ANNUAL REPORT / 2019

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Notice of Annual General Meeting

Notice is hereby given that the **52nd Annual General Meeting** of the **Malaysian Plastics Manufacturers Association** will be held at **9.30 am** on **Tuesday, 23 April 2019** at **Palm Garden Golf Club, IOI Resort City, 62502 Putrajaya**.

AGENDA

1. To confirm the minutes of the last Annual General Meeting held on 30 June 2018.

2. To consider and adopt the Annual Report for the period June 2018 to March 2019.

3. To consider and adopt the audited accounts of the Association for the year 2018.

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 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 community.

MPMA currently has about 750 members comprising Ordinary members, which represent about 60 percent of 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 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
2A, Jalan Anggerik 2/4, Taman Anggerik
81200 Johor Bahru, Johor, Malaysia
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
30000 Ipoh, Perak, Malaysia
Tel : +605-241 3680
Fax : +605-241 3370
E-mail : mpmaperak@gmail.com

Sabah Branch
c/o Life Water Industries Sdn Bhd
9, Jalan 1F, KKIP Selatan
Industrial Zone 4 (IZ4), KKIP
88460 Kota Kinabalu, Sabah, Malaysia
Tel : +6088-499078
Fax : +6088-499033
E-mail : msho@lifewater.com.my

Sarawak Branch
c/o Polyflow Pipes Sdn Bhd
Lot 626, Block 4, Muara Tebas Land District
Jalan Bako, Petra Jaya
93050 Kuching, Sarawak, Malaysia
Tel : +6082-432 218
Fax : +6082-432 219
E-mail : rebeccasimiu@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 2018 to March 2019 and the audited accounts for the financial year ended 31 December 2018.

GLOBAL AND MALAYSIAN ECONOMY

The global economic expansion continued, albeit at a more moderate pace of 3.7% in 2018 compared to 3.0% in 2017 while the US economy recorded a higher growth of 3.0% compared to 2.3% in 2017.

The Malaysian economy recorded a lower growth of 4.7% in 2018, compared to 5.9% in 2017. The growth was supported by continued expansion in domestic demand and a positive growth in net exports. Private sector expenditure remained the main driver of domestic demand, while a rebound in real exports of goods and services contributed towards the positive growth of net exports. (Bank Negara Quarterly Report Q4 2018).

Global growth is expected to slow to 2.9% in 2019 from 3.7% in 2018. International trade and investment are moderating, trade tensions remain elevated, and financing conditions are tightening. Going forward in 2019, the Malaysian economy is expected to remain on a steady growth path despite these challenges. Private sector demand is expected to remain as the main driver of growth amid continuing fiscal rationalisation, while the external sector is likely to soften with moderating global demand.

PERFORMANCE OF THE PLASTICS INDUSTRY

The plastics industry registered a total turnover of RM30.98 billion, representing an increase of 4% from RM29.80 billion in 2017. Exports grew marginally by 0.14% from RM14.58 billion in 2017 to RM14.60 billion in 2018. The marginal growth in exports was partially attributed to the restrictions on the use of plastic bags in certain EU countries. Growth of the plastics industry was mainly domestic driven, with strong demand from the electrical, electronic as well as the automotive sub-sectors.

NEW GOVERNMENT, NEW CHANGES AND NEW CHALLENGES

Following the change in the Government in May 2018, initiatives have been taken to improve on the country's integrity, reduce corruption and increase administrative efficiency which will benefit the business sector.

We have had fruitful engagement sessions with several key Government agencies. For example, we have discussions with the Human Resources Development Council (HRDC),



President's Review

the Department of Skills Development, Malaysian External Trade Development Corporation (MATRADE) and Malaysian Productivity Corporation (MPC) to identify initiatives and activities to promote the growth of the plastics industry.

We also had meetings with the Ministry of Human Resources on the need to adopt a holistic approach to address the issues on foreign workers. We hope that the Government would simplify the application and approving process of foreign workers at a more cost-effective and time-saving manner. One of the Government's proposal to address the foreign workers issues is to introduce the multi-tier levy system. This proposed system is based on the principle of "the more you hire, the more you pay". While the details of the proposal are still pending at this juncture, we are of the view that the quota limit must be abolished upon implementation of the system.

Nevertheless, we have some challenges with regards to the Government policy on Zero Single-Use Plastics.

PLASTICS SUSTAINABILITY

The Roadmap entitled 'Towards Zero Single-Use Plastics' by the Ministry of Energy, Science, Technology, Environment and Climate Change (MESTECC), poses a big challenge to the plastics industry as the Roadmap plans to replace single use plastic products (SUPs) with biodegradable products.

MPMA is not against the use of biodegradable plastics. However, it is pertinent to note that biodegradable plastics do not have the requisite properties to meet the functional requirements of many of the applications expected from a plastic product, particularly for food packaging. For example, a failure in food packaging will have an adverse impact in the food supply in the country, and will affect all investors throughout the entire supply chain in the food industry. In this regard, MPMA has been engaging with various Government Agencies to elucidate the impact of the Roadmap on upstream players, the entire supply chain of all the sub-sectors that uses plastics packaging and/or parts and components in their respective products, as well as the public who would be affected by this decision.

While the Roadmap may have the noble intention to replace conventional plastics derived from fossil fuel with biodegradable plastics as a "solution" to plastics marine litter, it should be noted that the United Nations Environment Program (UNEP) report in 2018 entitled "Single-Use Plastics – A Roadmap for Sustainability" had stated that "Often 'biodegradable' plastics items (including single-use plastic bags and containers) break down completely only if exposed to prolonged high temperatures above 50°C. Such conditions are met in incineration plants, but very rarely in the environment. Even bioplastics derived from renewable sources (such as corn starch, cassava roots, or sugarcane) or from bacterial fermentation of sugar or lipids (PHA) do not automatically degrade in the environment and especially not in the ocean." What this simply means is that biodegradable plastics is NOT the solution to plastics marine litter.

We are of the view that it is mismanaged waste, which includes plastic waste, that is the root cause of plastics marine litter. Stopping the leakages will resolve this serious problem. Littering is a behavioural problem that needs to be urgently addressed through strict enforcement. Adoption of a zero littering policy together with a Circular Economy model supported by a strong recycling community is the way forward.

MANAGING MANPOWER ISSUES WITH TALENT DEVELOPMENT

The plastics industry is in constant evolution.

The pace of automation has accelerated in recent years due to the shortage of labour, the highly competitive export market that demands consistent quality, along with the need to cope with high-volume production and the introduction of more sophisticated processes such as an integrated manufacturing process system.

Malaysia is one of the top exporters of plastic products in the region. About 50% of the plastic industry's production is directly exported as finished products while another 30% is sold in the domestic market as parts and components of appliances or as packaging that goes into a product of another sub-sector that is eventually exported. The combined direct and indirect export volume of the industry is therefore very high. As the country's plastics industry is very export-focused, it has to navigate a very competitive market. International clients demand high-quality products and the industry needs to keep up by having top notch human capital that are highly skilled workers. A shortage in talent in our industry could have an adverse long-term effect on productivity, that ultimately would affect the industry. Training and human capital development is therefore one of the key pillars of MPMA.

In September 2017, MPMA carried out the "First Step to Injection Moulding 4.0", a one-year Pilot Programme involving four training programmes, namely, Scientific Moulding, First Step to Smart Manufacturing, Smart Maintenance as well as Lean and Robot Based Automation for the Plastics Injection Moulding Industry. A total number of 100 employees from four participating companies successfully completed the Programme, which ended in November 2018.

Our next step would be the launch of the Training Factory – a component of the Centre of Excellence. The objective of the Training Factory is to prepare a steady stream of trained workforce who are ready to enter and contribute to the industry.

MOVING FORWARD

The issues and challenges facing the plastics industry are tremendous and we need to be focused on priority areas. The Central Committee Members with the support of the Secretariat had a workshop entitled "Rejuvenating ..... The Way Forward" on 14 November 2018 and we had identified the following five pillars for MPMA to focus on for the next few years:

i. Government Policies – To advocate pro-active liaison with the relevant Government agencies so as to strengthen our public-private partnership.

ii. Sustainability – To undertake more educational programmes on plastics so as to reach out to a larger audience and to actively promote Anti-Littering and 3R activities as well as the Circular Economy.

iii. Human Development – To develop tailored-made training programmes together with capable trainers so as to meet the precise needs of the major sub-sectors within the industry.

iv. Market Expansion – To work closer with MATRADE to identify potential business opportunities available globally.

v. Effective Communications - To identify ways and means to improve our communications, both internally with the members and externally with the Government agencies and other stakeholders.

With a dedicated team from the Central Committee, together with the strong support from our members and the Secretariat, we plan to lead the plastics industry into the next stage of sustainable growth in the years ahead.

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2018年6月至2019年3月的年度报告，以及截至2018年12月31日财政年度的经审计帐目。

全球与马来西亚的经济状况

与2017年的3.0%成长率相比较之下，2018年的全球经济成长率以适中的速度继续增长至3.7%；而美国则从2017年的 2.3%增长至3.0%。

然而，马来西亚在2018年的经济成长率为4.7%，比2017年的5.9% 稍微减缓。此成长率包含了国内不断增加的需求及净出口的正增长率。私营领域的开支仍然是国内需求的主要推动力，而商品和服务的实际出口量的反弹则为净出口的正增长做出了贡献。（国家银行2018年第四季度报告）

全球经济的成长率预期将从2018年的3.7%降至2019年的2.9%。全球的交易和投资脚步正在放缓，而贸易的紧张局势将加剧，金融环境则持续收紧。在迎来的2019年中，尽管存在着这些挑战，但马来西亚的经济预期将以稳健的步伐在平稳增长的轨道上成长。如今正值财政合理化之际，私营领域的需求预计仍将是增长的主要推动力，而对外经济贸易可能因全球需求的放缓而疲软。

塑料业表现

塑料行业的总营业额达309.8亿令吉，相较于2017年的298亿令吉增长了4%。而出口额从2017年的145.8亿令吉增长0.14%至2018年的146亿令吉。此次增幅轻微的部分原因归因于一些欧盟国家对塑料袋使用的限制。塑料行业增长的背后驱动力主要来自国内的电器业、电子业以及汽车子行业的强劲需求。

新政府、新改变以及新挑战

经过政府于2018年5月经历的一番改天换地，改善国家的诚信、减少腐败及提高行政效率的各种措施已在推进，这对商业领域而言无疑是有利的。

我们也已与几个主要政府机构进行了富有成效的讨论会议。例如，为了确定促进塑料行业的发展，我们与人力资源发展委员会（HRDC）、技术发展局、 马来西亚对外贸易发展局（MATRADE）和马来西亚生产力机构（MPC）讨论了所需的措施及活动。

此外，我们还针对外籍劳工的整体问题与人力资源部进行了会议。我们希望政府能以更具成本效益的方式尽快简化外籍劳工的申请和审批程序。政府对外籍劳工问题所提出的其中一个建议是导入多层次人头税制度（multi-tier levy system）。此制度是 基于“雇佣越多的劳工，付费则越高”的原则。虽然此提案的细节仍未确定，但我们希望在该制度开始实施时应取消配额的限制。

尽管如此，因政府提倡的杜绝使用一次性塑料制品的政策，我们也将会面对一些挑战。

塑料品的可持续性发展

马来西亚能源、科学、科技、气候变化及环境部（MESTECC）发布的“实现杜绝使用一次性塑料制品（SUPs）。 ”计划对塑料行业构成了巨大的挑战，因为该计划将以可生物降解的产品取代一次性塑料制品 。

马来西亚塑料厂商公会（MPMA）并不反对使用可生物降解的塑料品。然而，值得注意的是，可生物降解的塑料品不具备塑料产品在应用方面所能提供的必要功能性，尤其是在食

品包装方面。举个例子，失败的食品包装将对国家的食品供应产生不利影响，进而对食品行业整个供应链中的所有投资者造成影响。为此，MPMA向各政府机构阐明了该计划将对上游参与者、向全部子行业提供各自的产品所需使用的塑料包装和/或零部件的整个供应链以及公众因此将面对的影响。

