

WEDNESDAY

World Bank Keeps Malaysia's 2019 GDP Growth At 4.7 Pct

KUALA LUMPUR -- The World Bank Group has maintained Malaysia's 2019 gross domestic product (GDP) growth forecast at 4.7 per cent, driven by private consumption. Lead economist for Malaysia Richard Record said private consumption would continue to be the main driver of growth, albeit expanding at a more measured pace. "Household spending will be buoyed by stable labour market conditions and income support measures such as the Cost of Living Aid (Bantuan Sara Hidup)," he told reporters Wednesday.

THURSDAY

FGV Denies Plan To Lay Off 6,000 Workers

KUALA LUMPUR -- FGV Holdings Bhd has denied a news report Thursday stating that the plantation company seeks to reduce 6,000 workers over a three-year period as a move to trim costs, while optimising assets under its extensive turnaround plan. Its chief executive officer Datuk Haris Fadzilah Hassan explained that the group had never intended to terminate 6,000 of its workers, but only planned to reduce 10 per cent of manpower cost per year. In a statement to TV3's Buletin Utama Thursday he said the plan included the cost reduction of overtime allowances, medical bills and others for the employees.

FRIDAY

Mahathir Expresses Malaysia's Support For China's Belt And Road Initiative

From Mohd Haikal Mohd Isa

BEIJING -- Malaysia has expressed full support for China's Belt and Road development strategy, with Prime Minister Tun Dr Mahathir Mohamad saying the country stands to benefit from the massive infrastructure projects. Speaking during the high-level meeting of the Belt and Road Forum for International Cooperation at the China National Convention Centre, the 94-year-old leader said the Belt and Road initiative is a great idea. "I fully support the Belt and Road initiative. I am sure my country, Malaysia, will benefit from the projects," he said.

This Week's Highlight : Malaysia Is A Friend Of China, Welcomes More Investments - Dr Mahathir



SERIOUS TALK...Prime Minister Tun Dr Mahathir Mohamad (centre) at the dialogue session with China's corporate leaders Thursday. --fotoBERNAMA

From Mohd Haikal Mohd Isa

BEIJING -- Prime Minister Tun Dr Mahathir Mohamad has reiterated that Malaysia is a friend of China and wants to see more investments from the country. Speaking during a dialogue session with Chinese corporate leaders organised by the

International Trade and Industry Ministry (MITI) here Thursday, he said the government is looking forward to welcoming more cooperation and investments from China. He expressed hope that the Chinese business community would see opportunities in Malaysia and invest in the country.

This Week's Top Stories

MONDAY

MATRADE Eyes RM650 Mln Sales At Caexpo 2019

GEORGE TOWN -- The Malaysia External Trade Development Corporation (MATRADE) aims to record sales of RM650 million at the 16th China ASEAN Expo (Caexpo) 2019 in Nanning from Sept 20-23. MATRADE director (China and Northeast Asia) Ong Yew Chee told reporters Monday, in 2018, CAEXPO generated total sales of RM639.66 million, an increase of 58 per cent as compared to 2017.

TUESDAY

Proton Banks On Revamped Iriz, Persona

KUALA LUMPUR -- Proton Holdings Bhd hopes the launch of the 2019 revamped Iriz and Persona will be another booster towards the turnaround that it required. Chairman Datuk Seri Syed Faisal Albar said Tuesday both models are offered at affordable prices with 300 parts' changes had been made to improve both models. "We've added the famous Intelligent Head Unit (IHU), making the Iriz and Persona the newest addition to our range of 'talking-cars'," he said.

**LIFESTYLE
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SMEbrief

MTDC To Open IR4.0 Entrepreneur Centre In Sabah

KOTA KINABALU -- The Malaysian Technology Development Corporation (MTDC) plans to open another entrepreneur centre based on Industrial Revolution 4.0 (IR4.0) in Sabah, bringing the total number of such centres nationwide to six by year-end. Chief executive officer Datuk Norhalim Yunus told reporters Monday the centre aims to link up with all the other centres as part of efforts to promote the adoption of IR4.0 in the state.

