

PAST EVENTS



29 September 2020
The Everly Putrajaya



3 September 2020
The Everly Putrajaya



14 May 2020
Kuala Lumpur (LIVE @ Zoom)



29 April 2020
Kuala Lumpur (LIVE @ DingTalk)



9 January 2020
The Everly Putrajaya



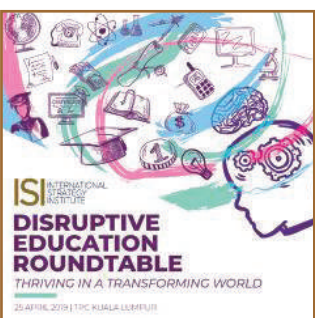
7-8 November 2019
Midtown Shangri-La, Hangzhou China



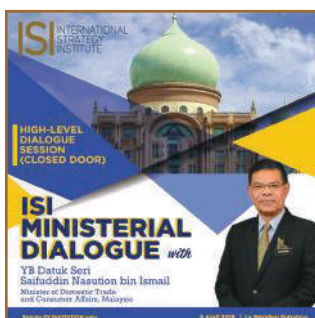
5 September 2019
Sunway Resort Hotel & Spa



28 May 2019
The Everly Putrajaya



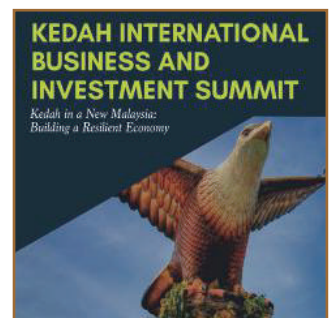
25 April 2019
TPC Kuala Lumpur



9 April 2019
Le Meridien, Putrajaya



29 February 2019
Hotel Equatorial Penang



13 December 2018
Aloft Langkawi



9-10 November 2018
Palace of the Golden Horses, Seri Kembangan, Selangor



18 October 2018
Connexion Conference & Event Centre, Kuala Lumpur



18 September 2018
Sime Darby Convention Centre, Kuala Lumpur



4 September 2018
Sime Darby Convention Centre, Kuala Lumpur

ABOUT INTERNATIONAL STRATEGY INSTITUTE (ISI)

The International Strategy Institute (ISI) is a not-for-profit organisation that helps connect governments and businesses across Asia. We stand for universal ethical business values such as equality, transparency, fair trade, and sustainable development.

Our dialogues, research and networking platforms, are designed to drive economic growth in the region. We aim to:

1. Build platforms for regional dialogue and networking opportunities that allow businesses, industry captains and governments to come together to drive economic growth of the region;
2. Provide timely research to keep our members and governments informed and updated on global trade and political issues that may have an impact on their operations;
3. Match businesses to the right investors and to ensure that the companies are paired with the right strategic investment partner

VISION AND MISSION

International Strategy Institute (ISI) aims to be the leading regional connector and networking platform for governments and businesses across Asia and the Pasific.

Through our networking events, conferences, and rigorously research publications, we hope to promote a robust Asian business environment that is strategic, inclusive, innovative and sustainable.

KEY STRATEGIC THRUSTS





2ND MALAYSIA TAX POLICY FORUM

"Tightening Malaysia's Fiscal Regime Amidst Covid-19"

29 September 2020 | The Everly Putrajaya

On 29 September 2020, ISI organised the 2nd Malaysia Tax Policy Forum at The Everly Putrajaya. The Forum was attended by about 190 participants from the relevant government agencies, private sector practitioners, academia and the NGO sector. With this year's theme, *"Tightening Malaysia's Fiscal Regime Amidst Covid-19"*, the Forum focused on issues such as whether GST is the best tax regime for the country amidst a fiscal deficit and the Covid-19 pandemic, taxation of the rich segment of society, a comparative tax analysis between Asian countries, including a special head-to-head session with Datuk Mohd Nizom Sairi, the Deputy CEO (Tax Operation) of the Inland Revenue Board of Malaysia (LHDN).

The Forum started off with an introductory speech by Mr. Fazil Irwan Som, the Executive Director of the International Strategy Institute, who highlighted the difficulties of the Covid-19 pandemic and how it has severely affected our fiscal situation. He went on to question whether GST would be a better tax regime that can help secure a better fiscal balance in the country. *He also highlighted the delicate balance of taxation when it comes to the rich sector of society, especially when it concerns economic growth and tax evasion. Mr. Fazil also compares high tax nations and low tax ones and the merits of both regimes and their respective contexts.*

The first session on *"Should we bring back GST to Improve Fiscal Health?"* deep dives on the merits of GST as a better tax regime for Malaysia. Overwhelmingly the panellists argued that GST is a better tax regime because of the wider coverage from 100,000 business registrants during the SST regime to 480,000 businesses under GST. GST also does not contain hidden taxes like SST which can snowball to higher prices for consumers. GST also helps in reducing the size of the black economy and get more people in the bandwagon to pay taxes.



The second session is an interesting *debate on whether we should tax the rich and whether that taxation will impede economic growth*. Though there is an argument in favor of taxing the rich, especially on their consumption of luxury goods and inheritance tax, the session overwhelmingly skewed to the argument that we need to be careful to tax the rich because they bring significant economic value to society and lots of job creation, which might be impacted negatively if a regressive tax is put in place. If at all, there should be a tax on politicians.



The third session compares Malaysia's tax rate to its Asian neighbors. The summary is that Malaysia *needs to maintain a competitive tax framework if it is to encourage foreign investments and retain domestic talents to lower tax countries*. Malaysia should widen the tax base especially the informal economy. Malaysia is doing well from a tax perspective compared to neighbouring countries but they seem to be working to lower the tax rate and Malaysia might lose attraction and become uncompetitive on that. *The trust deficit between Malaysians and the government must be fixed*.

The final special session with Datuk Nizom Sairi, Deputy CEO of LHDN (Tax Operation) highlights several indicators in terms of the effectiveness of the Malaysian tax system. The individual tax rate in Malaysia is 28% while Thailand and Vietnam are higher than that which is 35%. There is no single bracket of tax rates that will be effective for all the countries. On top of that, *compliance rate is one of the indicators in terms of the effectiveness of the tax system*.



Advanced economies such as Australia and many countries in Europe usually have a higher tax bracket but generally translates into better infrastructure. Free education in Germany is up to undergraduate education. However, it's not just the tax rate, it is about **effective management of the tax revenue**. **If Malaysia which is a relatively young nation propose to increase the tax rate, tax revenue will be much lesser than Japan and Singapore that have higher tax rates since people who are active individuals in the tax bracket are just around 10% as compared to the total population**. Higher tax rates in Malaysia will not have a huge impact on the total revenue collected by the government. There are other sources for the government to improve the infrastructure in the country such as private initiatives.



Despite indirect tax and direct tax being administered by the same organization in many countries, indirect tax is being administered by the Customs Department while direct tax is accessed by the Inland Revenue Board in Malaysia.

There might be a lot of advantages if these two taxes are administered by the same organization. Taxing the rich more and the poor less is true in general, but the government should not leave out anybody from being taxed. Everybody has the responsibility to contribute. Only 10% of the population in Malaysia is paying tax, hence, the government should widen the net rather than dig deeper into a smaller one. GST is one of the ways for the government to widen the net by focusing on lower income bracket population. **The study from IDEAS showed the additional GST revenue will be sufficient enough to provide free education to tertiary level for Malaysian youth.**

Nevertheless, people feel displeasure when the government taxes the lower rank of the population. Therefore, LHDN starts a tax education at a very young age by teaching students in primary schools and kindergartens about the concept of the responsibility of contributing to the country.



2ND MALAYSIA ANTI-CORRUPTION FORUM

“Restoring Trust and Building a Culture of Integrity”
3 September 2020 | The Everly Putrajaya



Corruption has indeed created a devastating impact on the economy, deprived our people of a better life and impeded the growth of our nation. It is conventional wisdom that security is the precursor to social capital - without which a legitimate government based upon the aspirations of the people would not function. Integrity, rule of law, public order and sustainable development is needed to succeed in this globalised and interconnected world. In Malaysia, where communities from different races and religions live side by side, the very issue of law and order is imperative. The protection of the lives, civil liberties and property of the people is not a matter that is taken lightly in Malaysia.



