

MPMA-PTTC Johor organised a training on Productivity & Quality Improvement by TQC Tools at the MPMA Conference Hall with 25 participants from seven member companies.



29 November 2017

**Solar Double Tax Incentives Seminar**

Mr Tang Hong Koon, Chairman, and representatives from nine member companies participated in the Solar Double Tax Incentives Seminar held at Thistle Hotel, Johor Bahru.

# REPORT OF THE CENTRAL COMMITTEE

(FROM JUNE 2017 TO MAY 2018)

29 November 2017, 5 December 2017 and 17 January 2018

**Meetings on the Ban of Polystyrene Packaging and Plastic Bags in Johor State**



In response to the recent ban of polystyrene packaging and plastic bags in the Johor State and for biodegradable and bio-compostable products to replace them, three internal meetings were held at MPMA Johor Branch Conference Hall for members to provide information and feedbacks for discussion with the authorities later.

The first meeting on 29 November was chaired by Mr HK Tang, MPMA Johor Branch Chairman whereby over 30 participants were present.

For the second and third meetings on 5 December and 17 January 2018 , MPMA President, Datuk Lim Kok Boon was present to lead the discussions.

24 February 2018

**Johor Bahru Chinese Chamber of Commerce and Industry's Celebration Gala Dinner 2018**

Chairman, Mr Tang Hong Koon, Committee Members, Dato' Soh Choon Hock, Mr Loo, Advisor, Mr Cheong Kok Leong and two members attended the Dinner.

7 March & 9 March 2018

**3Rs Awareness Programme – Litter Free Chingay 2018**

MPMA Johor Branch successfully organised the 3Rs Programme on the Litter Free Chingay 2018.

The campaign involved 39 volunteers from 12 MPMA member companies. The volunteer encouraged Chingay devotees and the public to dispose of their litter by using specially prepared bins. The bins were marked 'Recyclables' for recyclable waste, and 'Non-Recyclables' for food waste.

The volunteers were positioned along Jalan Trus and Jalan Ulu Ayer Molek (Xing Gong). There were a total of eight check points on 7 March 2018 and four checks points on 9 March 2018 at Xing Gong.







4 April 2018

**Interview Sessions by ASTRO AEC**

ASTRO Media Production Company interviewed MPMA Johor Branch on the issues of "Plastics Recycling and Environmental Sustainability". The first session involved discussions and interviews with Mr Tang Hong Koon, Chairman, Ms CY Wee, Chairman of MPMA Sustainability Sub-Committee and Mr CK Tan, Johor Branch Committee Member.

The second session was the recording and media shooting interview session with Ms CY Wee. The third session would include a visit and media shooting at a member's plastics recycling business/factory. The session would be broadcasted on ASTRO in due course.





5 April 2018

**MPMA Roadshow 2018**

The Roadshow in Johor Branch was attended by 34 participants, comprising 24 participants from 16 member companies and 10 participants were from five non-member companies.

MPMA President Datuk Lim Kok Boon presented the topic on "MPMA Developing The Malaysian Plastics Industry". Chairman of MPMA Sustainability Sub-committee, Ms CY Wee, presented the topic on MPMA's Sustainability Initiatives. Mr Chris Cusack from Macquarie Bank presented two papers: "Crude Oil Market" and "Risk Management".

Speaker from ICIS presented an Overview of the Plastics Fundamentals and Price Trends. Mr Gan Tze Keong presented on the Foreign Worker Compulsory Insurance – Benefit. Tn Hj Abdul Mazlan Razak, Chairman of Plastic Resin Producers Group (PRPG) shared the programme on Asia Petrochemical Industry Conference (APIC) 2018.





## 10.2 MPMA Northern Branch

21 April 2017

MPMA Roadshow 2017 was held at the Light Hotel with 41 participants from 28 member companies.







21 April 2017

MPMA Northern Branch held its 26th Annual General Meeting at The Light Hotel with 33 ordinary members and 1 associate member attending.



# REPORT OF THE CENTRAL COMMITTEE

(FROM JUNE 2017 TO MAY 2018)

16 July 2017

**Badminton Competition**

MPMA Northern Youth Club organised a Badminton Competition for members at Chai Leng Park Multipurpose Hall with 22 teams.

14 October 2017

**26th Anniversary Dinner**

Northern Branch celebrated its 26th Anniversary Dinner at PECC Exhibition & Convention Centre, Seberang Jaya with 650 members and guests present.





14 October 2017

**20th Annual Golf Tournament**

In conjunction with the 26th Anniversary celebration, the Branch successfully organised the 20th Annual Golf Tournament on the morning of 14 October 2017 at the Penang Golf Club, Bukit Jambul, Penang Island with 80 golfers.

14 October 2017

**Member Employees Children Academic Excellence Awards**

A total of RM4,150 was given to 26 outstanding and deserving students from 17 member companies under the Member Employees Children Academic Excellence Awards.



7 December 2017

**Penang Flood Relief Fund**

Lotte Chemical Titan (M) Sdn Bhd contributed RM20,000 to the Penang Flood Relief Fund through MPMA Northern Branch. The cheque handover ceremony was held on 7 December 2017 at MPMA Northern Branch Conference Room.

