

1. Two local women among 195 illegals detained in crackdown

KUALA LUMPUR: Two Malaysian women who hired illegal foreigners and a Myanmar pub owner were among those detained by the Immigration Department here on Saturday.

The latest operation conducted in the city centre found 195 who were without valid documents, out of 500 foreigners screened.

Those detained were from Bangladesh, Indonesia, Pakistan, Myanmar, Vietnam, Nepal and Sri Lanka.

The joint operation targeted restaurants, mobile phone stalls and petty traders with 200 personnel from the Immigration, Rela, National Registration Department, City Hall and technicians handling the National Enforcement and Registration System.

Home Minister Datuk Seri Dr Ahmad Zahid Hamidi, who lead the operations, urged business owners not to hire foreigners to run their premises especially those with social visit passes.

"Malaysians should be running their own businesses and not leasing the licenses to foreigners.

"We should not be encouraging foreigners to open businesses," he told a press conference outside the Pudu bus terminal.

He also said the third phase of enforcement operations would target entertainment outlets and health centres.

2. Johor MB: RM1mil floor price for foreigners buying properties effective May 1

GELANG PATAH: The RM1mil floor price announced in Budget 2013 for foreigners buying properties in Malaysia will only take effect from May 1.

Johor Mentri Besar Datuk Mohamed Khaled Nordin said that the new ruling would not affect developers who had received the planning approval for their projects before the date.

He said this would give more time for developers to sell residential properties offered to foreign buyers at the previous minimum floor price of RM500,000 per unit.

"If we don't give them more time, they (developers) will have problems selling the properties at the old price; hence there will be a property glut," Mohamed Khaled said on Saturday.

He said this in a press conference at the pre-launch of 351 units of affordable houses priced between RM80,000 and RM150,000 per unit by UEM Sunrise Bhd here.

The company had also pledged to build 10,000 units of affordable houses, which would be located in Gerbang Nusajaya and to be launched in phases from this year onwards.

Effective March 1, foreigners buying properties in Kuala Lumpur, Labuan and Putrajaya have to pay RM1mil ceiling price, up from RM500,000 per unit previously.

The Economic Planning Unit in a statement released on Friday said in other states, the actual enforcement date was subject to the respective state authorities.

Asked whether the presence of international property developers in Iskandar Malaysia, especially from China, would create a glut in the property market in Johor, Mohamed Khaled said it was unlikely to happen.

He admitted there were concerns by some parties about the large-scale development projects by international property developers offering thousands of units of residential properties in one go.

"But, you must understand these are big players with strong financial background and we believe that they are able to sustain their projects and sell off their products," said Mohamed Khaled.

Separately, he said the state government would take action against developers who failed to build affordable houses despite getting approval by the state authorities to build the houses years ago.

Mohamed Khaled said the state government had identified 100 developers which supposed to build 160,000 units of affordable houses but instead they focused on building other residential properties first neglecting their duties in providing affordable houses to the people.



Monday March 3, 2014

3. Najib: Malaysia on track to becoming developed nation by 2020

PUTRAJAYA: Malaysia is on the right track to becoming a developed nation by 2020, Prime Minister Datuk Seri Najib Tun Razak reiterated Monday.

In his monthly address to staff of the Prime Minister's Department, Najib said the country has shown an impressive growth in its trade, investment and economy due to the Government's inclusive and solid policies.

He said savings gained from the Government's subsidy rationalisation measures would be used to finance more development under the 11th Malaysia Plan.

"There are many projects to look into, such as more schools to be built and increasing the capacity of water plants, and each of these requires large costs.

"We are sensitive to the people's concerns over the rising cost of living, and we take measures to monitor these prices and provide targeted subsidies.

"These are for the growth of our economy and I hope we will all give our support (to the Government's policies)," Najib said at the assembly here.



Tuesday March 4, 2014

4. AGC directs MACC to obtain more evidence in 18 cases involving civil servants

PUTRAJAYA: The Attorney-General's Chambers (AGC) has ordered the Malaysian Anti-Corruption Commission (MACC) to get extra evidence for 18 investigation papers (IPs) involving civil servants accused of misconduct and negligence.

MACC investigations director Datuk Mustafar Ali, confirmed on Tuesday that 18 IPs had been submitted to the AGC, said they had received the directive for further action to be taken on some of the IPs.

He was responding on the recent news report quoting Chief Secretary to the Government Tan Sri Dr Ali Hamsa that said as of Feb 21, the MACC had opened 18 IPs based on the Auditor-General's findings.

The report stated that 18 IPS were on alleged irregularities by civil servants as pointed out in the Auditor-General's report 2012.

Among the cases reported included on false claims by a Works Ministry director who signed work completion certificates for two building projects totalling RM124mil, even though the projects were incomplete and did not meet required specifications.

It also alleged there were false claims by made a Malaysian Youth Council officer involving RM1.53mil for a project which was never carried out.

There were also allegations of abuse of power by an Urban Well-being, Housing and Local Council Ministry officer involving a RM34mil project to upgrade a thermal oxidation plant, where an agreement had been reached with a company, Syarikat Chain Cycle Sdn Bhd, without the Ministry's knowledge.

Dr Ali said that MACC had identified 24 cases of misconduct and negligence involving 140 civil servants.

Mustafar said that the AGC had also directed several cases to be prosecuted, while some cases involved disciplinary action to be taken against the offenders.