On 3 September 2020, ISI organized the 2nd Malaysia Anti-Corruption Forum at The Everly Putrajaya. The Forum was well attended about 250 participants from the government, private sector, academia and NGOs. With this year theme, “Restoring Trust And Building A Culture Of Integrity”, the Forum focused on the importance of trust and culture of integrity in our constant journey towards nation-building. As we step into the 2nd year of deliberating these critical issues, notwithstanding the global pandemic we are in right now, it is important that we ask what we, collectively, have achieved so far. Our resolve to restore public integrity cannot be achieved through a piecemeal basis. A holistic plan is needed to undertake this massive undertaking as it involves the changing of hearts and minds of the general population. The road to eradicate corruption seems like a never-ending path. This journey will be smoother and swift if we put in collaborative effort between all relevant stakeholders in this country.

Dato' Sri Shamshun Baharin bin Mohd Jamil, Deputy Chief Commissioner (Prevention) of the Malaysian Anti-Corruption Commission (MACC), in his opening keynote address commended that Malaysia has shown progress over the years as we are ranked at 27 at the World Economic Forum Global Competitiveness Index in 2019 and at 51 at the Transparency International Corruption Perception Index in 2019. One of the factors as he pointed out for the improved ranking was the introduction of the corporate liability law and the launching of the National Anti-Corruption Plan 2019 to 2023. The new Section 17A of the Malaysian Anti-Corruption Commission Act 2009 stated that any Malaysian company is included whether they are carrying out a business in Malaysia or elsewhere. The liability also extends to foreign companies carrying on a business or part of a business in Malaysia and that the act also applies to a Malaysian partnership or Malaysia limited liability partnership, whether they carry on business in Malaysia or elsewhere. He added that the **guidelines on adequate procedures issued by the Prime Minister's Office has been drawn up to assist commercial organisations in understanding what are the adequate procedures that should be implemented to prevent the occurrence of corrupt practices in relation to their business activities and should be based on the principle of TRUST.**



Tan Sri Abu Kassim Mohamed, Director General of the National Centre for Governance, Integrity and Anti-Corruption, stressed that the **National Integration Plan with 115 initiatives launched by the government addresses the root cause of corruption especially on the political agenda and political reform.** He added that the **first group to reform is politicians if we want to make a difference in this country and the most difficult is political donation.** They should be disciplined and must inject the element of transparency; therefore, **donation would not be used as a reason for a politician to receive money or for whatever political reason.**

Tan Sri Rafidah Aziz in her opening speech stated that all individuals have the roles and responsibilities in shaping this country even in a small little way. If a person does something good, it adds value to the country while if a person does something that is wrong and negative, it detracts the national interest. Corruption as she continued refers to dishonest or fraudulent conduct of those in power, such as involving bribery and abuse of power in any form. ***Anti-corruption must begin with the right attitude, mindset, values and principles, especially those values that reside in individuals. Malaysia as she added, is lacking leaders with honesty, integrity, and self-discipline.*** Malaysia as she continued, always has people in charge but they are not able to take charge and have the commitment to stop corruption in its tracks as well as put the nation before self-interest.



Other prominent speakers who attended the forum were Haridas S Krishnan Nair, Chairman of Business Ethics Institute of Malaysia (BEIM), Zakiah Binti Hassan, Head Section for Inspection and Consultancy Division (Public/Private) of the Malaysian Anti-Corruption Commission (MACC), Dr. Muhammad Mohan, President of Transparency International Malaysia, Tricia Yeoh, Chief Executive Officer of the Institute For Democracy And Economic Affairs (IDEAS), Zaim Mohzani, International Strategy & Diplomacy, Chevening Scholar and Community Builder, Siti Kamariah Ahmad Subki, Chief Executive Officer of Selangor Women's Empowerment Institute, Rajifah Ramli, Chief Executive Officer of Data8, Dato' Paduka Muhammad Juanda Abdul Rashid, Consultant (Ethics and Compliance), Mohammed Noor Ahmad, Deputy Chief Executive Officer (Compliance) of the Inland Revenue Board of Malaysia (LHDN), Roslan Mat Nor, Director, Legal and Prosecution Division of the Malaysian Anti-Corruption Commission (MACC) and many more.



WORLD ISLAMIC TRADE FORUM 2020:

Our Future In A Covid-19 World

14 May 2020 | Live @ Zoom



As you know, Covid-19 will likely see the worst global recession since the Great Depression, decimating thousands of lives and ravaging economies across the globe. It is one of the biggest calamities in modern history, affecting 210 countries and territories worldwide. The world will never be the same again. As countries shut down borders, minimising movement of goods and people across borders, the era of globalisation might be at the brink of collapse.

In the midst of all these, three factors still bring us together. Technology, the universal values of religion and medical collaboration that can save lives.

How can these change the fate of the world? What policy changes should leaders consider considering a prolonged outbreak? How can technology revive global trade? What societies do we expect to see in the Covid-19 era?



This special dialogue by the World Islamic Trade Forum (WITF) organised by International Strategy Institute (ISI) on 14 May 2020 brought together government representatives, private sector and civil society in the Muslim World from 12 countries (Malaysia, Indonesia, Singapore, Philippines, France, UK, Germany, Nigeria, Kazakhstan, Spain, Saudi Arabia and Senegal) to share policy ideas and trade solutions to this global conundrum, offers critical insights into the future of our world in the Covid-19 era.

Among the topics discussed were:

- **Covid-19 and its Impact on International Trade and Tourism**
How will Covid-19 change the face of trade and tourism and what are the best solutions to overcome it?
- **The Urgency of Medical Collaboration Between Countries**
What are the challenges and prospects of collaboration between countries to tackle the Covid-19 pandemic?
- **Global Food Crisis amidst Covid-19**
What challenges do we face in the world right now and what sustainable solutions are available?
- **The Inevitable Race Towards Digitisation**
Is Covid-19 forcing businesses to digitise or die? Can the exponential surge in e-commerce be used to revive the economy?
- **Societies We Want**
Can religion be a uniting call for global societies? What kind of societies do we want for humanity?
- **Policy Proposals to Tackle the Covid-19 Pandemic**
What policies on healthcare and the economy should leaders take to tackle the pandemic and its economic effects?



The WITF 2020 kicked off with the Special Message by the Organiser Chairman of Mr. Cheah Chyuan Yong and followed by a Welcoming Remarks by the Organising Chairman of WITF cum Executive Director of ISI, Mr. Fazil Irwan Som. Honorary Chairman of WITF, YTH Bapak Sandiaga Salahuddin Uno delivered the Special Keynote Address. Other speakers sharing their views were H.E. Dr. Salim bin Mohammed Al-Malik, Director General of Islamic World Educational, Scientific and Cultural Organization (ICESCO); H.E. Mr. Yerlan Bidaulet, Director General of Islamic Organization for Food Security (IOFS); Tan Sri Jemilah Mahmood, Special Adviser to the Prime Minister on Public Health, Member of the Economic Action Council Malaysia and Former Under Secretary General, IFRC; Mr. Zikry Kholil, Forbes 30 Under 30, Co-founder & Chief Commercial Officer (CCO), Incitement; Ms. Ramata Almamy Mbaye, Director of Human and Social Sciences, ICESCO; Mr. Mohamed Irshad, Founder and President, Roses of Peace, Singapore; Ms. Siti Kamariah Ahmad Subki, CEO, Selangor Women's Empowerment Institute; Ms. Jashida Kamal, Entrepreneur, Wealth Strategist and Speaker; Mr. Mamadou Ndiaye, Founder and CEO, Appsaya (France); Mr. Inteaz Ahamed, Head of Direct to Consumer eCommerce, Reckitt Benckiser (UK); Mr. Raphael Tay, Partner, Lee Hishamuddin Allen & Gledhill (Malaysia); Mr. Suhaimi Sulaiman, Chairman, BERNAMA; Mr. Kamarul Bahrin Haron, Editor-in-Chief, Astro Awani; Prof. Sayed Azam Ali, CEO, Crops for the Future; H.E. Ambassador Dr. Hameed Opeloyeru, Islamic Organisation for Food Security (IOFS); Ms. Ho Yuw Ming Ming, General Manager, Le Cordon Bleu, Malaysia; Mr. Thione Niang, Social Entrepreneur and Farmer, Jeufzone Farm, and Founder of Akon Lighting Africa, Senegal; Dato James Foo, Founder and Chairman, Snappars Group; Ms. Isabel Romero Arias, President, Junta Islamica and CEO, Halal Institute (Spain); Mr. Alexander Boehmer, Head of Division, South and Southeast Asia, OECD; Mr. Aymen Kasem, Division Manager, Trade Development, International Islamic Trade Finance Corporation (ITFC); Mr. Teymoor Nabili, Former Aljazeera Anchor for "101 East" and Executive Producer, Asian Development Bank (ADB); Dr. Dino Patti Djalal, Former Deputy Foreign Minister of Indonesia; Mr. Santiago Rodriguez Goiecochea, Senior Development Advisor, World Bank; and Brigadier General Charito Booc Plaza, Director-General of Philippine Economic Zone Authority (PEZA).