25 February 2018

**Visit to Orphanage**

MPMA Northern Youth Club visited an orphanage called “Pertubuhan Kebajikan Da Zhi Jiang Tang” at Taman Kimsar, Butterworth.





| | |
|---|---|
| 27 February 2018 | **Chinese New Year Dinner cum Karaoke Contest**<br>MPMA Northern Branch organised a Chinese New Year Dinner cum Karaoke Contest for its members at Kim Hee Restaurant, Seberang Jaya with 240 participants. |
| 19 March 2018 | **Dialogue with PDRM**<br>Six industry associations organised a dialogue with Polis Diraja Malaysia (PDRM) at Penang Golf Resort with 180 participants. The newly appointed Penang CPO, YDH CP Datuk A Thaiveegan, CPOs of Marine and Land, five IPD District Headquarters and nine District Station police officers were present to update on crime incidence related issues. |



### 10.3 MPMA Perak Branch

| | |
|---|---|
| 20 April 2017 | **29th MPMA Perak Branch AGM and President Roadshow**<br>The 29th MPMA Perak Branch Annual General Meeting and President Roadshow were held on 20 April 2017 at MH Hotel, Ipoh. For the AGM, a total of 22 participants from 19 member companies and Branch Committee Members attended. In addition, a total of 11 member companies appointed proxies to attend the AGM.<br>As for the President Roadshow, 34 participants from 18 member companies and Branch Committee Members attended. |



| | |
|---|---|
| 14 May 2017 | **Children Academic Excellence Awards**<br>The Children Academic Excellence Awards was held at Syeun Hotel. A total of 54 successful applicants from 17 Member companies received the award. |



# REPORT OF THE CENTRAL COMMITTEE

(FROM JUNE 2017 TO MAY 2018)

23 July 2017

**Waste Separation Public Awareness Campaign**

As part of the "Ipoh Cultural Parade" that was organised by the Perak Chinese Chamber of Commerce and Industry (PCCCI), MPMA Perak Branch organised the Waste Separation Public Awareness Campaign to promote the 3Rs programme and to create public awareness about waste segregation which involved over 3,000 participants. MPMA Perak Branch and a group of youths had set up four check points along the 2.8km route around Ipoh to encourage the public to use a bin when disposing of their waste.




29 September 2017

**29th Anniversary Dinner and 17th Annual Golf Tournament**

MPMA Perak Branch 29th Anniversary Dinner was held at Kinta Riverfront Hotel. A total of 840 guests, members, and members of the press attended the event.

The 17th Annual Golf Tournament was held at Royal Perak Golf Club. A total of 47 members participated in the tournament.






17 July 2017 – 17 November 2017

**3Rs Practice and Waste Segregation and Management**

A short briefing session on 3Rs Practice and Waste Segregation and Management was given to six schools on 17 July, 16 and 18 August, 23 October as well as 6 and 17 November. A total of 5,000 teachers and students were educated through the briefing sessions by the Committee Members of MPMA Perak Branch. A total of 18 recycling bins had also been contributed to these schools whereby a recycling corner was set up near their school canteen.

The major sponsors for this project were Golden Pet Industries Sdn Bhd, ICA Plastic Industries Sdn Bhd, Merit Industries Sdn Bhd and TS Plastics Sdn Bhd.








## 10.4 MPMA Sabah Branch

| | |
|---|---|
| 7 April 2017 | **25th Annual General Meeting**<br>Sabah Branch held its 25th Annual General Meeting at May Flower Restaurant, Kota Kinabalu, Sabah. |
| 15 January 2018 | **Project Greenback 2.0 Kota Kinabalu (GBKK)**<br>MPMA Sabah Branch Chairman, Datuk Alan Ang attended a project briefing by Bank Negara Malaysia (BNM) on Project Greenback 2.0 Kota Kinabalu (GBKK).<br>The project is an initiative by the World Bank and BNM, aimed at supporting the development of an efficient and transparent remittances market. The GBKK's activities will focus on enhancing awareness amongst foreign workers and SMEs on the usage of formal remittance channel and also to provide some financial education program. |



**From left to right: En Zambre bin Ismail, Deputy Director of BNM Office, Kota Kinabalu, Pn Normalis, BNM Office, Kota Kinabalu and Datuk Alan Ang**

# REPORT OF THE CENTRAL COMMITTEE

(FROM JUNE 2017 TO MAY 2018)

| | | |
|---|---|---|
| 19 January 2018 | The 1st Committee Meeting of the 13th Term 2016-2018 MPMA Sabah Branch was held on 19 January, 2018 at Silk Garden Chinese Restaurant, The Pacific Sutera Hotel, Kota Kinabalu, Sabah. |  |

### 10.5 MPMA Sarawak Branch

| | | |
|---|---|---|
| 16 February 2017 | **Chinese New Year Dinner**<br>The Branch Committee organised a Chinese New Year dinner on 16 February 2017 at a local restaurant. |  |
| 17 April 2017 | **Annual General Meeting 2017**<br>The Branch held its Annual General Meeting 2017 on 17 April 2017 followed by a lunch sponsored by the Chairman. | |
| 8 May 2017 | **'Engagement session with industry representatives and associations to identify issues related to employment of expatriates and foreign workers'**<br>The Branch Chairman and Secretary with some members attended the 'Engagement session with industry representatives and associations to identify issues related to employment of expatriates and foreign workers' organised by the Chief Minister Department on 8 May 2017. |  |
| 17 April 2017 | **Outreach Industry 4.0**<br>The Branch Chairman and other Committee Members attended the MITI-organised Outreach Industry 4.0 at Borneo Convention Centre, Kuching on 11 December 2017. | |