RHB Bank To Grant RM31 Bln SME Financing By 2021

KUALA LUMPUR -- RHB Bank Bhd targets to grant RM31 billion in new and additional financing

for small and medium enterprises (SMEs) by 2021. Group managing director Datuk Khairussaleh Ramli told reporters Wednesday this was part of the bank's efforts to provide SMEs with easy access to financing, in line with the government's push to spur greater SME economic participation. The bank approved RM7.2 billion last year to support the growth of more than 4,000 SMEs in Malaysia.

Use Caexpo To Penetrate China's 2nd And 3rd Tier Cities - MATRADE

KUALA LUMPUR -- Small and medium enterprises (SMEs) keen to penetrate the China market should leverage on the China ASEAN Expo (CAEXPO 2019) in Nanning, the gateway to second- and third-tier cities. Malaysia External Trade Development Corporation (MATRADE) deputy chief executive officer, Sharimahton Mat Saleh, said

on Wednesday, businesses often overlook opportunities offered by these markets that still require various developments.

No Participating Protege Firm Blacklisted, Says Ministry

KUALA LUMPUR -- The Ministry of Entrepreneur Development has clarified that no company involved in the Professional Training and Education for Growing Entrepreneurs (Protege) programme has been blacklisted for exploiting course participants. Deputy Minister Datuk Mohd Hatta Md Ramli said Thursday, the 135 companies selected for the programme had to adhere to the regulations, including conducting the entrepreneurship modules and syllabus set by the ministry.

PropUP

Property update

Seacera Enters JV For A RM10 Bln Mixed Development Project

KUALA LUMPUR -- Tile manufacturer Seacera Group Bhd has formed a joint venture (JV) with property developer OCR Group Bhd to undertake a mixed development project with an estimated gross development value of up to RM10 billion on its 203-hectare freehold land in Semenyih, Selangor. In an announcement to Bursa Malaysia Monday, Seacera said the board's decision to monetise the land was part of its continuous efforts to rehabilitate the group's financial condition.

SP Setia Bags Gold Award At EdgeProp Managed Property Award 2019

KUALA LUMPUR -- Property developer,

SP Setia Bhd, bagged a gold award for Sustainable Landscape at the EdgeProp Malaysia's Best Managed Property Award 2019 for its Lepironia Garden project. Lepironia Garden is located in the idyllic award-winning township of Setia Eco Glades in Cyberjaya. The sustainable landscape award acts as a measuring tool to complement properties that are designed, built and maintained for sustainability, as to stimulate a continual improvement of the industry, it said in a statement Monday.

Sogo Southkey Set To Be Key Shopping Haven In Southern Region

JOHOR BAHRU -- The new SOGO store at The Mall Mid Valley Southkey, here, is set to be the main shopping

attraction in the southern region of Peninsular Malaysia. SOGO Group chief executive officer Toh Peng Khoo told reporters Tuesday this was because many exciting things are in store for the local and foreign shoppers, particularly from Singapore and Riau Islands. "This Johor Bahru outlet is the third Sogo store in the country and the first outside of Klang Valley, after Sogo Jalan Tuanku Abdul Rahman in Kuala Lumpur and Sogo Central i-City Shah Alam," he said.



CIMB Allocates Extra RM400 Mln For IT, Bank Operations In FY19

KUALA LUMPUR -- CIMB Bank Bhd says it will be more aggressive in investing in information and technology (IT) and bank operations in the 2019 financial year (FY19), allocating an additional RM400 million on top of its business-as-usual (BAU) allocation valued at RM500 million. Under the bank's next five-year blueprint, Forward23, CIMB has set aside RM2 billion for improvement in the Technology and Data segment. Group chief executive officer Tengku Datuk Seri Zafrul Aziz told reporters Monday following the size of capital expenditure this year, the group is anticipating a flat return on equity (ROE) growth for FY19.

