ANNUAL REPORT 2020

MALAYSIAN
PLASTICS
MANUFACTURERS
ASSOCIATION



Rising to the pandemic challenge

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the

53rd **Annual General Meeting** of the
Malaysian Plastics Manufacturers Association

10.00 am

Tuesday, 20 October 2020

Gallery 2 (Level 3), New World Hotel, Paradigm
Petaling Jaya, Selangor, Malaysia

AGENDA

1. To confirm the minutes of the last Annual General Meeting held on 23 April 2019.
2. To consider and adopt the Annual Report for the period April 2019 to June 2020.
3. To consider and adopt the audited accounts of the Association for the year 2019.
4. To appoint an external auditor.
5. To review the progress of the following activities:
   i. Human Resource Development
   ii. Sustainability
   iii. Government and Industry
   iv. 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 amend the Rules of the Malaysian Plastics Manufacturers Association.
8. To elect the Central Committee Members for the 2020-2022 Term.
9. To consider any other matters.

EDDIE FONG SEAK FOH
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.

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.

VISION

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

MISSION

- **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.**

CORPORATE INFORMATION

MPMA'S NETWORK

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PRESIDENT'S REVIEW

On behalf of the Central Committee, I am pleased to present the Annual Report of the Association for the period from April 2019 to June 2020 and the audited accounts for the financial year ended 31 December 2019.

UPDATES ON THE MALAYSIAN ECONOMY

The Malaysian economy declined sharply by -8.3% in the first half of 2020. The manufacturing sector contracted by -7.2% for the same period. The GDP growth was the lowest growth since 2009, reflecting the early impact of measures taken both globally and domestically to contain the spread of the COVID-19 pandemic, including the introduction of the Movement Control Order (MCO) in Malaysia.

The global and Malaysian economic outlook for 2020 will be significantly impacted by the COVID-19 pandemic as strict measures to contain the spread of the pandemic will weigh considerably on both external demand and domestic growth. In March and April 2020, the Government launched several economic stimulus measures to cushion the economic impact of COVID-19, followed by a post COVID-19 stimulus package in June. As these containment measures are eased and the domestic MCO is lifted, economic activity is expected to gradually improve in second half of 2020.

PERFORMANCE OF THE PLASTICS INDUSTRY

The plastics industry registered a total turnover of RM33.10 billion in 2019, representing an increase of 6.8% from RM30.98 billion in 2018. Exports grew by 2.9% from RM14.60 billion in 2018 to RM15.03 billion in 2019. The marginal growth in exports was attributed to slower demand from the developed countries and 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 construction sub-sectors. For the first five months of 2020, the total sales turnover of the plastics industry contracted by 2.9%, from RM13.5 billion to RM13.1 billion. Export declined by 13% from RM6.1 billion to RM5.3 billion. This was mainly due the effects of the COVID-19 pandemic that has adversely affected both the international and domestic markets.



PRESIDENT'S REVIEW

IMPACT OF THE COVID-19 PANDEMIC

The implementation of the MCO had a detrimental impact on the plastics industry, particularly, for companies operating in the non-essential products sub-sectors. During the first and second phases of the MCO - 18 March to 31 March and 1 to 28 April respectively, only 40% of plastics companies were allowed to operate at 50% capacity to cater for the essential sectors, such as food, medical and personal protective equipment (PPEs). During phase three of the MCO - from 29 April to 12 May, approvals were given to more companies to operate, and the average operating capacity had increased to 60%. The total loss in turnover during the three phases of the MCO was estimated at aboutRM2.9 billion. This is equivalent to almost 9% of the total annual sales turnover.

With the Conditional Movement Control Order (CMCO) in place after MCO phase three, all companies were allowed to operate. However, it took companies some time to resume to 100% operational capacity due to supply chain disruption, manpower shortages and cash flow issues. Hence, we expect that there will be a decline in turnover for 2020 compared to 2019 and the magnitude of the decline cannot be ascertained as yet given the huge uncertainty of the COVID-19 pandemic ahead in Malaysia as well as the world over

ASSISTING MEMBERS DURING THE MCO PERIOD

During the MCO period, MPMA had relentlessly worked hard to assist members and non-members to obtain the requisite approvals from the Ministry of International Trade and Industry (MITI) to operate. These include assisting the companies on their applications, clarifying on issues that affected their companies, providing timely and relevant information from the government authorities to members, etc. Especially critical for the plastics sector is the need to ensure that our members involved in the supply chain as well as the production of essential items such as food packaging and the PPEs continue in their operation to meet the country's needs.

On applications for approvals to operate during the MCO, MPMA had gone out of its way to secure approvals by writing to and communicating personally with the higher authorities. It was indeed a massive task loaded on to MPMA which we undertook as part of our responsibility to safeguard the interest of the plastics industry, including the upward integration and downward integration of the plastics industry's supply chain.

On timely and relevant information, especially on guidelines and compliance to operate during the MCO, MPMA had expeditiously clarified issues with higher authorities and provided these information on a timely basis via WhatsApp, Facebook and through MPMA's website.

For the record, from the period March to June 2020, MPMA's had issued 84 advisory circulars/announcements, all of which can be accessed at www.mpma.org.my. Some of the circulars/announcements are featured on MPMA's Facebook page https://www.facebook.com/MPMA.my. The Secretariat had also been in direct contact with many members during the MCO, sending out messages via WhatsApp and providing advice via handphone calls, emails, etc.

Realising that companies' business operations and cash-flow were seriously affected during the MCO, MPMA submitted several proposals to the Government to assist in lessening members' burden. We supported the Government's call to retain the workers but also realised that it would be difficult for companies to pay all their employees when their cash-flows are severely affected. One of our proposals was for the Government to co-fund the employee's wages. We are happy to note that the Government did implement the Wage Subsidy Programme, which in a way had assisted to partially lessen the burden of the employers to retain the employment of the workers. Another proposal was for the Government to provide more funding to the Special Relief Facility so that more cash-tight SMEs would benefit. We certainly look forward to this proposal to be implemented.

PRESIDENT'S REVIEW

ASSIST THE MEDICAL FRONTLINERS

During the peak of the COVID-19 pandemic, the Ministry of Health raised their concerns on the low stockpile of PPEs at hospitals. To assist in addressing the shortage of PPEs, MPMA had worked with members of the industry to repurpose their machines to produce PPEs that were needed by our frontliners. This was assisted by members of the Federation of Malaysian Fashion Textiles and Apparel (FMFTA) who were able to cut/sew the materials into various items such as isolation gowns, jumpsuits, hoods, etc. MPMA members also teamed up with FMFTA members to donate PPEs to ensure that our front liners are protected.

PLASTICS SUSTAINABILITY

Despite the COVID-19 affecting the world's health and economy, in terms of plastics sustainability, the pandemic indirectly demonstrates the importance of single-use plastics (SUP) in our daily lives, and in this case, the usage of PPEs in fighting against the COVID-19. The pandemic made people realize that plastics is more than just bags and straws. Applications of plastics cut across numerous sectors including the medical sector and without plastics, these sectors will not be able to operate the way they are now.

MPMA has been vocal throughout the years that adoption of a zero littering policy together with a Circular Economy model supported by a strong recycling community is the way forward in managing plastics. Banning of SUP is not the solution to waste management problems and plastics pollution that we are facing as it does not address the root cause of the problem which is mismanaged waste and there is still no functional and economical alternative for many types of SUPs available in the market.

This past year had seen some positive development/result from MPMA's continuous engagement with the Government despite the launch and implementation of the Roadmap Towards Zero Single-Use Plastics 2018-2030 by the Ministry of Energy, Science, Technology, Environment and Climate Change (MESTECC) in year 2018 (this portfolio has now been taken over by Ministry of Environment and Water). Formation of the Malaysia Plastic Pact (MPP) in October 2019 open doors for MPMA to work closely with the Government, Brand Owners, resin producers and other stakeholders in the plastics value chain to drive the plastics industry into circularity. One of the main tasks of MPP is to develop the Circular Economy Roadmap for Malaysia, and as one of the founding members of MPP, MPMA is hopeful that this new Roadmap will re-direct the Government's approach in addressing the issue of mismanaged plastics waste through the Circular Economy model.

MANAGING MANPOWER ISSUES WITH TALENT DEVELOPMENT

Talent Development efforts was not spared by the recent COVID-19 pandemic either, as we are now witnessing a significant reconfiguration of the labour market globally. MPMA is pleased to note a positive outcome – employers and employees are now more willing to embark on online training, and have accepted that online training forms part of the new norm after the MCO period.

Nurturing talent development through industry and academic collaboration is seen as the way forward. An adequate supply of skilled workers with the right training will be a critical success factor for companies to stay competitive in today's business world.

Technical Education and Vocational Training (TVET) remains as the keyword on matters related to human capital development in Malaysia. The way forward would be to have more collaboration between educational and technical institutions with the industry to ensure no mismatch of skills and qualifications, as these will in turn have a direct impact on the future of employment. A sizable allocation of RM5.9 billion had been provided for TVET activities under the National Budget 2020.

PRESIDENT'S REVIEW

MPMA, in its effort to contribute to the TVET's agenda, has initiated the establishment of the Malaysian Plastics Industry Talent Accreditation Council (MaPITAC). MaPITAC is established under the umbrella of MPMA but functions as an independent body, and its main objective is to ensure the quality of training for the plastics industry is enhanced and is world class.

Industrial Revolution 4.0 continues to make an impact in the manufacturing scene. MPMA actively encourages our members to embrace automation and progress into the i4.0 era by organising conferences, workshops and disseminating information on support available with the various private and Government agencies. Embracing automation does not contribute to unemployment but instead, it will open another window of opportunity on talent development.

HRDF and Perkeso under the Penjana scheme now supports employers pursuing training opportunities for staff and newly recruited employees through face-to-face and via e-learning platforms. MPMA urges members to capitalise on this opportunity to continue up-skilling their staff knowledge and take up online plastics training progammes offered by Routsis Training.

MOVING FORWARD

The COVID-19 had definitely changed the way businesses operate. It may take some time for the pandemic to be fully contained and businesses to resume to normal. During this transitional period, work-from-home practices and digitising the work processes would become a norm.

As the plastics industry is an enabler to other sub-sectors, the recovery from the impact of the MCO and the pandemic is very dependent on the sub-sector markets. Hence, the export sector will also be very dependent on the state of the global economy and it is rather difficult to predict the outlook at this juncture.

After the pandemic, some companies may need to be restructured to cater for the new environment. Innovation and productivity improvements are critical for companies to remain competitive. A new era of human resources development will be required to adapt to the new changes.

Members must be aware that the new norm requires changes that will mean moving out of our respective comfort zones. Changes would be inevitable. And members must therefore be willing and ready to change.

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2019年4月至2020年6月的年度报告，以及截至2019年12月31日财政年度的经审计帐目。

马来西亚经济状况的最新动态

马来西亚经济在2020年上半年急剧放缓至负8.3%。而制造业则从放缓至负7.2%。同时国内生产增值的增长更是自2009年第三季度（-1.1 %）以来的最低增长，反映了全球与国内为遏制冠状病毒蔓延所采取措施后的早期影响，其中包括马来西亚的行管令（MCO）。

冠状病毒将严重影响2020年全球和马来西亚的经济前景，因为外部需求与国内增长将极大的受到遏制病毒蔓延的严格措施所影响。 于2020年3月和4月，政府推出了几项经济刺激措施以缓解冠状病毒对经济的影响，随后更在6月发布了一连串在冠状病毒后的经济刺激配套。随着遏制措施的放松和国内行管令的取消，预计经济活动将在2020年下半年逐步改善。

塑料业表现

塑料行业于2019年的销售额达331亿令吉，比2018年的309.8亿令吉增长了6.8%。出口额由2018年的146亿令吉略微增长2.9% 达2019年的150.3亿令吉。出口额仅略微增长归因于发达国家的需求放缓以及某些欧盟国家对塑料袋使用的限制。塑料行业的增长主要源于国内电气、电子以及建筑行业的强劲需求。于2020年首5个月，塑料行业的总销售额缩减2.9%，从135亿令吉减少至131亿令吉。出口额则从61亿令吉下降13%至53亿令吉。这主要归咎于冠状病毒对国际和国内市场均产生了不利影响。



会长回顾

冠状病毒的影响

行管令对塑料行业，特别是对从事非必需产品行业的公司，产生了不利影响。 在第一阶段和第二阶段的行管令期间，亦即3月18日至3月31日和4月1日至28日，仅有40%的塑料公司获准展开50%的产能运营，以满足食品、医疗和个人防护装备需求。 而在第三阶段的行管令（即4月29日至5月12日）期间，则批准更多公司运营，平均运营能力更提高至60%。估计在这三个阶段的行管令期间所损失的总销售额约为29亿令吉。 这相当于年度总销售营业额的9%。

所有公司都在第三阶段行管令后所实行的有条件行管令（CMCO）下恢复运营。 然而，由于供应链中断、人力短缺和现金流问题，公司需花费一些时间才能全面恢复至100%的运营能力。 随此，我们预计2020年的营业额将比2019年下降，但基于冠状病毒蔓延对马来西亚以至全世界所带来的不定因素，因此无法确定相关下降幅度。

行管令期间予以会员的协助

马来西亚塑料厂商工会（MPMA）在行管令期间已不懈并努力协助会员与非会员获得国际贸易部（MITI）的运营批准。其中包括协助公司申请、澄清影响相关公司的问题、向会员提供最新与相关的政府机构信息等。特别是就塑料业中涉及至供应链和生产重要物品，如食品包装和个人防护配备之类的会员运营作业能满足国家需求。

MPMA在行管令期间歇尽所能的通过致函和亲自与相关政府部门主管沟通以获取运营批准。虽然这对MPMA而言是一项艰巨任务，但我们却视其为维护塑料业利益的职责所在，包括向上与向下整合塑料行业的供应链。

至于处理最新与相关信息，特别是行管令期间的操作指南与规格方面，MPMA则采取迅速与相关部门澄清问题后，通过WhatsApp、脸书和MPMA网站及时提供有关信息。

根据记录，MPMA在2020年3月至6月期间已通过www.mpma.org.my发布了84份咨询通告/公告。部分通告/公告也刊登在MPMA 脸书页面（https://www.facebook.com/MPMA.my）。工会秘书处更在行管令期间与众多会员保持联络、通过WhatsApp发送信息和以电话、电子邮件等提供建议。