## 11. PLASTICS EAGLE-MPMA

### 11.1 Membership Composition

To-date, Plastics Eagle-MPMA has 177 members comprising:

| | | |
|---|---|---|
| Life Members | : | 71 |
| Ordinary Members | : | 71 |
| Associate Members | : | 33 |
| Corporate Members | : | 2 |
| **TOTAL** | **:** | **177** |

### 11.2 Plastic Eagle-MPMA Tournament

| Date | Eagles Tournament | Sponsor |
|---|---|---|
| 24 March 2017 | May Plastics Trophy | Mr Steven Cheah |

### 11.3 Plastic Eagle-MPMA Annual Golf Tournament

Plastics Eagle-MPMA held its Annual Game for 2017 on 8 December 2017 at the Tropicana Golf and Country Club. The event attracted 72 Eagle members and guests.

# MPMA'S PRESIDENTS

## YEAR 1967 – 1980

**1967 – 1969**
Mr SW Goh
*(President for pro-tem Committee)*
*United Plastic Factory*

**1969 – 1971**
Mr Thomas Wong
*Century Plastic*
*Sdn Bhd*

**1971 – 1973**
Mr Thomas Wong
*Century Plastic*
*Sdn Bhd*

**1973 – 1975**
Mr Thomas Wong
*Century Plastic*
*Sdn Bhd*

**1975 – 1977**
Mr Thomas Wong
*Century Plastic*
*Sdn Bhd*

**1977 – 1978**
Mr Thomas Wong
*Century Plastic*
*Sdn Bhd*

**1978 – 1980**
Mr KC Tan (the late)
*Lam Seng Plastics Industries*
*Sdn Bhd*

## YEAR 1980 – 1994

**1980 – 1982**
Mr KC Tan
*Lam Seng Plastics Industries*
*Sdn Bhd*

**1982 – 1984**
Mr Wee Hong Im (the late)
*Chong Wah Plastics Industries*
*Sdn Bhd*

**1984 – 1986**
Mr Wee Hong Im (the late)
*Chong Wah Plastics Industries*
*Sdn Bhd*

**1986 – 1988**
Mr Johnny Yong
*Yong Kam Fook Plastic Industries*
*Sdn Bhd*

**1988 – 1990**
Mr Johnny Yong
*Yong Kam Fook Plastic Industries*
*Sdn Bhd*

**1990 – 1992**
Dato' Liew Sew Yee
*Thong Fook Plastics Industries*
*Sdn Bhd*

**1992 – 1994**
Dato' Liew Sew Yee
*Thong Fook Plastics Industries*
*Sdn Bhd*

## YEAR 1994 – PRESENT

**1994 – 1996**
Dato' Liew Sew Yee
*Thong Fook Plastics Industries*
*Sdn Bhd*

**1996 – 1998**
Dato' Liew Sew Yee
*Thong Fook Plastics Industries*
*Sdn Bhd*

**1998 – 2000**
Mr Callum Chen
*Lee Huat Plastics Industries*
*Sdn Bhd*

**2000 – 2002**
Mr Callum Chen
*Lee Huat Plastics Industries*
*Sdn Bhd*

**2002 – 2004**
Mr Callum Chen
*Lee Huat Plastics Industries*
*Sdn Bhd*

**2004 – 2006**
Dato' Peter CC Yong
*Yong Kam Fook Plastic Industries*
*Sdn Bhd*

**2006 – Present**
Datuk Lim Kok Boon
*Scientex Great Wall Sdn Bhd*

# FINANCIAL STATEMENTS


**54**
Statement by
Central Committee

**55**
Report of the Auditors to
the Members of Malaysian
Plastics Manufacturers
Association

**58**
Statements of
Financial Position

**59**
Statements of
Income and Expenditure

**60**
Statement of
Receipts and Payments

**61**
Notes to the
Financial Statements

# STATEMENT BY CENTRAL COMMITTEE

We, the undersigned, being three Management Committee Members of the **MALAYSIAN PLASTICS MANUFACTURERS ASSOCIATION**, state that in our opinion, the financial statements are drawn up so as to give a true and fair view of the financial position of the Association as at 31 December 2017 and of its income and expenditure and receipts and payments for the financial year then ended on that date in accordance with Malaysian Private Entities Reporting Standard, the provisions of the Societies Act 1966 in Malaysia and the rules and legislations of the association.

**Datuk Lim Kok Boon**
President

**Tan Cheow Ho**
Treasurer

**Eddie Fong Seak Foh**
Secretary-General

6 June 2018

# REPORT OF THE AUDITORS TO THE MEMBERS OF MALAYSIAN PLASTICS MANUFACTURERS ASSOCIATION

**Report on the Audit of the Financial Statements**

*Opinion*

We have audited the financial statements of **Malaysian Plastics Manufacturers Association** which comprise the statement of financial position as at 31 December 2017, and statement of income and expenditure and statement of receipts and payments for the financial year then ended, including a summary of significant accounting policies and other explanatory information, as set out on pages 58 to 74.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Association as at 31 December 2017, and of its financial performance and its receipts and payments for the year then ended in accordance with Malaysian Private Entities Reporting Standard, the provision of the rules and regulation of Association and the requirements of the Societies Act, 1966 in Malaysia.