He declined to elaborate over the cases whether involved top civil servants as investigations was still pending.



Wednesday March 5, 2014

5. Petronas 2013 net profit one of the 'best ever'

KUALA LUMPUR: Petroliam Nasional Bhd (Petronas) had one of its "best years ever" in 2013 when it posted an 8.4% spike in net profit to RM54.11bil from RM49.92bil a year ago, citing better oil and gas (O&G) production from South Sudan, Iraq, Malaysia and Canada.

But its dividends to the Government came down by RM1bil to RM27bil, even though its contribution to the national heritage fund stood firm at RM2bil for a second year running.

This is in tandem with Petronas' commitment to pay out 30% of its income as dividends to the Federal Government.

President and CEO Tan Sri Shamsul Azhar Abas refrained from providing a profit forecast for this year, saying challenges could persist on costs and softening demand from emerging and developed countries, as well as declining margins.

However, the cold snap since January in countries such as the United States gave Petronas a good start to the year, he told a media briefing yesterday.

Revenue rose 8.9% to RM317.31bil versus RM291.23bil in the previous year, buoyed by higher sales volumes of crude oil, processed gas, and petroleum products and liquefied natural gas (LNG).

This was also supported by a favourable US dollar-ringgit exchange rate, while a dip in impairment losses helped buffer the bottom line and lower average selling prices.

Its fourth-quarter net profit leapt 58.2% to RM9.58bil from RM6.06bil, amid a 10.31% growth in turnover to RM84.81bil compared with RM76.88bil during the same period in 2012.

Executive vice president of finance Datuk George Ratilal said the group's cash from operations and others stood at RM94.9bil, which was more than enough to fund its dividends and capital expenditure (capex), which totalled RM93.1bil.

Some 56% of its RM56.6bil capex bill was invested overseas, and the rest in Malaysia.

The national oil firm recorded an annual production of 2.13 million barrels of oil equivalent per day (boepd), up 5.8%, while its entitlements edged up to 1.6 million boepd.

"We've been squeezing so much, there isn't much left," Shamsul said.

He noted that Iraq saw production in three out of four blocks last year, with all four fields targeted to be up and running within the second half of this year.

Petronas made 15 new oil discoveries last year, 10 of them in Malaysia and five abroad.



Thursday March 6, 2014

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6. Hisham: Consultant appointed to evaluate safety of KLIA2

PETALING JAYA: An independent professional consultant has been appointed by the Government to evaluate the safety of the Kuala Lumpur International Airport 2 (KLIA2).

Acting Transport Minister Datuk Seri Hishammuddin Hussein said in a statement on Thursday that Ikram Premier Consulting was appointed on Feb 26 to examine the safety of the new airport's taxiway, aircraft apron, runway and surrounding areas.

Hishammuddin said the company would submit an initial report to the Prime Minister early next week.

"I also wish to announce that the Parliamentary Public Accounts Committee will visit KLIA2 next week, and that they will be followed by several other members of Parliament," said Hishammuddin.

Malaysia Airports Holdings Bhd had affirmed that the KLIA2 would start operating on May 2.



Friday March 7, 2014

7. MACC fails in appeal to convict police officer of bribery charge

KUALA LUMPUR: A High Court rejected the Malaysian Anti-Corruption Commission's appeal and upheld the lower court's decision to acquit a police officer of a corruption charge two years ago.

Justice Azman Husin ruled that an element to show Asst Supt Sydney Clyde Jeremiah, 53, agreed to accept the bribe was not proven.

He said an assumption under Section 11(a) of the Anti-Corruption Act 1997 that ASP Jeremiah agreed to accept the bribe was also not proven.

"Based on these grounds, I therefore maintain the acquittal by the Sessions Court here and dismiss the appeal by the prosecution," he said on Friday.

ASP Jeremiah was charged with receiving a RM2,000 bribe from used clothing trader Mohd Khusaifil, 38, as an inducement to release Hoi Chee Kin, 31, from the offence of offering sex services.

He was alleged to have committed the offence at at Level 8 of the Dang Wangi IPD at about 3.30pm on Oct 26, 2007.



Monday March 10, 2014

8. Global economy needs boost, developed countries' firms not investing enough

Companies in advanced countries are in a stronger position today but they are not investing enough to boost the global economy.

Rather than deploying their abundant cash in new investments to expand capacity and tap new markets, many companies have so far preferred (or have been pressured by activist investors) to give it back to shareholders, wrote Mohamed A El-Erian, CEO and co-CIO of Pimco, the world's largest bond manager, in his Project Syndicate column.

Last year alone, US companies authorised more than US\$600bil of share buybacks, which was a record high.

Many companies boosted their quarterly dividend payouts to shareholders.

Such activity continued in the first two months of 2014, he said in his column, which appeared in *The Guardian*.

But while shareholders have clearly benefited from companies' unwillingness to invest their ample cash, the bulk of the injected money has been circulating only in the financial sector.

"Little of it has directly benefited economies that are struggling to boost their growth rates, expand employment, avoid creating a lost generation of workers, and address excessive income inequality," said Mohamed El-Erian.

Listing several factors that pose as constraints, he said a lot more time, effort and global co-ordination is required.

That is not happening fast enough to attain the faster growth that their citizens' well being - and that of the global economy - urgently requires.

It is understandable that these companies are reluctant to invest in the wake of the 2008 financial crisis.

But they need to take a constructive view of the long term requirement for growth.