MPMA意识到在行管令期间公司的业务运营和现金流受到严重影响，因此向政府提交了一些能帮助减轻会员负担的建议。我们支持政府保留员工的号召，但也意识到公司现金流受到严重影响致使难以支付所有员工工资的困境。我们其中一项建议是要求政府共同承担雇员工资。而政府也确实执行了工资补贴方案，该方案在某种程度上有助于减轻雇主继续聘用员工的部分负担。另一项建议则是建议政府拨出更多款项予特别救济基金，以让更多现金紧缺的中小企业受益。如今我们期盼当局能实行该项建议。

援助前线医疗人员

在冠状病毒高峰期间，卫生部表达了对医院个人防护配备（PPE）库存不足的忧虑，为了协助解决PPE的短缺问题，MPMA与行业会员合作，重新调整和改造厂房机器用途以生产前线医疗人员所需的PPE。大马时装纺织和成衣联合会（FMFTA）给予全面合作，将用料剪裁/缝制成各种物件，如隔离服、连身衣、兜帽等。MPMA会员更与FMFTA会员合作捐献PPE，以确保前线医疗人员的安全。

会长回顾

塑料品的可持续性发展

尽管冠状病毒影响了世界的健康与经济，但就塑料的可持续性而言，这病毒间接证明一次性塑料制品（SUP）在日常生活中的重要性，而最佳例子就是PPE在对抗冠状病毒中的用途。冠状病毒让人们意识到塑料不仅仅是袋子和吸管，其应用遍布多个领域，包括医疗领域，因为如果没有塑料，这些领域将无法像现今般运作。

多年来，MPMA一直倡导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管理塑料的方案。禁止使用SUP并非废物管理和塑料污染的解决方案，因为我们认为废物管理不善才是问题根源，更何况现今仍没有可取代多种市场上对SUP的需求，即具备相同功能与经济的其他选择。

尽管能源、科学、科技、气候变化及环境部（MESTECC，此部门现已由环境与水务部所取代）已于2018年推出并实施了《2018-2030年零一次性塑料制品计划》，但MPMA在过去一年与政府的持续接触经已取得了一些正面进展/成果。于2019年10月制定的马来西亚塑料协议（MPP）让MPMA得与和政府、品牌商、树脂生产商和塑料价值链中的其他利益相关者紧密合作，推动塑料行业发展成为循环性模式。 MPP的主要任务之一是为马来西亚制定循环型经济计划，而作为MPP的创始会员之一，MPMA希望这个新计划能够重新引导政府通过循环型经济模式处理塑料制品管理不善的方法。

通过人才发展处理人力资源问题

冠状病毒也无可避免的影响了人力发展，因为现今我们可目睹全球人力市场的重组变革。MPMA很欣慰的看到这变革中的一个正面成果–雇主和雇员现在都更愿意参加在线培训，并且已经接受在线培训为行管期之后的新规范之一。

行业与学术界的合作将成为未来培训人才的发展趋势。拥有充足并具备适度培训的高技能顶尖人才是在现今商业世界里保持竞争力的成功关键因素。

技职教育与专业培训（TVET）仍然成为马来西亚人力资源发展所专注的焦点。拟稳健发展就必须奠基于学术与技职机构继续与行业间的合作，以确保技术与资格之间的相互吻合与配对，因为这将直接影响未来的就业机会。2020年的国家预算案就为TVET活动提供了59亿令吉的可观拨款。

MPMA为了促成TVET议程而发起建立马来西亚塑料工业人才认证委员会（MaPITAC）的行动。MaPITAC虽位于MPMA领导层下，但却是一个独立机构，其主要目标是确保提高塑料行业的培训质量和达到世界一流水平。

工业革命4.0继续影响着制造领域。 MPMA通过组织会议、座谈会和传送各种私营与政府机构所提供的支持信息以积极鼓励会员接受自动化和迈入i4.0时代。接受自动化并不会导致失业，反而会开启另一扇人才发展机会之窗。

国家经济重振计划（Penjana）下的人力资源发展基金（HRDF）和大马社险机构（Perkeso）如今正支援雇主通过面对面和电子学习平台为员工和新聘员工提供培训机会。MPMA敦促会员抓住这一机会，继续提高其员工的知识水平，并参加由Routsis Training提供的在线塑料培训课程。

会长回顾

展望未来

冠状病毒无疑改变了企业的运营方式。这疫情需要时间方能控制，而且企业也需要一段时间才能恢复正常。随此在这个过渡时期，居家工作和数字化工作流程将成为常态。

由于塑料行业是其他主要行业的推动者，所以要从冠状病毒和疫情影响中复原过来，很大程度将取决于主要行业市场。随此，出口领域也极其仰赖于全球经济状况，而就目前情况而言，则前景难测。

一些公司可能在疫情之后需要重组以适应新环境。创新与提升生产力对要保持竞争力的公司是极重要的。为了适应新变化，将需要开发一个全新的人力资源时代。

会员们必须认识新规范等同于改变，这意味着我们必须脱离各自的舒适区。改变是无可避免的。因此，会员必须愿意并做好随时改变的准备。

DATUK LIM KOK BOON
拿督林国文
马来西亚塑胶厂商工会会长

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 Lee Foo Keong
Mah Sing Plastics Industries Sdn Bhd

Mr Leong Peng Kong
May-Plastics Manufacturers Sdn Bhd

Mr YK Chew
(30 June 2018 - 12 April 2020)
Mr Johnny Chew Chin Chuan
(13 April 2020 till now)
Scientex Packaging Film Sdn Bhd

Mr Ivan Tan Yong Lai
Sekoplas Industries Sdn Bhd

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

Mr Yeon Kok Kuang
Triplus Industry Sdn Bhd

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

Datuk Dr Beh Kim Ling
V.S. Industry Sdn Bhd
(March 2019 - Present)

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
Reachpac Asia (M) Sdn Bhd

Ms Giam Siew Tho
MPMA Secretariat

2. HUMAN RESOURCE MANAGEMENT AND DEVELOPMENT

2.1 MPMA-Plastics Technology Training Centre Management Committee

Mr Eddie Fong – Chairman
Plasform Sdn Bhd

Mr Chow Chee Yut
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. SUSTAINABILITY

3.1 Malaysian Plastics Forum

Datuk Lim Kok Boon – Chairman
Scientex Great Wall Sdn Bhd

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

3.2 Recyclers Sub-Committee

Mr CC Cheah – Chairman
See Hau Global Sdn Bhd

Mr Seah Kian Hoe
Heng Hiap Industries Sdn Bhd

Mr Lawrence Ong
Idealpoly Plastic Sdn Bhd

Mr Vill Chew
Perusahaan Chew Hur Sdn Bhd

Mr Yap Koon Fatt
YB Enterprise Sdn Bhd

Mr Kenny Gan Kian Aun
Kitaran Global Industri (M) Sdn Bhd

Dr S. Sri Umeswara
Era Suria Ecopreneurs Sdn Bhd

Dato' Johnson Yoon
Shye Guan Enterprise Sdn Bhd

Mr Daniel Loo
Vanden Global Ltd

Mr Gilbert Tan
Green Concept Technology Sdn Bhd

Mr Lim Kiang Kok
Glowmore Express Sdn Bhd

Ms Lee Siew Ling
RS Poly Industry Sdn Bhd

Mr Ong Jian Win
Asasrama Sdn Bhd

3.3 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

LIST OF COMMITTEES: 2018 – 2020

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

3.4 Sustainability Sub-Committee

Ms Wee Ching Yun – Chairman
Chong Wah Plastics Sdn Bhd

Dato' Raymond Sng
Plastic Centre Sdn Bhd

Mr CC Cheah
See Hau Global Sdn Bhd

Mr Gilbert Tan
Green Concept Technology Sdn Bhd

Ms Rita Teo
Lam Chong Trading Sdn Bhd

Mr Daniel Loo
Vanden Global Ltd

Mr Nick Lim
Diyou Fibre (M) Sdn Bhd

Dr S Sri Umeswara
Era Suria Ecopreneurs Sdn Bhd

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

Cik Izira binti Mohd Desa
Jabatan Pengurusan Sisa Pepejal Negara

En Mazlan A Razak
Petronas Chemicals Group Bhd

Ms Danielle Lee
Dow Chemical Malaysia

4. MEMBERSHIP

4.1 Membership Services Sub-Committee (Head Office)

Ms Ng Peg Shi
Plastik V Sdn Bhd

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

Ms Jady Choi Yoke Pooi – Chairman, Perak Branch
Membership Sub-Committee
Viva Plastic Industries

Mr Mike Tan – Chairman, Johor Branch
Membership Sub-Committee
Teong Hin Plastic Industries Sdn Bhd

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

Ms Rebecca Sim - Chairman, Sarawak Branch / Chairman Sarawak Branch
Membership Sub-Committee
Polyflow Pipes Sdn Bhd

Mr Chow Chee Yut
Combi-Pack Sdn Bhd

4.2 Youth Committee

Ms Ng Peg Shi – Chairperson
Plastik V Sdn Bhd

Mr CY Chow / Ms Clara Chang
Advisor, Combi-Pack Sdn Bhd

En Aidil Sufian
Azman Hamzah Plastik Sdn Bhd

Mr Tan Aun Wei
CH Plas Industries Sdn Bhd

Mr Darren Chow
Combi-Pack Sdn Bhd

Mr Tay Chiet Chun
CPI (KL) Sdn Bhd

Mr Yap Mun Chuan
Hee Plastics Sdn Bhd

Mr Kay Lim
Karich Sdn Bhd

Mr Clarence Chen
LH Plus Sdn Bhd

Mr Adrian Tan / Mr Vithyaprasad
Reachpac Asia Sdn Bhd

Mr Eugene Chua
Seen Heng Lee Enterprise

Mr Sebastian Sng
Ten Optimum Sdn Bhd

Mr Daniel Woon
Today's Plastics Sdn Bhd

5. INTERNATIONAL BUSINESS

5.1 International Business

Mr Callum Chen – Chairman
LH Plus Sdn Bhd

Mr CY Chow
Combi-Pack Sdn Bhd

Datuk Noraini S Talib
Sipro Plastic Industries Sdn Bhd

6. PROCESS GROUP

6.1 PE Pipes and Fittings Sub-Committee

Mr Chuah Seong Yaw – Chairman
Spirolite (M) Sdn Bhd

LIST OF COMMITTEES: 2018 – 2020

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 Kanniah
Euratech Industries Sdn Bhd

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

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

En Muhammad Hazwan
MRPI Pipes 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 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

6.2 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 / Ms Chan Ai Ling
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

6.3 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

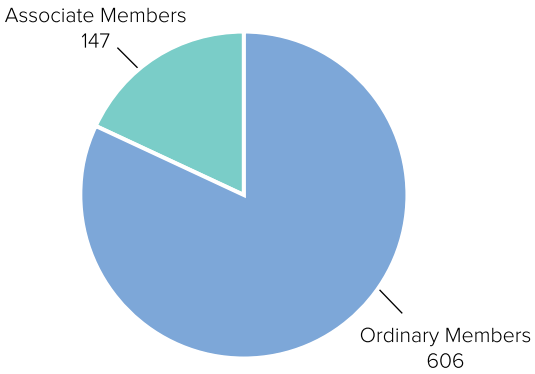
Mr Chai Foh Yon
Yi Sing Composite Industries Sdn Bhd

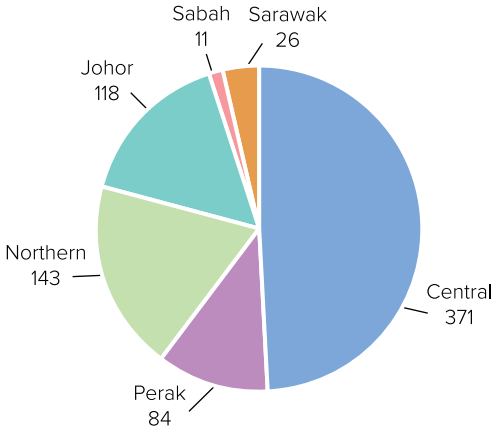
Mr Tan Soon Huat
YT Fibreglass Industries Sdn Bhd

REPORT OF THE CENTRAL COMMITTEE
(From April 2019 to June 2020)

1. MEMBERSHIP OF THE ASSOCIATION

Membership of the Association comprised Ordinary and Associate Members. Membership details as at 30 June 2020 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, 45 new members comprising 33 ordinary members and 14 associate members were recruited. During the same period, 28 ordinary members and 13 associate members had resigned.

1.2 Membership Activities

1.2.1 MPMA 52nd Anniversary Dinner

MPMA celebrated its 52nd Anniversary Dinner on Saturday, 16 November 2019 at the One World Hotel, Selangor. The Dinner attracted about 880 members and guests. Key delegates



Sponsors honoured with mementos in appreciation for their contribution towards the MPMA 52nd Anniversary Dinner 2019 and MPMA's activities for 2019/2020

REPORT OF THE CENTRAL COMMITTEE
(From April 2019 to June 2020)

from the 18th Term ASEAN Federation of Plastic Industries (AFPI) Conference and 29th Asia Plastics Forum (APF) 2019 had also attended the Dinner.

1.2.2 MPMA 30th Annual Golf Tournament 2019

MPMA held its 30th Annual Golf Tournament 2019 for members and guests on 23 April 2019 at the Palm Garden Golf Club, Putrajaya, Selangor. About 120 golfers participated in the event.



A group photograph of the golfers before the game

1.3 Assisting Members During the Movement Control Order Period

During the COVID-19 Movement Control Order (MCO) period, MPMA had relentlessly worked hard to assist members and non-members to obtain the requisite approvals from the Ministry of International Trade and Industry (MITI) to operate. These include assisting the companies on their applications, clarifying on issues that affected their companies, providing timely and relevant information from government authorities, etc.

REPORT OF THE CENTRAL COMMITTEE
(From April 2019 to June 2020)

On timely and relevant information, especially on guidelines and compliance to operate during the MCO, MPMA had expeditiously clarified issues with higher authorities and provided these information on a timely basis via WhatsApp, Facebook and through MPMA's website.