*Basis for Opinion*

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Independence and Other Ethical Responsibilities*

"We are independent of the Association in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code."

*Responsibilities of the Management Committee the Financial Statements*

The Management Committee is responsible for the preparation of financial statements so as to give a true and fair view in accordance with Malaysian Private Entities Reporting Standard in Malaysia, the provisions of the rules and regulations of the Association and the requirements of the Societies Act 1966, in Malaysia. The Management Committee are also responsible for such internal control as the Management Committee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management Committee is responsible for assessing the association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

# REPORT OF THE AUDITORS TO THE MEMBERS OF MALAYSIAN PLASTICS MANUFACTURERS ASSOCIATION

*Auditors' Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

i) Identify and assess the risks of material misstatement of the financial statements of the Association, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

ii) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.

iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management Committee.

iv) Conclude on the appropriateness of Management Committee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Association to cease to continue as a going concern.

v) Evaluate the overall presentation, structure and content of the financial statements of the Association, including the disclosures, and whether the financial statements of the Association represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Management Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Other Matters**

This report is made solely to the members of the Association, as a body, and for no other purpose. We do not assume responsibility to any other person for the content of this report.

YYC & CO.
No. AF 0055
Chartered Accountants

Dato' Khoo Peng Lai
No. 01043/10/2019 J
Chartered Accountant

Kuala Lumpur,
6 June 2018

# STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2017

| | Note | 2017 RM | 2016 RM |
|---|---|---|---|
| **Non-current asset** | | | |
| Property, plant and equipment | 4 | **942,743** | 982,823 |
| **Total non-current asset** | | **942,743** | 982,823 |
| **Current assets** | | | |
| Inventories | 5 | **12,775** | 1,553 |
| Other receivables, deposits and prepayment | 6 | **1,058,037** | 514,583 |
| Fixed deposits with licensed banks | 7 | **2,941,668** | 3,433,807 |
| Cash and bank balances | 8 | **873,839** | 489,641 |
| **Total current assets** | | **4,886,319** | 4,439,584 |
| **Total assets** | | **5,829,062** | 5,422,407 |
| **Financed by:** | | | |
| Accumulated fund | 9 | **1,296,880** | 1,205,886 |
| Building fund | 10 | **2,023,219** | 2,023,219 |
| Employees' welfare fund | 11 | **179,694** | 140,694 |
| Founders' fund | 12 | **230,000** | 230,000 |
| Membership fund | 13 | **94,100** | 94,100 |
| Scholarship reserves fund | 14 | **405,683** | 353,083 |
| Training fund | 15 | **99,880** | 99,880 |
| **Total funds** | | **4,329,456** | 4,146,862 |
| **Current liability** | | | |
| Other payables and accruals | 16 | **1,499,606** | 1,275,545 |
| **Total current liability** | | **1,499,606** | 1,275,545 |
| **Total liability** | | **1,499,606** | 1,275,545 |
| **Total funds and liability** | | **5,829,062** | 5,422,407 |

The accompanying notes from an integral part of these financial statements.

# STATEMENTS OF INCOME AND EXPENDITURE

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

| | Note | 2017 RM | 2016 RM |
|---|---|---|---|
| **Income** | | | |
| Members' subscriptions | | **385,029** | 390,963 |
| Seminar and training | | **1,847,802** | 639,278 |
| Activities for generating funds | | **2,146,060** | 1,500,628 |
| Other income | | **227,311** | 394,038 |
| **Total Income** | | **4,606,202** | 2,924,907 |
| **Expenditure** | | | |
| Cost of seminar and training | | **1,252,730** | 291,588 |
| Costs of generating funds | | **1,390,235** | 927,996 |
| Staff related expenses | | **1,331,601** | 1,244,726 |
| Professional fees | | **26,000** | 28,802 |
| Depreciation | | **62,838** | 73,948 |
| General expenses | | **451,804** | 347,002 |
| **Total Expenditure** | | **4,515,208** | 2,914,062 |
| **Surplus Before Taxation** | | **90,994** | 10,845 |
| **Taxation** | 17 | **-** | - |
| **Surplus During the Year** | | **90,994** | 10,845 |

The accompanying notes from an integral part of these financial statements.