WORLD CHINESE ECONOMIC FORUM 2020

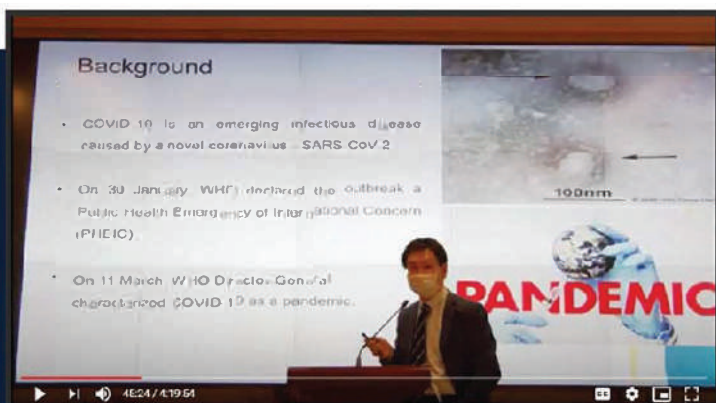
29 April 2020 | LIVE @ Dingtalk



International Strategy Institute (ISI) together with China Chamber of International Commerce Council (CCOICC) organised the World Chinese Economic Forum 2020 (Special Live Conference) on Wednesday, 29 April 2020.

As we know, the world is facing the devastating effects of the covid-19 pandemic. As the first country to see the first surge in outbreak, China sacrificed freedom and its economy, to successfully curb the outbreak. Today China has resumed life and business, while other countries are experiencing lockdowns and standstill economies. What can the world learn from China's Covid-19 policies? How do Chinese businesses cope with the stagnant economy?

The WCEF 2020 brought together government and private sector representatives in China to share their experiences, as well as speakers from Asia and Europe, to exchange ideas on how to solve this looming crisis.





Mr. Cheah Chyuan Yong, WCEF Chairman cum Chairman of International Strategy Institute gave a Keynote Address together with a variety of speakers from government and private sector in China such as- Professor Peng Yan, Director of Administrative Office of Beijing Center for Global Health at Beijing Center for Disease Prevention and Control; Mr. Donghong Li, Associate Dean of Tsinghua Institute for Global Industry and Vice Chair of the Department of Innovation, Entrepreneurship and Strategy of Tsinghua School of Economics and Management; Mr. Terence Xiong, Vice President for Global Development, BGI, China; Dr. Wang Xianjin, Researcher, Member of CPPCC National Committee, Vice President and Chief Engineer of Research Institute of Highway Ministry of Transport (China); Ms. Luna Xing, Vice President of Alibaba Group; Ms. Zhao Ping, Director & Research Fellow, Department of International Trade Research in CCPIT Academy; Mr. Xu Hongcai, Deputy Director of Economic Policy Commission under China Association of Policy Science (CAPS), Vice President of the American Branch for Overseas-educated Scholars Association of China, Chief Economist of Financial Headlines.



Other notable speakers included YB Dr. Lee Boon Chye, former Deputy Minister of Health of Malaysia and Member of Parliament for Gopeng; Dr. Bhokin Bhalakula, former Deputy Prime Minister of Thailand and President, Thai Chinese Culture and Economy Association; Mr. Neil Foo, Malaysian Representative to the APEC SME Forum; Mr. Kamarul Bahrin Haron, Editor-in-Chief, Astro Awani; Ms. Isabel Romero Arias, CEO, Halal Institute of Spain; Mr. Farhan Rehman, Principal Solicitor, RSG Lawyers of Australia; and Mr. Alain Yando, CEO, Guangzhou Yando International Trade Co. Ltd. from Cameroon.



MALAYSIA TAX POLICY FORUM

“Strengthening Malaysia’s Fiscal Future”

9 January 2020 | The Everly, Putrajaya



The issue of taxation is a hotly debated topic among Malaysians and has been the centre of an intense debate which has unfortunately divided the country along political lines. Taxes and the people. Fiscal policy should also help people fully participate in and adapt to a changing economy. Better access to education, jobs, and health services, as well as social insurance, can make it easier for people to spring back from a job loss or illness.

On 9 January 2020 at The Everly Hotel Putrajaya, ISI organised the Malaysia Tax Policy Forum with the theme, Strengthening Malaysia's Fiscal Future. The forum opening keynote address by YB. Dato' Wira Ir. Haji Amiruddin bin Haji Hamzah, Deputy Minister of Finance Malaysia was read by Dato' Sri Dr. Sabin bin Samitah, Chief Executive Officer and Director General of the Inland Revenue Board of Malaysia. The Forum received 200 participants from the government sector, private, tax practitioners, academician and public at large.

In the opening keynote address, YB. Dato' Wira Haji Amiruddin stated that many citizens expect the Government to ensure value-for-money public spending, a fair and efficient tax system, and transparent and accountable management of public sector resources and at the same time, strengthen the county finances by enhancing its revenue base and optimising expenditure. In order to sustain economic growth, the Government will be adopting a mildly expansionary budget, with a revised target of 3.2 percent fiscal deficit in 2020. The fiscal deficit to reduce further, on average at 2.8 percent of GDP over the medium term.



Despite the healthy increase in tax revenue, he added, Malaysia still collect significantly lower taxes than some other countries like Vietnam, Chile, Poland and South Korea which had tax-to-GDP ratios of 19.0%, 17.4%, 16.8% and 15.4% respectively. The Government set up a Tax Reform Committee (TRC) to carry.

Amarjeet Singh, ASEAN and Malaysia Tax Leader & Business Tax Services Leader from Ernst & Young Tax Consultants Sdn Bhd believes that tax rate or tax revenue will never be enough. "This is the perfect storm", he added on. The government will always want more funds, but the citizens will want lesser tax rates or the amount to pay. He shared a study on the impact of reduced corporate tax rate and surprisingly, the result shows the tax revenue and GDP is improved by 1 to 2 percent upon reduction. Based on the study, further cut-off of corporate tax rate by 10% will gain another 2 to 5 percent GDP increment. While the study result is enticing, in-depth and savvy reviews by key authorities are required to avoid premature implementation.



Saravana Kumar Segaran, Partner, Tax, GST & Private Clients Practice from Lee Hishammuddin Allen & Gledhil, discovered that Malaysian, compared to neighbouring Asian countries, are visibly reluctant to pay what is due to the government because there are no transparent value benefits received from paying tax. While good tax enforcements from the authorities is important, Savarana believes that Malaysia needs to develop a high compliance culture in order to compete with the rest of the countries. He added on, although there is a lot of subsidies in Malaysia but only a few people able to raise into high-purchasing power bracket. Malaysia should consider adopting tax models from Switzerland where taxes aren't fixed but based on individual background and wealth.



WORLD CHINESE ECONOMIC FORUM

“Realising The Vision of Shared Development For A Better World”

11-12 December 2019 | Midtown Shangri-La, Hangzhou, China



The World Chinese Economic Forum (WCEF) is a world-class premier event connecting China and the Chinese diaspora network through business and the narration of the China story. It is a global platform with a track record of more than 10 years, discussing the most important global issues related to China and the Chinese diaspora. 11th World Chinese Economic Forum- “Realising The Vision of Shared Development For A Better World” which was held in Hangzhou, China on 11-12 December 2019 was co-hosted by China Council for the Promotion of International Trade (CCPIT) and International Strategy Institute (ISI) while China Chamber of International Commerce (CCOIC) was the organiser of this event.



It was a great success on strengthening ASEAN-China Trade under Belt and Road Vision. Speakers and delegates from various countries played active part in the discussion of the future of global trade, redefining global trade through Belt and Road Initiative (BRI), impact of new tech wave and 5G to the world and strengthening the long-term partnership between China and ASEAN.



Since China's economic reform and opening up 40 years ago, it has grown to become an important economic powerhouse in the world. Under the Belt and Road initiative, it has paved closer ties with ASEAN in global trade and investment. With the rise of US-China trade war, as well as the global economy marred by uncertainties, closer cooperation between China and ASEAN matters even more. The key is to uphold multilateralism to maintain broader cooperation among institutions and nations based on mutual respect, equality and shared prosperity.