For the record, from the period March to June 2020, MPMA's had issued 84 advisory circulars/announcements, all of which can be accessed via *www.mpma.org.my.* Some of the circulars and announcements are also featured on MPMA's Facebook page - *https://www.facebook.com/MPMA.my.* The Secretariat had also been in direct contact with many members during the MCO, sending out messages via WhatsApp and providing advice via handphone calls, emails, etc.

2. FINANCIAL REVIEW

The amalgamated income for MPMA for year 2019 amounted to RM3,133,697.

The Association recorded an amalgamated deficit of RM34,334 before taxation for the year. Please refer to the section on Financial Statement.

3. HUMAN RESOURCE DEVELOPMENT

The keyword in 2019 was "TVET" – Technical Education and Vocational Training – and it is set to remain as the Malaysian Government's main focus to drive the nation's economy. TVET is expected to be the "game changer" to spur human capital development for the country.

To assist businesses that have been adversely affected by the COVID-19 pandemic, the government had proposed several initiatives under the Economic Stimulus Package 2020.

Following the announcement, the Human Resource Development Fund (HRDF) had agreed to exempt registered employers from all 63 subsectors from contributing HRDF levy for a period of six months as well as encouraging the up-skilling of workers during the economic slowdown and promotion of online training.

3.1 First Step to Injection Moulding 4.0 Graduation Ceremony

In September 2017, MPMA launched the First Step to Injection Moulding 4.0 (FSIM 4.0) - a one-year Pilot Project involving four training courses, namely, Scientific Injection Moulding, First Step to Smart Manufacturing, Smart Maintenance as well as Lean and Robot Based Automation for the Plastics Injection Moulding Industry. FSIM4.0 was supported by HRDF under the InBase Scheme. A total number of 100 employees from four participating companies successfully completed the Programme, which ended in November 2018.

REPORT OF THE CENTRAL COMMITTEE
(From April 2019 to June 2020)



FSIM 4.0 candidates



From L-R, Mr FK Lee, Mr Callum Chen, Prof Mahendhiran Nair, Mr Elanjelian, Tn Suimi, Datuk Lim Kok Boon, Mr Anston Tan, Mr Eddie Fong, Mr KK Yeon



Participants, trainers and esteemed guests at the graduation ceremony held at Monash University Malaysia

The Graduation Ceremony was held on 4 April 2019 in Monash University Malaysia. The Guest-of-Honour for the event was Tn Hj Suimi Bin Abdul Majid, Deputy Director-General, Jabatan Pembangunan Kemahiran, together with Mr Elanjelian Venugopal, the then Chief Executive of HRDF.

REPORT OF THE CENTRAL COMMITTEE
(From April 2019 to June 2020)

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 Selangor

Date	Details	No of Pax
29 April 2019	Creating Efficient Robotic Solutions for Plastics-based Industries – a half-day Seminar at ABB Malaysia Sdn Bhd.	34

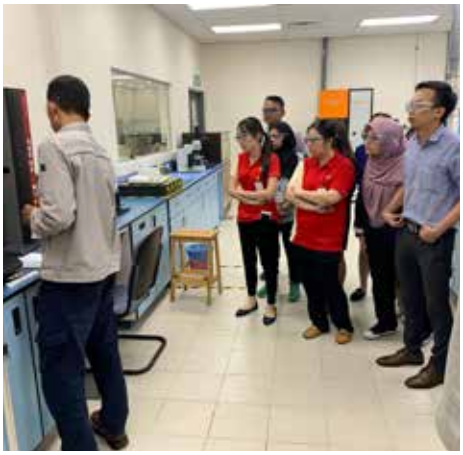


3.2.2 MPMA-PTTC Johor

Date	Details	No of Pax
24 April 2019	A full-day training course entitled **"Practical Way of Implementing Behavioral Safety in Plastics Industries"** was successfully held at MPMA Johor Branch's conference Hall.	16
25 July 2019	**OSH Seminar – Towards a Safe and Healthy Working Culture** A full-day seminar was successfully held in Starhill Golf and Country Club	20

REPORT OF THE CENTRAL COMMITTEE
(From April 2019 to June 2020)

Date	Details	No of Pax
28 August 2019	A full-day training course entitled **"Physical Properties and Testing in Polymer Analysis"** was successfully held at Lotte Chemical Titan (Malaysia) Sdn Bhd, Plastic Technical Center, Tanjung Langsat, Pasir Gudang.	20





26 Nov 2019	A full-day training course entitled **"Injection Moulding Process Optimisation & Quality Improvement"** was successfully held at MPMA Johor Branch's conference hall.	18

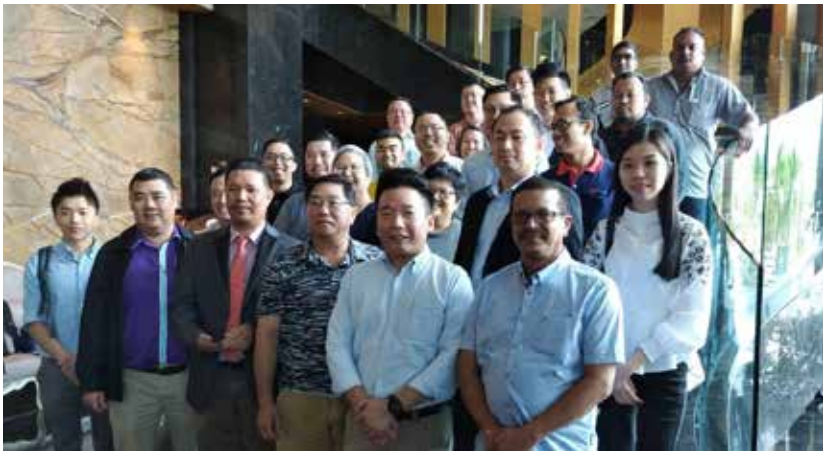




REPORT OF THE CENTRAL COMMITTEE
(From April 2019 to June 2020)

3.2.3 MPMA-PTTC Northern

The Branch organised the Industry 4.0 Reskilling Programme in collaboration with the Kedah Industrial Skills and Management Development Centre (KISMEC). The trainings organised under this Programme are as follows:

Date	Details	No of Pax
3-5 February 2020	A three-day training on the **"Foundation of Industry 4.0"** was successfully organised at The Light Hotel.	24
		
4-6 February 2020	A three-day training on **"PLC for Smart Manufacturing"** was organised at KISMEC.	7
		

REPORT OF THE CENTRAL COMMITTEE
(From April 2019 to June 2020)

Date	Details	No of Pax
4-6 February 2020	A three-day training on "Experiencing IoT and IoT Communication" was held at the MPMA Northern Branch. 	19
12-14 February 2020	A three-day training on **"Introduction to Modular Mechatronics System"** was held at KISMEC. 	3

REPORT OF THE CENTRAL COMMITTEE
(From April 2019 to June 2020)

3.3 Occupational Safety and Health

MPMA, with the support of Pertubuhan Keselamatan Sosial (PERKESO) took proactive steps to continuously inculcate awareness on Occupational Safety and Health (OSH) amongst our members through educating programmes like workshops, seminar and also research projects. Details of the programmes organised during the period in review were:

Training Dates	Details	No of Pax
25 April 2019	Seminar on **"Towards a Safe and Healthy Working Culture"**, New World Petaling Jaya Hotel.	30
11 July 2019	Seminar on **"Towards a Safe and Healthy Working Culture"**, The Light Hotel, Seberang Jaya, Penang.	33
25 July 2019	Seminar on **"Towards a Safe and Healthy Working Culture"**, Starhill Golf & Country Club, Kempas Johor.	24



Seminar on "Towards a Safe and Healthy Working Culture", Petaling Jaya

3.3.1 Research Study on Hazard Identification, Risk Analysis & Risk Control

During the reporting period, a Research Study on Hazard Identification, Risk Analysis & Risk Control (HIRARC) at the workplace in the plastics industry was undertaken. This study is a collaboration programme with Berjaya University College, PERKESO and MPMA. Eight companies participated in the study.

REPORT OF THE CENTRAL COMMITTEE
(From April 2019 to June 2020)

The study aimed to compile a detailed assessment on the cause of hazards, its frequencies, cost on incidents and to discuss possible preventative strategies and implementation. The ultimate goal of the study was to ensure that all stakeholders at the workplace were aware of HIRARC and consciously practised SAFETY FIRST at the workplace. Below are the list of companies that participated in the programme:

HIRARC in the Workplace: A Pilot Study of the Plastics Manufacturing Industry in Peninsular Malaysia	
Companies	**Date**
See Hau Global Sdn Bhd	24 June 2019
Combi-Pack Sdn Bhd	25 June 2019
Plasform Sdn Bhd	26 June 2019
Uhua-Plas Industries Sdn Bhd	28 June 2019
Binsen Plastic Industry Sdn Bhd	18 July 2019
Promooi Plastic Industries Sdn Bhd	19 July 2019
Chiga Light Industries Sdn Bhd	16 August 2019

3.3.2 OSH Co-ordinator Competency Certification

MPMA received approval from Jabatan Keselamatan Dan Kesihatan Pekerjaan (JKKP) Putrajaya as a certified training provider for the training of OSH Coordinator. The training comprised 10 modules to be conducted over a period of three days. The training had to be postponed due to the COVID-19 pandemic.

3.4 MPMA-MONASH Industry Skills Framework

MPMA undertook a project entitled Industry Skills Framework for the Malaysian Plastics Industry focusing on the Injection Moulding Sector with MONASH University Malaysia and HRDF. The focus of the project was to meet the objectives for the plastics industry in the injection moulding sector in terms of skills and training requirements as well as career pathway for the plastics industry employees.

A set of questionnaire was developed and distributed to companies in the injection moulding sector. MPMA received 121 survey respondents. A series of focus group meetings were also conducted with industry experts and academic institutions to address the gaps/information that were lacking



REPORT OF THE CENTRAL COMMITTEE
(From April 2019 to June 2020)





Focus group workshop with industry experts, representatives from the Ministry of Higher Education and local TVET institutions.

from the survey results. The analysis of the report amplifies the information regarding training and skills requirement for the plastics industry.

3.5 Connect @ I4.0 Plastics Industry Conference 2019

The Connect @ i4.0 Plastics Industry Conference 2019, was held in collaboration with HRDF and the Malaysia Digital Economy Corporation (MDEC) Sdn Bhd on 19 September 2019 in Zenith Putrajaya.

The theme for the Conference was "Discover the Technology and Innovation Surrounding Industry 4.0". The Conference brought together plastics sector entrepreneurs with technology experts on the need to create smart factories via digitalisation, advanced manufacturing and robotics under Industry 4.0.

The Conference was officiated by Mr Elanjelian Venugopal, the then Chief Executive, HRDF. About 110 participants registered for the event and feedback from many participants commented that the contents of the Conference were good and relevant.



An exhibition was held in conjunction with the Conference

REPORT OF THE CENTRAL COMMITTEE
(From April 2019 to June 2020)



Esteemed panels of speakers on the session entitled "The Smart Factory and Automation", moderated by Mr Eddie Fong



Participants at the Connect @ i4.0 Industry Conference 2019

3.6 Visits to Institutes of Higher Learning, TVET Providers and Centre for Instructor and Advanced Skills Training

MPMA visited two places of higher education on 20 June 2019 – Universiti Teknikal Malaysia Melaka (UTeM) and Kolej Kemahiran Tinggi Mara (KKTM) Masjid Tanah. Both University and College had expressed interest in collaborating with MPMA on matters related to internship for the university students as well as plastics-related trainings.

MPMA conducted another visit to Institut Latihan Perindustrian (ILP) Bukit Katil and Universiti Kuala Lumpur, Malaysian Institute of Chemical and Bio-Engineering Technology (UniKL MICET) on 23 July 2019, and to Advanced Technology Training Center (ADTEC) Taiping and Penang Skills Development Centre (PSDC) on 8 & 9 August. The visits were undertaken to have a better understanding on the plastics related courses offered and to explore the possibility of collaboration.

MPMA concluded that the take-up rate for the plastics courses was not favourable.as students preferred to enrol in courses related to oil & gas, mechatronics and IT rather than plastics courses. Recently, the ILPs and ADTEC had resorted to rebrand their plastics courses to attract higher student





Visit to Universiti Teknikal Malaysia Melaka (UTeM)

REPORT OF THE CENTRAL COMMITTEE
(From April 2019 to June 2020)



Visit to Advanced Technology Training Center (ADTEC) Taiping



Visit to Kolej Kemahiran Tinggi Mara Masjid Tanah (KKTM) Masjid Tanah

enrolment. Most students enrolled at these training institutes are highly sought after by the plastics industry. In essence, demand from the industry far outnumbered the supply for these trained students from the institutions of learning/training.

Apart from the visits, MPMA paid a courtesy visit to Centre for Instructor and Advanced Skills Training (CIAST) Shah Alam on 3 March 2020 to gain better understanding on the administration and courses undertaken by trainers/ lecturers for the ILPs.



Visit to Centre for Instructor and Advanced Skills Training (CIAST) Shah Alam

MaPITAC
MALAYSIAN PLASTICS INDUSTRY TALENT ACCREDITATION COUNCIL

3.7 Malaysian Plastics Industry Talent Accreditation Council (MaPITAC)

The Secretariat had initiated the setting up of an Accreditation Council to certify and regulate courses offered to the plastics industry.

The objectives of this Council are:

1. To develop relevant courses for the various occupational levels in the plastics industry.
2. To accreditate courses for the plastics industry.

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3. To register trainers and training providers to carry out relevant training courses.
4. To commit and strengthen the relationship with stakeholders and improve the overall quality of TVET.

MaPITAC held it inaugural meeting on 16 May 2019. There are currently eight members in the Council, consisting of industry experts, academicians as well as members from regulated bodies:

1. Prof Dato' Dr Azanam Shah Hashim, *University Kuala Lumpur (Chairman)*
2. Mr Eddie Fong, *Plasform Sdn Bhd (Deputy Chairman)*
3. Ir Dr Hasril Hasini, *Board of Engineers Malaysia (University Tenaga Nasional)*
4. Mr CY Chow, *Combi-Pack Sdn Bhd*
5. Mr Lim Kah Cheng, *formerly from Human Resource Development Fund*
6. Mr Ch'ng Guan How, *Petronas Chemicals Group Bhd*
7. En Rahmad Abd Shukor, *SIRIM Bhd*
8. Mr YA Liew, *Wohltec Medical Sdn Bhd*

3.8 HRDF SME Skills Scheme

On 23 December 2019, MPMA was appointed as a training provider for the SME Skills Scheme under HRDF, for the following course titles:

i) Scientific Injection Moulding for Technician

ii) Scientific Injection Moulding for Senior Technician

The target group consist of plastics manufacturers who are HRDF registered Employers and Non-HRDF Registered SME Employees.

