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## Swiss trial begins of banker alleged to have ignored 1MDB warnings

A banker went on trial in Switzerland charged with failing to sound the alarm over millions of dollars linked to scandal-tainted Malaysian sovereign wealth fund 1MDB. The former anti-money-laundering executive at private bank Coutts & Co Ltd denies any wrongdoing.

Swiss markets watchdog FINMA in 2017 ordered Coutts to pay 6.5 million Swiss francs (\$6.7 million) for breaching money-laundering regulations in its business linked to 1MDB, but dropped its own proceedings against the executive.

28 May 2020, Reuters

Full Article:

<https://www.reuters.com/article/us-swiss-trial/swiss-trial-begins-of-banker-alleged-to-have-ignored-1mdb-warnings-idUSKBN232299>

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## Malaysia's ruling party dumps Mahathir, dissenters



Malaysian Prime Minister Muhyiddin Yassin's ruling party terminated the membership of his predecessor Mahathir Mohamad (pic), a move widely seen as an attempt to consolidate power as he faces a possible challenge to his nascent premiership.

Mahathir, 94, had said he would seek to oust Muhyiddin from office for making a "backdoor arrangement" that brought back into power a graft-tainted party rejected by voters in an election in 2018.

In a letter circulated widely on social media, the party stated that Mahathir automatically ceased to

be a member after he made a show of rejecting Muhyiddin's leadership as prime minister and party president by sitting with the opposition when parliament met last week.

Similar letters were also issued to Mahathir's son and party deputy president, Mukhriz, and three others aligned with the former prime minister.

Muhyiddin, once a trusted lieutenant to Mahathir, unexpectedly emerged as prime minister in March after forging an alliance with the former ruling party, the United Malays National Organisation, to gain a parliamentary majority.

The opposition have accused him of stealing power by shifting alliances instead of earning it at the ballot box. Mahathir, who resigned the premiership in February as his multi-ethnic ruling coalition collapsed, has said he will seek a confidence vote in Muhyiddin's leadership.

28 May 2020, Reuters

Full Article: <https://www.reuters.com/article/us-malaysia-politics/malysias-ruling-party-dumps-mahathir-dissenters-idUSKBN2342AH>

## Malaysia's Axiata to pick two 5G vendors, in move that could curb reliance on Huawei



Axiata Group Bhd (pic), Malaysia's third-biggest telecom operator by subscribers, said it would select two equipment suppliers to roll out 5G services, opening the door for the likes of Ericsson to fight it out with dominant player Huawei.

Huawei Technologies [HWT.UL], the world's top telecoms equipment maker, has been a long-time vendor for Axiata and the two companies have a preliminary agreement to work together on deploying Malaysia's fifth-generation (5G) technology services, slated for later this year.

Axiata, which is eyeing spending at least \$1 billion over as many as five years on the cutting edge technology at home, has not yet signed any other 5G agreement.

"Generally we like to have two vendors, and in Malaysia, generally it would be these two," Axiata Chief Executive Jamaludin Ibrahim told Reuters on Saturday, referring to Huawei and Sweden's Ericsson.

Axiata is confident of securing supplies from Huawei despite the U.S. Commerce Department this month expanding the country's authority to require licenses for sales to Huawei of semiconductors made abroad with U.S. technology. The United States says Huawei's equipment can spy on customers, a charge the company denies.

Jamaludin said the security matters have been discussed between its representatives, the government and Huawei. Jamaludin said Axiata could spend at least \$1 billion on 5G in Malaysia over the next three to five years and was in talks with rivals to jointly deploy the services with one or two partners to cut costs. He declined to name the parties.

27 May 2020, Reuters

Full Article: <https://www.reuters.com/article/us-axiata-group-malaysia-5g/malaysias-axiata-to-pick-two-5g-vendors-in-move-that-could-curb-reliance-on-huawei-idUSKBN2330LD>

## Malaysia's FGV optimistic on recovery from sharp quarterly loss

Malaysian palm giant FGV Holdings reported a deep first-quarter loss on lower output and a demand slump due to the COVID-19 pandemic, but was upbeat that the return of top buyers India and China will boost its performance in the second half of the year.

First-quarter crude palm oil output from the world's largest palm producer fell 33% year-on-year because of reduced fertilizer application and dry weather conditions last year, but FGV expects yields to normalize in the next month.