The debate over the bonus cap by the European Union (EU), which restricts bonuses to 100% of salary, or 200% if shareholders approve, is gathering steam.

One of the architects of the EU's cap on bankers' bonuses, Philippe Lamberts, the Belgian Green Member of the European Parliament, has called for the UK government to be sued for allowing banks to sidestep the new rules.

His call for action coincides with two more high street banks preparing to hand their bosses up to £1mil in extra pay.

Lloyds bank boss, António Horta-Osório, was given £900,000 in shares to sidestep EU bonus cap, said The Guardian.

He receives shares in the bailed-out bank on top of a £1.1mil salary to ensure he does not suffer fall in earnings.

Earlier, HSBC announced it was handing its boss, Stuart Gulliver, £1.7mil in shares a year to maintain his pay package.

Barclays faced criticism last month when it revealed that its bonus pool would rise from £2.2bil to £2.4bil even though profits fell across the group.

Investment bank bonuses increased from £1.4bil to £1.6bil, with profits falling 37%.

Barclays chief executive officer, Antony Jenkins told The Telegraph that he was forced to increase bonus payments to senior executives after hundreds of key staff left the investment bank in America.

It looks like these banks are faced with a pack of falling dominoes.

Shareholders need to exercise some patience in waiting for the long term results.

Commodity trade financing in Singapore is heating up with new Asian entrants gearing up to give a good fight to the traditional European banks.

While traditionally dominated by European banks in the past, banks such as the DBS Group and more recently, Chinese banks such as ICBC, Bank of China and China Construction Bank have also muscled their way into the business.

This follows the European sovereign debt crisis in 2011 which caused many European banks to rein in their lending, said the Singapore Business Times (SBT).

Since then, European banks have made a comeback as such facilities give commodity traders access to more liquidity at a lower cost.

Commodity inventory financing includes traders pledging a warehouse receipt for a secured loan to a repurchase transaction where the bank takes over the ownership of the commodities for a short period of time.

A certain level of expertise, familiarity and knowledge of risk involved are required for a successful set-up.

The growth story in Asia for commodity trade financing is encouraging.

But traders have to be mindful that in the euphoria of rising volumes, they do not start speculating on these trades.

Columnist Yap Leng Kuen agrees that

companies should take a more proactive role in global investment.

9. Puncak Niaga and Splash reject offer from Selangor for water assets

PETALING JAYA: Puncak Niaga Holdings Bhd and Gamuda Bhd are standing their ground for a better offer from the Selangor Government for their water assets, indicating that the entire exercise is not going to be a straight-forward affair as envisaged.

As expected, only Kumpulan Perangsang Selangor Bhd (KPS) has accepted the Selangor Government's offer.

Puncak Niaga controls two water concessions which are Puncak Niaga Sdn Bhd (PNSB), a water treatment plant operator, and Syarikat Bekalan Air Selangor Sdn Bhd (Syabas) that have the mandate to distribute water in the state, Kuala Lumpur and Putrajaya.

Gamuda has a 40% stake in Syarikat Pengeluar Air Sungai Selangor Sdn Bhd (Splash).

Puncak Niaga, in a statement to Bursa Malaysia, reiterated its conditions that included a compounded return on equity of 15% per annum taken as compensation to PNSB for the loss of future income.

Puncak Niaga is also seeking receivables due and outstanding from Syabas to PNSB to be paid to the parent company as these amount for services that have already been rendered.

In addition, Puncak Niaga also sought to remove the arbitration clause as it claims that it violates the spirit of "laissez faire".

The company also felt that other valuation methodologies were not within the scope of the arbitration.

"Such a clause on arbitration is unfair to the shareholders including the minority shareholders," Puncak Niaga said.

It added that Syabas had previously received written instruction from the Federal Government, which holds one golden share, that the negotiations must be done on a willing-buyer-willing-seller basis.

As such, Puncak Niaga said the inclusion of the arbitration clause was clearly against the directive of the owner of the golden share, which is the Federal Government.

However, the Selangor Government had signed a memorandum of understanding (MoU) with the Federal Government on Feb 26. According to Menteri Besar Tan Sri Khalid Ibrahim, the agreement effectively compels the Federal Government to facilitate the state's efforts to take over the water assets.

The Selangor Government has offered RM9.65bil to Puncak Niaga, KPS and Gamuda Bhd to acquire Splash, PNSB, Syabas and Konsortium Abass Sdn Bhd. The offer was made based on a 12% return on equity per annum and water assets to be acquired by Pengurusan Aset Air Bhd.

Puncak Niaga is the biggest water treatment operator in Selangor by virtue of its 100% ownership of PNSB and its 70% interest in Syabas.

Splash is 40% controlled by Gamuda, 30% by KPS and another 30% by the Sweetwater Alliance Sdn Bhd, a company linked to businessman Tan Sri Wan Azmi Wan Hamzah.

The fourth water treatment concessionaire is Konsortium Abass, which is almost wholly-owned by KPS, which in turn is a 57.9% subsidiary of Kumpulan Darul Ehsan Bhd.

Concurrently, Gamuda said the net offer was lower than its net asset value (NAV) and was "not reasonable for acceptance by the company".

"The net offer of RM250.6mil for Splash when compared to the NAV of Splash amounting to RM2.54bil as at Dec 31, 2013 will result in a huge divestment loss of RM920mil to the company. The offer of RM250.6mil is below 10% of Splash's NAV. The offer is therefore, not reasonable for acceptance by the company," Gamuda said.