BNM Int'l Reserves Increase To US\$103.5 Bln As At April 15

KUALA LUMPUR -- Bank Negara Malaysia's (BNM) international reserves increased to US\$103.5 billion as at April 15, 2019 from US\$103 billion as of March 29, 2019. In a statement Monday, the central bank said the reserves position is sufficient to finance 7.7 months of retained imports and is 1.0 time total short-term external debt. BNM said the main components of the international reserves, as at April 15, comprised of foreign currency reserves at US\$97.3 billion, International Monetary Fund reserves position (US\$1.1 billion), Special Drawing Rights (SDRs) (US\$1.1 billion), gold (US\$1.6 billion), and other reserve assets (US\$2.4 billion).

Malaysia On Right Track To Be Global Islamic Finance Hub - Amiruddin

KUALA LUMPUR -- Malaysia is on the right track towards becoming a leading global Islamic finance hub in the near future, said Deputy Finance Minister Datuk Ir. Amiruddin Hamzah. He said on Monday, among the advantages possessed by the country is the International Islamic Liquidity Management Corp (IILM), established in 2010 with the cooperation of 12 central banks, whose function is to pioneer government initiatives involving the development of Islamic finance at the international level.

Public Bank To Approve RM50 Bln Mortgage, RM40 Bln SME Loans In 3 Years

KUALA LUMPUR -- Public Bank Group aims to approve RM50 billion in mortgage loans and RM40 billion small and medium enterprise (SME) loans in three years. Managing director and chief executive officer Tan Sri Tay Ah Lek said Monday, as the largest domestic financier for both segments, the group is committed to supporting home ownership and growth of the SME sector in the country.

Alliance Bank, Zurich Malaysia Ink Bancassurance & Bancatakaful Agreement

KUALA LUMPUR -- Alliance Bank Malaysia Bhd and its unit, Alliance Islamic Bank Bhd, have inked a 15-year bancassurance and bancatakaful agreement with Zurich General Insurance Malaysia Bhd and Zurich General Takaful Malaysia Bhd which will see a partnership value of RM200 million. The agreement will see the bank strengthen its position in providing end-to-end financing solutions for both individuals and

the small and medium enterprise (SME) community. Alliance Bank's Group chief executive officer (CEO) Joel Kornreich told reporters Monday, the partnership with Zurich Malaysia will help strengthen Alliance Bank's capability to provide a comprehensive suite of solutions for customers - businesses and individuals alike.

BNM: Malaysian Financial Markets Remain Resilient

KUALA LUMPUR -- The Malaysian financial markets remain resilient, with conditions in the capital, foreign exchange (FX) and money markets continuing to be orderly, supported by ample domestic liquidity, robust market infrastructures and firm macroeconomic fundamentals, says Bank Negara Malaysia (BNM). It said Tuesday, the local bond market continues to be vibrant with a deep secondary market having an average daily trading volume of RM5.4 billion year-to-date compared with the past three-year average of RM3.6 billion.

Hong Leong Group Launches Innovation Exchange

KUALA LUMPUR -- Hong Leong Group Bhd Thursday launched its innovation exchange, the HLX, which aspires to grow the Malaysian tech start-up ecosystem with Malaysia Digital Economy Corporation (MDEC) as one of its strategic partners. Datuk Edmund Kong, group managing director of GuocoLand Malaysia Bhd, a member of Hong Leong Group, told reporters Thursday, the HLX, to be developed in two phases, would be a one-stop facility, which converges the corporate and start-up communities to accelerate innovation and boost the Malaysian start-up ecosystem.



FINANCING YOUR BUSINESS ACROSS THE WORLD



CCM Wins RM351 Mln Petronas Contract

KUALA LUMPUR -- CCM Chemicals Sdn Bhd, a wholly-owned unit of Chemical Company of Malaysia Bhd (CCM), has bagged a RM351.9 million contract to supply caustic soda to Petronas Refinery and Petrochemicals Corporation Sdn Bhd (PRPC). In a filing with Bursa Malaysia Monday, CCM said CCM Chemicals has accepted a letter of award from Petroliam Nasional Bhd. "The supply (volume) will be based on PRPC's required demand, estimated to be up to a maximum volume of 351,000 tonnes," it said.