The company aims to produce 4.5 million tonnes of crude palm oil this year, it said, up from 4.4 million tonnes in 2019.

"With Indian trade restored, and the easing of Malaysia's movement control order, sales are expected to pick up in tandem with production, as the impacts of drought and fertilizer adjustments in 2019 wane," according to Chief Executive Officer Haris Fadzilah Hassan.



FGV said that while sales volume fell during the quarter ended on March 31, it has secured sales to India for delivery in June and July. It has also signed an agreement with an India-based company to strengthen its participation in the food products market there, giving no further details.

Haris Fadzilah also said there are signs that other countries, including China, plan to replenish palm oil supplies as they lift their coronavirus lockdown measures.

FGV expects crude palm oil (pic) prices to trade between 2,200 to 2,400 ringgit per tonne this year.

Haris Fadzilah said FGV is also exploring potential acquisitions in the food processing sector, signaling interest in companies that need palm oil and sugar, its main products. FGV reported a net loss of 142.3 million ringgit for the quarter, compared with a loss of 3.37 million ringgit in the same period last year.

Revenue fell 15% to 2.78 billion ringgit.

28 May 2020, Reuters

Full Article: <https://www.reuters.com/article/us-fgv-outlook/malysias-fgv-optimistic-on-recovery-from-sharp-quarterly-loss-idUSKBN2341AY>

## Malaysia says second virus cluster breaks out at migrant detention centers

A new cluster of coronavirus infections has broken out in Malaysia at a detention center for undocumented migrants.

Malaysia has this month arrested more than 2,000 foreigners for not having permits that allow them to be in the country following raids in areas under lockdown. The centers they are detained in are often crowded, with dozens of migrants packed in a single cell.

The United Nations and rights groups have called on Malaysia to stop the crackdown and criticized authorities for going after a vulnerable community during the pandemic. The Southeast Asian country has so far reported 7,185 virus infections and 115 deaths.

The health ministry said 21 cases were identified at the Semenyih detention center near the capital Kuala Lumpur, which houses around 1,600 detainees.

In recent weeks, there has been public anger towards refugees and other foreigners, who have been accused of spreading disease, burdening the state and taking jobs as the economy plummets. Rohingya refugees in particular have been targets of harassment and threats.

23 May 2020, Reuters

Full Article: <https://www.reuters.com/article/us-health-coronavirus-malaysia/malaysia-says-second-virus-cluster-breaks-out-at-migrant-detention-centers-idUSKBN22Z0IR>

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## Malaysian wins landmark right to challenge Muslim gay sex ban

Malaysia's top court has given the go-ahead for a man to challenge an Islamic ban on sex "against the order of nature", in a test case for gay rights in the mostly Muslim country.

LGBT+ rights groups say Islamic laws have been increasingly used to target the country's gay community, with a rise in arrests and punishments ranging from caning to jailing.

The Muslim man in his 30s, whose name has been withheld by his lawyer to protect his privacy, filed the lawsuit after he was arrested in 2018 for attempting gay sex, which he denies.

Same-sex acts are illegal in Muslim-majority Malaysia, although convictions are rare. The country, which has 13 states, has a dual-track legal system, with Islamic criminal and family laws applicable to Muslims running alongside civil laws.

The man argued that central Selangor state, site of his arrest, has no power to enforce an Islamic ban on "intercourse against the order of nature" when gay sex was already a crime under civil laws.

27 May 2020, Reuters

Full Article:

<https://www.reuters.com/article/us-malaysia-lgbt-rights-trfn/malaysian-wins-landmark-right-to-challenge-muslim-gay-sex-ban-idUSKBN23322F>

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## Coronavirus: Singapore-style stimulus not for Malaysia, Indonesia and Thailand, say economists

The latest tranche of measures brings Singapore's stimulus spending to US\$65 billion, or about 20 per cent of GDP, putting it alongside Germany and Japan. Markets gained on hopes its neighbours would follow suit, but analysts said without deep reserves, countries should consider the risks of ultra-cheap loans

Economists say Southeast Asian governments should heed this axiom in fiscal policy as they decide whether to follow regional economic powerhouse Singapore in adding to their already massive rounds of stimulus this year.