# STATEMENT OF RECEIPTS AND PAYMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

| | 2017 RM | 2016 RM |
|---|---|---|
| **Receipts** | | |
| Members' subscriptions | **378,370** | 502,166 |
| Seminar and training | **1,337,662** | 622,234 |
| Activities for generating funds | **2,287,733** | 1,594,307 |
| Other income | **252,765** | 409,906 |
| Financing activity | **-** | 144,000 |
| **Total receipts** | **4,256,530** | 3,272,613 |
| **Payments** | | |
| Cost of seminar and training | **1,326,270** | 235,939 |
| Costs of generating funds | **1,286,682** | 1,104,683 |
| Staff related expenses | **1,152,988** | 1,183,583 |
| Professional fees | **25,931** | 24,802 |
| General expenses | **476,186** | 504,545 |
| GST expenses | **32,319** | - |
| Capital expenses | **31,695** | 75,843 |
| Financing activity | **32,400** | 40,000 |
| **Total payments** | **4,364,471** | 3,169,395 |
| (Deficit)/Surplus of receipts over payments | **(107,941)** | 103,218 |
| Balance brought forward | **3,923,448** | 3,820,230 |
| Balance carried forward | **3,815,507** | 3,923,448 |
| Cash and cash equivalents as at year end comprise: | | |
| Fixed deposits with licensed banks | **2,941,668** | 3,433,807 |
| Cash and bank balances | **873,839** | 489,641 |
| | **3,815,507** | 3,923,448 |

The accompanying notes from an integral part of these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

## 1. GENERAL INFORMATION

**Amalgamation**

The amalgamation consists of the Association, Plastics Technology Training Centre and Plastics Eagle-MPMA.

The organisation is a trade association registered in Malaysia. The principal object of the Association is to promote, encourage, foster, develop and protect by all lawful means the Plastics Industry.

The following Branches are part of and under the purview of the Malaysian Plastics Manufacturers Association. They operate autonomously and have the responsibility to prepare separate financial statements which are required to be audited. The addresses of the registered offices and principal places of activities are as follows:

**Head Office**
37, Jalan 20/14, Paramount Garden,
46300 Petaling Jaya, Selangor Darul Ehsan.

**Perak Branch**
15, Medan Istana 3, Bandar Ipoh Raya,
30000 Ipoh, Perak Darul Ridzuan.

**Johor Branch**
No 2A, Jalan Anggerik 2/4, Taman Anggerik,
81200 Johor Bahru, Johor Darul Takzim.

**Northern Branch**
40, Jalan Bagan Satu, Taman Bagan,
13400 Butterworth, Pulau Pinang.

**Sabah Branch**
11.2 KM, Jalan Tuaran,
89350 Inanam, Kota Kinabalu, Sabah.

**Sarawak Branch**
Lot 1370, Blk 12, MTLD, Sama Jaya Free Industrial Zone,
93450 Kuching, Sarawak.

**Plastics Technology Training Centre**
i) Head Office

**Plastics Eagle-MPMA**
(same address as Head Office)

The financial statements of the Association are presented in the functional currency, which is the currency of the primary economic environment in which the Association operates.

The total number of employees of the Assocation at the end of the financial year is 17 (2016:17).

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

## 2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Malaysian Private Entities Reporting Standard ("MPERS") deemed relevant and appropriated by Central Committee, the provision of rules and regulation of Association and the requirements of the Societies Act, 1966.

The financial statements have been prepared on the historical cost basis other than as disclosed in Note 2.

The principal accounting policies adopted are set out below:

### 2.1 Property, plant and equipment

The cost of an item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the Association and the cost of the item can be measured reliably. After recognition as an asset, an item of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses, except for freehold land and buildings.

Except for freehold land and properties under construction which are not depreciated, depreciation is provided on a straight-line method so as to write off the depreciable amount of the following assets over their estimated useful lives, as follows:

| | | Rate % |
|---|---|---|
| Building | - | 2% to 2.5% |
| Furniture, fittings & equipment | - | 10% to 20% |
| Freehold land | - | - |

Depreciation of an asset begins when it is ready for its intended use.

If there is an indication of a significant change in factors affecting the residual value, useful life or asset consumption pattern since the last annual reporting date, the residual values, depreciation method and useful lives of depreciable assets are reviewed, and adjusted prospectively.

The carrying amounts of items of property, plant and equipment are derecognised on disposal or when no future economic benefits are expected from their use or disposal. Any gain or loss arising from the derecognition of items of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amounts of the item, is recognised in profit or loss. Neither the sale proceeds nor any gain on disposal is classified as revenue.

**2.2 Impairment of assets, other than inventories and financial assets**

At each reporting date, the Association assesses whether there is any indication that an asset may be impaired. If any such indication exists, the recoverable amount of the asset is estimated.

When there is an indication that an asset may be impaired but it is not possible to estimate the recoverable amount of the individual asset, the Association estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount of an asset and a cash-generating unit is the higher of the fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset or a cash-generating unit is less than the carrying amount, an impairment loss is recognised to reduce the carrying amount to its recoverable amount. An impairment loss for a cash-generating unit is firstly allocated to reduce the carrying amount of any goodwill allocated to the cash-generating unit, and then, to the other non-current assets of the unit pro rata on the basis of the carrying amount of each appropriate asset in the cash-generating unit. Impairment loss is recognised immediately in profit or loss, unless the asset is carried at a revalued amount, in which case it is treated as a revaluation decrease.

The recoverable amount is the higher of an asset's or cash-generating unit's fair value less to sell, value in use and zero.

An impairment loss recognised in prior periods for an asset or the appropriate assets of a cash-generating unit is reversed when there has been a change in the estimates used to determine the asset's recoverable amount. An impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised in prior periods. A reversal of an impairment loss is recognised immediately in profit or loss, unless the asset is carried at revalued amount, in which case it is treated as a revaluation increase.