Velesto Bags RM432.3 Mln Contracts From Petronas Carigali

KUALA LUMPUR -- Velesto Energy Bhd's subsidiary, Velesto Drilling Sdn Bhd, has been awarded four contracts worth a total of RM432.33 million (US\$104.68 million) from Petronas Carigali Sdn Bhd for the provision of jack-up drilling rig services. In a filing to Bursa Malaysia Monday, it said the contracts for the NAGA 2, NAGA 3 and NAGA 5 jack-up rigs, with an estimated contract value of RM105.07 million (US\$25.44 million), RM105.07 million (US\$25.44 million) and RM108.08 million (US\$26.17 million), will commence in April/May 2019.

Bintulu Port Handles 48 Mln Tonnes Of Cargo In 2018

KUCHING -- Bintulu Port handled a total throughput of 48.34 million tonnes of cargo last year compared with 50.28 million tonnes in 2017. Bintulu Port Holdings Bhd (BPHB) director Tan Sri Ali Hamsa said on Monday, the non-liquefied natural gas sector cargo throughput made up almost 51 per cent of the total cargo throughput in 2018 as compared to the preceding year, during which the liquefied natural gas (LNG) sector contributed 54 per cent.

Digi Posts Slightly Lower Net Profit In 1Q19

KUALA LUMPUR -- Digi.com Bhd posted a slightly lower net profit of RM341.5 million in the first quarter ended March 31, 2019 (1Q19), compared with RM386.1 million chalked up in the same quarter last year. Revenue slipped to RM1.51 billion during the quarter under review from RM1.63 billion previously, the telecommunications operator said in its filing to Bursa Malaysia Monday.

Boustead Heavy Industries Optimistic On FY19 Performance

PETALING JAYA -- Boustead Heavy Industries Corp Bhd (BHIC) is optimistic on its performance for the financial year ending Dec 31, 2019 (FY19) with a RM4.3 billion order book as at March 31, 2019, and earnings visibility of up to 2023. Deputy executive chairman and managing director Tan Sri Ahmad Ramli Mohd Nor told reporters Tuesday the order book comprised contracts to build littoral combat ships (LCS) and littoral mission ships as well as maintenance, repair and overhaul (MRO) contracts.

Nestle Records Higher Q1 Profit Of RM235 Mln

KUALA LUMPUR -- Nestle (Malaysia) Bhd recorded a higher net profit of RM235 million for the first quarter (Q1) ended March 31, 2019, compared with RM231 million in the previous corresponding quarter, demonstrating the group's strong bottom line performance. Revenue for the quarter increased 1.6 per cent to RM1.45 billion from RM1.43 billion previously, it said in a filing with Bursa Malaysia Tuesday.

Gadang Q3 Net Profit Down To RM13.30 Mln

KUALA LUMPUR -- Gadang Holdings Bhd posted a lower net profit of RM13.30 million in the third quarter ended Feb 28, 2019 (Q3) compared with RM25.14 million a year earlier. Revenue however rose to RM205.33 million from RM152.68 million previously, while

its basic earnings per share stood at 2.01 sen versus 3.82 sen. In a filing to Bursa Malaysia Wednesday, the company said it expected a challenging period for the group taking into account the competitive market landscape, and had initiated active tender participation for domestic infrastructure projects.

IGB REIT's Q1 Profit Rises On Higher Rental Income

KUALA LUMPUR -- IGB Real Estate Investment Trust recorded a slightly higher net profit of RM82.88 million for the first quarter ended Dec 31, 2019, compared with RM82.25 million a year earlier mainly due to higher rental income. Revenue rose to RM141.23 million from RM136.79 million previously, the group said in a filing with Bursa Malaysia Wednesday. The company also announced an income distribution of 2.40 sen per unit -- a payout totalling RM85 million -- to be paid on May 31.