The island republic caught observers off guard as the Deputy Prime Minister Heng Swee Keat announced a new S\$33 billion (US\$23 billion) round of support measures to save as many jobs as possible with the coronavirus pandemic expected to bring about the country's worst ever recession.

Market watchers had expected a less substantial supplement to the three rounds of measures that Heng, who is also the finance minister, has unveiled since February. With the latest injection, Singapore's stimulus now amounts to S\$92.9 billion, or 19.2 per cent of GDP.

Germany and Japan are the only other countries that have spent close to 20 per cent of GDP in coronavirus-related stimulus. Unlike the two economic juggernauts, however, Singapore did not borrow to fund its measures. Instead the government has drawn down S\$52 billion – about 56 per cent of the total extraordinary spending – from its fiscal reserves of over S\$1 trillion. Public debt in the country is fully backed by assets by law.

Neighbours such as Indonesia, Thailand and Malaysia do not have such deep reserves, and while they can tap ultra-cheap loans, observers say economic decision makers should do so only after careful deliberation of local factors.

Analysts said Southeast Asia countries would be better off ensuring the support they had already rolled out was efficiently executed.

28 May 2020, South China Morning Press

Full Article: <https://www.scmp.com/week-asia/economics/article/3086399/coronavirus-singapore-style-stimulus-not-malaysia-indonesia-and>

## Is coronavirus fatal for US\$25 billion Singapore-Malaysia high-speed rail link?



The cost of the project was a sticking point even before Covid-19 caused economic havoc and put a question mark over the future of travel. Is this ‘game-changing’ project facing the end of the line, or just another delay?

May 31 was supposed to have been decision day on the future of the high-speed rail link between Malaysia and Singapore, but as the neighbours count their pennies amid the coronavirus-induced economic slowdown, all signs point to a further delay on a final decision.

Analysts expect a lively debate in the months ahead on whether the 110 billion ringgit (US\$25 billion) project – once touted as a “game changer” for often-testy bilateral ties – will remain viable in the post-pandemic era.

This Week in Asia understands the two countries may soon announce an extension to the deadline, with both sides still keen to carry on with the development. Under the original agreement signed in 2016, construction on the project was to have been well under way by now.

But the Pakatan Harapan alliance, unexpected victors of the 2018 polls over the long-ruling administration of then leader Najib Razak – an ardent supporter of the rail link – negotiated an extension until May 2020 to decide whether to go through with the project.

The alliance cited the huge national debt incurred by Najib and agreed to pay Singapore S\$15 million (US\$10 million) for costs incurred for the delay. A unilateral cancellation would have triggered a far more hefty penalty, and Malaysia remains liable for that fee if it decides to go down that route.

Transport industry observers said this was extremely unlikely, given the collapse of Pakatan Harapan in March’s political coup.

The new administration led by Prime Minister Muhyiddin Yassin relies heavily on the support of Najib’s United Malays National Organisation (Umno), which favours the rail project

24 May 2020, South China Morning Press

Full Article: <https://www.scmp.com/week-asia/politics/article/3085720/coronavirus-fatal-us25-billion-singapore-malaysia-high-speed>

## Coronavirus: thousands of Malaysians ignore travel ban to head home for Eid celebrations



As the end of Ramadan approaches, Malaysia has banned interstate travel after police stations were inundated with requests for special dispensations. Thousands of cars have been turned back from police roadblocks already, and many others are using back roads to dodge the police

Concerns over the spread of Covid-19 appear to have taken a back seat on the eve of Eid in Malaysia, with thousands of citizens attempting to circumvent a strict ban on interstate travel to return to their hometowns.

The government introduced the ban this week after thousands of Malaysians turned up at police stations hoping to obtain special dispensations to cross state lines – something meant to be reserved for emergencies such as deaths in the family.

Those found flouting the interstate travel rules would be given on-the-spot fines, said Senior Minister Ismail Sabri Yaakob. The minister said the ban – needed to prevent the coronavirus from spreading into previously uninfected areas, particularly in rural states – had prompted an even larger exodus as “many tried to take advantage and attempted to cross last night before summons are issued”.

Thousands of Malaysians have ignored the directive and attempted to travel to their hometowns to celebrate the end of the Holy Month of Ramadan anyway. A reported 5,000 cars were turned back from police roadblocks between Tuesday and Wednesday.