虽然该计划的意图可能是为了解决海洋塑料垃圾而以生物降解塑料取代由石化燃料衍生的塑料品，但，联合国环境规划署（UNEP）的2018年“一次性塑料制品的可持续发展计划”报告中也提到：“可生物降解的塑料制品（包括一次性塑料袋和容器）很多时候需长时间曝露在高于50° C的高温下才能完全被分解。可以提供这种环境条件的只有焚烧厂，而自然环境却很难达到这种条件。即使生物塑料是衍生自再生资源（如玉米淀粉、木薯根或甘蔗），或是经细菌发酵的糖或脂类（PHA），这些衍生品皆无法在环境中自动降解，尤其是海洋中。”简而言之，可生物降解塑料并无法解决海洋塑料垃圾的问题。

我们认为，包括塑料废物在内的废物管理不善才是造成海洋塑料垃圾的根本原因。针对塑料泄漏到环境中的问题采取行动才可解决这个严重的问题。乱扔垃圾是一种行为问题，需要通过严格的执法来解决。通过引入杜绝垃圾政策，同时采用以回收社区作为强大后盾的资源循环型经济模式才是最佳的方案。

通过人才发展处理人力资源问题

塑料行业一直不断在改变。

近年来，自动化除了解决劳动力短缺，同时也为了满足竞争激烈的出口市场对质量一致性的要求、应对大批量生产以及更复杂的流程（如集成制造流程系统）而逐渐普及化。

马来西亚是区内最大的塑料产品出口国之一。大约50%的塑料行业产品是以最终成品的形式直接出口，而另外的30%则作为家用电器的零部件或包装销售给国内市场的其他子行业，并使用在即将出口的产品中。因此，行业中的直接和间接出口总量非常高。由于国内的塑料行业非常注重出口，因此必须在竞争激烈的市场中开拓业务。为了跟上国际客户对产品的质量有很高的要求，塑料行业必须培养具备高技能的顶尖人才。我们的行业倘若人才不足将可能对生产力带来长期的



会 长 回 顾

负面影响，最终对塑料行业造成影响。因此，培训和人才发展是MPMA需要关注的重点之一。

MPMA在2017年9月实行了为期一年的“注塑成型4.0的第一步”试行计划，其中包括了四个培训项目：科学成型、智能制造的第一步、智能维护以及塑料注射成型行业的精益机器人自动化。参与其中的四家公司共派出了100名员工加入这次的项目，而他们也成功在2018年11月结束时完成该项目。

接下来，我们将启动“培训工厂”项目，成为卓越培训中心的一份子。“培训工厂”项目的目标是稳定地培养训练有素的员工，让他们准备就绪进入该行业并做出贡献。

展望未来

塑料行业面临着各种问题和巨大的挑战，而我们需要把注意力集中在需优先处理的领域。在秘书处的协调下，中央委员会于2018年11月14日举办了主题为“振兴与前进之路”的研讨会，从中我们总结出了MPMA在未来几年需要关注的五个重点：

i. 政府政策 - 我们主张应积极主动与相关政府机构联系，以加强我们的公私营合作关系。

ii. 可持续性发展 - 我们将开展更多与塑料相关的教育计划给广大的受众，并积极推广反乱抛垃圾和3R活动，以及资源循环型经济。

iii. 人才发展 - 我们将与有能力的培训师一起定制培训计划，以满足行业内主要子行业对科技人才的需求。

iv. 拓展市场 - 我们将与MATRADE更密切地合作，以发掘全球存在的潜在商机。

v. 有效的沟通 - 我们将确定改善沟通的方式和方法，其中包括与内部成员的沟通，以及对外与政府机构和其他利益相关者的沟通。

在中央委员会的专业团队以及我们的成员和秘书处的大力支持下，我们计划在未来几年将塑料行业带入下一个可持续成长的阶段。

马来西亚塑胶厂商工会会长

拿督林国文

List of Committees: 2018 – 2020

CENTRAL COMMITTEE

President
Datuk Lim Kok Boon
Scientex Great Wall Sdn Bhd

Honorary Presidents
Dato' Liew Sew Yee
Thong Fook Corporation Sdn Bhd

Mr Callum Chen
LH Plus Sdn Bhd

Vice-Presidents
Datuk Noraini S Talib
Sipro Plastic Industries Sdn Bhd

Dato' Raymond Sng
Plastic Centre Sdn Bhd

Mr CC Cheah
See Hau Global Sdn Bhd

Secretary-General
Mr Eddie Fong
Plasform Sdn Bhd

Assistant Secretary-General
Tn Hj Mohd Fitri Mohd Aris
Azman Hamzah Plastik Sdn Bhd

Treasurer
Mr Chow Chee Yut
Combi-Pack Sdn Bhd

Internal Auditor
Mr Liew Yew Aw
Wohltec Medical Sdn Bhd

Public Relations Officer
Ms CY Wee
Chong Wah Plastics Sdn Bhd

Welfare & Membership
Ms Ng Peg Shi
Plastik V Sdn Bhd

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

Mr Seah Kian Hoe
Heng Hiap Industries Sdn Bhd

Mr Tan Cheow Ho
Lam Seng Plastics Industries Sdn Bhd

Mr FK Lee
Mah Sing Plastics Industries Sdn Bhd

Mr Leong Peng Kong
May-Plastics Manufacturers Sdn Bhd

Mr YK Chew
Scientex Packaging Film Sdn Bhd

Mr Ivan Tan
Sekoplas Industries Sdn Bhd

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

Mr Yeon Kok Kuang
Triplus Industry Sdn Bhd

Chairman, Johor Branch
Mr Tang Hong Koon (the late)
(May 2018 - February 2019)
Various Resources (M) Sdn Bhd

Datuk Dr Beh Kim Ling (March 2019 onwards)
V.S. Industry 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
Mr Liaw Hen Kong
Life Water Industries Sdn Bhd

Chairman, Sarawak Branch
Mdm Rebecca Sim Kin Hui
Polyflow Pipes Sdn Bhd

List of Committees: 2018 – 2020

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 Haji 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

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

Mr Chow Chee Yut, Treasurer
Combi-Pack Sdn Bhd

Mr Lau Chee Meng – Chairman, MPMA-PTTC Johor
Lotte Chemical Titan (M) Sdn Bhd

Mr Travis Tan – Chairman, MPMA-PTTC Northern
Prestige Dynamics Industries Sdn Bhd

Tn Hj Mohd Fitri Bin 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 Tan Cheow Ho
Lam Seng Plastics 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

(List of members who have served the various Committees/Working Groups under the MPMA-SDA until November 2018)

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

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

Mrs Anuratha Sivam
Department of Standards Malaysia

Mr CF Ng / Mr Looi Chee Meng
Federation of Malaysian Manufacturers

Prof Dr Ho Chee Cheong / Prof Dr Mansor Ahmad
Malaysian Institute of Chemistry

Ir Rusniyatun Binti Sulaiman
Jabatan Kerja Raya Malaysia

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

Hj Md Jalal Bin Bongkik / En Mohd Zaharon Mohd Talha
Ministry of Health Malaysia

En Mohd Reza Azman
Ministry of International Trade and Industry

Dr Mohamad Asri Ahmad
Malaysian Rubber Board

En Abdull Sukor bin Ismail
Suruhanjaya Perkhidmatan Air Negara

Dr Ahmad Fuad Md Yusuf
SIRIM QAS International Sdn Bhd

Pn Wan Norisah Wan Awang
SIRIM QAS International Sdn Bhd

Ir Dr Tan Chee Fai
The Institution of Engineers, Malaysia

Dr Muzafar Zulkifli
The Plastics and Rubber Institute of Malaysia

En Fahmi Asyadi Yusof
University Kuala Lumpur

Prof Zainal Ariffin Mohd Ishak
Universiti Sains Malaysia

Assoc Prof Hanizam Sulaiman
Universiti Teknologi Malaysia

3.2 Technical Committee 1 (TC1) – General Method 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

Assoc Prof Hanizam Sulaiman
Universiti Teknologi Malaysia

Dr Muzafar Zulkifli
The Plastics and Rubber Institute of Malaysia

Mr Teh Sun Kiang
Toray Plastics (M) Sdn Bhd

3.3 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

En Zamri Bin Mohd Said
PETRONAS Chemical Group 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

Mr Ng Kian Lin
Piping Technology Sdn Bhd

Tn Hj Zurin Haji Salleh
SAJ Holdings Sdn Bhd

En Azizan Aziz
SIRIM Berhad

En Wan Norisah Wan Awang
SIRIM QAS International Sdn Bhd

En Waheedir Bin Yahaya
SIRIM QAS International Sdn Bhd

En Abdull Sukor bin Ismail
Suruhanjaya Perkhidmatan Air Negara

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

Assoc Prof Dr Norhamidi Muhamad
UKM Pakarunding Sdn. Bhd.

3.4 Working Groups formed under TC2

3.4.1 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 Ng Chong Lin
Cew Sin Plastics Pipes 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 Mohamad Firdaus Abu Bakar
Petronas Chemicals Group Bhd

En Umat Lokman Ahmad Johari
Petronas Chemicals Group Bhd

Tn Hj Zurin Haji Salleh
SAJ Holdings Sdn Bhd

Mr Abdul Razak Mat Jam
SIRIM Berhad

En Rahmad Abdul Shukor
SIRIM QAS International Sdn Bhd

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

3.4.2 Working Group 5 on ABS Pipes and Fittings

En Azamy Abdul Aziz – Chairman
Suruhanjaya Perkhidmatan Air Negara

Mr Mak Kok Yun
Perbadanan Bekalan Air Pulau Pinang Sdn Bhd

Ir A.H Ung
Azeeta Pipe System Sdn Bhd

Mr Amos Yeo
George Fischer (M) Sdn Bhd

Mr Ong Yoong Keong
Bina Plastic Industries Sdn Bhd

En Munauwir Basri
Lembaga Air Perak

List of Committees: 2018 – 2020

Mr Loh Chun Hong
Cipli Industries Sdn Bhd

Mr Tneh Wah Keang / Mr Kanniah
Euratech (M) Sdn Bhd

Mr William Wong
Bute Engineering (M) Sdn Bhd

Mr Kan Tsi Liang/ En Nasir
TAGS Polymer Sdn Bhd

Ir Yau Ho Hu
Syarikat Bekalan Air Selangor Sdn Bhd

En Rahmad Abdul Shukor
SIRIM QAS International Sdn Bhd

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

3.4.3 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 Moses Joseph
Lembaga Air Kuching

Mr George Cheong
Me-Plas (M) Sdn Bhd

Ms Wang Choo Ping
Malayan Electro-Chemical Industry Co Sdn Bhd

En Hafiz Ahmad
Paling Industries Sdn Bhd

En Jalaini Bin Jasman
Pengurusan Air Pahang Bhd

En Rahmad Abdul Shukor
SIRIM QAS International Sdn Bhd

Pn Wan Norisah Wan Awang
SIRIM QAS International Sdn Bhd

Tn Haji Razak Bin Lajis
Syarikat Air Negeri Sembilan Sdn Bhd

Ms Roowina Merican
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

3.5 Association Standards Committee (ASC) 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

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

Dr Koh Kar Chai
Persatuan Perubatan Malaysia

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

En JC Bhandari – Chairman of WG 3
Ahmad Edar Sdn Bhd

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

Dr Ir Loke Kean Hooi – Chairman of WG 6
Tencate Geosynthetics Asia Sdn Bhd

Assoc Prof Hanizam Sulaiman
Universiti Teknologi Malaysia

3.6 Working Groups formed Under TC3/Association Standards Committee

3.6.1 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 Catherine Lim
Takaso Rubber Products Sdn Bhd