At the ASEAN Summit 2019 in Bangkok, China and ASEAN synergised the ASEAN Connectivity 2025 and the BRI into the Master Plan to develop and finance the ASEAN Infrastructure projects and promote innovative infrastructure financing. Many Chinese investors are attracted to invest in ASEAN due to the region's diversity, middle-class population, and similar cultural values, besides it being a region with emerging economies.



China and ASEAN trade is about US\$ 600 billion in 2019, and it has opened doors to many Chinese investors into the ASEAN market. Under BRI, China plans to collaborate with Southeast Asian countries on a high-speed railway project connecting Kunming province, Laos, Thailand, Malaysia, Singapore and so on. The infrastructure development would provide opportunities for Southeast Asia to spur business opportunities and FDI in the ASEAN region through free trade zones and tax incentives.



Panel 3, BRI Initiative-Redefining Global Trade has hosted Dr. Bhokin, the President of Chinese Culture and Economy Association of Thailand who believed that China's decision to stand firmly with the international community is a good move, as it is important to consult and negotiate with other countries in trade to create mutual trust and respect. As a result, Thailand imports from China increased to USD50 billion in 2018 or a 150 percent increase, meanwhile, Thailand's exports to China in 2018 was USD1.8 billion or an 88 percent increase. China also plans to collaborate with Thailand on a flagship project, a high-speed railway project connecting Kunming province, Laos, Thailand, Malaysia and Singapore. Dr. Bhokin viewed that the BRI project ought to be international, involving collaborations with Japan, South Korea, India and even European countries. If the project is done successfully, it would be a showcase project for the 21st century of the Maritime Silk Road.

China is a new player, having in the last five years become a major capital exporter to Malaysia. China has also gradually moved away from manufacturing sectors in the last three years. There is currently over US\$50 billion worth of projects under the pipeline between Malaysia and China, and Dato' Abdul Majid, the Chairman of Malaysian Investment Authority (MIDA) is optimistic with its future outcomes by the end of the year.



MALAYSIA ANTI CORRUPTION FORUM

“Understanding and Addressing the World’s Biggest Problem”

5 September 2019 | Sunway Resort Hotel & Spa



Corruption has been one of the most deep-rooted, pervasive problems that have crippled economies around the world. The fight against corruption nowadays has gained momentum in more recent times both local and international. High levels of transparency and good governance is a requirement in any organisation to compete in the global marketplace. For Malaysia, the foreign perceptions of Malaysia's ethical standards is an important factor as the country sought to gain greater export income and access to international markets. The Corruption Perception Index (CPI) has last year ranked Malaysia number 61 out of 180 countries. These perceptions determine to an extent whether foreign direct investments come in or bypass us. Business must be committed to high standards of integrity, fairness and accountability.

On 5 September 2019, ISI organised the Malaysia Anti-Corruption Forum at the Sunway Resort Hotel & Spa. The Forum was well attended with almost 300 participants from the government, private sector, academia and NGOs. The forum was not only a platform for dialogue but as a reservoir of strategic policy proposals to be submitted to the Malaysia Anti-Corruption Commission (MACC), with the hope that Malaysia will soon be able to tackle corruption sustainably in the foreseeable future.

YB Dato' Seri Anwar Ibrahim, President, Parti Keadilan Rakyat in his opening keynote address commended the country's remarkable transformation in combatting corruption as it showed that Malaysians unanimously hate corruption. He warned that corruption will persist unless there is a strong political will and leadership among political leaders, during his post as an acting Prime Minister in the 1990s, Anwar had pushed for an anti-corruption bill in the government. Anwar stressed that the entire anti-corruption drive by Pakatan Harapan should not be seen as 'vengeance' against the past administration, instead, it is a commitment towards long term corruption eradication, as well as instilling fear to top civil servants against corrupt practices.



Tan Sri Abu Kassim Mohamed, Director General, National Centre for Governance, Integrity and Anti-Corruption (GIACC) surprised the audience with a one-to-one, no filter dialogue session with him. There were few candid questions from the participants which were happily answered by Tan Sri. On that post-GE14, Tan Sri commented that the new Pakatan Harapan government is pushing for greater reforms with the introduction of 115 initiatives that touch on the root of corruption. Among which, 35 of them are on political reforms. He also stressed that many countries fail to reform because they do not address the root of corruption which involves politicians. Currently, Malaysian politicians are no longer allowed to be the chair or head of any GLCs. He added that the reform is beyond the 'normal reform' because it encompasses the whole governmental structure reform.



On the corruption allegation in GLCs, Tan Sri Abu Kassim also stressed that politicians have the responsibility to declare their assets and improve the judiciary reform and public services. As part of the creation of a new Malaysia, his unit is tasked to reform the public complaints bureau and ombudsman. Tan Sri Abu Kassim has been fighting corruption for the past 35 years. He sees that the current government is taking a very serious effort to reform. He advised the public to be more patient as it takes time to make improvements.

Malaysia is moving into more interconnected cyberspace, by 2030 there will be 7.5 billion internet users worldwide. A study by Gartner showed that by 2020, there will be a convergence of new technology into cyberspace such as the Internet of Things (IoT), fintech and data to data connectivity.





Dato' Ts. Dr Haji Amirudin Bin Abdul Wahab, Chief Executive Officer, Cybersecurity, Malaysia in his special presentation session, cautioned that the lack of technology-adoption by the Malaysian government is a serious issue that may result in increased cybercrime activity. It is vital that technology is secured to avoid the abuse of power and to ensure it is a trusted tool as many criminals are using technology for corruption opportunities, such as the use of dark web and cryptocurrencies. Dato' Amirudin warned that technology should not be used for quick fixes, even though the authorities must be fast to adopt new technologies. Digital technology is a double-edged sword, it can be both an enabler for corruption and anti-corruption activities.



Other prominent speakers who attended the summit were DCP Dato' Azri Ahmad, Deputy Director, Integrity and Standard Compliance Department, Royal Malaysia Police, Tony Kwok Man-Wai, Former Deputy Commissioner and Head of Operations of the Independent Commission Against Corruption (ICAC), Hong Kong SAR, Professor Vicha Mahakun, Dean, Faculty of Law, Rangsit University Former Commissioner, National Anti-Corruption Commission (NACC) Thailand, Thongkham Soumaloun, Senior International Relation Officer, State Inspection and Anti-Corruption Authority, Laos PDR, Haridas S Krishnan Nair, Chairman, Business Ethics Institute of Malaysia (BEIM), Jeroen Michels, Policy Analyst, Public Governance Directorate, Organisation for Economic Co-operation and Development (OECD), Dato Paduka Muhammad Juanda Abdul Rashid, Consultant (Ethics and Compliance), Rosli Dahlan, Partner, Lee Hishammuddin Allen & Gledhill, YB Datuk Seri Saifuddin Nasution bin Ismail, Minister of Domestic Trade and Consumer Affairs Malaysia and many more.



MALAYSIA DOMESTIC TRADE AND CONSUMER FORUM

28 May 2019 | The Everly Putrajaya



The Malaysia Domestic Trade and Consumer Forum was held at the The Everly in Putrajaya on 28 May 2019. This Forum was organised following the closed-door ISI Ministerial Dialogue between YB Datuk Seri Saifuddin Nasution, Minister of Domestic Trade and Consumer Affairs and members of the private sector.

In recent times, Malaysia has been beset with several challenges that threatens its regional competitiveness. Notably the trade war between China and the US, the Brexit conundrum, the protectionist tendencies of the EU against the palm oil industry and other global external shocks. In times like this, it is crucial for the country to adopt a sound and solid domestic growth agenda to mitigate the destabilising effects of these external shocks.

On the segment of 'Balancing Domestic Growth and Consumer Rights', the panel discussed about the importance of creating 'trust' among consumers towards businesses through better accessibility and transparency to information towards consumers, as well as enforcement of consumers' right. For example, consumers can access other safer financial options such as zakat and other government agencies, instead of borrowing from loan sharks.

Good collaborative efforts between the government and private sector are vital. The government ought to prioritise businesses catering to consumer necessity services such as "childcare" (Kiddocare) and "e-hailing" (Grab). The imbalance of demand and supply could create a setback especially for women, whom are half of the country's workforce.