Gamuda told Bursa it had informed KDEB that it was, however, amenable to accepting an offer by KDEB to acquire the equity of Splash, upon mutually agreed terms on a willing buyer-willing seller basis based on several conditions including payment of Splash's NAV.

"The consideration for the two previous offers of July 2009 and February 2013 were close to the NAV of Splash and the company had accepted those offers. Anything less than that will result in losses on divestment to Gamuda," it said, adding that the company could not justify to its shareholders the acceptance of such a huge loss.

In the interest of moving forward and so as not to hold back the consolidation exercise, Gamuda said the shareholders of Splash are agreeable to KDEB's offer for international arbitration on the valuation of its equity.

However, it said the arbitration panel should be given the freedom to make its own decision on the valuation based on internationally-accepted methods and not be confined to using one that has been proposed by KDEB, as it now stands in their February 2014 offer.

Meanwhile, KPS said in a filing with Bursa that the acceptance by the company should be conditional on the approval of the shareholders of KPS at a general meeting to be convened.

It also said that the company had a right to refer any dispute with regard to the determination and values in respect of its equity in Splash and Titisan Modal Sdn Bhd respectively to arbitration in accordance with the procedures as set out in the offer letters.



Thursday March 13, 2014

10. Malaysia's January industrial output up 3.7%, but below estimate

The Statistics Department said on Thursday the increase in the IPI was contributed mostly by the manufacturing sector, where the output rose by 4.7%, mining (up 1.5%) and electricity (up 0.2%).

On the manufacturing sector, it said the major sub-sector which registered an increase in January 2014 were electrical and electronics products (13.3%); petroleum, chemical, rubber and plastic products (6.7%) and transport equipment and other manufactures (4.7%).

On a seasonally adjusted month-on-month basis, manufacturing output posted a decrease of 1.9% from December 2013.

"In seasonally adjusted terms, the IPI in January 2014 decreased by 1.3% month-on-month," it said.

The department said the decrease was due to a drop in all indices where manufacturing recorded a 1.9% decline, mining fell 1.7% and electricity decreased 2.7%.



Friday March 14, 2014

11. Felda Global explores asset injection to unlock value of logistics arm

KUALA LUMPUR: Malaysia's largest plantation company, Felda Global Ventures Holdings Bhd (FGV), is exploring options to unlock the value of its logistics arm by injecting the division into either a listed or unlisted entity.

In this respect, Century Logistics Holdings Bhd is one of the companies that the plantation group is exploring to undertake the exercise.

"There are a few other companies as well. But the proposal is for FGV to inject its logistics arm in return for new shares. It will not go into a deal to buy out the interest of existing shareholders," said a source close to FGV.

It was reported by a local daily on Thursday that the Felda group was in talks to acquire a significant stake in Century Logistics, possibly from its largest shareholder, Datuk Richard Phua, who has a 26.4% stake in the company.

A FGV spokesperson said the company was currently evaluating several proposals from other logistics companies in its efforts to enhance and unlock the full potential of its logistics value chain.

He pointed out that the company, in its quest to become a top-10 agri-commodity player within the next eight years, would continue to explore potential mergers and acquisitions to support its growth strategy.

"But there is nothing conclusive that has been agreed and/or decided on (Century Logistics). Thus, at this juncture, FGV has no material information to disclose to our stakeholders and Bursa Malaysia," the spokesperson said.

Century Logistics, in a statement to Bursa, confirmed that the company was exploring a potential corporate exercise with the Felda group, although nothing conclusive has been agreed upon.

"Century Logistics will make the necessary announcement at the appropriate time when there are material developments relating to the same," it said.

The logistics arm is a wholly owned subsidiary of Felda Holdings Bhd, which was only 49% owned by FGV until late last year.

In December last year, FGV acquired the remaining 51% in Felda Holdings for RM2.2bil, resulting in the company holding 100% of the logistics division.

The acquisition saw FGV benefitting significantly from Felda Holdings' diversified services and facilities in the upstream and downstream activities, as well as other related and non-palm oil-related services.

Felda Holdings is the world's largest crude palm oil (CPO) producer, producing over three million tonnes annually, managing 138 Felda-owned estates, 71 palm oil mills, seven refineries, four kernel crushing plants, 13 rubber factories, manufacturing plants and several logistics and bulking installations spread throughout Malaysia and several locations overseas.

It has an extensive network of lorries and tankers to transport the fresh fruit bunches and CPO to be processed and delivered to bulking terminals.

However, the logistics business is tough to handle because it requires a lot of cost-control processes to be put in place.

"If it is injected into a separate company, then it will have a balance sheet that will be more transparent. Hopefully, the leakages will minimise," said an official in the plantation industry.

FGV president and group chief executive officer Mohd Emir Mavani Abdullah had indicated recently that the major thrust for FGV to address this year is the cost structure management within the

group such as the mechanism of replanting, labour and logistics right down to the palm oil mills' efficiency and the oil extraction rate.

"The logistics division is one area whereby reducing the cost and improving the quality of logistics and transportation systems will also help to improve the international access," said analysts.

Meanwhile, shares of Century Logistics closed at its day low of RM2.68, up three sen, with 1.75 million shares being traded.



Monday March 17, 2014

12. Dr M: Prepare for another financial crisis

PETALING JAYA: Malaysia needs to be ready to face another world financial crisis which was expected in the face of escalating prices and reduced purchasing power.