MPMA had scheduled the first class from 16 to 19 March 2020, at Plasform Sdn Bhd. A total of 14 participants had registered for the class. However, after just one day of class, the training had to be rescheduled due to Covid-19 pandemic and MCO.



Hands-on/practical training



Classroom training (theory)

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3.9 Sectorial Training Committee (STC) under HRDF

HRDF, on 12 March 2019 'rejuvenated' the Sectorial Training Committee (STC). STC was mooted in 2015 to identify the training needs for the respective sub-sectors and to enable HRDF to play the role as a government body that regulates and promotes the development of competent local workforce that will contribute to Malaysia's vision of becoming a high-income economy. Members to the 2019-2021 Plastics STC are:

1. Plasform Sdn Bhd (Chairman)
2. MPMA (Vice-Chairman)
3. HRDF (Vice-Chairman & Secretariat)
4. Wohltec Medical Sdn Bhd
5. May-Plastics Manufacturers Sdn Bhd (representing FMM)
6. Triplus Industry Sdn Bhd (for Mould & Die)
7. Jabatan Tenaga Malaysia (JTM)



From L-R, Mr Poobalan a/l Murugesan (HRDF, Co-Chairman), Mr PK Leong (FMM rep), Mr KK Yeon (Triplus), Mr YA Liew (Wohltec), Ms Siti Nur'izzatie (HRDF Secretariat), Ms Sujata (MPMA) Mr Eddie Fong (Plasform, Chairman)

A total of five STC meetings was held during the reporting period, and two projects were adopted by the Plastics STC, namely the Connect @ i4.0 Plastics Industry Conference 2019 and the MPMA-MONASH Industry Skills Framework.

The STC had also submitted an Industry Training Master Plan (2020-2022) for the Plastics Sub-Sector to HRDF for inclusion into major national level documents. MPMA's submission was on the Government Policies on Foreign Labour and Increasing Cost of Doing Business. The Government has announced its intention to limit the number of foreign labour to 15 percent of the total Malaysian workforce. The plastics industry is predominantly populated by SMEs and as such is largely a labour intensive industry. Manufacturing efficiency such as automation, effective utilisation of resources and its associated skills therefore are one of the keys for the survival of the industry. Moreover, the Ministry of Human Resources' various policies and proposals to amend the labour law is expected to increase the cost of employment and doing business significantly. As such, MPMA had highlighted the need to assist members, especially from the SMEs, to adopt new technologies/methods as well as adopt new processes to continue and enhance manufacturing to remain competitive.

3.10 Human Resource Development Fund during MCO

On 18 March 2020, HRDF had released a press statement on the temporary halt of all face–to-face trainings. HRDF also announced its support to employers to pursue training opportunities for their employees via e-learning platforms. With this in mind, MPMA proposed the online trainings offered by Routsis Training to HRDF for consideration. MPMA strongly recommends that members take up the opportunity to up-skill their workers knowledge. Please refer to the online training via MPMA's website at *www.mpma.org.my* or contact the Secretariat for information.

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HRDF had announced on 16 March 2020 in their Employers' Circular No 1/2020 regarding the 2020 Training Stimulus Package. The Government had allocated RM10 million on a matching grant basis to train approximately 40,000 employees. This allocated fund will be used to up-skill the employees through professional certification courses. The financial assistance is based on a cost-sharing concept which combines both the Employers' HRDF Levy and the Government fund. Upon evaluation, 80% of the course fee is borne by HRDF using the incentive from the Government while the balance 20% of the course fee will be utilised from Employers' Levy. MPMA had submitted a proposal for HRDF's consideration.

4. SUSTAINABILITY

4.1 Local Scenario of Plastics and Sustainability

Sentiments towards plastics have been negative throughout the world as the issue of marine litter continues to be given heavy coverage in the media. Discussions have now focused on solutions rather than the problem, highlighting efforts such as eliminating single-use plastics and restricting importation of plastics waste. However, these efforts are not sustainable in the long run as they are not addressing the root cause of the whole problem, which is littering and waste management.

During the period under review, the Malaysia's Roadmap Towards Zero Single-Use Plastics 2018-2030 which was launched by the then Ministry of Energy, Science, Technology, Environment and Climate Change (MESTECC) in October, 2018 has come into effect and is gaining momentum amongst Malaysians. MPMA has been in continuous contact with MESTECC with regards to the roadmap and how we can currently work closely with Ministry of Environment and Water on elements in the roadmap.

4.1.1 Malaysia Plastic Pact

While the roadmap leans towards eliminating single-use plastics and replacing fossil-based plastics with bio-based plastics, one element of the roadmap which MPMA believes to be a better solution towards the issue is the development of a Circular Economy Roadmap for Malaysia.

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Malaysia Plastic Pact (MPP) Introductory Briefing to potential members on 18 February 2020

In this regard, the idea of forming a Malaysia Plastic Pact (MPP) came after the Waste and Resources Action Programme (WRAP) UK shared its work on UK Plastic Pact with MESTECC. The Plastics Pact under the Ellen MacArthur Foundation is a network of local and regional (cross-border) initiatives which brings together key stakeholders to implement solutions towards a circular economy for plastics.

The then MESTECC in collaboration with other government agencies, industry and non-governmental organisations (NGOs) then established MPP in an effort to transform the plastics industry's economic cycle into a clean and sustainable environment by 2020 as part of Malaysia's Roadmap Towards Zero Single-Use Plastics 2018-2030. MPMA as one of the founding members of the MPP is looking forward to working closely with other stakeholders in the MPP to develop the Malaysia Circular Economy Roadmap which is planned to be launched in 2020. This effort is important to shift the conversation from eliminating single-use plastics to driving the circular lifecycle of plastics through improvement in waste collection system and developing the local plastics recycling industry.

4.1.2 'An Advanced Plastics Recycling Industry for Malaysia' White Paper

The plastics recycling industry faced huge challenges in year 2018 with revocation of the approved permits (AP) for the importation of the HS Code 3915 plastics waste for three months and the introduction of 18 new stringent criteria to obtain the AP for importation of plastics waste. The effects of the action can still be seen in 2019 as recyclers continued to face challenges in adapting to the new 18 criteria.

To effectively articulate the industry's views on the importance of an advanced, modern plastics recycling industry for Malaysia's economy, 'An Advanced Plastics Recycling Industry for Malaysia' White Paper was developed together with the Malaysian Plastics Recyclers Association (MPRA) and Monash University Malaysia. Launched on 1 October 2019, the White Paper was submitted to YB Pn Hajah Zuraida Binti Kamaruddin,

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Press conference with YB Pn Hajah Zuraida Binti Kamaruddin, Minister of Housing and Local Government (second from right) after the launch of 'An Advanced Plastics Recycling Industry for Malaysia' White Paper

Minister of Housing and Local Government to promote closer partnership between the Ministry and the recyclers to create a modern and vibrant plastics recycling industry in Malaysia.

4.2 Diary of Sustainability Activities 2019

Date	Activities
8 April 2019	Affin Hwang Plastic Packaging Conference
21 April 2019	Program Mesra Rakyat @ i-Play Park
9 May 2019	Meeting with Ms Sophia Lim, CEO of World Wide Fund for Nature (WWF) Malaysia
9 May 2019	Meeting with Dr Mohd Pauze Bin Mohamad Taha, Deputy CEO (Technical), Solid Waste Corporation (SWCorp) on Plastics Waste Management Module (led by PETRONAS Chemicals Group)
13 May 2019	Meeting with YBrs Encik Mohamad Azhan bin Md Amir, Deputy Secretary-General (Management), Ministry of Education (MoE) on Plastics Waste Management Module (led by PETRONAS Chemicals Group)
24 May 2019	Meeting with Institute of Scrap Recycling Industries, Inc (ISRI) and the US Embassy

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Date	Activities
27 May 2019	Meeting with Department of Environment (DOE) on Proposed New Draft of Environmental Quality Act
7 July 2019	UOB Heartbeat Run
11 July 2019	PETRONAS Chemicals Group (PCG) Module Workshop with MoE I
20 July 2019	Open Source Circular Economy (OSCE) Mini Festival 2019
22 July 2019	Society for Conservation Biology's 29th International Congress for Conservation Biology (ICCB 2019)
24 July 24 – 5 November 2019	MPMA-Dow-Scientex School Environmental Challenge 2019
31 July - 1 Aug 2019	Waste Management Association of Malaysia (WMAM) Annual Conference
31 July – 2 August 2019	PCG Module Workshop with MoE II
1-4 August 2019	WWF 'Building Bridges for Sustainable Consumption & Production 3.0' Conference
19 – 21 August 2019	PCG Module Workshop with MoE III
27 August 2019	BFM CEO Forum 'Malaysia: From World's Dump Site to Environmental Leadership'
3 – 5 September 2019	PCG Module Workshop with MoE IV
10 September 2019	Special Screening of BBC Studios' Blue Planet II
17 – 19 September 2019	PCG Module Workshop with MoE V
30 September – 1 October 2019	PETRONAS Continuous Improvement Convention (PCIC) 2019
8 – 9 October 2019	Sustainable Brands '19 Kuala Lumpur
14 October 2019	Malaysia Plastic Pact (MPP) Formation Workshop
15 October 2019	Malaysia Stakeholder Pre-Consultation on "Reducing marine litter by addressing the management of the plastic value chain in South East Asia"
19 October 2019	PCG Be Green @ Sungai Langat
3 November 2019	MPMA-Chevron Phillips Chemical Bagan Hailam Clean Up 2019
3 November 2019	Launch of National Cleanliness Policy by Ministry of Housing and Local Government
5 – 6 November 2019	Malaysia National Stakeholder Consultation on Marine Litter – Solving Plastic Pollution at Source
26 – 27 November 2019	National Convention on Parents, Community and Private Sectors Involvement by MoE
27 - 28 November2019	Green Symposium 2019 "Sustainable Excellence Via Innovative Engineering"
1 December 2019	PCG Be Green @ Kertih
5 December 2019	2019 Asia Manufacturing Summit
11 – 13 December 2019	Global Plastics Alliance (GPA) Meeting @ Thailand
16 January 2020	MPP Founding Members Meeting

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Date	Activities
4 – 6 February 2020	Asia-Pacific Economic Cooperation (APEC) Chemical Dialogue
10 February 2020	Meeting with Circular Economy Asia
12 – 18 February 2020	JaIME HRD Project: Project of Human Resource Development for Improvement of Plastic Waste Management Program @ AOTS Tokyo Kenshu Center, Japan
13 February 2020	Engagement with YB Dato' Dr Xavier Jayakumar, Minister of Water, Land and Natural Resources
17 February 2020	Launch of WWF's Sustainable Retailers Scorecard (SRS) 2019
18 February 2020	Introductory Briefing of MPP
2 March 2020	Meeting with Datuk Ir Dr Siti Hamisah binti Tapsir, Secretary-General, MESTECC

4.3 MPMA-Dow-Scientex School Environmental Challenge 2019

The School Environmental Challenge programme has been a landmark programme of the MPMA in Melaka for the past four years. Starting with just six schools from the Alor Gajah district in 2016, the programme has grown into a state-wide programme in 2019 with the participation of 34 schools from three districts in Melaka; Alor Gajah, Melaka Tengah and Jasin, with Dow being the main programme partner for the past three years. In 2019, Scientex Bhd, Lam Chong Group Trading Sdn Bhd and Era Suria Ecopreneurs Sdn Bhd joined as programme partners.

With feedback gained from previous years, the programme was tweaked in 2019 through the involvement of teachers to enhance the effectiveness of the programme. The 'Why Plastics?' Seminar was held on 24 July 2019 targeting teachers through an information sharing session on topics related to plastics, waste management and recycling. With 219 teachers from 217 schools from Melaka attending the seminar, experts from the plastics value chain (raw material suppliers, recycler, NGO) shared scientifically-backed information with teachers with the aim to equip them with the correct facts and debunk the many misconceptions surrounding plastics and recycling. The seminar was successful as MPMA received positive feedback from the teachers during the session. It changed their perspective about plastics and its impact on the environment. The teachers were also well-motivated through from the seminar to drive the School Environmental Challenge programme in their respective schools.



'Why Plastics?' Seminar held on 24 July 2019



Closing Ceremony of MPMA-Dow-Scientex School Environmental Challenge 2019 held on 5 November 2019

As with the previous years, the programme format involved hands-on activities for students to strengthen their understanding on the importance of waste management and recycling. Dubbed the 'Zero Waste Challenge', students were required to lead and manage three activities in their respective schools:

1. Awareness Talk – to organise talks in school on topics related to waste management such as negative impacts of littering and the importance of recycling.
2. #PullingOurWeight Gotong-royong – to carry out clean up sessions in the school or public area.
3. Recyclables Collection using 'MyReturns' app – to use 'MyReturns' app for data recording on the collection of recyclables and be rewarded.

A seed fund of RM500 was contributed to each participating school to assist them in kick-starting the activities. Reach of the awareness talks and clean-up activities was high as schools took the initiative to reach out to neighboring communities and the public by visiting public parks and zoos, as well as incorporating the activities as a part of the International Coastal Clean Up Day.

A total of 8,207.5 kg of recyclables made up of plastics, paper, metal and e-waste were collected and diverted from reaching the landfills through the programme this year. With the programme being successful and gaining positive traction throughout the last four years, the School Environmental Challenge programme was selected as a case study of effective involvement of the private sector in education at the National Convention on Parents, Community and Private Sectors Involvement organised by the Ministry of Education (MoE). Held on 26 November 2019, about 700 teachers and parents from all around Malaysia were in attendance at the Convention.

4.4 PETRONAS Chemicals Group Sustainability Programmes

MPMA has been supporting the PETRONAS Chemicals Group (PCG) Be Green Campaign for the past few years. In 2019, the campaign was held at Sungai Langat, Selangor and Kertih, Terengganu with a focus on educating students and teachers on the importance of waste separation and recycling.