**2.3 Financial assets**

Financial assets are recognised in the statement of financial position when the Association becomes a party to the contractual provisions of the instrument.

On initial recognition, financial assets are measured at transaction price, include transaction costs for financial assets not measured at fair value through profit or loss, unless the arrangement constitutes, in effect, a financing transaction for the counterparty to the arrangement.

After initial recognition, financial assets are classified into one of three categories: financial assets measured at fair value through profit or loss, financial assets that are debt instruments measured at amortised cost, and financial assets that are equity instruments measured at cost less impairment.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

**i) Financial assets at fair value through profit or loss**

Financial assets are classified as at fair value through profit or loss when the financial assets are within the scope of Section 12 of the MPERS or if the financial assets are publicly traded or their fair value can otherwise be measured reliably without undue cost or effort.

Changes in fair value are recognised in profit or loss.

If a reliable measure of fair value is no longer available for an equity instrument that is not publicly traded but is measured at fair value through profit or loss, its fair value at the last date that instrument was reliably measurable is treated as the cost of the instrument, and it is measured at this cost amount less impairment until a reliable measure of fair value becomes available.

**ii) Financial assets that are debt instruments measured at amortised cost**

After initial recognition, debt instruments are measured at amortised cost using the effective interest method. Debt instruments that are classified as current assets are measured at the undiscounted amount of the cash or other consideration expected to be received.

Effective interest method is a method of calculating the amortised cost of financial assets and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimate future cash receipts through the expected life of the financial assets or, when appropriate, a shorter period, to the carrying amount of the financial assets.

**iii) Impairment of financial assets**

At the end of each reporting period, the Association assesses whether there is any objective evidence that financial assets that are measured at cost or amortised cost, are impaired.

For certain category of financial assets, such as trade receivables, if it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the assets are included in a group with similar credit risk characteristics and collectively assessed for impairment.

Impairment losses, in respect of financial assets measured at amortised cost, are measured as the differences between the assets' carrying amounts and the present values of their estimated cash flows discounted at the assets' original effective interest rate.

If there is objective evidence that impairment losses have been incurred on financial assets measured at cost less impairment, the amount of impairment losses are measured as the difference between the asset's carrying amount and the best estimate of the amount that the Association would receive for the asset if it were to be sold at the reporting date.

The carrying amounts of the financial assets are reduced directly, except for the carrying amounts of trade receivables which are reduced through the use of an allowance account. Any impairment loss is recognised in profit or loss immediately. If, in subsequent period, the amount of an impairment loss decreases, the previously recognised impairment losses are reversed directly, except for the amounts related to trade receivables which are reversed to write back the amount previously provided in the allowance account. The reversal is recognised in profit or loss immediately.

**iv) Derecognition of financial assets**

Financial assets are derecognised when the contractual rights to the cash flows from the financial assets expire, or are settled, or the Association transfers to another party substantially all of the risks and rewards of ownership of the financial assets.

On derecognition of financial assets in their entirety, the differences between the carrying amounts and the sum of the consideration received and any cumulative gains or losses are recognised in profit or loss in the period of the transfer.

**2.4 Cash and cash equivalents**

Cash and cash equivalents in the statement of receipts and payments comprise cash and bank balances, short-term bank deposits and other short-term, highly liquid investments that have a short maturity of three months or less from the date of acquisition, net of bank overdrafts if any.

**2.5 Financial liabilities**

Financial liabilities are recognised in the statement of financial position when the Association becomes a party to the contractual provisions of the instrument.

On initial recognition, financial liabilities are measured at transaction price, include transaction costs for financial liabilities not measured at fair value through profit or loss, unless the arrangement constitutes, in effect, a financing transaction for the Association to the arrangement.

After initial recognition, financial liabilities are classified into one of three categories: financial liabilities measured at fair value through profit or loss, financial liabilities measured at amortised cost, or loan commitments measured at cost less impairment.

**i) Financial liabilities measured at fair value through profit or loss**

Financial liabilities are classified as at fair value through profit or loss when the financial liabilities are within the scope of Section 12 of the MPERS or if the financial liabilities are publicly traded or their fair value can otherwise be measured reliably without undue cost or effort.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

If a reliable measure of fair value is no longer available for an equity instrument that is not publicly traded but is measured at fair value through profit or loss, its fair value at the last date that instrument was reliably measurable is treated as the cost of the instrument, and it is measured at this cost amount less impairment until a reliable measure of fair value becomes available.

**ii) Financial liabilities measured at amortised cost**

After initial recognition, financial liabilities other than financial liabilities at fair value through profit or loss are measured at amortised cost using the effective interest method. Gains or losses are recognised in profit or loss when the financial liabilities are derecognised or impaired.

Effective interest method is a method of calculating the amortised cost of financial liabilities and of allocating the interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimate future cash payments through the expected life of the financial liabilities or, when appropriate, a shorter period, to the carrying amount of the financial liabilities.

**iii) Loan commitments measured at cost less impairment**

Commitments to receive loan that meet the conditions of Section 11 of the MPERS are measured at cost less impairment.

**iv) Derecognition of financial liabilities**

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Any difference between the carrying amounts of the financial liabilities derecognised and the consideration paid is recognised in profit or loss.