Ms Betty Chew
Taiko Drum Industries Sdn Bhd

Mr Danniel Woon
Today's Plastics Industry Sdn Bhd

3.6.2 Working Group 4 on Plastic Films and Lamination

Ms Wee Ching Yun
Chong Wah Plastics Sdn Bhd

Mr Yau Kok Leong
Corvet Technologies

Ms Danielle Lee
Dow Chemical (Malaysia) Sdn Bhd

Dr Mohamed Nor Mohd Yusuff
Forest Research Institute Malaysia

Mr CF Ng
Lotte Chemical Titan (M) Sdn Bhd

Ms Koh Siew Ching / Mr Aw Yeong CH
Malaysia Packaging Industry Bhd

En Izwan Hadi
Petronas Chemicals Group Bhd

Mr Alvin Ang See Ming
Thong Guan Industries Sdn Bhd

Mr Chuan Teik Boon
Tomypak Bhd

Mr Mark Chan
Toyo Plastic (M) Sdn Bhd

Prof Dr Wan Md Zin Wan Yunus
Universiti Pertahanan Nasional Malaysia

3.6.3 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 Seow Thong Seng / 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

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

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

Mr Ng Kian Lin
Piping Technology Sdn Bhd

3.6.4 Working Group WG 6

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

Mr Chan Chin Boon
Mega Geoproducts and Services Sdn Bhd

Mr K.L Tan
Oriental Sheet Piling Malaysia

Mr Bryant Tan
Tensar International Ltd

Prof Dr Fauziah Ahmad
University Sains Malaysia

3.6.5 Working Group 7 on Polymeric Adhesive

Prof Dr Mansor Ahmad – Chairman
Universiti Putra Malaysia

Dr Eng Aik Hwee
Malaysian Rubber Export Promotion Council

Prof Dr Rusli Daik
Universiti Kebangsaan Malaysia

Prof Dr Wan Md Zin Wan Yunus
Universiti Pertahanan Nasional Malaysia

Prof Dr Yuziah Mohd Yunus
University Teknologi MARA (UiTM)

Assoc Prof Dr Chan Chin Han
University Teknologi MARA (UiTM)

3.6.6 Working Group 8 on Thermosetting Material

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

Dr Eng Aik Hwee
Malaysian Rubber Export Promotion Council

Prof Dr Rusli Daik
Universiti Kebangsaan Malaysia

Prof Dr Gan Seng Neon
Universiti Malaya

Prof Dr Mansor Ahmad
Universiti Putra Malaysia

Prof Dr Yuziah Mohd Yunus
University Teknologi MARA (UiTM)

Assoc Prof Dr Chan Chin Han
University Teknologi MARA (UiTM)

Prof Dr Ir Tee Tiam Ting
Universiti Tunku Abdul Rahman

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

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

Ms Danielle Lee
Dow Chemical (Malaysia) Sdn Bhd

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: 2018 – 2020

Dr Muzafar Zulkifli
The Plastics and Rubber Institute of Malaysia

Mr Teh Sun Kiang
Toray Plastics (M) Sdn Bhd

En Helmee Mat Jenan
Vinyl Chloride (Malaysia) Sdn Bhd

En Fahmi Asyadi Yusof
University Kuala Lumpur

Assoc Prof Dr Chan Chin Han
University Teknologi MARA (UiTM)

3.8 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 Ong Kian Min
Loyal Impact (M) Sdn Bhd

Mr CF Ng
Lotte Chemical Titan (M) Sdn Bhd

Mr Chia Wye Khang
Nylex (Malaysia) Berhad

Mr Mak Kok Yun
Perbadanan Bekalan Air Pulau Pinang Sdn Bhd

En Mohd Yusrin Mohd Yusof
Petronas Chemicals Group Bhd

En Zaini Husain
Resintech Plastics (M) Sdn Bhd

En Nor Azlan Mohd. Ramli
SIRIM Berhad

Pn Wan Norisah Wan Awang
SIRIM QAS International Sdn Bhd

En Abdull Sukor bin Ismail
Suruhanjaya Perkhidmatan Air Negara

Mr Chuah Seong Yaw
Spirolite (M) Sdn Bhd

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

3.8.1 WG on FRP Panel Tank

Mr Tan Eng Huat – Chairman
Pipeco Sdn Bhd

Mr Chik Chee Kong
Anchor-Link 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

Mr Ahmad Khairuddin Sha'aban – Chairman, *Education and Awareness Committee*

Mr Calvin Ng /Mr KH Loh

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 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

Dr S. 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 Bh*d

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

Dr S Sri Umeswara
Era Suria Ecopreneurs Sdn Bhd

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

Ms Karen George Abraham / Cik Izira Binti Mohd Desa
Jabatan Pengurusan Sisa Pepejal Negara

En Mazlan A Razak
Petronas Chemicals Group Bhd

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 / 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
Plastik V Sdn Bhd

Mr Mr Alvin Ang See Ming – Chairman, Northern Branch / Northern Branch Membership Sub-Committee
Thong Guan Plastic & Paper Industries Sdn Bhd

Mr Yeong Sai Key – Chairman, Perak Branch / Membership Sub-Committee
Sheng Foong Plastic Industries Sdn Bhd

The late Mr Tang Hong Koon (May 2018-February 2019) – Chairman, Johor Branch/ Membership Sub-Committee
Various Resources (M) Sdn Bhd

Datuk Dr Beh Kim Ling
V.S. Industry Sdn Bhd

Mr Liaw Hen Kong – Chairman, Sabah Branch / Sabah Branch Membership Sub-Committee
Life Water Industries Sdn Bhd

Mdm Rebecca Sim Kin Hui – Chairman, Sarawak Branch / Sarawak Branch
Polyflow Pipes Sdn Bhd

Membership Sub-Committee
Elim Industries Sdn Bhd

Mr Tan Cheow Ho
Lam Seng Plastics Industries Sdn Bhd

6. INTERNATIONAL BUSINESS

6.1 International Business

Mr Callum Chen – Chairman
LH Plus Sdn Bhd

Mr CY Chow
Combi-Pack Sdn Bhd

Mr YA Liew
Wohltec Medical Sdn Bhd

Datuk Noraini S Talib
Sipro Plastic Industries Sdn Bhd

Mr Tan Cheow Ho
Lam Seng Plastics Industries Sdn Bhd

List of Committees: 2018 – 2020

7. PROCESS GROUP

7.1 PE Pipes and Fittings Sub-Committee

En Anuar Shukry Bin Ismail – Chairman
MRPI Pipes Sdn Bhd

Mr Seow Kok Hooi
AWT Fusion Sdn 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 / Ms Wong Poh Yee
Cew Sin Plastic Pipe Sdn Bhd

Mr Loh Chun Hong
Cipli Industries Sdn Bhd

Mr Ong Kok Cheng
Chin Lean Plastic Factory Sdn Bhd

En Muhammed Khalaf
Dure-Mine Sdn Bhd

Mr Justin Wong Leong Ming
George Fischer (M) Sdn Bhd

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

Mr Wong Lye Seng / En Zamri – 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 Kian Lin / Mr Tan Weng Keong
Piping Technology Sdn Bhd

Mr Jefh Lee
Sabic Asia Pacific Pte Ltd

Mr Chuah Seong Yaw
Spirolite (M) Sdn Bhd

Mr Ngai Chee Whye
SpindMalaysia Sdn Bhd

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

Mr John Liew
Weida Integrated Industries (M) Bhd

Mr Alfred Pui/Mr Kevin Kopat
Weidasar Sdn Bhd

Mr Lionel Pereira
Welda System Sdn Bhd

7.2 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 Chee Wai / 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

7.3 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 Kong
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

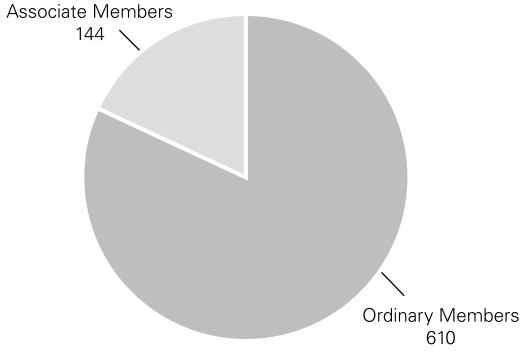
Mr Tan Soon Huat
YT Fibreglass Industries Sdn Bhd

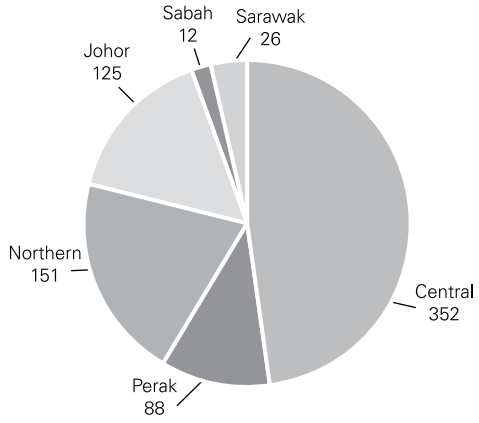
Report of the Central Committee

(From June 2018 to March 2019)

1. MEMBERSHIP OF THE ASSOCIATION

Membership of the Association comprised Ordinary Members and Associate Members. Details as at 29 March 2019 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, 29 new members comprising 14 ordinary members and 15 associate members were recruited. During the same period, 6 ordinary members and 5 associate members resigned.

1.2 Membership Activities

1.2.1 MPMA 51st Anniversary Dinner

MPMA celebrated its 51st Anniversary Dinner on Saturday, 30 June 2018 at One World Hotel, Selangor. The Dinner attracted about 930 members and guests.



The Main Sponsors being honoured with mementos in appreciation for their contributions towards the MPMA 51st Anniversary Dinner

Report of the Central Committee

(From June 2018 to March 2019)

1.2.2 MPMA 29th Annual Golf Tournament 2018

MPMA held its MPMA 29th Annual Golf Tournament 2018 for members and guests on Friday, 29 June 2018 at Kelab Golf Negara Subang, Selangor. 124 golfers had participated in the event.



Members at the 29th Annual Golf Tournament

1.2.3 Workshop on "Rejuvenating - The Way Forward"

On 14 November 2018, a Workshop for MPMA Committee Members and Secretariat Staff entitled: Rejuvenating - The Way Forward" was organised at the Majestic Hotel, Kuala Lumpur.

The main objectives for the session were:

i. To perform a quick review based on the feedback of the Members Satisfaction Survey and to understand what sort of activities members would like MPMA to undertake.

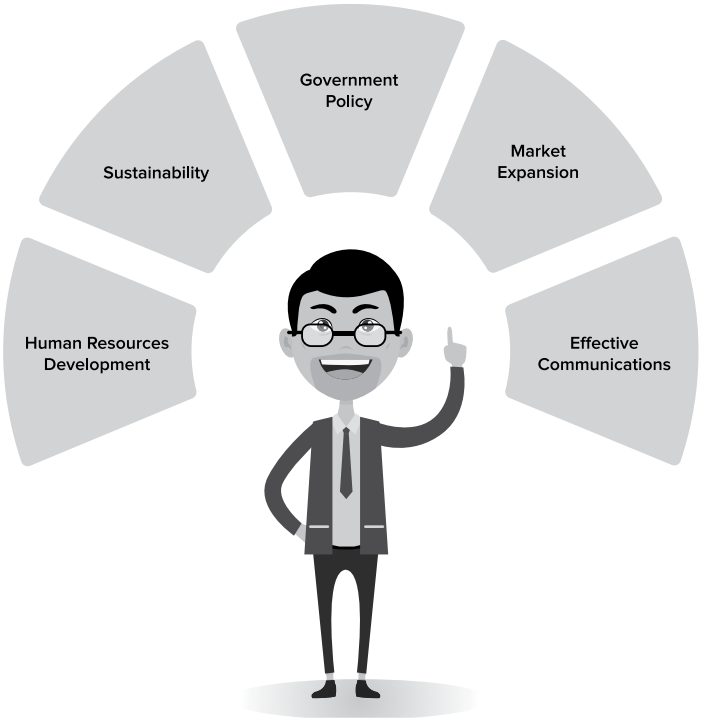
ii. To review MPMA's Roadmap.

iii. To evaluate MPMA's current services/activities against the results of the members survey.

iv. To discuss plans to move forward taking into consideration MPMA's current resources.