Tun Dr Mahathir Mohamed said the country should formulate strategies based on past experiences and find the causes of the crisis.

"With current and past financial crises, we should dissect them and in turn get ideas on how to prepare ourselves to overcome them," he told a media briefing after the Perdana Leadership Foundation International Roundtable on Surviving the Next Global Financial Crisis in Kuala Lumpur.

He said the first stage would involve understanding the mechanics and once it was achieved, the crisis could be dealt with.

"I am a former doctor and the way we should approach it, should be like a doctor," he said.

The roundtable discussed ways to overcome a financial crisis and the findings will be forwarded to the government.

It is organised by the Perdana Leadership Foundation and sponsored by YTL Corp, Malaysia Airlines, Bana Puri, Westports, AmBank, UEM and Bank Rakyat.

The participants include Senator Datuk Seri Abdul Wahid Omar (Minister in Prime Minister's Department - Economic Planning Unit), Tan Sri Azman Mokhtar (Khazanah Nasional managing director), Tan Sri Nor Mohamed Yakcop (Khazanah Nasional deputy chairman), Tan Sri Azman Hashim (AmBank chairman), Tan Sri Francis Yeoh (YTL managing director), Tan Sri Sabbaruddin Chik (Bank Rakyat chairman), Tan Sri Azman Yahya (Symphony Life chairman/group chief executive officer), Tan Sri Jawhar Hassan (ISIS chairman), and, Datuk Mohaiyani Shamsudin (Maybank Asset Management).

Dr Mahathir said he was saddened by the disappearance of Malaysia Airlines MH370 since March 8.

"It is strange that it can't be detected through satellite with 20 nations assisting in the search and rescue operations," he said



Tuesday March 18, 2014

13. Parliament: No pressure on Malaysia to sign TPPA, says Mustapa

KUALA LUMPUR: There will be no outside influence or pressure for Malaysia to be a signatory to the Trans Pacific Partnership Agreement (TPPA) said International Trade and Industry Minister Datuk Seri Mustapa Mohamed.

He said that crucial Government policies and the Federal Constitution were factors that would help uphold the interest and sovereignty of the nation with regard to the TPPA. "We will continue to have the freedom to implement important national policies such as the Bumiputra policies.

"Also, it would definitely not be easy to get the consent of lawmakers to amend the Federal Constitution if changes are needed to suit the TPPA," he said when answering a question raised by Datuk Seri Hadi Awang (Pas-Marang) in Parliament on Tuesday.

14. Revised PBS will reduce teachers' workload by 80%

KUALA LUMPUR: Teachers across the country can breathe a sigh of relief as improvements to the school-based assessment (PBS) system will reduce their workload by at least 80%.

Starting April 1 this year, a new and improved PBS system will be rolled out to all Malaysian schools.

When the PBS system was first introduced – starting with Year One pupils in 2011 and Form One students in 2012 – teachers had complained that they had to spend a large amount of time keying in a lot of data into the online system, which was often difficult to access.

Deputy Prime Minister Tan Sri Muhyiddin Yassin said teachers would no longer have to key in data online.

Instead, they will enter the information into an offline system for their own records, as well as for parents who request the information.



Lightened load: Muhyiddin (centre) announcing changes to the school-based assessment system at a press conference. Also present are Deputy Education Minister II P. Kamalanathan (left) and Education Minister II Datuk Seri Idris Jusoh (second from left).

"The data will be kept in the school for the teachers and parents to see and for reference purposes," he told a press conference at parliament when announcing changes to the PBS.

Besides keying in data, in the past teachers also had to use a Standard Performance Document (DSP) to keep track of the students' academic achievements. This involved recording a large number of "descriptors and evidence".

Muhyiddin, who is also Education Minister, said that under the rebooted PBS system, the DSP had been simplified to become a Student Learning Development Guide.

Teachers will teach using the national curriculum that is developed based on a theme, topic or skills for subjects that students must master, after which they will assess the students' learning development based on their own observations and evaluations with reference to the guide.

"Teachers can record the students' mastery levels when it is convenient and using their own methods," said Muhyiddin, adding that these records would depict the students' learning progress during the teaching and learning process and could be shared with parents.

"With this, teachers are no longer burdened with the collection of data and evidence of student work," he said.

He added that if parents wanted to find out more about their children's achievements, schools could prepare an achievement report by conducting monthly tests, as well as mid-year and year-end examinations.

As part of the old PBS system, teachers were also required to prepare a Student Development File and Transit Record. They will no longer have to do this. Instead, student learning development can be recorded as and when the teacher is able to.

The ministry will conduct training for teachers to improve their skills in examining student responses.

15. Growth, financial imbalances to guide policy

Supporting economic growth, monitoring inflation and ensuring the health of the financial system will continue to lead monetary policy in 2014.

Bank Negara's 2013 annual report showed that while the Malaysian economy would benefit from the gradual recovery of the advanced economies, uncertainties surrounding the global macroeconomic and financial environment remain.

Bank Negara governor Tan Sri Dr Zeti Akhtar Aziz said in the statement to the report that due to the complex and challenging environment, the focus of the appropriate policy mix would be on preserving macroeconomic and financial stability as well as addressing risks arising from the build-up of destabilising financial imbalances. At the same time, the policy mix would support inclusive growth.