With the rise of e-commerce and other digital platforms, local SMEs are able to access bigger markets, as a result, having better chances in growing the business and reaching out to more consumers. However, the government must formulate better policies and regulations on digital platforms, such as mobile-based platforms. Malaysia has a very high tax to GDP ratio in the region, thus it is crucial to balance between tax burden, tax gap and tax rate. On the segment of 'Achieving The Right Balance in Taxation', the panel discussed that too much reliance on direct taxation would be detrimental in times of economic collapse. In 2018, direct tax collected by the Malaysian government was 3.2 times more than indirect tax revenue. However, the growth rate of indirect tax is 1.8 times of direct tax.



Malaysia should look at countries with efficient taxation policies to create better tax reforms. Among which is identifying trends in global tax policies, such as tax competition, tax compliance, digital tax for foreign businesses and so on. Besides that, it should also adopt a global, cross-cutting collaboration with relevant stakeholders to allow the transfer of knowledge and expertise, financial resources, and many more.

The government can play a vital role to create competitive, transparent and cost-effective public procurement. It should also provide incentives to corporations and individuals to create charitable trusts.

“ There should be policies for local entrepreneurs to reinvest their profit and revenue through innovative approaches. ”

On the segment of ‘Protecting Local Entrepreneurs or Incentivising Foreign Players?’, the panel discussed that the high taxes on local businesses by the government is affecting a lot of local entrepreneurs. There is a need for conducive policies to protect local entrepreneurs in the digital economy, especially protecting intellectual property, and reducing the barriers of entry for businesses for local entrepreneurs.

Furthermore, the government should provide better access to funding for start-ups and SMEs by offering loans from the state as well as from local banks. There should be policies for local entrepreneurs to reinvest their profit and revenue through innovative approaches. Partnership between locals and foreign entrepreneurs is also crucial.

For B40 and M40 groups, avenues and digital platforms should be provided for them to make additional income.



DISRUPTIVE EDUCATION ROUNDTABLE

25 April 2019 | TPC Kuala Lumpur



Policymakers and practitioners in the education sector participated in a discussion on the evolving role of the Malaysia education system in the rapidly changing world as a result of disruptive advanced technology at the Disruptive Education Roundtable, organised by ISI on 25 April 2019 at TPC Kuala Lumpur.

The current Malaysian education is stuck in the post-war, industrialisation era, where it emphasised on rote-learning, top-down teaching methods. Consequently, has created a self-centric workforce placed in pigeon-hole offices with prescribed professions, in which its sole purpose is to maximize the industrial world.

At the roundtable, one critical main issue that was raised is the readiness of Malaysian education system for the 4.0 Industrial Revolution.

Since 2017, the Education Ministry has shifted into the standard-based curricular, however, the government is also formulating a competence-based curricular for year 2023 or 2024 that will focus more on learning. This includes developing new curricular components such as design and technology and basic computer science for the 4.0 Industrial Revolution (IR).

The Ministry is also working towards improving STREAM (science, technology, reading, engineering, arts, and maths), financial, entrepreneurial and digital literacies. The long-term aim is to create autonomous lifelong learning to develop student's cognitive skills, integrated multiliteracy, towering personality and skilled communications and collaborations.

Malaysia has never reached the 60% target of science stream (STEM) enrollment among students since the introduction of STEM in 1967. Therefore, public awareness on STEM is crucial. This is due to a decline of interest to pursue studies in math and science, despite that highly sought-after future jobs in the world are data analysts and data scientists.

At the roundtable, it was discussed that school teachers were forced to speed up STEM syllabus teaching due to the pressure from the Key Performance Index (KPI) set by the Ministry. This would further encourage rote-learning and facts-memorising among students. In fact, many schools tend to take a rigid approach towards their curricular and failed to take into account the students' interest and talent.

The government should emphasised the need for quality teachers, quality education and preparing students for the jobs of the future. However, it is a 'taboo' at the Ministerial level to address the issues faced by teachers. They are expected to follow through the policies and processes without proper guiding and monitoring mechanism. In fact, unnecessary administrative process and structures in the education system ought to be reduced.

“ One critical main issue that was raised is the readiness of Malaysian education system for the 4.0 Industrial Revolution ”



In an effort to move towards the era of the 4.0 IR, the government has scrapped off exam-based assessment for students from Primary One to Three. Yet, the education system in the country still lacks effective progress and direction due to heavy influence by the changing political leadership and climate.

On the bright side, the STEM education necessitates the teachers to instil an inquiry - based, student-centred method of teaching. This will help students to develop logical thinking skills using technology, as well as the mental ability to thinking critically and solving real-world problems creatively.

As the internet creates a borderless world, the best professional learning occurs when people venture out of their local, geographical-conscripted circles into more informal, online, global communities. However, the numbers of educators using digital technologies and online environment in more transformative way is still low. It is also pertinent to develop digital literacy skills such as coding, virtual reality and augmented reality.

On the other hand, it is important for the country to adopt an equitable, inclusive education system, instead of a bureaucratic, “one size fits all” school system.

In reality, the country still lags a holistic access to education and digital technology, especially towards marginalised communities such as the Orang Asli and rural communities where many of them suffer from poverty and malnourishment. Besides that, the current system also lacks social mobility for the B40 group, as a result, widens the education and socio-economic gap among students.

Additionally, students with special needs such as dyslexia and autism should not be left behind as they are also capable of contributing to society. As such, teachers should be equipped with different sets of modules and methods of teaching to meet student’s needs.



ISI MINISTERIAL DIALOGUE

9 April 2019 | Le Meridien, Putrajaya

The ISI Ministerial Dialogue with the Minister of Domestic Trade and Consumer Affairs Malaysia, YB Datuk Seri Saifuddin Nasution bin Ismail, was held at the Le Meridien Putrajaya on 9 April 2019, and was attended by representatives from the private sector, agencies, academics and chambers.

The Dialogue focused on the future of domestic trade in Malaysia, its policies and future direction, in line with the 'Malaysia Baru' spirit under the leadership by the Pakatan Harapan government.

In recent years, there is a change of tide in the global trade due to the heightened US-China trade war, Brexit in Europe, and the rise of automation and AI in many industries. This has resulted in market uncertainties around the world. It is especially vulnerable for a small trading nation such as Malaysia, as the country is highly depended on international trade for its growth and development.

Despite the global market uncertainties, YB Datuk Seri Saifuddin Nasution shared that Malaysia is experiencing growth in its total trade of imports and exports, partly due to China being the largest trade partner (13.5%), which is crucial to cushion the impact of external shock from the global economy.

It has, however, prompted the Malaysian government to turn its attention inwards towards balancing the domestic trade growth, as well as improving the rights of consumers, through better policies and cooperation between the government and the private sector.

During the Dialogue, YB Datuk Seri Saifuddin Nasution said his Ministry has placed its foresights on several areas, namely the palm oil and the halal industries. As a Muslim-majority nation with a globally-recognised halal certificate by JAKIM, Malaysian businesses are held back by red tapes, also many SMEs lack value-added products to compete against global halal players. In fact, the largest halal exporter is Brazil.

Despite that, many local businessmen are hoping the potential deal for halal food and products catering at the Tokyo Olympics 2020 in Japan would be a step forward towards the country's halal hub agenda.

“ Malaysia is experiencing growth in its total trade of imports and exports, partly due to China being the largest trade partner (13.5%) ”



On the other hand, the Malaysian government is also studying the viability of creating a digital ecosystem in the country through the e-commerce, digital payment, smart logistics, cloud and big data. It is unfortunate that the high cost of embracing digitalisation and cashless payment may impact many SMEs. A lot of Malaysians also lack proper knowledge on digitalisation and the 4.0 industrial revolution.

There is a lack of proper digital regulations in many sectors such as the food delivery platforms, the tourism online booking platforms, and the absence of a digital tax for foreign platforms such as Air BnB, which have resulted in the high cost of operations for local businesses, while at the same time consumers' rights are severely unprotected.

Local SMEs are hit even harder as there is no centralised system of licensing between federal and local governments to ensure ease of doing business, one example is the food truck business in Malaysia. Meanwhile, Sabah and Sarawak have a much higher cost of doing business due to the inefficient supply chain, coupled with strict passport controls at the immigration.

Malaysia is an export-oriented country, but many primary food producers are concerned that its regulations do not reflect that. For example, Malaysia is highly dependent on fish imports, and there is a export ranges and investment in the fish sector. For controlled items such as chicken and eggs, the government has only set the ceiling prices but not the floor price which would allow larger businesses to artificially mark-down prices.

During the Dialogue, it was highlighted that Malaysia has one of the most advanced medical industries and relatively cheap. However, there is a lack of promotion on the medical tourism industry, where else Thailand are attracting Chinese tourists for its fertility industry.