PNB's Hospitality Arm Targets Sales Of RM300,000 During MSAM 2019

By Sharifah Pirdaus Syed Ali

SUNGAI PETANI -- PNB Management Services Sdn Bhd (PMSSB), the hospitality arm of Permodalan Nasional Bhd (PNB), aims to chalk up sales of RM300,000 during the Malaysian Unit Trust Week (MSAM) 2019 for its group of hotels and resorts. Its seven hotels and three golf clubs include PNB Perdana Hotel & Suites On The Park, PNB Hotel Perdana Kota Bharu, Hotel Sri Petaling, PNB Ilham Resort, Impian Morib, Lanjut Golden Beach Resort, Lanjut Beach & Golf Resort, Kinrara Resort, Kota Seriemas Golf & Country Club and Lanjut Golf Club. General manager, group sales and marketing, Ismail Hisham Ahmad Zambri told Bernama, PMSSB is offering an up to 70 per cent discount for a two days one night stay at its hotels and resorts during the MSAM week from April 19-25 and valid until April 24, 2020.

Malaysia's Tourism Sector Remains Impressive

PUTRAJAYA -- Malaysia's tourism sector continues to maintain its momentum with encouraging and steady performance under the Pakatan Harapan (PH) government. Minister of Tourism, Arts and Culture Datuk Mohamaddin Ketapi said Monday, the country's tourism industry is on the right track with Malaysia maintaining its record as among the top 10 tourist destinations in the world for 2018. He said Kuala Lumpur, as well as Singapore, Macau and Shenzhen are among the top 10 destinations.

AirAsia Keen To Buy Digital Platforms To Boost Digital Business

SEPANG-- Airasia Group Bhd is keen to acquire digital platforms abroad to boost its digital business segment. AirAsia Group chief executive officer Tan Sri Tony Fernandes told reporters Monday: "For sure...some will be M&A (merger and acquisition), some will be joint-ventures." Asked which country the group was eyeing, he said: "Wait and see."

Malaysia Ready To Establish Business Network With Bosnia And Herzegovina

KUALA LUMPUR -- Minister of Entrepreneur Development (MED) Datuk Seri Mohd Redzuan Yusof reiterated Malaysia's readiness to establish business networks and linkages with Bosnia and Herzegovina during his official working visit there on April 19-21. In a statement Monday, he said these linkages would be in future infrastructure projects, renewable energy (hydro power) and tourism, as well as intensifying collaboration in the halal industry.

Malakoff Says Fire At Tanjung Bin Energy Power Plant Doesn't Affect Operations

KUALA LUMPUR -- Malakoff Corporation Bhd says a fire that occurred on April 22, 2019 at about 6 am at the Tanjung Bin Energy Power Plant (TBE) in Pontian, Johor was an isolated incident which involves only the belt conveyor that carries coal to the power plant and does not affect the 1,000MW power plant itself. "The Fire and Rescue Department ("BOMBA") was deployed on the scene and the fire was contained within one hour," it said in a statement Monday.

Petronas Dagangan Sets Higher Capex Of RM500 Mln For 2019

By Harizah Hanim Mohamed

KUALA LUMPUR -- Petronas Dagangan Bhd (PDB) has set aside a higher capital expenditure (capex) of RM500 million for this year and is leveraging on the ride-hailing trend to boost sales. The domestic marketing arm of Petroliaam Nasional Bhd, which allocated RM300 million for capex last year, will however continue to spend a large portion of the fund to open more petrol stations and refurbish its existing stations as well as Mesra convenience stores. PDB chairman Datuk Md Arif Mahmood told reporters Thursday the company would continue to strengthen its position and planned to add about 10 new petrol stations to the existing network of 1,057 stations nationwide. Last year, PDB opened 12 petrol stations.



Edwards BSC To Invest RM100 Mln In Over 5 Years

KUALA LUMPUR -- California-based medical technology company Edwards Lifesciences (Edwards) aims to invest RM100 million in Malaysia over the next five years through its new regional business service centre (BSC) located at KL Eco City. Corporate vice-president Japan, Asia and Pacific Dr Huimin Wang said Thursday, the new Edwards BSC is expected to provide key support functions such as finance, Internet, supply chain, human resources, digital health, marketing and quality assurance to seven offices across the Japan, Asia and Pacific (JAPAC) region.

MATRADE Eyes 2,900 SMEs In eTRADE Scheme By 2020

KUALA LUMPUR -- The Malaysia External Trade Development Corporation (MATRADE) is targeting 2,900 small and medium enterprises (SMEs) to participate in its eTRADE programme as their first step into e-commerce by next year. Deputy chief executive officer Sharimahton Mat Saleh told reporters Thursday, as of April 2019, about 2,067 SMEs had benefited from the programme.