The Workshop was well attended by members of the Central Committee, including representatives from all the Branches.

With the guidance from an external facilitator and based on the findings from Members Satisfaction Survey, the Workshop had identified the following five key "pillars":



Five Sub-Committees consisting of members from the Central Committee were formed to undertake the tasks of identifying and implementing activities under the five pillars. The Sub-Committees met on 21 February 2019 to identify the main activities to be undertaken under each pillar.

1.2.4 MPMA Roadshow 2019

Three roadshows would be organized at the MPMA Johor, MPMA Perak and MPMA Northern Branch from 9 to 12 April 2019.

MPMA President Datuk Lim would lead the Roadshows by discussing some of the challenges faced and the way forward for sustainable growth. Ms CY Wee, Chairman of MPMA Sustainability Sub-Committee would present a topic on "Marine Litter & How It Impacts the Malaysian Plastics Industry". Representatives from Asia Plans & SSESSMENTS would cover a topic related to raw material market trends whereas senior officials from MIDA would provide the latest updates on the Governments Investment Policies and Facilitations.

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2. FINANCIAL REVIEW

The amalgamated income for MPMA for year 2018 amounted to RM5,331,908.

The Association recorded an amalgamated surplus of RM157,352 before taxation for the year. Please refer to the section on Financial Statement.

Report of the Central Committee

(From June 2018 to March 2019)

3. HUMAN RESOURCE DEVELOPMENT

"When Vision 2020 was introduced, the challenges that Malaysia needed to overcome to reach a developed nation status were set out." These challenges call for Malaysia to be innovative and forward-looking as we seek to build an economy that is competitive, dynamic, robust and resilient, based on the concept of shared prosperity. The Industry4WRD is a pivotal step as Malaysia seeks to strengthen its on-going structural reforms to become a developed nation that is equitable, sustainable and inclusive by 2025 or even earlier." *Extract from Keynote address by YAB Tun Dr Mahathir bin Mohamad, Prime Minister of Malaysia on the Launch of Industry4WRD National policy on Industry 4.0, 31 October 2018, Perdana Hall, MITI.*

During the launch of the Industry4WRD National Policy on Industry 4.0 which was held on 31 October 2018, our Prime Minister, YAB Tun Dr Mahathir, acknowledged that the Malaysian Government recognises the importance of the manufacturing sector and that this sector must remain as the backbone - supported by the other sectors such as commodities, services, etc, in ensuring a robust and resilient economy for Malaysia. In his speech, he noted that in recent decades, the manufacturing sector has seen rapid evolution and the next phase of evolution in the manufacturing sector is referred to as Industry 4.0.

Manufacturing firms can no longer reap the same yields as in previous decades if they continue to rely on capital and labour as productivity levers. Instead, manufacturers must embrace Industry 4.0 in order to propel productivity and further enhance competitiveness to transform and be smarter and stronger; driven by people, process and technology. Accelerating labour productivity, embracing digitalisation and innovation are the ways forward.



Team members of FSIM4.0

3.1 Pilot Programme on First Step to Injection Moulding 4.0

In September 2017, MPMA carried out the "First Step to Injection Moulding 4.0", a one-year Pilot Programme involving four training programmes, namely, Scientific Moulding, First Step to Smart Manufacturing, Smart Maintenance as well as Lean and Robot Based Automation for the Plastics Injection Moulding Industry. A total number of 100 employees from four participating companies successfully completed the Programme, which ended in November 2018.

3.2 MPMA-Plastics Technology Training Centre

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

3.2.1 MPMA-Plastics Technology Training Centre Selangor

Date	Details	No of Pax
13- 14 March 2019	Understanding Plastics Materials (SBL-KHAS Scheme)	7

3.2.1 MPMA-Plastics Technology Training Centre Selangor

Date	Details	No of Pax
19 April 2018	Injection Moulding Process Optimisation & Quality Improvement	10
19 July 2018	Occupational Safety and Health: Safety First! OSH Strategies for SMES	26
23 October 2018	Blown Film and Extrusion & Defect Troubleshooting	7

3.3 Occupational Safety and Health

MPMA with the support of Pertubuhan Keselamatan Sosial (PERKESO) takes proactive steps to continuously inculcate awareness on Occupational Safety and Health (OSH) through educating programmes like Workshops, Train-the-Trainers Session and Seminars. Below are the list of programmes that were organised during the period in review:

Training Dates	Details	No of Pax
19 July 2018	OSH Seminar on SAFETY FIRST! OSH Strategies for SMEs, MPMA Johor Branch	25
15 August 2018	OSH Seminar on SAFETY FIRST! OSH Strategies for SMEs, MPMA Head Office	25
6 September 2018	OSH Seminar on SAFETY FIRST! OSH Strategies for SMEs, MPMA Northern Branch	51



OSH Seminar 2018 on SAFETY FIRST! OSH Strategies for SMEs, MPMA Johor Branch



OSH Seminar on SAFETY FIRST! OSH Strategies for SMEs, MPMA Head Office



OSH Seminar on SAFETY FIRST! OSH Strategies for SMEs, MPMA Northern Branch

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NOSS Workshop sessions



Handing over ceremony of the Occupational Framework



Ms Mandy Kok from the MPMA Secretariat receiving her Malaysian Skills Certification

3.4 MPMA as an Industry Lead Body

3.4.1 National Occupational Skills Standards

Based on the Malaysian Plastics Industry Skills Needs Research Study sponsored by JPK in 2016, Quality Assurance job positions were highlighted as one of the top three critical skills required by the plastics industry. In this respect, MPMA developed two National Occupational Skills Standards (NOSS) on Plastics Production Quality Inspection, Levels 2 and 3 as well as Plastics Production Quality Assurance, Levels 4 and 5. The development and review panels consisted of industry experts from the plastics industry and academic sectors.

3.4.2 Occupational Framework for the Manufacturing of Plastics Products

The job scopes for some job titles have changed in the last five years; and the need for the industry to include i4.0 elements into the work stream led to MPMA and its team reviewing the Occupational Framework (OF) in 2018. There were 13 panel experts from the injection moulding, blow moulding, pipe and film extrusion sectors as well as raw material suppliers and academicians who reviewed the OF for the plastics industry, which was initially developed in 2013. The project was successfully completed and the Framework was handed to the Department of Skills Development, Ministry of Human Resources on 22 October 2018.

3.4.3 Recognition of Prior Achievement

Recognition of Prior Achievement is a programme initiated by the Department of Skills Development (DSD) 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).

For the period under review, 25 applications were submitted for certification.

3.5 Chemical Productivity Nexus

Chemical Productivity Nexus (CPN) is one of the nine nexus identified under the Malaysian Productivity Blueprint (MPB), a strategy under the 11MP to drive productivity and boost economic growth. The plastics industry is classified under the CPN where five initiatives were identified to thrust the chemicals industry forward:

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



Lean Final at Combi-Pack Sdn Bhd on 7 Dec 2018

MPMA is the Secretariat for initiative "ii", where Mr Eddie Fong is the Chairman and for initiative "iv", where Mr PK Leong is the Chairman. The following programmes were undertaken in 2018:



Members of the CPN Strategic Session

3.5.1 Chemical Productivity Nexus (CPN) Strategic Session

The CPN Strategic Session was held on 23 October 2018 at Dorsett Grand Hotel, Subang. The objective was to review the working group initiatives for 2018 and to develop the detail work plan for 2019 and way forward.

En Zahid Ismail, Director of Delivering Management Office of Malaysia Productivity Corporation (MPC) expressed his heartfelt thanks to all stakeholders of the CPN for their time and efforts contributed to the CPN. YBhg Datuk Dr Abd Hapiz Abdullah, Chairman of CPN, encouraged the stakeholders to stay focus and persevere in the endeavours of the initiatives which they oversight.

Each IWG reported and updated on their initiative programmes' progress and setbacks. The Chairman where necessary gave his input and views to each reporting IWG. Thereafter, the IWGs work on the plans and roadmap for 2019-2020.

3.5.2 MPC Productivity Day

Malaysia Productivity Corporation (MPC) in collaboration with LH Plus Sdn Bhd organised the Productivity Day on 18 February 2019. The event was officiated by YB Ong Kian Ming, Deputy Minister, MITI. YB in his speech mentioned that the Government highly supports comprehensive and parallel initiatives to drive higher productivity in the manufacturing sector and emphasis should be given to maintain export competitiveness, regional integration, application of new technologies including Industry 4.0, development of future talent and business excellence.



From left to right: Mr Krishnakumara Reddi, Mr Callum Chen, YB Ong Kian Meng, Mr Wong Fook Sing and YBhg Dato' Razali Hussain, Director General of MPC

YB presented certificates to three recipients of Productivity Champion, namely, Mr Callum Chen of LH Plus Sdn Bhd, Mr Wong Fook Sing of

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Datuk Lim Kok Boon presenting a plaque to YB Ong Kian Meng for gracing the MPC Productivity Day



Lean Final at Zeito Plastic Components Sdn Bhd on 12 Dec 2018

Zeito Plastics Components Sdn Bhd and Mr Krishnakumara Reddi of CCM Duopharma Biotech Berhad.

Four other companies received Lean Recognition Certificates for implementing Lean initiatives to improve productivity in their respective factories. YB also witness the exchange of Pledges between MPC and MPMA as strategic partners to identify members to participate in the Industry4WRD Readiness Assessment. A counter was also set up for PD participants to register online for I4WRD Readiness Assessment.

3.5.3 IWG2 - Lean Management Transformation System Development Programme

Lean Management is a holistic approach to assist companies achieves their optimum capacity in their organisation with the resources they employed, be it on manufacturing processes, technology adoption, procurement, administration support, etc, to enable the organisation to stay on the cutting edge in the market that they compete in. Lean focuses on identifying areas of 'waste' in the organisation and establishes ways to eliminate that 'waste' to quantify in monetary value in terms of cost savings or in qualitative measures.

Five companies participated in the Lean Management Programme for SMEs - four from the plastics industry and one from the pharmaceutical industry.

Lean Management Systems Development Project - Chemical Nexus 2018				
No	Company Name	Date		Programme Details
		Start	Finish	
1	Combi-Pack Sdn Bhd	7/8/2018	7/12/2018	1. Top Management Briefing & Lean Health Check Assessment (Pre) 2. Training 1: Lean & Value Stream Mapping 3 Training 2: Lean Tools & Techniques 4. Consultation Visit 1-6 5. Final Presentation & Lean Health Check (Post)
2	Ekspedisi Emas Sdn Bhd	9/8/2018	17/1/2019	
3	See Hau Global Sdn Bhd	8/8/2018	29/1/2019	
4	Zeito Plastic Components Sdn Bhd	01/08/2018	12/12/2018	
5	Upha Pharmaceutical Manufacturing Sdn Bhd (CCM Duopharma Biotech Berhad)	27/9/2018	29/1/2019	

The Programme was conducted over a six-month timeline, and has produced excellent positive results. Some companies saw remarkable results in their material usage efficiency where wastage was significantly reduced by 80% and projected overall cost savings about RM3 million. Some companies were able to innovate processes and reduce foreign workers.

3.5.4 IWG4 - SIRIM Fraunhofer Technology Audit

Technology Audit (TA) is an assessment of a company's technology management capability and capacity, the management of technology knowledge and activities related to the improvement of the technological competitiveness of the company.