22 May 2020, South China Morning Press

Full Article: <https://www.scmp.com/week-asia/health-environment/article/3085608/coronavirus-thousands-malaysians-ignore-travel-ban>

## Coronavirus: visitors entering Malaysia must pay for mandatory quarantine, minister says

Malaysian citizens returning from abroad will have to pay 50 per cent of the US\$34 per day cost while non-citizens have to bear the full expense. Ismail Sabri said visitors would have to sign a letter agreeing to pay before they can make the trip to Malaysia

All those entering the country will have to bear the cost of mandatory quarantine and are to sign a letter agreeing to pay before they can make the trip to Malaysia, Senior Minister Ismail Sabri Yaakob said.

Ismail Sabri said with the latest policy, Malaysians would pay half the cost of quarantine services while non-citizens, including spouses and family members of Malaysian citizens, had to bear the full cost.

“This will take effect from June 1 as Malaysia will continue to impose compulsory quarantine on those who return from abroad to prevent the spread of Covid-19,” he said at his daily media briefing.

Ismail Sabri said the National Security Council had decided that Malaysian citizens would pay 50 per cent of the full charges of RM150 (US\$34) per day.

“Non-citizens, including spouses and dependents of Malaysian citizens, will have to pay the full amount,” he said.

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With the latest policy, Malaysians would pay half the cost of quarantine services while non-citizens, including spouses and family members of Malaysian citizens, had to bear the full cost.

Since April 3, the government had enforced compulsory quarantine for all Malaysians returning from abroad.

21 May 2020, South China Morning Press

Full Article: <https://www.scmp.com/news/asia/southeast-asia/article/3085379/coronavirus-visitors-entering-malaysia-must-pay-mandatory>

## Winds of change in Malaysia's durian industry as COVID-19 pushes sellers online



Durian stalls have sprung to life in the Klang Valley, announcing the arrival of the durian season. Up north in Penang, the government is moving durian sellers into markets, barring the usual roadside stalls that beckon lines of connoisseurs at a time when large gatherings are frowned upon.

On Facebook, durian sellers are promoting their harvest with options to deliver right to the customers' doorsteps. With people's movement limited by a nationwide curb to contain the spread of COVID-19, home delivery can help overcome a drop in walk-ins.

With consumers likely to remain cautious even though dine-in has been permitted at restaurants since early May, the glorious scenes of people crowding durian stalls and baskets of durian husks lining the stalls might not be seen this durian season.

27 May 2020, Channel News Asia

Full Article:  
<https://www.channelnewsasia.com/news/asia/malaysia-a-durian-industry-covid-19-pushes-sellers-online-12756206>

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### Malaysia tightens border control to guard against import of COVID-19 cases by illegal immigrants

Malaysia is beefing up its border monitoring to prevent foreigners from entering via illegal routes and potentially importing COVID-19 infections.

Additionally, more than 300 illegal immigrants were nabbed at the borders this month, said Senior Minister Ismail Sabri Yaakob in a press conference on Thursday (May 28).

“The government takes seriously the entrance of illegal immigrants into the country and we feel the fear, especially at this time (of the COVID-19 pandemic).

“So we have started 'Ops Benteng' where the maritime agency, the military as well as the police are working together in monitoring the borders, especially illegal routes that can be used by immigrants to enter illegally,” he said.

Mr Ismail Sabri, who is also defence minister, also raised his concern over possible re-entry of foreign workers who have earlier left Malaysia for Hari Raya Aidilfitri celebrations back home.

28 May 2020, Channel News Asia

Full Article:  
<https://www.channelnewsasia.com/news/asia/malaysia-tightens-border-control-to-guard-against-import-of-12779494>

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## Malaysian PM Muhyiddin denies rumour he was in Singapore for medical treatment

Malaysian Prime Minister Muhyiddin Yassin has denied rumours that he was in Singapore for medical treatment.

Rumours of Mr Muhyiddin being in Singapore for treatment, following a previous surgery for pancreatic cancer two years ago, came amid other rumours that the Perikatan Nasional coalition, which took power in March, had lost its majority and that the deposed Pakatan Harapan coalition now had 130 members of parliament.