MOT To Work With Shipowners, Industry On 2020 Sulphur Cap

PUTRAJAYA -- The Transport Ministry is working closely with shipowners and the shipping industry to ensure that Malaysia is on track to achieve the 2020 global sulphur limit, said Deputy Transport Minister Datuk Kamarudin Jaffar Thursday. Under the new sulphur limit, ships will have to use fuel oil on board with a sulphur content reduced to 0.5 per cent from the current limit of 3.5 per cent, effective Jan 1 next year and the latest by March 1 to implement.

Johor Port, Petronas LNG To Provide Marine Services For Vessels

KUALA LUMPUR -- Johor Port Bhd, a member of MMC Group, signed a marine services agreement with Petroliam Nasional Bhd's unit, Petronas LNG Ltd (PLL), to provide marine services and offer attractive tariff for vessels that receive gassing up and cooling down (GUCD) services at PLL's Regasification Terminal Pengerang. In a statement Monday, Johor Port said the GUCD is a specialised service of bringing the storage tanks on liquefied natural gas (LNG) carriers to a natural environment and cooling it down to cryogenic temperature (minus 160 degrees Celcius).

Petronas Opens Malaysia's First Auto Expert Centre

SHAH ALAM -- Petronas Lubricants Marketing Malaysia (PLMM), together with Petronas Lubricants International (PLI), has launched Malaysia's first Petronas auto expert service centre, offering top-end products and high quality car maintenance services to customers. Petronas vice president of marketing and downstream business, Datuk Seri Syed Zainal Abidin Syed Mohamed Tahir told reporters Monday the first outlet will be managed by local partner Autohaus, an experienced full-fledged auto service provider with a trusted car service centre.

153 Students Get ASNB Unit Trust From MNRB At MSAM 2019

SUNGAI PETANI -- MNRB Holdings Bhd has contributed RM20 worth of Amanah Saham Nasional Bhd (ASNB) unit trust each to 153 students of Sekolah Kebangsaan (SK) Kampung Kuala Sin during its signature financial literacy programme "MNRB Ringgit Savvy". The programme is

its eight edition in conjunction with Permodalan Nasional Bhd's (PNB) Malaysian Unit Trust Week (MSAM) 2019 held at the primary school located about 40 kilometres from Sungai Petani, which only consists of 153 students from pre-school to Year 6. MNRB president and group chief executive Mohd Din Merican said Monday the programme was part of MNRB's corporate social responsibility (CSR) programme, aimed at inculcating the habit of saving at a young age as well as educating students on smart money management

MSM Malaysia Appoints Khairil Anuar As Group CEO

KUALA LUMPUR -- MSM Malaysia Holdings Bhd, a subsidiary of FGV Holdings Bhd has appointed Datuk Khairil Anuar Aziz as group chief executive officer, effective Tuesday. In a filing with Bursa Malaysia Tuesday, it said Khairil will resign with immediate effect from his position as executive director to take up his new position.

Malaysia Signs ASEAN Trade In Services Agreement

KUALA LUMPUR -- Malaysia has signed the ASEAN Trade in Services Agreement (ATISA) and the Fourth Protocol to Amend the ASEAN Comprehensive Investment Agreement (ACIA). "Both Agreements would strengthen and enhance trade in services and investment respectively among member states of ASEAN," Minister of International Trade and Industry Datuk Darell Leiking, who signed the agreement, said in a statement released Tuesday.

12 MoUs Worth About RM20 Bln Inked During Sabah CM's China Trip

KOTA KINABALU -- Sabah Chief

Minister Datuk Seri Mohd Shafie Apdal's working visit to China resulted in the signing of 12 memoranda of understanding (MoUs) worth close to RM20 billion, involving local companies and Chinese investors in the industrial sector. Speaking to reporters upon his return from China Wednesday, Mohd Shafie said the state government, via the Industrial Development Ministry, would be fine-tuning the MoUs to ensure that the agreements come to fruition.