Zeti said policymakers needed to ensure the interest rate setting did not result in widespread financial distortions or excessive risk-taking behaviour in the economy.

Bank Negara has kept the benchmark overnight policy rate at 3% since May 2011.

Zeti said for sector-specific risks of financial imbalances, a more specifically targeted approach, in the form of macroprudential and microprudential measures, has been implemented.

"While this broader policy toolkit has been relied upon, these measures are not a substitute for the monetary policy stance that is consistent with the prospective economic and financial conditions in the country," she said.

The central bank noted in the annual report that the prolonged period of relatively low international and domestic interest rates could encourage excessive risk-taking.

"The consequent build-up of excessive leverage and asset price misalignment could undermine macroeconomic and financial stability should these imbalances unwind in a disorderly manner," it warned.

This could heighten currency and financial market volatility in emerging economies, including in this region, and influence domestic monetary and financial conditions.

Nevertheless, building of buffers and the continuous strengthening of fundamentals over the years has improved the resilience of the Malaysian economy and financial system to external shocks.

"This resilience is vital in ensuring that episodes of capital outflows do not lead to unintended excessive tightening of monetary conditions," it said.

Although the central bank expects underlying inflation to be contained, prices have been projected to trend higher due to cost factors.

"The higher cost pressures will be partly contained by the subdued external price pressures, continued expansion in domestic capacity and the more moderate rate of expansion in domestic demand," it said.

It said monetary policy, being a demand management tool, may not be the best policy tool to manage cost-push inflation. Instead, there would be greater reliance on other policies such as measures to expand domestic capacity, improve distribution channels and promote market efficiency and competitiveness.

However, a monetary policy response would become more appropriate should higher cost-push inflation lead to inflation expectations becoming unanchored and in turn lead to wage growth not consistent with productivity growth.

"This could create conditions for a more significant increase in inflation. Recognising these risks, monetary surveillance will remain focused on identifying signs that inflation is becoming more pervasive and persistent, where a monetary policy response would become more appropriate," the central bank said.

16. Problems being resolved

TEACHERS' voices and disenchantment with the school-based assessment (PBS) has finally been taken into account.

Things got so bad that a group of teachers showed up at a rally last month to protest against PBS with many saying they were not afraid of the repercussions of joining in the protest.

Now that the dust has settled, the hard work will begin. Announcements on the reduction of up to 80% of the teachers' workload has brought much cheer.

Although teachers have been told that they can input data in their own time, there must be clear guidelines from the Education Ministry on how this data is stored.

How will the information be backed up? What happens to students' records if systems crash? Students themselves have expressed fears of being treated like "rats in an experiment".

Tough questions indeed, but which need to be answered. The next few weeks will be important as the ministry unveils the guidelines and makes its explanations to teachers who will need to put them into practice.

Deputy Prime Minister Tan Sri Muhyiddin Yassin had on Tuesday announced that teachers will no longer have to key in data online.

Instead, they will enter the information into an offline system for their own records, as well as for parents who request the information.

"The data will be kept in the school for the teachers and parents to see and for reference purposes," he said.

The school-based assessment system (PBS) has been plagued with problems since it was implemented three years ago.

It was introduced in primary schools for Year One pupils in 2011 and Form One students in secondary schools in 2012.

Under the system, students will be assessed from time to time for all subjects, and will be given grades from Band 1 (the ability to recall information) to Band 6 (the ability to have higher order thinking skills and knowledge).

Apart from teaching and assessing their charges, teachers are required to key in online the grades and the learning outcomes of every student.

Despite the additional tasks required in evaluating students, teachers have been most frustrated at the delays in feeding data into the computer system. In fact, there have been countless instances when data entry was at a standstill. School authorities blamed it on the faulty computer system.

Parents had also complained about the lack of transparency or standardisation in the system, others are also saying that their children had become "lazy" because they no longer had to "study" for an exam.

Acknowledging the difficulties faced by teachers, the Education Ministry later announced that the PBS had been put on hold.

Parent Action Group for Education Malaysia (PAGE) chairman Datin Noor Azimah Abdul Rahim said the process of how teachers are assessing students must be reviewed from start to finish.

"Teachers need help. There must be a foolproof formula for teachers to emulate to ensure that all loose ends are 'neatened'. At the same time constant monitoring on the ground by an independent body is imperative for its success.

"There must be checks and parameters to ensure that there is standardisation and that teachers are conducting the assessment uniformly across all schools," she added.

New mechanism

Muhyiddin, who is also Education Minister, said the ministry was concerned about the issue of the implementation of the PBS, which was raised by the teachers.

He announced some key changes that would be effective from April 1.

Besides keying in data, in the past, teachers also had to use a Standard Performance Document (DSP) to keep track of the students' academic achievements. This involved recording a large number of "descriptors and evidence".

Muhyiddin said that under the rebooted PBS system, the DSP had been simplified to become a Student Learning Development Guide.

Teachers will teach using the national curriculum that is developed based on a theme, topic or skills for subjects that students must master. After that, they will assess the students' learning development based on their own observations and evaluations with reference to the guide.

"Teachers can record the students' mastery levels when it is convenient and use their own methods," he said, adding that these records would depict the students' learning progress and could be shared with parents.

"With this, teachers are no longer burdened with the collection of data and evidence of student work," he said.

He added that if parents wanted to find out more about their children's achievements, schools could prepare an achievement report by conducting monthly tests, as well as mid-year and year-end examinations.