The TA team assessed seven major elements of the participating companies during their audit: 1. Efficiency in Operation, 2. Technology Trends, 3. Technology Management, 4. Organisation and Networking, 5. Human Resources Management, 6. R & D Readiness and 7. Strategy.

The TA assessment results provided the management of the company with an understanding of the strengths and weaknesses of their organisation. Appropriate intervention programmes were recommended to harness on strengths and to minimise or eradicate weaknesses in the companies - to enhance their productivity, improve their technology management capabilities and to move up the value chain.

Currently, the participating companies are awaiting for some procedures to be finalised before implementation can take effect.

3.6 Plastics Injection Moulding Training Factory for TVET

The importance of Technical and Vocational Education and Training (TVET) has been given much



Lean Final at Ekspedisi Emas sdn Bhd on 14 Jan 2019



Lean Final at Upha Pharmaceutical Mfg Sdn Bhd on 29 Jan 2019



Lean Final at See Hau Global Sdn Bhd on 30 Jan 2019

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emphasis in recent time. There are great changes moving about in the industry due to growing digitalisation and innovative technologies brought upon by the i4.0 revolution. TVET qualifications play a vital role in the country's economy by equipping the workforce with knowledge and skills from basic to advanced levels in various economic sectors.

With this in mind and all the past experiences from the Talent Development Programme (2012-2015) and First Step to Injection Moulding 4.0 Programme (2017-2018), MPMA is working towards setting up a Training Factory as there is an urgent need for trained skilled Technicians in Malaysia. Students in the Training Factory would be undergo real factory experience during their training - exposing them to real projects happening in a commercially operating factory. MPMA targets the first batch of students to complete their training by end 2019.

3.6.1 Engagement with Malaysian Occupational Skills Qualification

MPMA Secretariat attended a meeting with the Malaysian Occupational Skills Qualification Department (MOSQ), a division at JPK in-charge of certifications on 9 January 2019 and introduced the Centre of Excellence (CoE) project. MOSQ was interested on the concept where students from the relevant local vocational training institutes (ILP) would be placed in Training Factories to undergo comprehensive and relevant industry trainings, thus creating/offering potential/confirmed job opportunities for this group of participants/students. MPMA was requested to forward more details on the Training Factory and to include information on ways workers could be upskilled; be expose to i4.0 knowledge as well as the provision of relevant and holistic skills trainings for its ILP students. MPMA would also need to include the expected salaries receivable for these students upon completion of the training.

3.7 Factory Visit to LH Plus Sdn Bhd

Several visits were organised to LH Plus Sdn Bhd following the company's participation in the First Step to Injection Moulding 4.0 Pilot Project.

29 January 2018 – Stakeholders Visit

A factory visit was organised for stakeholders to provide insights into an i4.0 environment in a plastics manufacturing factory. The thirty-five stakeholders from the Ministry of International Trade and Industry (MITI), Malaysian Investment Development Authority (MIDA), PSMB, MPC, Malaysia Bioeconomy, Frost & Sullivan, Cimation, MPMA Committees, etc gained insights into how i4.0 elements has enhance processes resulting in improved product quality, reducing cost and increasing revenues.



Mr Callum Chen (2nd from left) presenting a souvenir to YB Dato' Dr Gazali Abas (centre)

23 April 2018 – MoHR Secretary-General Visit

YB Dato' Dr Gazali Abas, the then Secretary-General, Ministry of Human Resources (MoHR), together with some key personnel from Department of Skills Development, Manpower Department, Institute of Labour Market Information and Analysis (ILMIA), PSMB, Malaysian Technology Development Corporation (MTDC), Department of Standards Malaysia (DSM),

iPlast 4.0 Sdn Bhd and MPMA were impressed how the implementation of i4.0 elements contributed to the productivity of the company.

17 December 2018 – PSMB Visit

Mr Elanjelian Venugopal, the newly appointed CEO of PSMB was given a factory tour to have a better understanding on the implementation i4.0 in the plastic industry, challenges, impacts and moving forward. The visit also provided a platform for PMSB and MPMA to share and understand how best PSMB and MPMA can be in collaboration to benefit the employees and industry.



Datuk Lim presenting a momento to Mr VE Elanjelian, Chief Executive of PSMB



Briefing session at PSMB

3.8 Engagement with Ministry of Education

A team from MPMA, led by Mr Callum Chen, paid a courtesy visit to MoE on 7 January 2019 to meet with Datin Paduka Ir Dr Siti Hamisah, DG of Higher Education and Dato' Kamel Mohamad, Deputy Secretary-General of the Ministry of Education (MoE) to present MPMA's proposal on the Training Factory. A subsequent meeting was arranged on 12 February 2019 with four local public universities - Universiti Malaysia Terengganu, Universiti Sultan Zainal Abidin, Universiti Malaysia Sarawak and Universiti Malaysia Kelantan to discuss the syllabus on industrial training for university graduates. The meeting was chaired by Prof Madya Dr Wan Zuhaini Bin Saad, Director-General of Academic Development Management Division, Jabatan Pendidikan Tinggi, MoE.



Representatives from universities and industry during the engagement session with MoE

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4. STANDARDS DEVELOPMENT

4.1 MPMA's Role As A Standard Development Agency (SDA)

In October 2018, Standards Malaysia informed that effective 1 January 2019, it would fully take over all the standards development and related activities, both at the national and international levels. It meant that the appointment of MPMA together with four other SDAs had been terminated. On 30 November 2018, MPMA wrote an appeal letter to MITI requesting for the re-appointment of MPMA as a SDA through Standards Malaysia. The matter is still being followed-up by MPMA.

For 2018, Standards Malaysia identified a total of 388 Malaysian Standards (MS) on plastics to be reviewed by the respective Technical Committees (TC) within the Industrial Standards Committee (ISC) J, which is summarised as follows:

Technical Committee (TC)	Title	Number of MS
1	General Method of Test for Plastics	139
2	Plastics Pipes & Fittings	111
3	Plastics Products	110
4	General & Raw Materials for Plastics	23
5	Plastics Tanks	5
	TOTAL	**388**

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

i) The 388 MS are under various stages of development, summarised as follows:

Status	Number of MS
Draft Malaysian Standard (DMS) under active deliberation / reviewed by Working Group (WG)	11
DMS ready for submission to TC for approval	1
Standards withdrawn / rejected	7
Standards re-confirmed	21
Standards amended	4
Published Malaysian Standards	344
TOTAL	**388**

ii) New Work Projects

Status	Number of MS
New work projects - Indigenous	9

4.3 ISO TC 61 Plastics Meeting in Sonic City, Saitama, Japan from 24 to 28 September 2018

The 67th Meeting of ISO/TC 61 on "Plastics" was held in Sonic City, Saitama, Japan from 24 to 28 September 2018. The meeting was attended by more than 200 delegates from 23 countries. The Malaysian delegation comprised of only three representatives:

i. Dr Ahmad Fuad Md Yusuf, SIRIM QAS International Sdn Bhd (Head of Delegation & Convenor)

ii. En Ahmad Khairuddin B Sha'aban, MPMA (Convenor)

This is the 18th participation of Malaysia in the TC 61 event. The Malaysian delegates had managed to participate in all sub-committees (SC) of TC61 where Malaysia is the Permanent (P) member:

- SC1 (Terminology)
- SC2 (Mechanical Properties)
- SC4 (Burning behaviour)
- SC5 (Physical-chemical properties)
- SC9 (Thermoplastics materials)
- SC10 (Cellular Plastics)
- SC11 (Products)
- SC12 (Thermosetting materials)
- SC13 (Composites and Reinforcement fibres)
- SC14 (Plastics and environment)



Dr Ahmad Fuad (left) and En Ahmad Khairuddin at the ISO TC 61 meeting

The Malaysian delegates also participated in several WG meetings, sub-committee plenary sessions and the main TC61 plenary meeting. Dr Fuad as the Convenor for SC2/WG2 (Mechanical Properties/ Hardness and Surfaces) successfully convened the WG2 meeting on 24 September 2018. There were 27 delegates from 10 nations participated in the meeting.

En Ahmad Khairuddin also had successfully convened the SC9/WG6 (Polyolefins) meeting as the Convenor on 26 September 2018.

Details of meetings attended by the Malaysian delegates:

No	Dr Ahmad Fuad Md. Yusuf	En. Ahmad Khairuddin B Sha'aban
1	TC61 Plenary I	TC61 Plenary I
2	SC2 Conveners meeting	Bioplastics Symposium
3	SC2/WG1 Static Properties	SC 9 Conveners Meeting

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No	Dr Ahmad Fuad Md. Yusuf	En. Ahmad Khairuddin B Sha'aban
4	SC2/WG2 Hardness and surface properties (as Convenor)	SC9WG6 Polyolefins (as Convenor)
5	SC2/WG3 Impact and high speed properties	SC9WG7 Styrene polymers
6	SC2/WG5 Temperature dependent behaviour	SC9WG20 Poly(vinyl chloride)
7	SC2/WG6 Dimensions of test specimens	SC11WG11 Wood-plastic composites
8	SC2/WG7 Fracture and fatigue properties	SC14WG2 Biodegradability
9	SC2/WG8 Forms of data presentation	SC14WG3 Biobased plastics
10	SC2 Mechanical properties, Plenary	SC5 Physical-chemical properties, Plenary
11	SC9 Thermoplastic materials, Plenary	SC9 Thermoplastic materials, Plenary
12	Leader's Meeting	TC61 Plenary II
13	TC61 Plenary II	

5. SUSTAINABILITY

5.1 Challenges in Plastics Sustainability

The period under review had posed challenges in terms of addressing sustainability issues related to plastics as the world, including Malaysia, went to 'war' against plastics. Two major issues faced by the Malaysian plastics industry are, the plan to phase out single-use plastics, and tighter rules on importation of plastic wastes.

5.1.1 Phasing Out of Single-use Plastics

The Ministry of Energy, Science, Technology, Environment and Climate Change (MESTECC) had launched the 'Malaysia's Roadmap Towards Zero Single-Use Plastics 2018-2030' in October 2018 with the aim to phase out fossil-based plastics and replace them with biodegradable alternatives. The term single-use plastics is very broad which covers medical devices, food packaging, bottles, general bags, films and more. MPMA is concerned on the feasibility of replacing plastics with biodegradable alternatives, in addition to the impact of biodegradable alternatives on the environment.

MPMA had met up with the Minister of MESTECC, YB Puan Yeo Bee Yin, Minister of MITI, YB Darell Leiking and Minister of Housing and Local Government (MHLG), YB Puan Hajah Zuraida binti Kamaruddin on this matter. MPMA will continue to engage with all relevant Ministries and agencies to express our concerns on this Roadmap and its impact on the Malaysian plastics industry.

5.1.2 Importation of Plastic Wastes

MHLG had revoked the approved permits (AP) for the importation of the HS Code 3915 plastic wastes for three months, in July 2018. The Minister YB Puan Hajah Zuraida binti Kamaruddin, had taken this step, following newspaper reports on the serious pollution

in Kuala Langat, Selangor, purportedly caused by factories involved in processing plastic wastes.

The Minster had re-opened imports in October 2018 following on-site checks conducted by the authorities to ensure only factories with valid APs continued with their recycling operations, in accordance with international environmental standards and guidelines.

The Ministry had introduced 18 new criteria for importation of plastic wastes. The Minister had also visited selected recyclers to understand more about recycling activities.