Apart from that, MPMA together with the New Plastics Economy (NPE) team of PCG took part in the PETRONAS

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Continuous Improvement Convention (PCIC) 2019 as exhibitor and won the title of 'Best Exhibitor'.

To top it all, one of the biggest accomplishments achieved this year was the development of 'Plastic, Sustainability & You' module with PCG. The idea behind the development of an education module came about as an effort to address the many misleading information about plastics on the internet and equip teachers with the right information on plastics, proper waste management and our role in addressing issues such as global warming and marine litter. As teachers shape the mind of students and are the main source of information for students, MPMA believes that it is crucial for teachers to have and share correct and accurate science-based information and not by sharing their personal viewpoints and inaccurate information with students.

With the collaboration between PCG, Pusat STEM Negara under the MoE, MPMA and Solid Waste Corporation (SWCorp), two versions of the education module were developed:



PCG New Plastics Economy (NPE) and MPMA team won 'Best Exhibitor' at the PETRONAS Continuous Improvement Convention (PCIC) 2019

1. 'Plastic, Environment & You' for primary schools available in Malay, English, Chinese and Tamil.
2. 'Plastic, Sustainability & You' for secondary schools available in Malay and English.



PCG briefing YB Dr Maszlee bin Malik, the then Minister of Education (third from left) on the education module

Both modules have six chapters that covers environmental topics (cleanliness and littering), sustainability topics (global warming and marine litter), current human lifestyle and consumption pattern, plastics and its importance in our daily lives, waste management and 3Rs (Reduce, Reuse, Recycle). The module had already been distributed to all schools nationwide in the form of hardcopy and softcopy (interactive module) and teachers are encouraged to use the module in totality in Pengajaran dan Pembelajaran (PdP) (classroom teaching) and extra co-curriculum as well as schools' environmental club activities.

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Before



After

4.5 MPMA-Chevron Phillips Chemical Bagan Hailam Clean Up 2019

The MPMA-Chevron Phillips Chemical Bagan Hailam Clean Up 2019 was a collaboration between Chevron Phillips Chemical Malaysia, KDEB Waste Management Sdn Bhd, Tzu-Chi Malaysia and MPMA. The programme aimed to raise awareness on marine litter and pollution to the century-old fishing village of Bagan Hailam, Selangor.



Team from Chevron Phillips Chemical, MPMA and residents cleaning up one of the sections in Bagan Hailam

Held on 3 November 2019, a total of 2.5 tonnes of litter were cleared from a hot-spot area that was strewn with rubbish. The largely contaminated waste was then taken by KDEB to the Jeram sanitary landfill for disposal.

The clean-up event is part of a longer-term effort to empower the residents of Bagan Hailam to address improper waste disposal, and raise awareness on marine litter and the importance of preventing pollution in the rivers and marine environment.

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Mr CC Cheah speaking at BFM CEO Forum 'Malaysia: From World's Dump Site to Environmental Leadership'



Ms CY Wee (far right) and other speakers at the Society for Conservation Biology's 29th International Congress for Conservation Biology (ICCB 2019).

4.6 Conferences and Seminars

Throughout 2019, MPMA had been invited to present at about ten different conferences and seminars (refer to 4.2) about the industry's perspective on the issue of eliminating single-use plastics and its impact on the industry, as well as how the industry views and moves towards achieving circular economy. MPMA values and appreciates these opportunities to share the industry's viewpoints with other stakeholders and the public as MPMA could demonstrate that the industry is serious in advancing towards sustainability and is open to collaborate with any parties with common goals as us.

5. GOVERNMENT AND INDUSTRY

The industry continued to face challenges resulting from changes in Government policies and regulations, particularly, related to the employment of labour. MPMA had been actively participating and contributing to the following Trade Associations Joint Meetings:

5.1 Labour Issues

(i) 14 May 2019 – MPMA attended a briefing chaired by the Minister of Human Resources on the proposed amendments to the Industrial Relations Act 1967 (Act 177) and Trade Union Act 1959 (Act 262)

(ii) 28 June 2019 - A joint meeting was organised by the Associated Chinese Chamber of Commerce and Industry (ACCCIM) to discuss industry's views on the proposed amendments to the Employment Act 1955, Industrial Relations Act and Trade Union Act. A joint memorandum was submitted to the Prime Minister on 12 July 2019.

(iii) 23 August 2019 – A meeting was held at MoHR to discuss the details of the proposed amendments to the Industrial Relations Act and Trade Union Act.

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(iv) 23 October 2019 – A joint meeting was held at the Malaysian Employers Federation (MEF) to discuss the proposed amendments to the Employment Act and to review on the Minimum Wages. A joint memorandum was submitted to the Prime Minister on 1 November 2019.

(v) 14 November 2019 - A Consultative Engagement Session between Social Security Organisation (SOCSO) and trade associations was held on 14 November 2019 at ACCCIM to discuss the proposed amendment of the Employment Insurance System (EIS) 2017 (Act 800).



Joint meeting in MEF on labour issues

(vi) 23 December 2019 – A joint meeting was held in MEF to discuss industry's views on the proposed review of the Minimum Wage policy. A press conference was held immediately after the meeting to express the industry's concerns on the Government's plan to introduce a minimum wage of RM1,200 in major cities.

5.2 Ministry of International Trade and Industry Consultative Dialogue 2019

(i) 31 May 2019 – MPMA submitted a memorandum to MITI with the following proposals:

(a) The maximum "lifetime" claim for Market Development Grant (MGD) be increased from RM200,000 up to RM500,000 per company.

(b) The maximum claim per company for participating in each exhibition be increased from RM15,000 to RM25,000.

(c) The Special Reinvestment Allowance (RA 2016-2018) which was introduced as an extension of the RA which has a maximum claimable period of 15 years, be extended to no time frame limit.

(d) The Government and the internet service providers should work closely to increase the Internet speed at several industrial areas, from 16 Mbps to at least 100 Mbps.

(e) The proposed increase for the coverage of workers under the Employment Act 1955, from those earning up to RM2,000 per month to those earning up to RM5,000 per month is too drastic and would have serious repercussions on labour cost. It was recommended that the wage ceiling be kept at RM2,500 per month.

(f) The plastics industry has been consistently facing severe shortage of labour. The Government should simplify the application and approving process of foreign workers in a more cost-effective and time-saving manner to ease the labour shortage issue.

(ii) 12 September 2019 – The MITI Minister launched the Consultation Dialogue Session.

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(iii) 3 October 2019 - MPMA was invited to discuss on the issues raised in the memorandum. Feedback on issues raised are summarised as follows:

(a) MDG Grant and RA – The proposals had been submitted to Ministry of Finance (MOF) for consideration. In addition, MITI informed that currently there are grants up to RM200,000 per promotional event allocated to trade associations and MATRADE.

(b) Internet services - MOF has allocated RM90 million to upgrade infrastructure, targeting more than 200 industrial estates nationwide. Priority is given industries that are moving towards i4.0. The project is expected to begin during the last quarter of 2019.

(c) Amendments on the Employment Act – The issue had been escalated to MOHR for further deliberations.

(d) Shortage of workers - the Institute for Labour Market Information and Analysis (ILMIA) had completed a detailed study on the labour market and issues in Malaysia with recommendations for improvement, details would be announced later. A multi-tier levy system, which mirrored the Singapore model, would be implemented not earlier than 2021.

5.3 Budget Dialogue 2020

(i) 27 June 2019 – MPMA was invited to attend the Dialogue. MPMA raised the same issues on MDG Grant and RA, which were submitted for the MITI Dialogue earlier.

(ii) 11 October 2019 – The Government tabled the Budget 2020 and a summary is as follows:

(a) The maximum "lifetime" claim for MDG would be increased from RM200,000 to RM300,000 per company,

(b) The maximum claim per company for participating in each exhibition would be increased from RM15,000 to RM25,000.

(c) Electrical & electronics (E&E) companies that have exhausted the eligibility period of 15 consecutive years to claim RA be given income tax exemption equivalent to Investment Tax Allowance of 50% on qualifying capital expenditure incurred within a period of 5 years.

5.4 Budget Dialogue 2021

On 20 May 2020, MPMA submitted the following proposals to the MOF:

(i) The RA should be extended to all sectors within the manufacturing industry, instead of just the E&E sector.

(ii) The 24% corporate income tax rate be reduced to 20%, similar to the level of many of the neighbouring ASEAN countries so as to maintain the competitiveness of the Malaysian economy.

(iii) The personal income tax rates be reduced by 4% for every category to increase the disposable income of the people and increase their purchasing power to further spur the demand.

(iv) Reintroduce the Goods and Services Tax (GST) at 4% as replacement of the Sales and Services Tax (SST).

(v) Maintain the minimum wage at the current level of RM1,200 for the major cities and RM1,100 for other areas within the next two years until January 2022, to assist manufacturers during this recovery period.

(vi) Abolish the 10% SST for plastics pallets.

(vii) The Government to expedite the refund process of outstanding GST.

(viii) To provide training grant up to RM10,000 to support and assist SMEs restructure or change their business operations or to move online - ensuring that Malaysians are retain their jobs.

(ix) Internet providers to provide discount on internet rates up to 50% for businesses and ensure provision of high-speed internet for businesses.

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5.5 Proposals to MOF for MPMA to Assist Members During the COVID-19 Movement Control Order Period

The near two-month long Movement Control Order (MCO) period imposed by the Government, that is, from 18 March to 3 May 2020 had detrimental impact on the plastics industry. The majority of the plastics companies were not allowed to operate during this period, except for those supplying the essential sectors. To assist members to overcome the difficulties, MPMA had submitted several proposals to the Government.

(i) 24 March 2020 - The following proposals were submitted to the MOF to assist members to mitigate the impact of the MCO:

(A) Cash Flow Issues

(1) Enhance the working capital fund (Special Relief Fund) at 4% interest rate with a 3-year loan tenure for large companies. Syarikat Jaminan Pembiayaan Perniagaan (SJPP) would provide banks with a 30% guarantee on loans.

(2) For SMEs, a 2% interest loan up to RM2 million for 12 months loan tenure. SJPP would provide banks with a 70% guarantee on loans.

(3) Suspend the advance monthly income tax instalments for a period of 6 months from April, 2020 to September, 2020 as many companies are not expected to make any profit during this period.

(4) Waiver of SST for six months.

(B) Employment Costs Issues

(1) Freeze the contribution to the Employment Insurance System (EIS), SOSCO and HRDF for six months.

(2) Since the companies are directed not to operate under the MCO, employers should be allowed to deduct the workers annual leave first for the days that they were absent from work. In the event that no more annual leave can be deducted, the government should subsidise at least 80% the workers' salary incurred during the remaining period.

(C) Operating Costs Issues

(1) Waive quit rent and assessment fees for six months.

(2) Provide a 15% discount for water and electricity bills for six months. The prices of crude oil and natural gas had declined by approximately 60% and 30% since December 2019. TNB should have substantial savings from this cost reduction and should pass the savings to the affected plastics manufacturing sector.

(3) Rental for internet, telephone or other monthly rental facilities should be waived during shutdown period.

(ii) 27 March – The Prime Minister (PM) announced the Second Economic Stimulus Package (PRIHATIN) to revive the country economy. The industry welcomed the comprehensive PRIHATIN Package which offered a wide range of financial assistance, mainly to assist the SMEs to stay afloat during the difficult period. However, the industry was of the view that there could still be further improvements on the assistance offered.

(iii) 31 March – MPMA submitted views and proposals to the MEF for a joint-industries memorandum to be submitted to the PM. The memorandum highlighted the following pertinent points:

(a) The wage subsidy of RM600 a month for a period of three month to employers for each employee is limited to 100 employees and only those who are earning RM4,000 and below are eligible. The limitation to 100 employees earning RM4,000 and below would cause a lot of resentment among the bigger companies.

(b) Companies that are unable to generate any income would still embark on retrenchment as the RM600 wages subsidy per month for three months is insufficient for them to continue to pay wages.

(c) Companies that have received exemptions from MITI to operate at 50% capacity are facing problems to get workers back to work.

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(d) The government's policy of forcing employers to make payment of full wages and allowances to employees during MCO had caused a lot of misunderstanding.

Proposals:

(a) There should not be a limit to the number of employees eligible for Wage Subsidy.

(b) For SMEs, the government should provide a 70% wage subsidy to employers per employee up to a period of six months to ease their employment cost and help to retain employees.

(c) Employers should be given the flexibility to make arrangements with employees on payment of wages and allowances during the MCO period.

(d) MITI to allow the team of workers to rotate - keeping the same number of workers as per the application, which is below 50% of the total workforce.

(e) The employees' (11%) and employers' (12%) contributions to EPF totalling 23% to be suspended for those working as well as those prevented from working during this MCO period and for the following six months thereafter.

(f) Contributions to SOCSO should be suspended in consideration of expected reduced incidences of industrial accidents during MCO and thereafter.

(iv) 1 April 2020 - A Special Cabinet Committee was established by the Government to develop strategic measures to safeguard Malaysia's economy and labour market affected by COVID-19. The committee would strike a balance between the nation's economic priorities and effective enforcement of the MCO.

(v) 2 April 2020 – MPMA submitted a memorandum to the Special Committee on issues and proposals related to companies' cash flows, employment and operating cost, summarised as follows:

(a) The interest rate for the Special Relief Facility (SRF) be further reduced from 3.5% to 1% for SMEs.

(b) Suspend the advance monthly income tax instalments for a period of 6 months from April to September 2020.

(c) Waiver of SST for six months.

(d Co-funding of employees' wages by the Government, with no limit to the number of employees per company, proposal as follows:

- 75% for first three months
- 50% for the next three months

(e) The employees' (11%) and employers' (12%) contributions to EPF: employers and employees be given the option to reduce the contribution rates by half, that is, 5.5% for the employees and 6% for the employers, for a period of six months.

(f) Contribution to SOCSO to be suspended for six months.

(g) The 2% electricity rebate provided via the Fuel Cost Pass Through (FCPT) mechanism is too negligible. It was proposed that TNB provide a 15% discount for electricity bills for six months.

(h) The Penalty for Maximum Demand charges be waived for the next six months beginning April 2020.

(vi) Companies that were allowed to operate during the MCO at 50% workforce could only allow workers whose names appear in the list submitted to MITI to work. It was proposed that the companies be allowed to switch the team of workers, subject to the same number of workers maintained as approved.