Mr Muhyiddin was placed under quarantine after attending a meeting where one official tested positive for COVID-19 just before Hari Raya.

When the Malaysian parliament sat on May 18, King Abdullah Ri'ayatuddin Al-Mustafa Billah Shah warned lawmakers against dragging the country into another political crisis during a period of uncertainty as ordinary Malaysians face the twin pressures of COVID-19 and economic duress.

28 May 2020, Channel News Asia

Full Article:  
<https://www.channelnewsasia.com/news/asia/malaysia-pm-muhyiddin-rumour-singapore-treatment-untrue-12780070>

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## From face masks to alcohol, fake goods in Malaysia are putting lives in danger

Today, counterfeiters are targeting not only luxury brands but a range of goods, and some of the trends are frightening because of the products involved.

In March, in an operation dubbed Pangea XIII, Interpol led enforcement agencies from 90 countries to scour the Internet for fake medical items.

In one week, they uncovered around 600 cases of counterfeit surgical masks sold online. It led to the seizure of 34,000 fake or sub-standard masks. One of the countries engaged in the operation was Malaysia, where the problem of counterfeits is endemic.

Today, counterfeiters are targeting not only luxury brands but a range of goods, from high-street beauty products to car spare parts, with implications for road safety. Even food is now being faked, either labelled a certain brand that did not come from that manufacturer, or more insidiously, the content of the food might not be what it is claimed to be.

In February last year, for example, Malaysian authorities disposed of RM450,000 (S\$147,000) worth of fake and illegal goods — including food items — in Penang, where there were nearly 100 reports of counterfeit food items last year.

27 May 2020, Channel News Asia

Full Article:  
<https://www.channelnewsasia.com/news/cnainsider/face-masks-alcohol-fake-goods-malaysia-are-putting-lives-danger-12772324>

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## **'We have to ration our meals': Malaysians share their struggles after COVID-19 left them jobless**

Over the last two months, Firdaus Feeq's life has been turned upside down. At the beginning of March, the 31-year-old was the owner of a photography studio rental company.

However, after the COVID-19 pandemic grabbed hold of Malaysia, Firdaus was forced to let go of his employees and "put the company to sleep".

The coronavirus had dissipated all remaining sources of income for the firm. The movement control order (MCO) announced by the Malaysia government on Mar 18 to curb the spread of COVID-19 meant that there would be no photo shoots, weddings or corporate video projects.

Compounded with the prospect of not being able to make any money over the next few months, Firdaus and the other owners decided to dismiss their workers and close shop.

The Ramadan and Hari Raya period is typically a busy month for Firdaus and his team, as they usually make three or four times more than other months. However, this year, he stayed at home and sometimes freelanced by offering essential photography services when the MCO restrictions were eased.

In figures released on May 8, Malaysia's Department of Statistics announced that the country's unemployment rate for March was at 3.9 per cent, or 600,000 people, the highest in almost a decade.

25 May 2020, Channel News Asia

Full Article:

<https://www.channelnewsasia.com/news/asia/malaysia-covid-19-jobless-unemployed-hari-raya-12754790>

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## **Malaysia still using hydroxychloroquine to treat COVID-19 patients; health ministry monitoring side effects**

Malaysia's health ministry will continue to use hydroxychloroquine in trials to treat COVID-19 patients, said its director-general Noor Hisham Abdullah on Tuesday (May 26), adding that authorities will closely monitor any side effects.

The anti-malaria drug is known to cause several side effects such as irregular heartbeat and blurred vision. The World Health Organization (WHO) said on Monday that it is suspending testing the drug in COVID-19 patients due to safety concerns.

"As you may know, it has side effects, which vary from person to person, so there needs to be close monitoring by doctors," Dr Noor Hisham told reporters at a media conference.

"For example, if a patient has rapid heartbeat, then we will immediately stop usage of the drug in order to prevent heart failure and so on."

Hydroxychloroquine has been touted by Donald Trump and others as a possible treatment for the disease. The US president has said he was taking the drug to help prevent infection.

The WHO had previously recommended against using hydroxychloroquine to treat or prevent coronavirus infections, except as part of clinical trials.

26 May 2020, Channel News Asia

Full Article:

<https://www.channelnewsasia.com/news/asia/covid-19-malaysia-hydroxychloroquine-still-using-treatment-12771770>

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