## 2.6 Employment benefits

**i) Short-term employment benefits**

Short-term employment benefits, such as wages, salaries and other benefits, are recognised at the undiscounted amount as a liability and an expense when the employees have rendered services to the Association.

The expected cost of accumulating compensated absences are recognised when the employees render services that increase their entitlement to future compensated absences. The expected cost of non-accumulating compensated absences, such as sick and medical leaves, are recognised when the absences occur.

The expected cost of accumulating compensated absences are measured at the undiscounted additional amount expected to be paid as a result of the unused entitlement that has accumulated at the end of the reporting period.

The expected cost bonus payment is recognised when the Association has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the Association has no realistic alternative but to make the payments.

**ii) Defined contribution plan**

Contributions payable to the defined contribution plan are recognised as a liability and an expense when the employees have rendered services to the Association.

## 2.7 Income tax

Tax expense is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised in other comprehensive income.

Tax payable on taxable profit for current and past periods is recognised as a current tax liability to the extent unpaid. If the amount paid in respect of the current and past periods exceeds the amount payable for those periods, the excess is recognised as a current tax asset.

Current tax assets and liabilities are measured at the amounts expected to be paid or recovered, using the tax rates and laws that have been enacted or substantially enacted by the reporting date.

Current tax liabilities and assets are offset if, and only if the Association has a legally enforceable right to set off the amounts and plan either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax is provided in full on temporary differences which are the differences between the carrying amounts in the financial statements and the corresponding tax base of an asset or liability at the end of the reporting period.

Deferred tax liabilities are recognised for all taxable temporary differences that are expected to increase taxable profit in the future. Deferred tax assets are recognised for all deductible temporary differences that are expected to reduce taxable profit in the future and the carryforward of unused tax losses and unused tax credits.

Deferred tax liabilities and assets are not recognised in respect of the temporary differences associated with the initial recognition of an asset or a liability in a transaction that is not a business combination and at the time of the transactions, affects neither accounting profit nor taxable profit. Deferred tax liabilities are also not recognised for temporary difference associated with the initial recognition of goodwill.

Deferred tax liabilities and assets reflect the tax consequences that would follow from the manner in which the Association expects to recover or settle the carrying amounts of their assets and liabilities and are measured at the tax rates and laws that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantially enacted by the reporting date.

## 2.8 Foreign currency transactions

Transactions in foreign currencies are initially recognised in the functional currency by applying to the foreign currency amount the spot exchange rates between the functional currency and the foreign currency at the date of the transactions.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

At the end of each reporting period, foreign currency monetary items are translated using the closing rate. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates at the date of the transactions. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences are recognised in profit or loss in the period in which they arise except when a gain or loss on a non-monetary item is recognised in other comprehensive income. If so, any exchange differences relating to that gain or loss is recognised in other comprehensive income.

**2.9 Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits associated with the transaction would flow to the Association, and the amount of revenue and the cost incurred or to be incurred in respect of the transaction can be reliably measured and specific recognition criteria have been met for each of the activities of the Association as follows:

**i) Members' subscription and miscellaneous income**

Income from members' subscription and miscellaneous are recognised where the period related to and on an accrual basis.

**ii) Interest and rental income**

Interest and rental income are recognised on an accrual basis.

**iii) Rendering of services**

Income from services is recognised on the performance of services rendered.

**iv) Investment income**

Dividend income from investment is recognised in the income statement when the right to receive is established.

**2.10 Inventories**

Inventories are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of inventories is measured by using the First-in First-out ('FIFO') method.

## 3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

### 3.1 Critical judgements in applying the accounting policies

There were no critical judgements made by the Management Committee in the process of applying the accounting policies of the Association which may have significant effect on the amounts recognised in the financial statements.

### 3.2 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year, other than those disclosed in the Notes, are as follows:

**i) Depreciation of property, plant and equipment**

The cost of an item of property, plant and equipment is depreciated on the straight-line method or another systematic method that reflects the consumption of the economics benefits of the asset over its useful life. Estimates are applied in the selection of the depreciation method, the useful lives and the residual values. The actual consumption of the economic benefits of the property, plant and equipment may differ from the estimates applied and this may lead to a gain or loss on an eventual disposal of an item of property, plant and equipment.

**ii) Income taxes**

Judgment is required in determining the capital allowances and deductibility of certain expenses when estimating the provision for income taxes. There were transactions during the ordinary course of business for which the ultimate tax determination of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the taxation and deferred taxation in the period in which the outcome is known.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