Students Learn About Managing Money Under 'MNRB Ringgit Savvy' Programme

KUALA LUMPUR -- About 300 secondary schools students in the Sungai Petani area were given a lesson on how to manage their money under the 'MNRB Ringgit Savvy' programme, organised by MNRB Holdings Berhad, Tuesday. "The programme, in support of the objectives of the Saham Amanah Malaysia Week, is in line with educating the community on investment and financial planning," said the company in a statement Wednesday.

MAB Partners With Maxis, Grab, Expedia For MHexplorer Programme

PETALING JAYA -- Malaysia Airlines Bhd (MAB) has partnered with Expedia, Grab and Maxis to offer more benefits under MHexplorer, the airline's fully digitalised student programme. MAB group chief revenue officer Ignatius Ong said Wednesday through the partnership, MHexplorer has been expanded to include more than just flight tickets, as members would now be able to enjoy eight per cent and 10 per cent discounts on stays at domestic and international hotels, respectively.

TNB's Phenomenal Role As Catalyst Of National Development

By Mohd Khairi Idham Amran



Tan Sri Leo Moggie . --fotoBERNAMA

KUALA LUMPUR -- Tenaga Nasional Bhd (TNB) has come a long way since its establishment in 1949 as the Central Electricity Board (CEB) to become the catalyst of national development. TNB, which is celebrating its 70th anniversary in September this year, has undergone several major transformation, including rebranding as the National Electricity Board (LLN) in 1965, privatisation in 1990 and corporatisation in 1992. Chairman Tan Sri Leo Moggie said TNB has grown from strength to strength throughout the years, especially the period of demand boom for power supply since 1980s. "TNB has grown matured for the last 70 years, has made major contributions to the development of the country and internally has also adjusted itself to be relevant at every stage of development in technology and every stage development of the country," he told Bernama in an interview. He said as with economic growth, the demand for electricity grew in tandem but TNB remained steadfast in delivering its duty as the sole electricity distributor in the country. "We recorded the highest demand of electricity at 18,566 megawatt (MW) a few days ago as compared to 1978/1979 when the highest demand at that time was averaging 1,260 MW," he said. He said despite the surge in electricity demand, the electricity industry still has about 20 per cent of reserve margin to cover unexpected power generator plants breakdown. Moggie said TNB has elevated the quality of electricity supply in the country as measured via the System Average Interruption Duration Index (SAIDI), a methodology used by the

electricity industry worldwide to measure the length of time each consumer experiences power disruption in a year. "TNB's SAIDI record now 48 minutes and we are proud of it. We are better than the UK," he said. In comparison, SAIDI in England was 55 minutes last year, France (60 minutes), Ireland (90 minutes) and Australia (125 minutes,) while neighbouring country, Thailand has a SAIDI of 60 minutes. He said another benchmark is Transmission System Minutes which measures the minutes of interruption caused by transmission per year whereby the company recorded less than a minute for 2018, a record that is comparable to developed nations. "What it reflects is our transmission network is now actually quite efficient," he said. On people's perception that TNB is monopolising the power industry, Moggie said such misconception derived from TNB's role as the sole distributor of electricity in the country. "In most countries, the main transmission network always seems to be a natural monopoly, which is managed usually by the regulated government agency," he said. However, he said the power generation industry in the country is open for participation to others known as the independent power producer (IPP) which was introduced in the early 1990s. "TNB generation capacity on its own amounted to only about 49 per cent, while 51 per cent is actually generated by IPPs and then sold to TNB as single buyer on a long-term power purchase agreement (PPA)," he said. He said the PPA is a long-term deal based on two components -- capacity charge and energy charge. "Capacity charge is meant to allow the recouping of the capital investment on building a power plant, while energy charge is based on the fuel (gas or coal) price that is utilised to generate power, depending on the movement of the fuel price internationally," he said. He said the participation of the IPPs in the industry has helped to grow the industry and made it more competitive. Moggie said other countries had introduced a more open system called merchant market where the contract period is shorter and interested companies can build power plant and sell it to the utilities that transmit and sell to the consumers in a very competitive environment.

-- BERNAMA



Mengarusperdana Latihan Kemahiran