The recent restriction of foreign labours by the government has an adverse affect to both local and international businesses in Malaysia. The low cost of foreign labours has become an integral part of the local business model that many lamented the policy would further push up cost to both the businesses and the consumers.

“ Local SMEs are hit even harder as there is no centralised system of licensing between federal and local governments to ensure ease of doing businesses ”

“ Meanwhile, Sabah and Sarawak have a much higher cost of doing business due to the inefficient supply chain, coupled with strict passport controls at the immigration ”





The government is urged to re-evaluate its strategy to attract businesses. One of the ways is to form a 'council' to monitor and address ongoing issues such as cost of doing business, ease of doing business and better taxation system (eg. studying the viability between SST and GST). Many international companies are forced to tiptoe on eggshells as the Malaysian tax system can be confusing.

In addressing the environmental and socio-economic impact of food waste, YB Dato Seri Saifuddin Nasution informed that his Ministry has come out with a national food bank programme.

In fact, the government needs to monitor and address the issues and rights of the B40 group. Among issues raised at the Dialogue were rising housing rental and transportation cost in the city, as well as predatory financial scheme by banks. It is particularly difficult for B40 women, having to bore an addition high cost of child care.

Other issues faced by the B40 group highlighted is the lack of proper monitoring and control on subsidies such as the subsidised 1kg pouch packed palm oils for the B40 group, which resulted in abuse and rampant bulk-purchase by restaurants, resellers and foreign workers.



26 February 2019 | Equatorial Hotel, Penang

PENANG INTERNATIONAL BUSINESS AND INVESTMENT SUMMIT



Penang International Business and Investment Summit (PIBIS) was organised at the Hotel Equatorial Penang on 26 February 2019. The high-level networking summit brought together stakeholders from the government and private sector to explore business and investment opportunities in the state of Penang. The strong partnership will be bringing forth Penang's vision towards 2030.

The 21st Century has been described as Asia's Century with global growth shifting towards Asia. However, the new Asian century requires connectivity as well as enhancing business, economic and investment relations.

With its unique status as a UNESCO heritage city hosting a deep reservoir of culture and arts, as well as a growing hub for digital and technological innovations such as the Batu Kawan Industrial Park and Eco City Batu Kawan projects, Penang has become one of the most important cultural and digital capitals of Malaysia. With major development in the Penang transport masterplan through Penang LRT, Pan Island Link Highway and undersea tunnel, the speed and scale of doing business will be further improved.

Speaking on behalf of the Chief Minister of Penang, YB Dato' Haji Abdul Halim bin Haji Hussain addressed the importance for Penang to embrace the digital economy with the rising of AI and machine-learning technology, as well as developing local talents among the young generation in the island city.

At the segment on "State of Our Economy: Penang 2030 – Towards a Green and Smart State", the discussion focused on green growth in Penang towards Industry Revolution 4.0. This can be made possible through good policies and strong capitals by the government. As such, retooling and relearning are vital to evolve and create value-added services. In fact, the government should focus on the older generation for knowledge and investment transfer.



Still, Penang is currently facing land deficit which has prompted the state government to enact 4000 acres of land reclamation in three new islands for development under the Penang South Reclamation. It aims to become the Penang's Marina Bay Sands and create 'new tourism' such as theme parks and medical tourism. The airport ought to be expanded further with the reclamation. Developers are encouraged to set up a Green Building Index as part of the Penang's green initiative.



On the other hand, new housing policy is underway to ensure affordable, inclusive housing and to avoid Penang from becoming 'too elitist'. This also includes addressing the challenges of implementing cashless platforms as most Malaysians still transact using cash. Penang was the pioneer for the no plastic bags initiative, as a result, the state is paving the way towards becoming a top liveable city

At the segment on the "Gearing towards the 4th Industrial Revolution" with a panel of tech entrepreneurs, the discussion focused on disruptive technologies and the drivers towards Penang Digital Transformation Plan. Many of the local start-ups serving the global market faces difficulty with the local talent ecosystem and many are also bootstrapping due to the lack of local funds in Penang. Most companies have its workforce working remotely, especially for engineers and data scientists. The English language is also crucial for talent building.

For smaller businesses to be profitable, it is important to focus on niche market and scale up the model to other markets in the world. A good leadership culture would help small businesses to cope better in the fast-changing digital market.

YB Tuan Sim Tze Zin, Deputy Minister of Agriculture and Agro-Based Industry of Malaysia (MOA) at the luncheon keynote speech talked about the challenges of food insecurity and climate change faced by his Ministry. Food production would need to rise to 60 percent to keep pace with the demographic changes in the near future. Malaysia imported a lot of food for domestic consumption, however, the government is hoping to become a major food production country through hi-tech, hi-yield and big data for agriculture like in the Netherlands.

In fact, some farmers are turning to hi-tech farming in urban areas, and drones are used in paddy farms. Big data are also used to project future crop use and market rate. MOA aimed to close the gap between the rich and the poor by prioritising the needs of both big and small business owners through bilateral dialogue, access to funding, and R & D investment.

YB Dato' Seri Anwar bin Ibrahim, President of People's Justice Party gave a special keynote speech on the prospect of the future of the country. Malaysia needs to create better market economic reforms for the country to be globally competitive, these include cutting red tapes, electing a corrupt-free and efficient government, as well as dismantling race-based economic policies. Besides that, it is important that the government and other stakeholders to not ignore issues of the marginalised and poor communities when crafting the country's future agenda.

The narrative has to be very clear - pro-business and pro-market policies must continue. In the 'post-normal time' era, there are 'niche' opportunities that must be harnessed from the US-China trade war. Many Malaysian companies lack capacity for training, hence, the government will push for greater education and awareness of the digital technology, until it becomes part of our DNA -- 'Digital Native Agenda'.





At the segment on “Growth Agenda - Silicon Valley of the East towards Spearheading Growth through Cluster Initiatives”, the panel discussed about the growth and opportunities for disruptive tech companies. To become the Silicon Valley of the East, Malaysia must be positioned as a high-tech hub in Asia for global operations. Companies have to be very selective of the investors and needs to look for new sources for growth and technology, as well as creation of high-value jobs.

MIDA and Invest Penang are ahead of the curve to attract high tech companies and local talents. Since 1998, MIDA has addressed local talent shortage with the aim to reduce foreign talent dependency through subsidising of training cost and extending six months internship for local graduates.

At the Logistics Panel on “Understanding the Penang Transport Master Plan (PTMP) and its opportunities”, the panel discussed about integration of transportation and automation technologies towards a smarter Penang city. Penang has embarked on the PTMP to improve the road system and connectivity and address the massive traffic jam in the island. Currently there is barely 5 percent of public transport in Penang and private vehicles are on the rise.

“ A smart city has to be liveable, sustainable and progressive. The booming of e-wallet and QR code as seamless, cashless payment would make transportation a much more hassle-free experience for many ”

Mobile apps has become a good tool to increase the use of public transportation. The government can install AES, CCTV and early warning system for better town planning. A smart city has to be liveable, sustainable and progressive. The booming of e-wallet and QR code as seamless, cashless payment would make transportation a much more hassle-free experience for many. Certain countries have adopted driverless cars and even buses and trucks, however, the innovations have to fit into the Penang’s reality and context.

Penang can be a great location for unicorn companies, however, a whole ecosystem in Penang needs to change in order to encourage more young people to take transportation. The walking experience to the train station and public transportation have to be pleasant and safe for women, children and old people. For example, by having mural and arts exhibition in public places, well-maintained pavements, as well as creating e-wallet rebate for public transport. The rise of electric scooters in certain urban areas showed that more youth are craving for alternative ways of transportation aside from driving cars.



KEDAH INTERNATIONAL BUSINESS AND INVESTMENT SUMMIT

13 December 2018
Aloft Langkawi,
Pantai Tengah



“Resilient Economy” focuses on the strategic development plans of the state of Kedah, and how the state builds a resilient economy amidst the drastically changing landscape both politically and economically.

On the 13th December 2018, ISI organised the Kedah International Business and Investment Summit (KIBIS), graced by the Chief Minister of Kedah, YAB Dato’ Seri Hj. Mukhriz Tun Mahathir. The Summit with the theme “Kedah in a New Malaysia – Building a Resilient Economy” focuses on the strategic development plans of the state of Kedah, and how the state builds a resilient economy amidst the drastically changing landscape both politically and economically.