(vii) 6 April 2020 – After considering the feedback from the various economic sectors, the Government announced the revised wage subsidy programme, summarised as follows:

REPORT OF THE CENTRAL COMMITTEE
(From April 2019 to June 2020)

Size of Company	Not more than 75 employees	76 – 200 employees	More than 200 employees
Subsidy amount	RM1,200 per month of each employee	RM800 per month of each employee	RM600 per month of each employee
Maximum number of employees that can be claimed	75 employees	200 employees	200 employees
Duration of subsidy	3 months	3 months	3 months
Requirement:			
Percentage of decline in revenue	Not applicable	Decline of 50% or more in the revenue or income by comparing total revenue with January 2020 and following months	
Employee's salary per month	RM4,000 and below		

5.6 MPMA and Members with Collaborative Partners Respond To COVID-19

In response to the COVID-19 in the country, MPMA and members together with collaborative partners had joined hands to carry out the CSR activities/contribution to help the frontliners. About RM1 million value of PPEs were or would be contributed to the frontliners, details in the accompanying table.

In addition, the United Nations Development Programme (UNDP) also partnered with MPMA to (i) increase local production of medical Personal Protective Equipment (PPE) for national self-sufficiency through industrial repurposing of resources and factory operations within several industries, and (ii) to conduct follow up crisis resilience and adaptation studies for local industries for future policy development work and recommendations.

No	Item/ Quantity/Value (RM)	Contributed by	Organised by
In collaboration with MITI			
1	Head covers 100,000 pieces RM400,000	Fibertex Personal Care Sdn Bhd (non-woven materials) Scientex Berhad (contributed RM100,000 to about half of production - cut, make and trim) Hing Yiap Knitting Sdn Bhd Siang Poh Knitting Sdn Bhd (contributing half of the production cost)	MPMA Federation of Malaysian Fashion, Textiles and Apparels (FMFTA)
2	Jumpsuits 5,000 pieces RM200,000	Fibertex Personal Care Sdn Bhd (non-woven materials) Lippotex Sdn Bhd	MPMA FMFTA

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No	Item/ Quantity/Value (RM)	Contributed by	Organised by
3	Throat swab 1.2 million pieces RM72,000	Lotte Chemical Titan Corporation Sdn Bhd Heveaplast (M) Sdn Bhd Recron Malaysia Sdn Bhd	Malaysian Petrochemical Association (MPA) MPMA
4	Face shields 60,000 pieces RM70,000	Danapac Industries (M) Sdn Bhd HA Pack Industry Sdn Bhd Lotte Chemical Titan Corporation Sdn Bhd MPMA Northern Branch Prestige Dynamics Industries Sdn Bhd Promooi Plastic Industries Sdn Bhd	MPMA (Northern Branch) MPA
5	Face shields 4,000 pieces RM60,000	SCGM Bhd	MPMA
6	Disposable medical 3-ply mask 30,000 pieces RM45,000	Scientex Berhad	MPMA
7	Medical CPE isolation gowns 5,000 pcs RM35,000	Stenta Films (M) Sdn Bhd and Stenta Multifilms Sdn Bhd	MPMA
8	Clinical waste bags 100,000 pieces RM25,000	Plastik V Sdn Bhd	MPMA
9	Plastics films and sheets RM25,000	Lean Lee Trading Co Sdn Bhd	MPMA
10	Plastic aprons 60,000 pcs RM20,000	Sekoplas Industries Sdn Bhd	MPMA
11	Face shields 5,000 pieces RM10,000	Foraypack Industry Sdn Bhd	MPMA
12	Plastics films RM5,000	Scientex Great Wall	MPMA
13	Laboratory zip lock bags 9,000 pieces RM1,550	New Plastics Industries Sdn Bhd	MPMA

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FMFTA President, Datuk Seri Tan Thian Poh (far right), Fibertex Personal Care Sdn Bhd CEO, Mr Peter Andersen (second from right), Scientex Berhad Executive Director – Manufacturing Business, Mr SH Choo (third from right) attended a contribution handover ceremony to Minister of Health, YB Dato' Sri Adham bin Baba (third from left) at MOH



MPMA President, Datuk Lim Kok Boon (far right) and Scientex Berhad Executive Director of Manufacturing Division, Mr Goh Tian Chin (second from right) attended a contribution handover ceremony to Minister of Health, YB Dato' Sri Adham bin Baba (centre) at MOH

REPORT OF THE CENTRAL COMMITTEE
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On behalf of MPMA (Northern Branch) MPMA President, Datuk Lim Kok Boon handing over the face shields to Professor Tan, Department of Medicine, Faculty of Medicine, University of Malaya Medical Centre (UMMC) witnessed by Mr Phillip Kong, Vice-President, Malaysian Petrochemicals Association, at the presentation of face shields to UMMC on 12 May 2020



Managing Director, Dato' Wong Kok Hwa (second from right) and General Manager of Operations, En Zamri Din (right) from Stenta Group at the contribution handover ceremony to Minister of Health, YB Dato' Sri Adham bin Baba (second from left) at Ministry of Health (MOH)



MPMA President, Datuk Lim Kok Boon (far right) and Plastik V Sdn Bhd General Manager, Ms Ng Peg Shi (middle) attended a contribution handover ceremony to YB Dato' Sri Adham bin Baba (far left)



MPMA President, Datuk Lim Kok Boon (right), UNDP Resident Representative for Malaysia, Singapore and Brunei Darussalam, Mr Niloy Banerjee (left) signed the UNDP-MPMA Responsible Party Agreement witnessed by MITI Director, Sectoral Policy Division, Ms Shireen Jasmin Ali

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General Manager, Mr Liaw Khing Hong (second from right) and Finance Manager, Mr Lee Swee Hua (right) from Foraypack Industry Sdn Bhd at the contribution handover ceremony to Minister of Health, YB Dato' Sri Adham bin Baba (second from left) at Ministry of Health (MOH)

6. INTERNATIONAL LIAISON

6.1 18th Term Conference of the ASEAN Federation of Plastic Industries and the 29th Asia Plastics Forum

The 29th Asia Plastics Forum (APF) and 18th Term ASEAN Federation of Plastics Industries (AFPI) Conference was held on 15 November 2019 at One World Hotel, Kuala Lumpur. The event was hosted by MPMA who acts as the Secretariat to APF and assumed its role as the Chairman of AFPI in September 2019. The Conference was officiated by the then Deputy Minister of MITI, YB Dr Ong Kian Ming,



REPORT OF THE CENTRAL COMMITTEE
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A group photograph of the VIPs and Sponsors with Dr Ong Kien Ming, the then Deputy Minister, MITI (center) after the Opening Ceremony at the 18th Term AFPI Conference and 29th APF 2019

The AFPI Conference and APF was attended by government officials and key players across the supply chain from the 11 member countries, namely Bangladesh, China, India, Indonesia, Japan, Myanmar, Philippines, Singapore, Thailand, Vietnam and Malaysia. Some 50 industry leaders and experts from Asia's plastics industry and over 150 local participants attended the annual conference.

On 16 November 2019, the 2nd Council Meeting of the 18th Term AFPI & 29th APF was held and attended by chief delegates from 11 member countries. The Council Meeting heard the report on the progress of the AFPI Pillars from member countries, amongst others. As part of the AFPI and APF events, MPMA also organised two factory visits to LH Plus Sdn Bhd and Combi-Pack Sdn Bhd for the delegates on 14 November 2019.

For the record, the 1st Council Meeting of the 18th Term AFPI (2019-2021), themed Strategy Development for ASEAN Environmental Programme, was held at the New World Makati Hotel, Philippines on 1 March 2019. During the meeting, AFPI members brainstormed and developed the AFPI Common Strategy on Environmental Issues. The meeting was attended by 20 industry leaders.

REPORT OF THE CENTRAL COMMITTEE
(From April 2019 to June 2020)

6.2 CHINAPLAS 2019

The 33rd International Exhibition on Plastics and Rubber Industries, CHINAPLAS, took place from 21 to 24 May 2019 at the China Import and Export Fair Complex, Pazhou, Guangzhou, PR China. MPMA had organised a Visiting Mission with a delegation of over 20 participants.



MPMA members at Chinaplas 2019

6.3 K2019

K2019, also known as "The World's No. 1 Trade Fair for Plastics and Rubber" took place in Düsseldorf, Germany from 16 to 23 October 2019. A total of twelve Malaysian plastics companies participated as exhibitors at K2019 under the Malaysian Pavilion which was organised by MATRADE. A total of 18 members accompanied by a MPMA Secretariat staff participated in the MPMA Visiting Mission to K2019.


MPMA members at K Fair



Visitors at the Malaysian Pavilion



Malaysian Exhibitors at the Malaysian Pavilion

6.4 Visit from China Plastics Processing Industry Association

On 14 June 2019, a 12-member delegation from China Plastics Processing Industry Association (CPPIA) led by it's Chairman Mr Zhu Wenwei, visited MPMA.

Ten MPMA members met the visiting delegation. Both associations exchanged information on the activities undertaken to promote their respective industry and the current status of the plastics processing and recycling industries. Both associations expressed their strong interest to collaborate in common areas for the mutual benefits of both parties.



Discussion between CPPIA and MPMA

REPORT OF THE CENTRAL COMMITTEE
(From April 2019 to June 2020)



Group photo

6.5 Round Table and Networking Luncheon with Hong Kong Trade Development Council

A Round Table and Networking Luncheon was organised by the Hong Kong Trade Development Council (HKTDC) and Hong Kong Mould and Product Technology Association (HKMPTA) to exchange ideas, build connections and explore business opportunities with members.





Discussion in progress

REPORT OF THE CENTRAL COMMITTEE
(From April 2019 to June 2020)



Group photo after the discussion

The HKMPTA delegation consisted of 23 representatives, while the Malaysian participants comprised 21 members from MPMA and the Malaysian Special Tooling and Machining Association (formerly known as MMADA). HKMPTA shared its experience on working together with the Hong Kong Government to jointly conduct R&D and product development. Both the Hong Kong and Malaysian delegations agreed to explore further on areas of mutual interests for future collaborations.



6.6 Global Plastics Alliance Meeting, Chiangmai, Thailand

The GPA 2019 Meeting was held from 10 to 13 December 2019 in Chiangmai. The GPA 2019 Meeting attracted about 50 participants from over 20 countries. Representing Malaysia at the three-day meeting were Datuk Lim Kok Boon, MPMA President; Ms Wee Ching Yun, Chairman, Sustainability Sub-Committee; and MPMA Secretariat staff.

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Topics discussed at the GPA 2019 Meeting included, the fifth session of the United Nations Environment Assembly (UNEA-5); Global Plastics Flow 2018 Report; Waste Management and Marine Litter Solutions Global Actions and the way forward on enhancing the communications and advocacy of all the countries.



6.7 Halal Packaging Seminar 2019

MPMA, together with the Department of Standards Malaysia (DSM) and Department of Islamic Development Malaysia (JAKIM) had organised the 'HALAL Packaging Seminar', What You Need to Know!' which was held on 28th August 2019 at Putrajaya Marriott Hotel, IOI Resort City, Putrajaya.

Among the topics covered were the processes, benefits, incentives and business opportunities surrounding the Halal Packaging Industry as well as the significant contribution of the Halal industry to the growth and economic development in Malaysia.

This Seminar was a good platform for the participants exploring the Halal market, both domestic and international.



Mr Eddie Fong, Secretary-General of MPMA presenting a plaque to YBhg Datuk Fadilah Baharin, the then Director-General, Department of Standards Malaysia



Mr Eddie Fong with Speakers

REPORT OF THE CENTRAL COMMITTEE
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Participants at the Seminar



Panel discussion on the topic of Shaping the future of the Halal Packaging Industry in Malaysia led by YBhg Datuk Noraini Soltan, Vice-President of MPMA

7. RAW MATERIALS

7.1 Plastic Resins Producers Group (PRPG) Dialogues

The dialogues between MPMA and PRPG was organised to share information between resin producers and the plastics industry, as well as working on collaborative activities of common interest of the two organisations.

The Chairmanship of the Dialogues rotates between the two organisations on a biennial basis. In January 2020, MPMA assumed the Chairmanship for 2020-2021.

Meetings conducted in 2019-20 were as follows:

28 May 2019	MPMA-PRPG Dialogue at MPMA Head Office, PJ
13 January 2020	MPMA-PRPG Summit at The Majestic Hotel, Kuala Lumpur

At these meetings, members of the PRPG shared market information related to major types of resins from independent sources, and MPMA provided a report on the performance of the plastics industry. MPMA and PRPG also worked together to promote plastics sustainability.

7.2 Seminars on Raw Material Market Trends

The Seminars were incorporated into the MPMA Roadshow 2019 carried out at MPMA Branches, summarised as follows:

(i) 9 April 2019 - MPMA Johor Branch

(ii) 11 April 2019 – MPMA Perak Branch

(iii) 12 April 2019 – MPMA Northern Branch

REPORT OF THE CENTRAL COMMITTEE
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8. PROCESS GROUP

8.1 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 were no projects or meetings held with regards to PVC Pipes.

8.2 MPMA Fibre Reinforced Plastics Panel Tank Manufacturers 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. The Committee would arrange for a sub-committee meeting if any technical issue/project arises.

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

8.3 MPMA Polyethylene Pipes and Fittings Sub-Committee

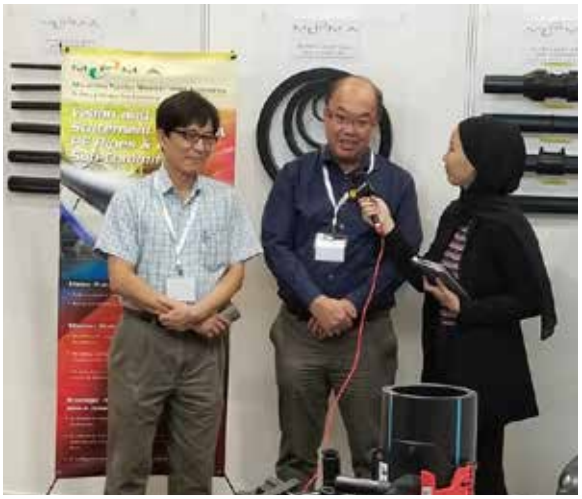
During the period under review, MPMA Polyethylene (PE) Pipes & Fittings Sub-Committee held three meetings to discuss on the issue of HDPE Pipes.