National Union of the Teaching Profession (NUTP) president Hashim Adnan was sure teachers throughout the country would be happy to hear that they no longer had to wake up in the early hours of the morning to key in data.

"We are very happy that this matter has been resolved. It's been made very clear that teachers no longer have to use the online system," he said.

Congress of Teaching Services in National Education president Datuk Jemale Paiman hoped the Government would release a set of guidelines for all ministry officers and school administration to ensure standardised implementation.

Malaysian Federation of the Council of Headmasters chairman Ruslan Madon said headmasters would ensure that the improvements in the PBS would be implemented fully.

"The focus of the teachers should be on the classroom," he said.

As part of the old PBS system, teachers were also required to prepare a Student Development File and Transit Record.

They will no longer have to do this. Instead, student learning development can be recorded as and when the teacher is able to.

The ministry will conduct training for teachers to improve their skills in examining student responses.

Education director-general Datuk Dr Khair Mohamad Yusof was reported to have said that teachers can now record the mastery level of students in their own time, using their own methods.

He said the recording process will reflect the development of students during teaching and learning which can then be related to parents.

Dr Khair said briefings would be held on the implementation concept before PBS was launched on April 1 for officers from state education departments, district education officers and teachers.

Teachers, he added, will also be trained to mark students' answers.

Noor Azimah said that measures must be put in place to ensure that the data was recorded and kept on a daily basis and proper enforcement was in place so that teachers and students do not slack.

"As it stands we are not confident that the present system will work without the appropriate interventions. Otherwise our children are doomed and so are our teachers who are enslaved by such a system," she said.

Muhyiddin said the Pentaksiran Tingkatan 3 (PT3 or Form 3 Assessment) would replace the Penilaian Menengah Rendah (see sidebar).

"Training is a key aspect in ensuring that teachers can carry out the assessment.

"The ministry will provide training so that teachers understand the assessment concept and practice it in the teaching and learning process."

The ministry will also conduct training for teachers to improve their skills in examining student responses.

Concerned parents

While the burden on teachers may have reduced, parents are concerned about the changes that have been made, which will roll out in about a week.

The new information about the PBS is daunting news for parents such as Nina Abdullah, who has a son in Form Three.

"I called the school to find out what PT3 is and the school is also in the dark," she said, adding that she had even called the Education Ministry to get more information but was given the "run around".

She spoke to someone from the "special team" handling queries on the PT3 - called the Wall Room (bilik dinding) - and even they were not able to provide answers.

"They kept saying 'as soon as we know, we will put it up on the website'," Nina said.

"What is going to start on April 1? What subjects are going to be assessed?

"Is it going to be a written exam? Or is (the assessment) going to be spread out over the year?" she asked, highlighting some of her most pressing questions, which she had not been able to obtain answers to.

Another parent Rani Chandra*, who has a daughter in Form Three, said that while she was glad that the workload of teachers will be reduced, "there are still many unresolved and worrying issues".

"What is the content coverage and format?" she asked.

"Are students still expected to cover the Forms One and Two syllabi for assessments in Form Three?"

She also asked what the criteria for moving up to Forms Four and Five would be.

Toh Boo Huat who has a son in Year Six, brought up other concerns.

In response to the announcement that teachers would no longer have to save the information online, he asked: "What about backup of such data against disk failure, virus attack and so on?"

NUTP secretary-general Lok Yim Pheng said the Education Ministry needed to ensure proper dissemination of information so that there would be no more confusion among teachers.

Schools, she added, need to take quick action and inform parents too.

*Names have been changed.



17. Petronas a global success

PETALING JAYA: With its international operations delivering almost 20% production growth last year, success abroad has not come easy for Petroliaam Nasional Bhd (Petronas).

The national oil company has had to manage its portfolio delicately - especially in geo-politically charged countries, allowing it to come out ahead of many international oil companies in some of these challenging frontiers.

Petronas was the first oil and gas firm to venture into conflict-fraught South Sudan following its independence from Sudan in 2011.

But during the first period of civil war in 2011, its production plunged to 23,000 barrels per day (bpd) from 147,000 bpd.

As pipeline disputes between the neighbouring countries were resolved, Petronas was able to resume its pre-war production levels in record time - putting 80% of its oil back on stream in mid-2013 after a 15-month wait.

However, cultural tensions soon boiled over again, forcing Petronas to shutter its operations in two of its three fields at the end of last year.

Petronas has more than 100 employees and contractors there in three joint-operating companies.

This makes South Sudan one of its most prized international assets, contributing what industry sources believe to be a quarter of the company's international production portfolio prior to the recent civil conflict.

"Sudan and South Sudan have done very well despite the security issues," Petronas executive vice-president for exploration and production Datuk Wee Yaw Hin told StarBiz in a recent interview.

"We must look at it as a long-term investment. Production from Sudan and South Sudan average about 220,000 bpd today.

"Despite zero production for many years, we didn't have to make any impairments for our operations there because we have made so much money and the remaining value is huge."

In Iraq, where Petronas operates the four blocks, the Garraf field delivered first oil on Aug 31, marking the first greenfield project for Iraq a decade after the war.

Estimated to deliver 230,000 bpd of oil by 2017 when in full commercial production, Petronas' foray into Iraq began in 2010 with the signing of a 20-year production sharing contract with Japanese and Iraqi partners for Garraf.