YB Zuraida (at right of picture) questions Mr CC Cheah (at center), MPMA Vice-President and Deputy Managing Director, See Hau Global Sdn Bhd during her visit to See Hau Global

5.2 Diary of Sustainability Activities 2018

Date	Activities
17 Apr – 2 Aug 2018	MPMA-Dow School Environmental Challenge 2018, Melaka
31 Jul 2018	'Gone Adventurin Packaging Research Outcome' Workshop
15 Aug – 7 Sep 2018	PCG Be Green, Bintulu
27 Aug 2018	'Plastic in the Environment: How Do We Stop It?' Workshop
4 Sep 2018	1st Meeting with MESTECC on Roadmap Towards Zero Single-Use Plastics
12 Sep 2018	1st Meeting with Plastic Bag Manufacturers on Roadmap Towards Zero Single-Use Plastics
13 Sep 2018	2nd Meeting with MESTECC on Roadmap Towards Zero Single-Use Plastics
15 Sep 2018	MPMA-Dow-Thong Guan Beach Cleanup 2018, Penang
15 Sep 2018	World Cleanup Day 2018 (In collaboration with MPMA Perak Branch)
17 Sep 2018	2nd Meeting with Plastic Bag Manufacturers on Roadmap Towards Zero Single-Use Plastics
19 Sep 2018	PCG SHOC4School Programme, Kertih
19 – 21 Sep 2018	28th Asia Plastics Forum 2018 and 17th Term AFPI Conference (2016 - 2018)
22 Sep 2018	MPMA Johor Branch Beach Cleanup 2018, Stulang Laut
24 Sep 2018	MESTECC Townhall Session: "Let's Work Together to Address Single-Use Plastic"
27 Sep 2018	3rd Meeting with MESTECC on Roadmap Towards Zero Single-Use Plastics
2 Oct 2018	Townhall Session with YB Yeo Bee Yin on Importation of Plastics Waste
9 Oct 2018	Asia Bottled Water Association (ABWA) F&B Innovation Seminar, Perak

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Date	Activities
11 Oct 2018	Meeting with KPKT on Importation of Plastics Waste
15 Oct 2018	Internal Meeting on Roadmap Towards Zero Single-Use Plastics
15 Oct 2018	Meeting with JPSPN on SAS
16 Oct 2018	4th Meeting with MESTECC on Roadmap Towards Zero Single-Use Plastics
17 Oct 2018	Launch of Roadmap Towards Zero Single-Use Plastics by MESTECC @ BIO@IGEM
19 Oct 2018	Meeting with Dato' Sri Haji Mohammad bin Mentek, KSU of KPKT on plastics recycling
25 Oct 2018	PLASTICITY Malaysia
25 Oct 2018	Meeting on Asia Plastics Coalition, Singapore
26 Oct 2018	Meeting with Special Commission on Importation of Plastics Waste
30 Oct 2018	Meeting with YB Darell Leiking, Minister of MITI
31 Oct 2018	Meeting with JPSPN on New Rules and Regulation for Importation of Plastics Waste
3 Nov 2018	MPMA-Scientex “Towards Zero Leakage to The Ocean” Programme, Pulau Ketam
8 Nov 2018	PCG Be Green, Kuantan
8 Nov 2018	Meeting with Kaneka Bio-Degradable Plastics (BDP) project team
1 Dec 2018	Exhibitor @ National Recycling Day, Pantai Eco-Park
5 Dec 2018	Meeting with MIDA on Plastics Recycling Activity and Single Use Plastics
10 Dec 2018	Follow Up Meeting with Plastics Core Working Group @ KPKT
12 – 14 Dec 2018	Global Plastics Alliance Meeting, Bali, Indonesia
8 Jan 2019	Focus Group Discussion (FGD) on Sustainability
28 Jan 2019	Meeting with YB Puan Hajah Zuraida binti Kamaruddin, Minister of KPKT
19 Feb 2019	Interview with The Petri Dish

5.3 MPMA-Dow Sustainability Programmes 2018

Two programmes were conducted with Dow during the period under review; the MPMA-Dow School Environmental Challenge in Melaka and the MPMA-Dow-Thong Guan Beach Cleanup in Penang.

The MPMA-Dow School Environmental Challenge, in its third consecutive year, involved 17 schools from three districts in Melaka. The programme was conducted over a four-month period with the involvement of more than 3,000 students in five competitions; Recyclables Collection Competition, Photography Competition, Sketch Competition, Choral Speaking Competition, and Sustainability Project (Short and Long Term). More than 780kg of plastics was collected from the Recyclables Collection Competition by Lam Chong Group, which is a MPMA member.

As part of the MPMA-Dow School Environmental Challenge, a two and a half-day Eco-Ranger programme was conducted with the aim of educating students on managing different types of waste and recycling.



Eighth from left: Dr Han Zhang, Asia Pacific Sustainability and Advocacy Leader, Packaging & Specialty Plastics, The Dow Chemical Company, Mr Jasmi bin Abu Samah, Head, Sector of Human Development, Melaka State Education Department, and Dato' Raymond S'ng, Vice-President, MPMA with the Champion of Choral Speaking Competition from SMK Tun Mutahir of the MPMA-Dow School Environmental Challenge programme

The MPMA-Dow-Thong Guan Beach Cleanup was held on 15 September 2018 at Monkey Beach, Penang in conjunction with the International Coastal Cleanup Day. A total of 80 participants from Dow, Thong Guan and MPMA had successfully collected more than 900kg of waste in which the main composition are plastic bottles, plastic containers, metal and general waste. To ensure the sustainability of the beach cleanup effort, 24 waste bins were donated and installed along the hawker area on the beach.



Participants of the MPMA-Dow-Thong Guan Beach Cleanup at Monkey Beach, Penang

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Ms Crystal Cheah, Environment Executive, MPMA giving a talk on 'Plastics and the Environment' during PCG Be Green at SMK Pelabuhan, Kuantan, Pahang

5.4 PETRONAS Chemicals Group Berhad's Be Green Campaign

The PCG Be Green Campaign was organised in Bintulu, Sarawak; Kertih, Terengganu; and Kuantan, Pahang respectively with a focus on educating students and teachers on the practice of the 3Rs (Reduce, Reuse, Recycle) and plastics innovation.

MPMA had supported the programmes by conducting talks at all three venues about plastics and the 3Rs. In Bintulu, MPMA was also involved in designing an essay writing competition together with PCG with the title 'Plastics in The Environment: Friend of Foe?'



PCG Be Green at SMK Asyakirin, Bintulu, Sarawak

5.5 MPMA-Scientex "Towards Zero Leakage to The Ocean" Programme

The MPMA-Scientex "Towards Zero Leakage to The Ocean" Programme which aims to highlight marine litter, was conducted from October-November 2019 at Sungai Satu, Pulau Ketam. Pulau Ketam was chosen as it has an existing marine litter problem which is a combination of littering as well as marine litter brought in from elsewhere, by the waters that surround the island. The programme acts as a demonstrative effect to the people on the island as to what is possible with proper waste management.



Presentation of a Scoop as a token of appreciation to the Village Head of Pulau Ketam. From left to right: Chua Meng Jack, son of Village Head; Lim Peng Jin, Managing Director of Scientex; Chua Chuan Tie, Village Head of Pulau Ketam (middle); Chua Hock Boon aka "Mr. Garbage"; and Datuk Lim Kok Boon, President of MPMA

A whopping 9,860kg of waste were collected and removed from the area in which recyclables were sent for recycling and non-recyclable waste were disposed responsibly at Jeram Sanitary Landfill. All cleaning equipment made/purchased/used throughout the whole programme were given out to the community for them to maintain the area after the programme. Nets and booms were also installed around the affected area to minimize influx of marine litter during high tide. More recycling cages and trollies were provided to the community to encourage and enhance the practice of waste separation at source and recycling.



Before and after shots of a cleanup site at Sungai Satu, Pulau Ketam

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6. GOVERNMENT AND INDUSTRY

MPMA continued to play a pro-active role in liaison with the Government authorities on policy matters. Realising that concerted efforts amongst the major trade associations would be more effective in dealing with Government matters, MPMA had been actively participating and contributing to the Trade Associations Joint Meetings on issues related to labour, trade policies, taxes and incentives. These joint meeting were co-ordinated by three key trade associations, namely, the Associated Chinese Chamber of Commerce and Industries (ACCCIM), Federation of Malaysian Manufacturers (FMM) and the Malaysian Employers Federation (MEF). Amongst the major issues discussed were:

6.1 Holistic Approach on Management of Foreign Workers

(i) 12 September 2018 – Joint meeting was held in ACCCIM on issues related to the employment of foreign workers.

(ii) 22 October 2018 – Joint meeting was held in MEF to deliberate on industry's proposals on Holistic Review of Foreign Workers Management. The proposals covered the following areas related to the pre-employment, during employment and post-employment of foreign workers:

- (a) Recruitment cost
- (b) One-stop centre for application, processing and approving processes
- (c) Single Ministry to handle foreign workers issues
- (d) Source countries
- (e) Levy
- (f) Consultation with stakeholders
- (g) Housing and accommodation
- (h) Illegal foreign workers

6.2 Minimum wage review

(i) 12 June 2018 – At the joint meeting held in MEF, MPMA proposed that the minimum wage rates be maintained as status quo due to the various cost increases.

(ii 19 June 2018 – Joint meeting was held in FMM to establish a common stand and understanding on the matters which would be raised to the Minister of Human Resources (MOHR) later.

(iii) 21 June 2018 – A total of 22 organisations including MPMA held an engagement meeting with the Minister on issue related to minimum wages and human resources.

(iv) 4 July 2018 – MPMA and a few key associations met with the Minister of MOHR again to discuss on the minimum wages and foreign works issues.

(v) 17 October 2018 – The Government announced that minimum wage rates would be increased to RM1,050 for both Peninsular and East Malaysia, effective 1 January 2019.

(vi) 28 November 2018 – Subsequent to the strong objection from the Trade Unions on the proposed rate of RM1,050, the Government issued a gazette notification to amend the minimum wage rates to RM1,100, effective 1 January 2019.

6.3 Proposed Multi-tier Levy for foreign workers

(i) 10 July 2018 – A meeting was organised by the Institute of Labour Market Information and Analysis (ILMIA). The following multi-tier levy system was proposed:

Tier-levy quantum for the manufacturing sector:

	% of FW over total workforce in company	Proposed Multi-tier Levy Rate (RM)
Tier 1	≤35%	1,850
Tier 2	>35 - ≤60%	2,100
Tier 3	<60 - ≤75%	2,400
Tier 4	<75% (above quota)	4,800

(ii) 12 February 2019 – A meeting was held in MITI to obtain general consensus from the manufacturing sector on the proposed multi-tier levy. Below are the feedbacks from the industry:

(a) To abolish Tier 4 and extend the coverage in Tier 3 up to 90% and with rates to be more linear with Tier 1 and 2.

(b) Levy collected be ploughed back to the industry for automation & technology and training of local workers

(c) Since employers are willing to pay higher levy rates, the foreign workers quota system should be abolished.

(d) Implementation to be in five years' time and not in 2019.

6.4 Budget Dialogue 2019

(i) 12 July 2019 – MPMA was invited to attend the Dialogue. The Minister of Finance agreed on the need to support SMEs but also stressed that the industry must not depend too much on government funding, especially under the current financial position. In March 2018, MPMA had submitted a memorandum for consideration at the Budget 2019, which covered the issues on Reinvestment Allowance, Market Development Grant, Incentives for the Used of Post-consumer Plastic Wastes, Extension of Work Permit for Foreign Workers beyond 10 Years and Broadband Internet Speed.

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7 INTERNATIONAL LIAISON

7.1 28th Asia Plastics Forum 2018 and 17th Term ASEAN Federation of Plastic Industries Conference (2016 - 2018)

The 28th Asia Plastics Forum 2018 and 17th Term ASEAN Federation of Plastic Industries (AFPI) Conference (2016 - 2018) were held from 19 to 21 September 2018 in Thailand. The Conferences which carried the theme "Creating Sustainable Value through Circular Economy" were held in conjunction with the A - PLAS 2018: ASEAN Community Plastic Exhibition..

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Delegation at the Asia Plastics Forum 2018

A series of panel discussions were organised to engage stakeholders along the plastics value chain to work towards the common goal of achieving circular economy.