The Sub-Committee also participated in the Malaysia International Water Convention 2019 (MIWC) organised by the Malaysian Water Association (MWA) and managed by PROTEMP from 1 to 3 October 2019 at the Malaysia International Trade and Exhibition Centre (MITEC). A separate meeting between Malaysian Water Association (MWA) and MPMA PE Pipes & Fittings Sub-Committee together with other NGOs was held on 2 October 2019 in MITEC to discuss possible collaboration between all parties in promoting PE Pipes industry in Malaysia.

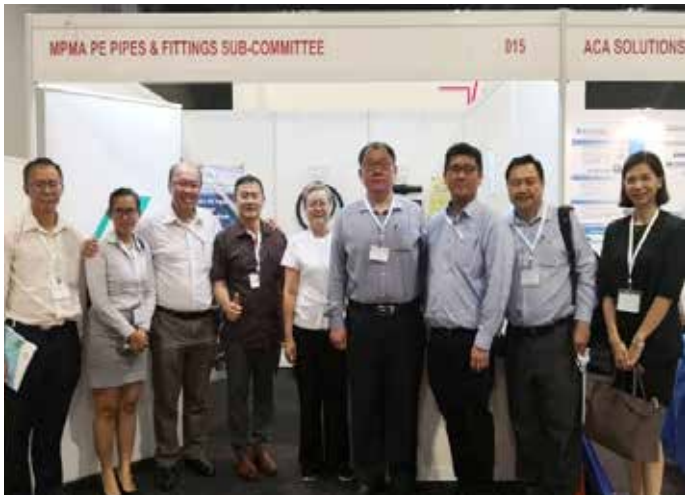


MPMA members at the meeting with MWA and NGO

REPORT OF THE CENTRAL COMMITTEE
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From right: Mr Wong Lye Seng and Mr Tan Weng Keong interviewed by catTHIS



Exhibitors at the MPMA PE Pipes & Fittings Sub-Committee booth

9 REPORT FROM BRANCHES

9.1 MPMA Johor Branch

9 April 2019

MPMA Roadshow 2019

The MPMA Roadshow was held at the MPMA Johor Branch premises with a total of 48 participants.





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(From April 2019 to June 2020)

21 May 2019

School 3Rs Project

MPMA Johor in collaboration with Lotte Chemical Titan organised a three-month CSR 3Rs Project which was supported by SWM Environment Sdn Bhd. A kick-off ceremony was held on 21 May 2019 at Lotte Chemical Titan's main office. 10 primary and 10 secondary schools participated in the campaign.



16 June 2019

Launch of School 3Rs Campaign at SJK (C) Foon Yew 1

Branch Committee Members had attended the launching of the 3Rs campaign.



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(From April 2019 to June 2020)

2 July 2019

School 3Rs Project Wrap-Up Session

A wrap-up session for the 3Rs Educational Talk for Schools was conducted by Lotte Chemical Titan team members and MPMA representatives.

23 August 2019

MPMA Johor Annual Golf Tournament 2019

In conjunction with the MPMA Johor Branch's 31st Anniversary Celebration, the Annual Golf Tournament 2019 was organised at the Starhill Golf and Country Club. A total of 117 members and guests participated in the Golf Game.



MPMA Johor 31st Anniversary Dinner

MPMA Johor Branch celebrated its 31st Anniversary Dinner at the Grand Straits Garden Seafood Restaurant with more than 840 members and guests in attendance.



Academic Excellence Award 2019

A total sum of RM36,700 was presented to 64 outstanding students from 17 member companies during the Dinner.

REPORT OF THE CENTRAL COMMITTEE
(From April 2019 to June 2020)

18 October 2019	**Closing Ceremony of School 3Rs Project** Representatives from the Branch Committee attended the Closing and Prize Giving Ceremony held in Lotte Chemical Titan's main office.
19 October 2019	**Don't Be Litterbug – Beach Clean Up Campaign 2019** MPMA Johor Branch organised the Beach Clean Up Campaign at the public beach along Stulang Laut. A total of 72 volunteers from MPMA Johor member companies and family members participated in the programme. Total items collected weighed about 104kg; comprising 31kg plastics, 28kg aluminium/ steel cans and glasses, 1.6 kg paper and cardboards and 43 kg non-recyclable items.





REPORT OF THE CENTRAL COMMITTEE
(From April 2019 to June 2020)

9.2 MPMA Northern Branch

12 April 2019

MPMA Roadshow

The MPMA Roadshow for the Northern Region was held at The Light Hotel and attended by 42 participants from 24 member companies.



Speakers and participants



Datuk Lim Kok Boon, MPMA President giving his presentation at the Roadshow

MPMA Northern Annual General Meeting

MPMA Northern Branch Annual General Meeting was held at The Light Hotel with 30 ordinary members and one associate member.

29 May 2019

Presentation by CIMB Bank

A presentation on working capital loans, in conjunction with CIMB Bank, was held after the committee meeting at Kim Hee Restaurant with 13 participants from 12 member companies.



REPORT OF THE CENTRAL COMMITTEE
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15 July 2019	**Office Renovations** The renovation works on the first floor of the Branch's premises was completed within three months.
12 October 2019	**MPMA Northern Anniversary Dinner** The MPMA Northern Branch celebrated its 28th Anniversary Dinner at The Light Hotel, Seberang Jaya with 670 members and guests.



VIP Guests at the main table



Toast session

REPORT OF THE CENTRAL COMMITTEE
(From April 2019 to June 2020)

12 October 2019

MPMA Northern Golf Tournament

In conjunction with the 28th Anniversary celebration, the MPMA Northern Branch organised its 22nd Annual Golf Tournament at Bukit Jawi Golf Resort with 81 golfers.



Group photo before the Game

Children Academic Excellence Awards

A total of RM 5,700 was awarded to 36 outstanding and deserving students under the Members' Employees Children Academic Excellence Awards.

29 January 2020

Chinese New Year Dinner and Karaoke Contest

MPMA Northern Branch organised a Chinese New Year Dinner and Karaoke Contest for its members at the Kim Hee Restaurant. 200 members and guests joined the event, 15 members took part in the Karaoke Contest.



REPORT OF THE CENTRAL COMMITTEE
(From April 2019 to June 2020)

16 February 2020

Friendly Golf Match

A friendly golf match between PWG and Plastics Eagle 1st Monthly Medal was held at the Bukit Jawi Hill Course with 35 participants.



22 February 2020

Visit to Children's Welfare Centre

MPMA Northern Youth Club organised a half-day visit to Pertubuhan Kebajikan Da Zhi Jiang Tang, which houses 22 foster children at Taman Kimsar, Butterworth. MPMA Northern Branch contributed RM1,000 as well as Ang Pow and other goodies. The Branch also hosted some entertainment programmes for the children, including a clown performance.



REPORT OF THE CENTRAL COMMITTEE
(From April 2019 to June 2020)

April – June 2020

Contribution of Face Shields to Frontliners

The MPMA Northern Branch undertook a CSR programme of developing face shields during the Covid-19 crisis, with the aim of protecting front liners when dispensing their duties. The programme was sponsored by MPMA Northern Branch members, Malaysian Petrochemicals Association (MPA) and Lotte Chemical Titan (M) Sdn Bhd. A total of 60,000 pieces of face shields worth RM70,000 were distributed to amongst others, Government Agencies, schools, police, hospitals, etc.





9.3 MPMA Perak Branch

11 April 2019

MPMA Roadshow 2019

The MPMA Roadshow 2019 was held at the Kinta Riverfront Hotel with a total of 42 members.

The panel of speakers at the Roadshow were:

1. Datuk Lim Kok Boon, President of MPMA;
2. Ms CY Wee, Chairman of MPMA Sustainability Sub-Committee;
3. Mr Avdo Niksic, CEO from Sustainable Asia Plans;
4. Ms Hazwanie Hassan, Senior Assistant Director of MIDA.



REPORT OF THE CENTRAL COMMITTEE
(From April 2019 to June 2020)



20 April 2019

30th Annual General Meeting

The Perak Branch held its 30th Annual General Meeting (AGM).

16 June 2019

Children's Academic Excellence Awards

The Children's Academic Excellence Awards presentation was held at Kinta Riverfront Hotel, Ipoh with a total of 51 applicants from 17 member companies receiving the awards.



星洲日报 大霹雳社區報 19. 6. 2019 星期三 03

潘中山吁塑膠廠商響應
貫徹3RS護環境

（怡保18日讯）马来西亚塑胶厂商公会霹雳分会主席潘中山指出，因垃圾是造成环境恶化的原因之一，该会已推动“不要做个垃圾虫”运动，以贯彻“3RS”（减少、再使用、再循环）理念，希望同业积极响应有效协助推广这项讯息，灌输学生民众正确处理垃圾的意识，履行企业社会责任，为保护环境出力。

潘中山是于该会颁发会员员工子女学业优良奖学金仪式上致词时说，随着科技网络及物质过度发展，学生们必须不时充实自己，而颁发会员子女学业优良奖学金目的是激励会员子女们，提升学生们的素质并加强竞争能力，令学生们从中找到自信及感受自我价值的存在。

他也说，学生除了努力求学外，也应积极参与课外活动，并且善用良好的学习环境和把握学习机会，通过活动互相交流与联系，并希望会员们能培养并带动孩子们走向更健康的生活与未来，让孩子能够成为更有作为的青少年，将来为社会作出更多的贡献。

潘中山(右)颁发奖励金给就住成绩的中五学生徐慧珊（左）。

荣获奖励金的会员员工子女与马来西亚塑胶厂商公会霹雳分会理事们合影。后排右五起为章世佳、詹荣福、潘中山、梁志佳及曾昭龙。



REPORT OF THE CENTRAL COMMITTEE
(From April 2019 to June 2020)

4 July 2019

Courtesy Visit to YB Dato' Seri Ir Haji Mohammad Nizar

Branch Chairman Mr Johnson Phoon led a Branch delegation on a courtesy visit to YB Dato' Seri Ir Haji Mohammad Nizar bin Jamaluddin, Perak State Executive Council for Investment and Corridor Development. The delegation briefed YB on plastics waste management and further explained on MPMA Perak Branch's plans and actions to educate the community via CSR activities.

23 August 2019

Courtesy Visit to YB Dr Abdul Aziz

Branch Committee Members had visited YB Dr Abdul Aziz Bin Bari, Perak State Executive Council for Education, Environment, Green Technology and Information. The delegation briefed YB on the challenges faced by the plastics industry in Perak and MPMA's role in addressing the public's misconception on plastics and its impact on the environment. In addition, the delegation extended an invitation to YB to attend MPMA Perak Branch's 31st Anniversary Dinner.



20 September 2019

31st Anniversary Dinner

The MPMA Perak Branch's 31st Anniversary Dinner was held at The Syeun Hotel, Ipoh. A total of 740 members, guests and members of the press attended the event.



REPORT OF THE CENTRAL COMMITTEE
(From April 2019 to June 2020)



18 December 2019

Engagement and Consultation Session with MATRADE

Mr Johnson Phoon led the Branch delegation to the MATRADE event which was held at M Roof Hotel, Ipoh. This event was organised by MATRADE to promote e-Commerce, exports and the ASEAN Mall. MATRADE also shared the benefits and grants provided by the government to assist the sector.





20 January 2020

Visit by KISMEC

En Muhd Afif Ashyraf Abu Bakar and En Wisha Qarani Ismail from KISMEC paid a courtesy visit to MPMA Perak Branch to discuss about i4.0.

REPORT OF THE CENTRAL COMMITTEE
(From April 2019 to June 2020)

9.4 MPMA Sabah Branch

28 April 2019

Awareness Programme at the Sabah Borneo Marathon

MPMA Sabah Branch gave a talk during the "Use A Bin, Litter-free Campaign". The Branch also invited Sabah Federation of Malaysian Manufacturers (FMM) Chairman Mr James Ha for the event. The event was followed by the Sabah Borneo Marathon with an awareness programme on collection of plastics bottles disposed along the entire 42km route. A total of 12,000 participants took part in the event. Plastics bottles collected were used to complete the stage design of the Sabah Music Festival.



21 September 2019

"Kempen Kesedaran Kebersihan Bumi" Awareness Programme

Co-organised by the Sandakan Youth Movement Malaysia (YMM), the MPMA Sabah Branch held an awareness event in the form of a drawing competition dubbed "Kempen Kesedaran Kebersihan Bumi (I Love Our Nature)". The event was based on a parent-child drawing team and attracted 140 participants including students, teachers and parents from four primary schools.



REPORT OF THE CENTRAL COMMITTEE
(From April 2019 to June 2020)



9.5 MPMA Sarawak Branch

20 July 2019

Eco Ranger Programme

The Branch participated in the 3Rs Exhibition at SMK Taee in conjunction with the school's event organised by the Serian Resident Office on sexual awareness. Videos on waste control were presented to the public at the booth. Students showed their interest and requested for a waste management campaign to be carried out at their school.



REPORT OF THE CENTRAL COMMITTEE
(From April 2019 to June 2020)

27 July 2019

Eco Ranger Programme

The Branch participated in the 3R Exhibition SMK Tebakang in conjunction with the school events organised by the Serian Resident Office on sexual awareness.



12 October 2019

Beach Cleaning Programme

The Branch organised a beach cleaning campaign at Pasir Pandak, Kuching.



9 November 2019

Kuching Chinese General Chamber of Commerce & Industry

The MPMA Sarawak Branch received the Certificate of Life Member from the Kuching Chinese General Chamber of Commerce & Industry.



REPORT OF THE CENTRAL COMMITTEE
(From April 2019 to June 2020)

11 January 2020

Chinese New Year Reunion Dinner

The Branch committee organised a Reunion Dinner at a local restaurant.



10. PLASTICS EAGLE – MPMA

10.1 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**

10.2 Plastics Eagle-MPMA Tournament

Plastics-Eagle MPMA organised three tournaments during the period under review:

Date	Eagles Tournament	Sponsor
19 July 2019	CK Tiam Trophy	Mr CK Tiam
30 October 2019	KlangGroup Holdings Sdn Bhd Trophy	Mr Danny Ong
10 December 2019	Annual Golf Tournament	Plastictecnic (M) Sdn Bhd

10.3 Plastics Eagle-MPMA Annual Golf Tournament 2019

Plastics Eagle-MPMA organised its Annual Golf Tournament 2019 for members and guests on 10 December 2019 at the Kota Permai Golf and Country Club, Selangor. 60 golfers had participated in the event.