Kedah has a huge ambition in tourism. With Langkawi being the hallmark of Kedah tourism, other ambitious tourism projects are in the pipeline that would potentially put a lot of pressure on housing and urban resources. Anticipating this, the state government is planning to build the Kulim International Airport, to ease tourism flow into this northern state, while the demand for housing has not really surpassed supply at this stage. Therefore it is important for the state to concentrate on managing the tourism sector more efficiently before they focus on housing and urban issues.



On the agriculture session, the focus of the day is on the development of agritech and the state's diversification plans in the agriculture sector. As agriculture still forms the backbone of Kedah's economy, and Malaysia as a whole, it is crucial to **address the inefficiencies in the market and introduce technology that can improve the wellbeing of farmers and the quality and quantity of their produce.** Agritech is a term that relates to technology in the agricultural sector and is capable to **boost production capabilities as well as enhancing the quality of produce.** Biotechnology for example is a fast-growing sector that a lot of companies need to engage in as it can boost the growth in agriculture. There are a lot of technologies out there that can boost the production of rice, Malaysia's staple commodity, without resorting to chemicals and unnatural ways. If we can only have more faith in these technologies and have the willpower to invest in it on a state scale, we might stand a real chance to stave off the threat of cheap imports from Thailand and India, and make Malaysia self-sufficient in the rice sector.

On the session about Kulim Hi-Tech, this used to be one of the most successful projects in the state of Kedah, attracting industry giants such as BMW, OSRAM and Pfeiffer. But times are changing and automation is slowly disrupting how big hi-tech manufacturing companies operate. Cheaper cost of labour and capital is also threatening the state's competitive advantage and stand a chance of losing reputable companies to our neighbouring competitors.

To still be in the competition, Kulim Hi-Tech needs to **embrace new technologies and start to attract technology companies that deal with disruptive technologies such as blockchain,** AI that can help enhance the community of hi-tech manufacturers in the cluster.

Such technologies can really enhance the value chain which can make processes more efficient, transparent and cost effective. These technologies can also increase the connectivity of the different tech sectors into one seamless community that can achieve economies of scale. The state **needs to take that leap of faith, and look for a different array of tech companies to add into the mix.**

In the tourism session, it is unanimously agreed that tourism is still one of the main economic pillars of the Kedah economy. Langkawi despite being the hallmark of the tourism sector in the state, is not the only attraction that can bring massive tourist numbers. Kedah is a state rich in ancient history and the state government is now moving to capitalise on that, as well as the abundant natural beauty that surrounds the state.

Projects such as the Bujang Valley, Jerai Geopark and Kelam Cave are some of those prominent tourism projects that can rake in the tourism numbers. But such projects are bound to fail if the government treats these projects as piecemeal projects. **The government cannot expect to invest in these projects, without first creating a community or an ecosystem surrounding that project.** For example, tourists do not go to Bujang Valley just to see the valley.

They need to have ample choices of restaurants to dine from, convenience stores, public amenities, shopping malls and others. Once this ecosystem of other businesses are in place, then the tourism projects will grow by itself. We need to look at tourism from an ecosystem standpoint. Creating mega tourism projects without community participation and ecosystem building will only create white elephants. It is time to think outside the box.





WORLD MUSLIM LEADERSHIP FORUM

6 - 7 December 2018

Lambeth Palace and House of Commons London, United Kingdom

As an Secretariat in Kuala Lumpur. ISI was honoured to be given the opportunity to partner with Global One Foundation, a not-for-profit organisation based in UK for this year's World Muslim Leadership Forum. The event was held at the Lambeth Palace in London from 6 to 7 December 2018. WMLF was delighted to have the Edward Cadbury Centre for Religion, Public Life and St Mary's University, Twickenham as its partner for this year's forum.

Held biannually, WMLF is an effort initiated in 2010 where its main purpose is to provide a platform to address leadership issues which are critical for the upliftment of the ummah, the global community at large and the Muslim community in particular. With the theme, "The Role of Muslim Leadership is Rebuilding Islam's Global Image", WMLF focused on four critical aspects, namely:

- Creating a new narrative about Islam;
- Strengthening Muslim leadership at all levels of socioeconomic and political landscapes;
- Women empowerment and the role of women in re-shaping the new Islamic narrative; and
- Creating platforms for Muslim leaders to offer solutions to current problems such as youth education, entrepreneurship and advocacy for sustainable development.



“Platform to address leadership issues which are critical for the upliftment of the ummah, the global community at large and the Muslim community in particular”

The Muslim world is undergoing crisis after crisis, with regimes toppled, unsuccessful democracies, and civil wars, which are causing mass migration, with genocide being perpetrated while the world looks on. The role of WMLF is more crucial now than when it was started eight years ago. We are witnessing significant trends in world affairs: the diminishing power of the oil rich nations of the Middle East; President Trump’s euphoria of making America great again; Brexit and Exit of Great Britain from EU; Russia and Iran playing main roles in the geopolitical sphere; the emerging strengths of Turkey and Malaysia showing strong and resilient Muslim leadership. The peaceful and dynamic democratic processes for a change of governments very recently in Malaysia and Pakistan have become talking points in Islamic countries. Such changes no doubt will bear important lessons for political leaders and social activists. The presence of the Malaysia’s first woman Deputy Prime Minister, The. Hon. Datuk Seri Dr. Wan Azizah, who delivered the Keynote Address, has greatly enhanced the Forum. In her speech, she shared Malaysia’s initiatives in ***empowering women in all sectors of economic, administrative and political engagements***.

The Forum also addressed the role of leadership in economic affairs. Malaysia’s led position in Islamic finance is globally renowned. Now with the contributions for the halal industry, together with food security and food safety issues coming into forefront, the halal concept is ready for a globalised thrust. The Minister for Domestic Trade and Consumer Affairs, The Hon. Datuk Seri Saifuddin Nasution Ismail steered the session on how the Halal Economy and Islamic Finance can contribute to the Global economy. The Halal Industry Development Corporation Malaysia (HDC) which was also part of the Malaysian delegation to the Forum has played an important role in supporting this important industry.

Delegates attended include parliamentarians, politicians, experts and scholars, UN bodies, interfaith community, activists, development practitioners and corporate leaders from all over the region.

“TOWARDS A COMMON FUTURE: ENHANCING NEW OPPORTUNITIES IN A CHANGING WORLD.”

WORLD CHINESE ECONOMIC FORUM

9 - 10 November 2018
Palace of the Golden Horses,
Selangor





CHINA AND MALAYSIA HAVE BECOME STRATEGIC PARTNERS WITH HIGH-LEVEL MUTUAL TRUST.

2018 marked the 44th anniversary of the establishment of diplomatic relations between China and Malaysia

Malaysia was the first ASEAN country to establish diplomatic relations with China, starting a new phase of cooperation between the two countries. Over the past 44 years, China - Malaysia relations have continued to grow and strengthen. China and Malaysia have become strategic partners with high-level mutual trust. Leaders of the two countries have always maintained the general direction of friendship while assessing the situation and complying with the trend.

China-Malaysia friendship has always been based on equality and mutual trust between the two governments and people of both countries. Making this new energy and rich potential work for the wellbeing of the people in both countries is the current priority of both governments. 2018 also marked the 40th anniversary of China's Reform and Opening gaige kaifang, initiated by Deng Xiaoping at the Third Plenum of the Eleventh Central Committee in 1978. These economic changes were so far-reaching that Deng described them as part of China's "second revolution." Since then, China has become an economic powerhouse.





WCEF is a super connector and bridge for strengthening and building connectivity and business linkages between Southeast Asia, Europe and China.



While it brings together the Chinese diaspora that had played a part in China’s move towards a higher value add and service-oriented economy, from the Taiwanese engineers who transmitted knowledge from Silicon Valley to China’s budding infotech sector, to Singapore’s role in bilateral projects such as the Guangzhou Knowledge City. It has also contributed to the rise of the new’ diaspora, high-skilled and born in mainland China, who are at the forefront of China’s transition to a knowledge intensive economy. These people are the face of China’s new globalization, forging links with foreign economies that are more entwined than a simple export import relationship.



In view of that, the World Chinese Economic Forum (WCEF) was held on 9-10 November 2018 at the Palace of the Golden Horses, Malaysia to celebrate the 44th Anniversary of Malaysia-China diplomatic relations. The 2 day forum which was managed by ISI, saw YAB Tun Dr. Mahathir Mohamad Prime Minister of Malaysia delivered the WCEF’s Keynote Address. The Vice Chairman of the National Committee of the Chinese People’s Political Consultative Conference, H.E. Leung Chun Ying also delivered another Keynote Address at the WCEF. The WCEF also presented its highest annual award, the Patron’s Special Benevolent Award to YB Dato’ Seri Anwar Ibrahim and an Outstanding Lifetime Achievement Award to YB Lim Kit Siang for leadership in democratic reforms.