## 4. PROPERTY, PLANT AND EQUIPMENT

| | At 1 January 2017 | Additions | Disposals | At 31 December 2017 |
|---|---|---|---|---|
| | RM | RM | RM | RM |
| **Cost** | | | | |
| Buildings | **1,225,113** | **-** | **-** | **1,225,113** |
| Furniture, fittings and equipment | **851,325** | **33,911** | **-** | **885,236** |
| Freehold land | **306,278** | **-** | **-** | **306,278** |
| | **2,382,716** | **33,911** | **-** | **2,416,627** |
| **Accumulated depreciation** | | | | |
| Buildings | **717,543** | **21,122** | **-** | **738,665** |
| Furniture, fittings and equipment | **682,350** | **52,869** | **-** | **735,219** |
| Freehold land | **-** | **-** | **-** | **-** |
| | **1,399,893** | **73,991** | **-** | **1,473,884** |

| | Carrying amount | | Depreciation | |
|---|---|---|---|---|
| | 2017 | 2016 | 2017 | 2016 |
| | RM | RM | RM | RM |
| Buildings | **486,448** | **507,570** | **21,122** | **25,717** |
| Furniture, fittings and equipment | **150,017** | **168,975** | **52,869** | **48,231** |
| Freehold land | **306,278** | **306,278** | **-** | **-** |
| | **942,743** | **982,823** | **73,991** | **73,948** |

a) The title deed of the Northern Branch freehold land and building is registered in the name of Maybank Trustees Berhad. However, with reference to the Rule 16 of the Association's Rules (Amended) which is approved by the Registrar of Societies:-

"All landed properties of the Association to be registered in the name of the Association.''

b) Central Committee has instructed Management Committee of the Northern Branch to act on this matter.

## 5. INVENTORIES

| | 2017 | 2016 |
|---|---|---|
| | RM | RM |
| **At cost:** | | |
| Consumable goods | **12,775** | 1,553 |

## 6. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENT

| | 2017 | 2016 |
|---|---|---|
| | RM | RM |
| Subscription receivable from members | **49,564** | 6,678 |
| Refundable deposits | **36,539** | 38,353 |
| Golf game entrance fee receivables | **19,290** | 31,430 |
| Amounts receivable from members: | **29,914** | 28,490 |
| - Seminar debtors | **802,528** | 186,298 |
| - Other debtors | **120,202** | 223,334 |
| | **1,058,037** | 514,583 |

## 7. FIXED DEPOSITS WITH LICENSED BANKS

Fixed deposits amounting to RM 2,941,668 (2016: RM 3,433,807) are deposited in the licensed banks.

## 8. CASH AND BANK BALANCES

| | 2017 | 2016 |
|---|---|---|
| | RM | RM |
| Cash in hand and at bank | **873,839** | 489,641 |

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

## 9. ACCUMULATED FUND

| | 2017 RM | 2016 RM |
|---|---|---|
| Balance at beginning of the year | **1,205,886** | 1,195,041 |
| Surplus during the year | **90,994** | 10,845 |
| Balance at end of the year | **1,296,880** | 1,205,886 |

## 10. BUILDING FUND

| | 2017 RM | 2016 RM |
|---|---|---|
| Balance brought forward | **2,023,219** | 2,023,219 |
| Donation received | **-** | - |
| Balance carried forward | **2,023,219** | 2,023,219 |

## 11. EMPLOYEES' WELFARE FUND

| | 2017 RM | 2016 RM |
|---|---|---|
| Balance brought forward | **140,694** | 140,694 |
| Donation received | **39,000** | - |
| Balance carried forward | **179,694** | 140,694 |

## 12. FOUNDERS' FUND

| | 2017 RM | 2016 RM |
|---|---|---|
| Balance brought forward | **230,000** | 230,000 |
| Donation received | **-** | - |
| Balance carried forward | **230,000** | 230,000 |

## 13. MEMBERSHIP FUND

| | 2017 RM | 2016 RM |
|---|---|---|
| Balance brought forward | **94,100** | 94,100 |
| Donation received | **-** | - |
| Balance carried forward | **94,100** | 94,100 |

## 14. SCHOLARSHIP RESERVES FUND

| | 2017 RM | 2016 RM |
|---|---|---|
| At 1 January | **353,083** | 249,083 |
| Total receipts | **85,000** | 144,000 |
| Total payments | **(32,400)** | (40,000) |
| At 31 December | **405,683** | 353,083 |

## 15. TRAINING FUND

| | 2017 RM | 2016 RM |
|---|---|---|
| Balance brought forward | **99,880** | 99,880 |
| Donation received | **-** | - |
| Balance carried forward | **99,880** | 99,880 |

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

## 16. OTHER PAYABLES AND ACCRUALS

| | 2017 | 2016 |
|---|---|---|
| | RM | RM |
| Advertorial on plastic | **180,384** | 180,384 |
| Accrued expenses | **313,301** | 147,041 |
| Deposit received | **22,435** | - |
| Deposit refundable | **-** | 11,582 |
| GST payable | **2** | - |
| Held trust in MPMA Holding | **3,653** | - |
| Project fund | **141,509** | - |
| PS media fund | **484,656** | 472,532 |
| Other creditor | **353,666** | 464,006 |
| | **1,499,606** | 1,275,545 |

## 17. TAXATION

No taxation is required because the Association has no chargeable income.

The Association has taxable losses available for carry forward against future taxable profits. No provision has been made for a deferred tax asset in respect of the excess of these losses in view of the uncertainty as to when these will be fully recoverable.

## 18. DATE OF AUTHORISATION FOR ISSUE

The Central committee had authorised the financial statements to be issued on 6 June 2018.

**MALAYSIAN PLASTICS MANUFACTURERS ASSOCIATION**

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46300 Petaling Jaya, Selangor, Malaysia
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E-mail: info@mpma.org.my  URL: www.mpma.org.my