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 Commitee Members of **Malaysian Plastics Manufacturers Association,** do hereby state that in our opinion, the financial statements are drawn up in accordance with Malaysian Private Entities Reporting Standards, the provisions of the Societies Act, 1966 in Malaysia and the rules and legislations of the Association so as to give a true and fair view of the financial position of the Association as at 31 December 2019 and of its income and expenditure and receipts and payments for the financial year then ended on that date.

Datuk Lim Kok Boon
President

Chow Chee Yut
Treasurer

Eddie Fong Seak Foh
Secretary-General

23 June 2020

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 statements of financial position as at 31 December 2019, and statements of comprehensive income and statements of receipts and payments for the financial year then ended, including a summary of significant accounting policies and other explanatory notes, as set out on pages 5 to 20.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Association as at 31 December 2019, and of its financial performance and its receipts and payments for the year then ended in accordance with Malaysian Private Entities Reporting Standards, the provision of the rules and regulation of Association and the requirements of the Societies Act, 1966 in Malaysia.

Basis for Opinion

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.

Independence and Other Ethical Responsibilities

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.

Responsibilities of the Management Committee for 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 Standards in Malaysia and the provisions of the rules and regulations of the Association and the requirements of the Societies Act, 1966 in Malaysia. The Management Committee is also responsible for such internal control as the Management Committee determines 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 the Management Committee 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 of the Association 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MALAYSIAN PLASTICS MANUFACTURERS ASSOCIATION

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 PLT
(Formerly known as YYC & Co.)
FIRM NO. LLP0020596-LCA & AF 0055
CHARTERED ACCOUNTANTS

DATO' KHOO PENG LAI
NO. 01043/10/2021 J
CHARTERED ACCOUNTANT

Kuala Lumpur,

23 June 2020

STATEMENTS OF FINANCIAL POSITION
As at 31 December 2019

	Note	2019 RM	2018 RM
Non-current asset			
Property, plant and equipment	5	**1,003,253**	913,829
Total non-current asset		**1,003,253**	913,829
Current assets			
Inventories	6	**5,417**	10,788
Other receivables	7	**309,859**	464,393
Fixed deposits with licensed banks	8	**4,070,099**	3,520,286
Cash and bank balances	9	**615,725**	1,102,296
Total current assets		**5,001,100**	5,097,763
Total assets		**6,004,353**	6,011,592
Financed by:			
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	**107,600**	95,100
3RS project fund	14	**5,000**	-
Scholarship reserves fund	15	**602,083**	517,833
Training fund	16	**99,880**	99,880
Accumulated fund	17	**1,419,898**	1,454,232
Total funds		**4,667,374**	4,599,958
Current liability			
Other payables	18	**1,336,979**	1,411,634
Total current liability		**1,336,979**	1,411,634
Total liability		**1,336,979**	1,411,634
Total funds and liability		**6,004,353**	6,011,592

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

STATEMENTS OF INCOME AND EXPENDITURE
For the financial year ended 31 December 2019

	Note	2019 RM	2018 RM
Income			
Members' subscriptions		**417,933**	411,475
Seminar		**414,314**	2,428,928
Activities for generating funds		**1,965,698**	2,183,112
Other income		**335,752**	308,393
Total Income		**3,133,697**	5,331,908
Expenditure			
Cost of seminar		**195,822**	2,006,436
Costs of generating funds		**1,184,952**	1,248,569
Staff related expenses		**1,384,183**	1,274,166
Professional fees		**29,224**	28,145
Depreciation of property, plant and equipment		**77,419**	73,672
General expenses		**296,431**	543,568
Total Expenditure		**3,168,031**	5,174,556
(Deficit)/Surplus Before Taxation		**(34,334)**	157,352
Tax expenses	19	**-**	-
(Deficit)/Surplus During The Year		**(34,334)**	157,352

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

STATEMENT OF RECEIPTS AND PAYMENTS
For the financial year ended 31 December 2019

	Note	2019 RM	2018 RM
Receipts			
Members' subscriptions		**993,835**	412,813
Seminar		**186,240**	2,278,928
Activities for generating funds		**2,373,849**	2,340,590
Other income		**270,338**	253,590
Financing activity		**30,000**	20,000
Total receipts		**3,854,262**	5,305,921
Payments			
Cost of seminar		**649,205**	1,365,160
Costs of generating funds		**1,146,238**	1,196,767
Staff related expenses		**1,357,121**	1,268,552
Professional fees		**28,724**	28,145
General expenses		**404,505**	560,276
GST expenses		**294**	260
SST expenses		**324**	-
Capital expenses		**167,809**	36,886
Financing activity		**36,800**	42,800
Total payments		**3,791,020**	4,498,846
Surplus of receipts over payments		**63,242**	807,075
Balance brought forward		**4,622,582**	3,815,507
Balance carried forward		**4,685,824**	4,622,582
Cash and cash equivalents as at end of the year comprise:			
Fixed deposits with licensed banks	8	**4,070,099**	3,520,286
Cash and bank balances	9	**615,725**	1,102,296
		4,685,824	4,622,582

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

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2019

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
Wisma Plastik, 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,
93050 Kuching, Sarawak.

Plastics Technology Training Centre
i) Head Office

Plastics Eagle-MPMA
(same address as Head Office)

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

The total number of employees of the Assocation at the end of the financial year is 17 (2018:17).

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2019

2. BASIS OF PREPARATION

2.1 Basis of accounting

The financial statements have been prepared in accordance with the Malaysian Private Entities Reporting Standards ("MPERS"), the provisions of the rules and regulations of the Association and the requirements of the Societies Act, 1966 in Malaysia.

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

The preparation of financial statements in conformity with MPERS requires the Management Committee to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and disclosure of contingent assets and contingent liabilities. In addition, the Management Committee are also required to exercise their judgement in the process of applying the accounting policies. The areas involving such judgements, estimates and assumptions are disclosed in Note 4 to the financial statements. Although these estimates and assumptions are based on the Management Committee's best knowledge of events and actions, actual results could differ from these estimates.

3. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted are set out below:

3.1 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 which is 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.

3.2 Impairment of non-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.

3.3 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 method.

At each reporting date, inventories are assessed for impairment. If an item of inventory is impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss. At each subsequent reporting date, the Association makes a new assessment of selling price less costs to complete and sell. If there is any indication that an impairment loss recognised in prior periods may no longer exist or when there is clear evidence of an increase in selling price less costs to complete and sell due to changed economic circumstances, an impairment loss is reversed to the extent that the new carrying amount is the lower of the cost and the revised selling price less costs to complete and sell.

3.4 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial instruments are recognised on the statement of financial position when the Association has become a party to the contractual provisions of the instrument. At initial recognition, a financial instruments is recognised at transaction price, including transaction costs if the financial instruments is not measured at fair value through profit or loss, except a financing transaction. Financing transactions are measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Basic financial instruments include cash, debt instruments (receivables and payables), commitments to receive loans that cannot be settled net in cash, investments in non-convertible preference shares and non-puttable ordinary or preference shares.

Financial instruments that are debt instruments measured at amortised cost

At the end of each reporting period, an entity shall measure financial instruments as follows, without any deduction for transaction costs the entity may incur on sale or other disposal.

Subsequent to initial recognition, debts instruments are measured at amortised cost using the effective interest method, whilst commitments to receive a loan are measured at cost less impairment.

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.

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.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2019

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.

Derecognition of financial instruments

A financial asset is derecognised only when (i) the contractual rights to receive the cash flows from the financial asset expire or are settled; or (ii) the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, including circumstances when the entity acts only as a collecting agent of the transferee, and retains no significant risks and rewards of ownership of the financial asset or no continuing involvement in the control of the financial asset transferred.

A financial liability is derecognised only when it is extinguished, i.e. when the obligation specified in the contract is discharged, cancelled or expires. An exchange between an existing borrower and lender of financial instruments with substantially different terms are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

3.5 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.

The Association collectively considers factors to determine whether there is objective evidence that an impairment loss on loans and receivables has occurred.

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 present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

The carrying amounts of the financial assets 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.

3.6 Cash and cash equivalents

Cash and cash equivalents in the statement of receipts and payments comprise cash at bank balances and short-term bank deposits.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2019

3.7 Revenue

Revenue is measured at the fair value of the consideration received or receivable, net of discounts and rebates.

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) Rendering of services

Revenue from rendering of services is measured by reference to the stage of completion of the transaction at the reporting date.

iii) Interest income and rental income

Interest income and rental income are recognised on an accrual basis.

iv) Investment income

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

3.8 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.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2019

3.9 Foreign currency

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.

i) Foreign currency transactions and balances

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.

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.

3.10 Income tax

Income taxes include all domestic taxes on taxable profit. Income taxes also include other taxes, such as withholding taxes, that are payable by the Association, and real property gains taxes payable on disposal of properties, if any.

Tax payable on taxable profit for current and previous 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 recognised 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 is 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 are also not recognised for temporary difference associated with the initial recognition of goodwill.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2019

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits would be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amount of a deferred tax asset is reviewed at the end of each reporting period. If it is no longer probable that sufficient taxable profits would be available to allow the benefit of part or all of that recognised deferred tax asset to be utilised, the carrying amount of the deferred tax asset would be reduced accordingly. When it becomes probable that sufficient taxable profits would be available, such reductions would be reversed to the extent of the taxable profits.

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.

Changes in current or deferred tax balances are recognised as an income tax expense or credit and are recognised in the same component of comprehensive income or equity as the transaction that resulted in the tax expense or credit.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

4.1 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.

4.2 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 2019

5. PROPERTY, PLANT AND EQUIPMENT

	At 1 January 2019	Additions	Disposals	At 31 December 2019
	RM	RM	RM	RM
Cost				
Buildings	**1,225,112**	**-**	**-**	**1,225,112**
Furniture, fittings and equipment	**936,179**	**167,809**	**(31,516)**	**1,072,472**
Freehold land	**306,278**	**-**	**-**	**306,278**
	2,467,569	**167,809**	**(31,516)**	**2,603,862**
Accumulated depreciation				
Buildings	**768,976**	**25,718**	**-**	**794,694**
Furniture, fittings and equipment	**784,764**	**51,701**	**(30,550)**	**805,915**
Freehold land	**-**	**-**	**-**	**-**
	1,553,740	**77,419**	**(30,550)**	**1,600,609**

	Carrying amount		Depreciation	
	2019	2018	2019	2018
	RM	RM	RM	RM
Buildings	**430,418**	456,136	**25,718**	25,717
Furniture, fittings and equipment	**266,557**	151,415	**51,701**	47,955
Freehold land	**306,278**	306,278	**-**	-
	1,003,253	913,829	**77,419**	73,672

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.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2019

6. INVENTORIES

	2019	2018
	RM	RM
At cost:		
Consumable goods	**5,417**	10,788

7. OTHER RECEIVABLES

	2019	2018
	RM	RM
Subscription receivable from members	**35,057**	38,030
Refundable deposits	**77,690**	11,485
Golf game entrance fee receivables	**29,537**	-
Amounts receivable from members:		
- seminar debtors	**134,643**	327,973
- other debtors	**32,932**	86,905
	309,859	464,393

8. FIXED DEPOSITS WITH LICENSED BANKS

	2019	2018
	RM	RM
Fixed deposits with a licensed bank	**4,070,099**	3,520,286

The interest rates for fixed deposits range between 3.05% to 3.30% (2018: 3.05% to 3.30%) per annum. The maturity period for fixed deposits during the financial year are six months.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2019

9. CASH AND BANK BALANCES

	2019 RM	2018 RM
Cash in hand and at bank	**615,725**	1,102,296

10. BUILDING FUND

	2019 RM	2018 RM
Balance at beginning of the year	**2,023,219**	2,023,219
Contribution received	**-**	-
Balance at end of the year	**2,023,219**	2,023,219

11. EMPLOYEES' WELFARE FUND

	2019 RM	2018 RM
Balance at beginning of the year	**179,694**	179,694
Contribution received	**-**	-
Balance at end of the year	**179,694**	179,694

12. FOUNDERS' FUND

	2019 RM	2018 RM
Balance at beginning of the year	**230,000**	230,000
Contribution received	**-**	-
Balance at end of the year	**230,000**	230,000

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2019

13. MEMBERSHIP FUND

	2019 RM	2018 RM
Balance at beginning of the year	**95,100**	94,100
Admission during the financial year	**12,500**	1,000
Balance at end of the year	**107,600**	95,100

14. 3RS PROJECT FUND

	2019 RM	2018 RM
Balance at beginning of the year	**-**	-
Total receipts	**5,000**	-
Total payments	**-**	-
Balance at end of the year	**5,000**	-

15. SCHOLARSHIP RESERVES FUND

	2019 RM	2018 RM
Balance at beginning of the year	**517,833**	405,683
Total receipts	**120,950**	140,650
Total payments	**(36,700)**	(28,500)
Balance carried forward	**602,083**	517,833

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2019

16. TRAINING FUND

	2019 RM	2018 RM
Balance at beginning of the year	**99,880**	99,880
Contribution received	**-**	-
Balance at end of the year	**99,880**	99,880

17. ACCUMULATED FUND

	2019 RM	2018 RM
Balance at beginning of the year	**1,454,232**	1,296,880
Surplus for the year	**(34,334)**	157,352
Balance at end of the year	**1,419,898**	1,454,232

18. OTHER PAYABLES

	2019 RM	2018 RM
Accrued expenses	**202,664**	196,795
Advertorial on plastic	**180,384**	180,384
Deposit received	**278,545**	10,225
ExxonMobil project fund	**150,000**	-
Held trust in MPMA Holding	**420**	420
Other creditor	**13,778**	525,856
PS media fund	**511,188**	497,954
	1,336,979	1,411,634

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2019

19. TAX EXPENSES

No taxation is required as 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.

20. DATE OF AUTHORISATION FOR ISSUE

The Central committee had authorised the financial statements to be issued on 23 June 2020.

MALAYSIAN PLASTICS MANUFACTURERS ASSOCIATION

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