About 200 representatives from the host nation, Thailand, together with speakers and delegates from Australia, Bangladesh, Belgium, China, India, Indonesia, Japan, Malaysia, Myanmar, Philippines, Singapore and Vietnam attended the two-day Conference



Delegation at the AFPI Council Meeting (2019-2021)

7.2 18th Term AFPI Council Meeting (2019 - 2021)

The 18th Term AFPI Council Meeting (2019 - 2021) was recently held in Manila, Philippines. The meeting's focus was to discuss the current situation surrounding the global environmental issues. The meeting drew up a strategy for the sustainable development of the plastics industry in ASEAN.

7.3 Global Plastics Alliance Meeting, Bali, Indonesia

The Global Plastics Alliance Meeting was held from 12 to 14 December 2018 in Bali, Indonesia. The Malaysian delegation comprised Datuk Lim Kok Boon, MPMA President; Mr Callum Chen, MPMA Honorary President; Ms Wee Ching Yun, Chairman, Sustainability Sub-Committee; Dr S. Sri Umeswara, Committee Member, Recycling Sub-Committee; Mr Shazali Wosnin, Petronas Chemical Group; and MPMA Secretariat staff.



Delegation at the Global Plastics Alliance Meeting 2018

One of the major topics discussed at the meeting was the fourth session of the United Nations Environment Assembly (UNEA-4) and its impact on the plastics industry. With regards to UNEA-4, the meeting had highlighted the proposal from member countries to impose restrictions on plastic raw material production and manufacturing. The meeting had also discussed an action plan to gather a set of global data of the plastics industry via material flow analysis, and the implementation of Operation Clean Sweep (OCS) to prevent plastic raw material loss.

7.4 PLASTICITY Malaysia

Plasticity is a global plastics sustainability conference which discusses practical sustainability concepts that are relevant to today's business world, and showcases new market opportunities for transforming plastic wastes into valuable second-life resources. Since its inaugural forum in 2012, Plasticity had been held in various cities in the world such as Hong Kong, New York, Lisbon, Shanghai, London, Dallas, Los Angeles and Sydney.



Participants at the Plasticity Malaysia

Report of the Central Committee

(From June 2018 to March 2019)



Second from left: Mr YA Liew and Ms CY Wee, Committee Members of MPMA interacting with participants at Plasticity Malaysia

Plasticity Malaysia 2018 was held on 25 October 2018 at Ritz-Carlton Kuala Lumpur with a very encouraging participation of about 200 participants. With the theme 'Solutions for Plastic Circularity', the conference witnessed presentations from numerous important players on how to achieve circular economy in the usage and management of plastics such as Coca-Cola, HP, Food Panda and more.

7.5 Alliance to End Plastic Waste (AEPW)

As a result of meetings on the formation of an Asia Pacific Coalition focused on plastic wastes, the initiative had grown to a global effort with the launch of the Alliance to End Plastic Waste (AEPW) on 16 January 2019 in London. The alliance of global companies from the plastics and consumer goods value chain, such as P&G, BASF, The Dow Chemical Company, ExxonMobil and more, will advance solutions to help eliminate plastic wastes in the environment, especially in the ocean. The alliance will focus on four pillars; infrastructure development, innovation, education and engagement, and clean up. MPMA fully supports the alliance and will align future programmes in accordance to AEPW's pillars.

8. RAW MATERIALS

8.1 Plastic Resins Producers Group (PRPG) Dialogues

The dialogues between MPMA and PRPG were organized 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 rotating between the two organizations on a biennial basis. PRPG is currently holding the Chairmanship for 2019-2020.

Meetings conducted in 2018 were as follows:

15 May 2018	MPMA-PRPG Dialogue at MPMA Head Office, PJ
6 December 2018	MPMA-PRPG at MPMA Head Office, PJ

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 promote plastics sustainability. At the Dialogue held on 6 December 2018, it was agreed that MPA-MPMA Focus Group on Sustainability be formed, it would be headed by Ms CY Wee, Chairman of MPMA- Sustainability Sub-Committee.

8.2 Seminars on Raw Material Market Trends

The Seminars would be incorporated into the MPMA Roadshow 2019, to be carried out at MPMA Branches in April 2019.

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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 testing on the materials to discuss on the matters related to implementations of MS1390 and to review MS1390:2010 to improve the MS content both technically and commercially. However, the project had been taken over by Standard Malaysia from the 3rd of November 2018 onwards after the termination of standardisation activities contract between MPMA and Standards Malaysia.

The Committee would arrange for a sub-committee meeting if any technical issue/project arises.

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

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

MPMA PE Pipes & Fittings Sub-Committee had participated in the Borneo Water & Wastewater Exhibition & Conference 2018 organised by Malaysian Water Association (MWA) Sarawak Branch, Sarawak State Government and Ministry of Utilities (MoU) from 10th to 11th October 2018 in Pullman Hotel, Kuching. In conjunction with the BWWEC 2018, a technical paper entitled "Managing NRW from The Basic" was presented by Ir. Ong Eng Chuan on behalf of the Committee.

Report of the Central Committee

(From June 2018 to March 2019)

10. REPORT FROM BRANCHES

10.1 MPMA Johor Branch

18 May 2018

MPMA Johor 30th Annual General Meeting

MPMA Johor branch held its 30th Annual General Meeting at the MPMA-Johor Conference Hall, a total of 40 members attended in person or by proxy.



18 May 2018

15th Term of MPMA Johor Branch Committee for 2018-2020

MPMA held its 1st Committee Meeting, the new Office Bearers were elected. During the meeting, the past Chairman Mr Lim Chun Yow was announced as the Honorary Chairman of MPMA Johor Branch.

20 July 2018

Johor Bahru Furniture Association 40th Anniversary Dinner

Chairman the late Mr Tang Hong Koon, Welfare Officer Mr Yip Swee Heng, committee member Mr Neo See Hua and Mr Tan Yeow Kwang attended the dinner held at Restorant Pekin (KK).

17 August 2018

MPMA Johor Annual Golf Tournament 2018

In conjunction with the MPMA Johor Branch 30th Anniversary Celebration, the Annual Golf Tournament 2018 was organised at Starhill Golf and Country Club, Kempas Lama.

A total of 106 members and guests participated in the golf games.



17 August 2018

MPMA Johor 30th Anniversary Dinner

MPMA Johor Branch celebrated its 30th Anniversary Dinner at Grand Straits Garden Seafood Restaurant with more than 820 members and guests attended the dinner.

For the Academic Excellence Award 2018, a total Sum of RM28,500 was presented to 59 outstanding students from 14 member companies at the dinner.



22 September 2018	**Don't be Litterbug – Beach Clean Up** In conjunction with the International Coastal Cleanup Day, MPMA Johor Branch successfully organised the Beach Clean Up programme at the public Beach along Stulang Laut. A total of 60 volunteers from MPMA Johor member companies participated the programme. Total items collected weighed about 71 kg, consist of six kg plastics, 17 kg aluminium/ steel cans and glasses, one kg of paper and cardboards and 47kg of non-recyclable items. 
28 September 2018	**Johor Bahru Chinese Chamber of Commerce and Industry (JBCCCI) - Interaction with Trade Associations** MPMA Johor Branch Committee Members, Mr Teo Kae Shyong, Mr Neo See Hua, Mr Tan Chang Khai attended the above meeting which was held at Sunway Iskandar Events Gallery, Johor Bahru.
14 January 2019	**Water Conditioning Technology** MPMA Johor Branch in collaboration with KS Tools Malaysia Sdn Bhd organised a Seminar on Water Conditioning Technology at Holiday Villa Johor City Center which was attended by 14 participants.
13 February 2019	**Johor Bahru Chinese Chamber of Commerce and Industry (JBCCCI) Chinese New Year Gala Dinner 2019** MPMA Johor Branch's Committee member Mr Neo See Hua from Lension (M) Sdn Bhd and Advisor Mr Cheong Kok Leong attended to JBCCCI dinner held at Grand Straits Garden Seafood Restaurant.
24 February & 26 February 2019	**3Rs Awareness Programme During the Litter Free Chingay 2019.** The campaign involved 87 volunteers from MPMA member companies & their family members. The volunteer encouraged Chingay devotees and the public to dispose their litter in the specially prepared bins. The bins were marked 'Recyclables' for recyclable waste, and 'Non-Recyclables' for food waste. The volunteers were stationed along Jalan Trus and Jalan Ulu Ayer Molek (Xing Gong). There were a total of 10 check points on 24 Feb 2019 and four check points on 26 Feb 2019 at Xing Gong.  The programme was financially supported by Lotte Chemical Titan (M) Sdn Bhd and volunteer transport services were provided by J B Chei Sdn Bhd. YB Tuan Cheo Yee How from Ahli Dewan Perundangan Negeri graced the event during the campaign held in Johor Bahru Chinese Old Temple on 24 Feb 2019.

Report of the Central Committee

(From June 2018 to March 2019)

10.2 MPMA Northern Branch

4 May 2018	MPMA Roadshow in Northern Region was held at MPMA Conference Room with 47 participants from 27 members companies.



Datuk Lim Kok Boon sharing with MPMA members

4 May 2018	MPMA Northern Branch Annual General Meeting was held at MPMA Conference Room with 32 ordinary members.



Group photo session before AGM started

21-23 June 2018	Chairman Mr Ang See Min led a team of six visitors visited the InterPlas Thailand 2018 which was held at BITEC, Bangkok, Thailand.
6 September 2018	MPMA Northern Branch in collaboration with PERKESO organised the Occupational Safety and Health Seminar (SBL Scheme) at The Light Hotel, Seberang Jaya, Butterworth with 51 participants from 25 member companies.
15 September 2018	The plastics industry demonstrated their commitment towards combating marine litter by cleaning up Monkey Beach in Penang with 90 volunteers. The clean-up programme, named "#PullingOurWeight", was held in conjunction with International Coastal Clean-up Day, involved the Malaysian Plastics Manufacturers Association (MPMA), The Dow Chemical Company (Dow) and Thong Guan Industries Berhad and resulted in more than 700 kg of waste collected.



Dato' Ang Puan Chuan & his team



We all care about the environment!

27 October 2018

Northern Branch celebrated its 27th Anniversary Dinner at The Light Hotel, Seberang Jaya with 720 members and guests.



Mr Alvin Ang, Chairman, MPMA Northern Branch giving his welcome address



Datuk Lim Kok Boon, MPMA President giving his speech at the Dinner



Toast session



Together we make it!

27 October 2018

In conjunction with the 27th Anniversary celebration, the Branch successfully organised the 21st Annual Golf Tournament on the same day morning at Penang Golf Club, Bukit Jambul, Penang Island with 81 golfers.



Yes, we are ready!

27 October 2018

A total of RM2,500 was given out to 16 outstanding and deserving students from 12 member companies under the Members' Employees Children Academic Excellence Awards.

Report of the Central Committee

(From June 2018 to March 2019)

18 November 2018

In collaboration with Penang Foundry Engineering Industries Association, Malaysia Printers Association (Penang Branch), Penang Furniture And Timber Industry Association and Penang Hardware and Machinery Merchants' Association, MPMA Northern Branch organised the 17th Five Trade Association Golf Tournament for the members of trades associations at Bukit Jawi Golf Resort with 91 golfers.



Players from 5 Trades Associations

5 December 2018

MPMA Northern Branch in collaboration with KS Industrial Tools Malaysia Sdn Bhd organised a Seminar on Water Conditioning Technology at Abbey Road Bistro Restaurant with 22 participants.

15 February 2019

MPMA Northern Branch organized a Chinese New Year Dinner cum Karaoke Contest for its members at Jade Palace Seafood Restaurant, Seberang Jaya with 200 participants.