The group has three other assets in Iraq including Halfaya, Majnoon and Badra. Its operations in Majnoon also delivered first oil in 2013, while the remaining two fields are expected to come on stream this year.

Currently producing over 500,000 bpd of oil equivalent, Petronas expects its overseas asset portfolio to grow in the mid term.

Industry sources indicate that it has hired nearly 1,500 new staff members in the past 12 months - many of whom have field exposure abroad, onshore and offshore experience and across technical and management roles.

At the same time, Wee and his team have put up various capability building facilities and programmes to ensure the group's workforce is ready to support its business growth.

This includes the setting-up of the Petronas Unconventional Hydrocarbon Centre and the Instep Integrated Oil and Gas Training Centre.

The latter offers comprehensive hands-on courses for a wide variety of roles, including drillers, production technicians, rig operators, project managers and others.



Wednesday March 26, 2014

18. Shrimply the best way to create jobs, says deputy CM

KOTA KINABALU: A controversial shrimp farm project in Sabah's northern Pitas district is expected to be fully operational by 2016.

Amid concerns raised by some locals over the RM1bil Entry Point Project (EPP) under the National Key Economic Area (NKEA), Deputy Chief Minister Datuk Yahya Hussin said the project would help to improve the livelihood of the local people.

Yahya, who is state Agriculture and Food Industry Minister, said the project at Sungai Telaga would create entrepreneurs among the poor in the local community.

He said 20% of the basic infrastructure incentive fund would be provided by the private company undertaking the project, in which some locals have alleged that a virgin mangrove swamp had been destroyed without an environmental impact assessment (EIA) being conducted.

Yahya, who visited the project in Pitas, said as many as 200 participants would be trained to become entrepreneurs and could earn up to RM4,000 monthly per pond of shrimps.

"The project will generate 3,600 job opportunities that can improve standard of living and socio-economic conditions in Pitas," he added.

Yahya also urged youths in Pitas to participate in shrimp farming to develop their own ventures, and in turn, become successful entrepreneurs.

He said that when completed, the project would enable the export of up to 20,000 tonnes of shrimps annually from the area alone, compared with the current 14,000 tonnes for the whole of Sabah.

Yahya said the project was also expected to contribute RM700mil to the gross national income through exports by 2020 with shrimps fetching up to RM31 per kilo.

His visit comes amid reservations by local people over the project by Sunlight Inno Seafood Sdn Bhd, a joint venture between a private company and a subsidiary of Yayasan Sabah to develop the aqua-culture industry on a 1,600ha area.

Sunlight Inno Seafood has refuted reports that it was involved in the clearing of about 1,600ha of pristine mangrove forest in the Sungai Elo area in Pitas and assured that it would work with the Wildlife Department to protect proboscis monkeys in the area.



Friday March 28, 2014

19. RM11bil power plant project awarded via competitive bidding

THE Government has defended the awarding of a multi-billion ringgit power plant project to 1Malaysia Development Bhd (1MDB), saying that it was done via competitive bidding.

Energy, Green Technology and Water Minister Datuk Seri Dr Maximus Ongkili dismissed claims by Rafizi Ramli (PKR-Pandan) that the estimated RM11bil contract was given to 1MDB without any bidding.

Dr Ongkili said that four companies had vied for the Track 3B power plant project.

"We short-listed two companies - 1MDB and YTL Power International Bhd. The rate proposed by YTL was 25.12 sen per kiloWatt hour (kWh), while 1MDB suggested a rate of 25.33 sen/kWh.

"However, the contract was awarded to 1MDB for several reasons, including the fact that YTL failed to fulfil requirements that the technology used for the project must be tried and tested," he said during question time.

Dr Ongkili said YTL had proposed to use technology that had not been proven effective.

"We do not want our country to be a test bed of that size," he said, adding that other reasons for 1MDB to be chosen was because it offered "the second lowest rate".

To a question from Datuk Wira Othman Abdul (BN-Penang) on the rationale behind raising the electricity tariff when Tenaga Nasional Bhd had a profit of RM1.73bil, Dr Ongkili said while the company's nett profit on Aug 31 last year was RM4.1bil, it was not enough to balance out the cost of power generation and distribution.

"The Government is continuously checking and discussing with independent power producers," he added.



Sunday March 30, 2014

20. Najib launches masterplan to boost Langkawi tourist arrivals



Prime Minister Datuk Seri Mohd Najib Tun Razak (right) listening to briefing by Chairman of Albukhary Group Tan Sri Syed Mokhtar Albukhary (left) on the Perdana Quay Masterplan.

LANGKAWI: Prime Minister Datuk Seri Najib Tun Razak on Sunday launched the Perdana Quay Development Masterplan here and expressed the hope to see three million annual tourist arrivals to this legendary island, injecting RM3.8bil into the economy.

He said tourism was a key element of the Economic Transformation Programme (ZETP) to turn Malaysia into a high-income nation by the year 2020.

"I want to see three million tourist arrivals here each year, bringing RM3.8bil into the economy and creating at least 4,200 new jobs for Malaysians," he said at the launch.

Najib said that six years from now, the government wanted to welcome 36 million tourists to Malaysia and collect RM168bil in receipts annually - or more than RM3bil per week.

"It is an ambitious target, yes, but we are well on the way to reaching it. This year alone, 28.8 million people are set to visit Malaysia, an increase of 12 per cent on last year.

"We are now the second most-visited destination in all of Southeast Asia," he said.