Singing Chinese New Year Celebration Song



Preparing to toss "yee sang"

17 February 2019

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



MPMA Youth Club contributed RM1,000 to the orphanage and gave "ang pao" and goodies to the children

10.3 MPMA Perak Branch

19 May 2018

29th Annual General Meeting

The Branch held its 29th Annual General Meeting. The Committee Members for the Term 2018-2020 was elected, Mr Johnson Phoon was re-appointed as the Branch Chairman.

24 June 2018	**Children's Academic Excellence Awards** The Children's Academic Excellence Awards was held at MH Hotel, Ipoh. A total of 50 successful applicants from 34 member companies received the Award.



23 August 2018	**Courtesy visit to YB Yong Choo Kiong** Mr Johnson Phoon led a three-Committee Member delegation visited YB Yong Choo Kiong, State Committee Chairman for Housing Local Government, Public Transport, Non Islamic Affair and New Village. The delegation briefed YB on MPMA Perak Branch's role and action taken to address the public's misconception on plastics and its negative impact on the environment. The delegation also explained on MPMA Perak's plans and actions to re-educate the community via CSR activities.
15 September 2018	**World Clean-Up Day 2018** Quest International University Perak (QIUP) invited MPMA Perak Branch as the Co-organiser for the "World Clean-Up Day 2018 Let's Do It – Malaysia" at the Kinta Riverfront, Ipoh. The main objective of the project was to implement changes to achieve cleaner and healthier surroundings specifically along the Kinta river and Ipoh city centre, and eventually reform Kinta River to become a popular tourist attraction point.
20 September 2018	**Workshop on Sales Tax Issues** A one-day workshop on Current Sales Tax Issues was held at the Kinta Riverfront Hotel, attended by 60 members. Speakers from MIDA, SME Corp and SME Bank were also invited to brief members on the latest incentives, grant schemes and SME loans.
28 September 2018	**30th Anniversary Dinner and 18th Annual Golf Tournament** MPMA Perak Branch 30th Anniversary Dinner was held at the Kinta Riverfront Hotel. A total of 920 members, guests and members of the press attended the Dinner. The 18th Annual Golf Tournament was held at the Meru Valley Golf & Country Club. A total of 49 members participated in the Tournament.





Report of the Central Committee

(From June 2018 to March 2019)

10.4 MPMA Sabah Branch

28 April 2019	MPMA Sabah Branch will be organising the "Don't be A Litterbug" awareness campaign during the Borneo Marathon Run on 28 April 2019. A total of 10,000 runners are expected. Collection bins would be placed along the route for the disposal of plastic bottles and other plastic related packaging materials.

10.5 MPMA Sarawak Branch

10.5.1 Development of the Plastics industry

The production cost had increased substantially with the implementation of minimum wage from RM920 to RM1,100 effective 1st January 2019. Raw material cost had also increased as a result of the higher crude oil prices. These cost increases had negatively impacted the plastics companies in Sarawak.

10.5.2 Membership

The Branch has a total of 14 members with one new member, Kian Hang Plastic Sdn Bhd, Miri joined in January 2019.

10.5.3 Activities

20 November 2018	Branch Committee Members participated in a charity sales organised by Wishesland at Dewan Masyarkat. The objective of the charity sales was to raise fund for cerebral palsy patients seeking for treatment. At the same time MPMA Sarawak Branch also provide cleaning services and educate the public on the science of plastics and the importance of practising 3Rs (Reduce, Reuse & Recycle) through video presentation to create awareness amongst the public that most plastics are recyclable.	

18 February 2019	A Chinese New Year Reunion Dinner was held at a local restaurant.	

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 Plastics Eagle-MPMA Tournament

Date	Eagles Tournament	Sponsor
29 November 2018	Combi–Pack Trophy	Mr CY Chow
28 February 2019	Commercial Plastic Industries Trophy	Mr Simon Lim

11.3 Plastic Eagle-MPMA 18th Annual General Meeting (AGM)

Plastics Eagle-MPMA held its 18th AGM on 29 November 2019 at Sungai Long Golf Club, in conjunction with the Combi-Pack Trophy golf game. Mr HK Teo was unanimously elected as the Chairman for the 10th Term Office Bearers for 2018-2020. For the record, the Combi-Pack Trophy tournament attracted about 60 Eagle members and guests, many of whom attended the AGM after the game.

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 (the late)
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

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Statement by Central Committee

We, the undersigned, being three of the 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 2018 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

Chow Chee Yut
Treasurer

Eddie Fong Seak Foh
Secretary-General

2 April 2019

Kuala Lumpur

Independent Auditors' Report 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 2018, 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 2018, 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.

Independent Auditors' Report 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,

2 April 2019

Statements of Financial Position

As at 31 December 2018

	Note	2018 RM	2017 RM
Non-current asset			
Property, plant and equipment	4	**913,829**	942,743
Total non-current asset		**913,829**	942,743
Current assets			
Inventories	5	**10,788**	12,775
Other receivables	6	**464,393**	1,058,037
Fixed deposits with licensed banks	7	**3,520,286**	2,941,668
Cash and bank balances	8	**1,102,296**	873,839
Total current assets		**5,097,763**	4,886,319
Total assets		**6,011,592**	5,829,062
Financed by:			
Accumulated fund	9	**1,454,232**	1,296,880
Building fund	10	**2,023,219**	2,023,219
Employees' welfare fund	11	**179,694**	179,694
Founders' fund	12	**230,000**	230,000
Membership fund	13	**95,100**	94,100
Scholarship reserves fund	14	**517,833**	405,683
Training fund	15	**99,880**	99,880
Total funds		**4,599,958**	4,329,456
Current liability			
Other payables	16	**1,411,634**	1,499,606
Total current liability		**1,411,634**	1,499,606
Total liability		**1,411,634**	1,499,606
Total funds and liability		**6,011,592**	5,829,062

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

Statements of Income and Expenditure

For the financial year ended 31 December 2018

	Note	2018 RM	2017 RM
Income			
Members' subscriptions		**411,475**	385,029
Seminar		**2,428,928**	1,847,802
Activities for generating funds		**2,183,112**	2,146,060
Other income		**308,393**	227,311
Total Income		**5,331,908**	4,606,202
Expenditure			
Cost of seminar		**2,006,436**	1,252,730
Costs of generating funds		**1,248,569**	1,390,235
Staff related expenses		**1,274,166**	1,331,601
Professional fees		**28,145**	26,000
Depreciation of property, plant and equipment		**73,672**	73,991
General expenses		**543,568**	440,651
Total Expenditure		**5,174,556**	4,515,208
Surplus Before Taxation		**157,352**	90,994
Taxation	17	**-**	-
Surplus During the Year		**157,352**	90,994

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

Statement of Receipts and Payments

For the financial year ended 31 December 2018

	Note	2018	2017
		RM	RM
Receipts			
Members' subscriptions		**412,813**	378,370
Seminar		**2,278,928**	1,337,662
Activities for generating funds		**2,340,590**	2,287,733
Other income		**253,590**	252,765
Financing activity		**20,000**	-
Total receipts		**5,305,921**	4,256,530
Payments			
Cost of seminar		**1,365,160**	1,326,270
Costs of generating funds		**1,196,767**	1,286,682
Staff related expenses		**1,268,552**	1,152,988
Professional fees		**28,145**	25,931
General expenses		**560,276**	476,186
GST expenses		**260**	32,319
Capital expenses		**36,886**	31,695
Financing activity		**42,800**	32,400
Total payments		**4,498,846**	4,364,471
Surplus/(Deficit) of receipts over payments		**807,075**	(107,941)
Balance brought forward		**3,815,507**	3,923,448
Balance carried forward		**4,622,582**	3,815,507
Cash and cash equivalents as at year end comprise:			
Fixed deposits with licensed banks	7	**3,520,286**	2,941,668
Cash and bank balances	8	**1,102,296**	873,839
		4,622,582	3,815,507

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

Notes to the Financial Statements

For the financial year ended 31 December 2018

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
9, Jalan 1F, KKIP Selatan, Industrial Zone 4 (IZ4), KKIP,
88460 Kota Kinabalu, Sabah.

Sarawak Branch
Lot 626, Block 4, Muara Tebas Land District, Jalan Bako, Petra Jaya,
83050 Kuching, Sarawak, Malaysia.

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 (2017:17).

Notes to the Financial Statements

For the financial year ended 31 December 2018

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 2018

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 2018

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 2018

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 2018

4. PROPERTY, PLANT AND EQUIPMENT

	At 1 January 2018	Additions	Disposals	At 31 December 2018
	RM	RM	RM	RM
Cost				
Buildings	**1,225,113**	**-**	**-**	**1,225,113**
Furniture, fittings and equipment	**885,236**	**46,984**	**(2,216)**	**930,004**
Freehold land	**306,278**	**-**	**(10)**	**306,268**
	2,416,627	**46,984**	**(2,226)**	**2,461,385**
Accumulated depreciation				
Buildings	**738,665**	**25,717**	**-**	**764,382**
Furniture, fittings and equipment	**735,219**	**47,955**	**-**	**783,174**
Freehold land	**-**	**-**	**-**	**-**
	1,473,884	**73,672**	**-**	**1,547,556**

	Carrying amount		Depreciation	
	2018	2017	2018	2017
	RM	RM	RM	RM
Buildings	**460,731**	**486,448**	**25,717**	**21,122**
Furniture, fittings and equipment	**146,830**	**150,017**	**47,955**	**52,869**
Freehold land	**306,268**	**306,278**	**-**	**-**
	913,829	**942,743**	**73,672**	**73,991**

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

	2018	2017
	RM	RM
At cost:		
Consumable goods	**10,788**	12,775

6. OTHER RECEIVABLES

	2018	2017
	RM	RM
Subscription receivable from members	**38,030**	49,564
Refundable deposits	**11,485**	36,539
Golf game entrance fee receivables	**-**	19,290
Amounts receivable from members:	**-**	29,914
- Seminar debtors	**327,973**	802,528
- Other debtors	**86,905**	120,202
	464,393	1,058,037

7. FIXED DEPOSITS WITH LICENSED BANKS

Fixed deposits amounting to RM 3,520,286 (2017: RM 2,941,668) are deposited in the licensed banks.

8. CASH AND BANK BALANCES

	2018	2017
	RM	RM
Cash in hand and at bank	**1,102,296**	873,839

Notes to the Financial Statements

For the financial year ended 31 December 2018

9. ACCUMULATED FUND

	2018 RM	2017 RM
Balance at beginning of the year	**1,296,880**	1,205,886
Surplus during the year	**157,352**	90,994
Balance at end of the year	**1,454,232**	1,296,880

10. BUILDING FUND

	2018 RM	2017 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

	2018 RM	2017 RM
Balance brought forward	**179,694**	140,694
Donation received	**-**	39,000
Balance carried forward	**179,694**	179,694

12. FOUNDERS' FUND

	2018 RM	2017 RM
Balance brought forward	**230,000**	230,000
Donation received	**-**	-
Balance carried forward	**230,000**	230,000

13. MEMBERSHIP FUND

	2018	2017
	RM	RM
Balance brought forward	**94,100**	94,100
Donation received	**1,000**	-
Balance carried forward	**95,100**	94,100

14. SCHOLARSHIP RESERVES FUND

	2018	2017
	RM	RM
Balance brought forward	**405,683**	353,083
Total receipts	**140,650**	85,000
Total payments	**(28,500)**	(32,400)
Balance carried forward	**517,833**	405,683

15. TRAINING FUND

	2018	2017
	RM	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 2018

16. OTHER PAYABLES

	2018 RM	2017 RM
Advertorial on plastic	**180,384**	180,384
Accrued expenses	**196,795**	313,301
Deposit received	**10,225**	22,435
GST payable	**-**	2
Held trust in MPMA Holding	**420**	3,653
Project fund	**-**	141,509
PS media fund	**497,954**	484,656
Other creditor	**525,856**	353,666
	1,411,634	1,499,606

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 2 April 2019.

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

www.mpma.org.my