More than 500 delegates including 200 from China as well as delegates from 50 countries attended the Forum, which also discussed the US-China Trade War, the Belt and Road Initiative and the Digital Economy.



NEW MALAYSIA SUMMIT

18 October 2018
 Connexion Conference & Event Centre,
 Kuala Lumpur.

“BUILDING A NEW MALAYSIA, FULFILLING HOPE”

“Platform for Ministers and related ministries, agencies, business leaders, NGOs and civil society to address emerging issues, exchanging ideas, sharing of knowledge and experiences, with an aim to collectively develop the nation under the new administration.”

New Malaysia, a label popularly used to describe the new Pakatan Harapan Government after GE14 should certainly be better than the previous government as stated by the Prime Minister, Tun Dr. Mahathir Mohamad. New Malaysia, should be an improvement on the period during which he was the Prime Minister 22 years ago. A clear statement that the government would have to go back to democracy, rule of law and respect for the wishes of the people.

On 18 October 2018, ISI organised the New Malaysia Summit at the Connexion Conference & Event Centre, Kuala Lumpur. This inaugural national summit was set as a platform for Ministers and related ministries, agencies, business leaders, NGOs and civil society to address emerging issues, exchanging ideas, sharing of knowledge and experiences, with an aim to collectively develop the nation under the new administration. With the theme, “Building a New Malaysia, Fulfilling Hope”, the summit was looking at how the new Malaysian government can respond to periods of change over the growing challenges through uncertainty in political, economic and social environment to ensure continuation of business sustainability.

New Malaysia, is a renewed version of the Old Malaysia, the country we knew in the 1970s and early 1980s. As we remembered it, that was when Malaysians had more touchpoints and inclusiveness and less sensitivity and suspicion. It was a time when we had a more multiracial civil service, police, armed forces and teaching fraternity. YB Senator Tuan Waytha Moorthy, Minister in the Prime Minister’s Department for National Unity and Social Wellbeing in his Opening Keynote Address pointed out that unity and harmony are all the more essential as we brace ourselves to face the imminent challenges posed by globalisation and new Malaysia.





There is a sea of external challenges being posed to us by rival nations and economies; we need to have peace, serenity and harmony at home in order to deal effectively with these challenges and position ourselves as a model nation. He further added that it would be counter-productive if any ethnic group were to test the boundaries of harmony and unity by pursuing a racial agenda, which would only sow the seeds of discord in our multi-racial nation.

The future depends on what we do today as Alan Hilburg, President and CEO of HilburgMalan presented in his special presentation on provoking the future, developing the transformation ready leader in a VUCA world and the new economy. In his presentation, Alan explained in depth on VUCA in preparing ourselves for the 4th Industrial Revolution.

Other prominent speakers attended were Roger Chan Weng Keng, Secretary, Malaysian Bar; Datuk Vinod Sekhar, Founder, Group Chief Executive and President, Petra Group; Ivy Josiah, Secretary-General, Society for the Promotion of Human Rights Malaysia (PROHAM); Ms AINU SHAZWANI, Program Manager, Global School Leaders Malaysia; Teacher Raj, Founder-CEO, SOLS 24/7 Malaysia and many more.





#WOMEN IN TECH

18 September 2018
Sime Darby Convention Centre.

“PREPARING WOMEN FOR DIGITAL AGE AND THE 4TH INDUSTRIAL REVOLUTION”



Women have evidently come a long way ever since the first Industrial Revolution in the 18th century. Back then, women industrial workers were often paid much less than men, usually half of what the men earned - which showed that women were not valued the same as men in the workplace. The roles of women in economic, social and political spheres have heightened dramatically over the last several decades. Today, **many women are successfully balancing both work and family life to create a strong path for future generations who may wish to accomplish the same achievements.**

With the changes in business environment and expectations from various stakeholders, leaders are now challenged to balance interests by means of sustainable value creation that satisfies both shareholders and stakeholders in order to remain relevant, competitive and sustainable in this digital age.

With the increase digitisation and interconnection, the government is not only looking into upgrading manpower skills, but **producing more innovative and entrepreneurial individuals who will play a pivotal role to meet society's needs and satisfy business objectives in IR4.0.** To date, 98.5% of business establishments in Malaysia are made up of Small and Medium Enterprises (SMEs), but only 20.6% of SMEs are women-owned.

With that in mind, ISI organised its first #Women In Tech summit with the theme, **“Preparing women for digital age and the 4th Industrial Revolution”** on 18 September 2018 at the Sime Darby Convention Centre. The #Women In Tech **aimed at providing a platform for women leaders in addressing emerging issues, exchanging ideas, sharing of knowledge and experiences, all in pursuit of exemplary leadership as we move towards IR4.0.**



Though this number has grown over the past decade, with the National Policy on women, the Ministry of Women, Community and Family Development Malaysia (KPWKM) is said to put a high priority in encouraging women's participation in the workforce and in the process of embracing the revolution of IR4.0 as we speak. According to YB Hannah Yeoh, KPWKM will ensure that women will not shy away from technology advancement and will have a hand in charting the exciting future of the nation. However, YB Yeoh also added that it is up to the individual to break all stereotypes, embrace technology and take the leap.

“Break all stereotypes, embrace technology and take the leap”

- YB Hannah Yeoh,

YB Hannah Yeoh's Opening Keynote Address was read by Datuk Yatimah Sarjiman, Director General, Department of Women Development of KPWKM. Special appearance made by Puan Sri Tiara Jacquelina, an Actress, Producer, Dream Maker & Game Changer of Enfiniti (M) Sdn Bhd made the forum even more interesting as she shared her life story from just being a part-time model into becoming a very successful businesswoman she is now. She shared her struggles and challenges when she first entered the entertainment industry, expectations and her vision for the future.



With a strong determination and sheer discipline to become a very successful woman, Puan Sri holds on to her motto, **take the attitude that you do what feels right to you and never what feels right to other people**. Her candid life story was much appreciated by the participants attended.

Nadira Mohd Yusoff, Co-Founder and Chief Executive Officer of Nadi-Ayu Technologies (NATSB), a computer/information technology outfit which supplies solutions to the education market, sent a clear message to everyone on that day that women entrepreneurs should take a step into new roles as business leaders, by maximising the use of technology and grabbing opportunities. Nadira also hoped that Malaysians will continue to appreciate local products and support local entrepreneurs especially if they want to see them succeed on the global front.

Other prominent speakers who attended the forum were Claudia Cadena, Founder and Principal Consultant Thread Advisory; Lillian Too, Chairman, World of Feng Shui, Former CEO, Dao Heng Bank; Amnah Shaari, Chairman & Co-Founder, Serunai Commerce Sdn Bhd; Dato' Freida Pilus, Founder, Cempaka Group of Schools; Shahira Ahmed Bazari, Managing Director, Yayasan Hasanah; Yasmin Rasyid, Founder, EcoKnights and many more.

A MEETING PLATFORM OF MALAYSIAN CORPORATE LEADERS AND GOVERNMENT LEADERS



CORPORATE MALAYSIA SUMMIT

4 September 2018 | Sime Darby Convention Centre

On 4th September 2018, ISI organised the Corporate Malaysia Summit, to provide a much needed platform, especially in the context of a New Malaysia, to connect the new government and the business sector of this country. The Summit focuses on the fundamental issues affecting the business climate in Malaysia. The first session charts the future roadmap of the Malaysian economy taking into account two important developments in the country namely the establishment of a new government after 61 years of undisturbed rule, as well as the advent of disruptive technologies that will change the business landscape drastically.

We all know for a fact that disruptive technologies such as **Artificial Intelligence (AI) and Blockchain means more automation in business and less labour needs.**

This is great for business efficiency, but a catastrophe for human capital as we are bound to face a serious problem of job loss in the incoming decade.

It is estimated that 40-50% of jobs will be lost to automation in the next 15 years. This is compounded by the fact that we are already facing a youth unemployment crisis in the country with a high 10.8% last year, against a strong GDP growth surge of 5.9%, the fastest we have had in 3 years. That just means that despite a strong growth, the extra jobs that we create are only going to low-skilled jobs, and only a small percentage are jobs meant for graduates. This industry mismatch is what we need to solve before we even address the problem of automation.

A major revamp in education is needed with more focus on technical education, especially on programming and fields that revolve around the new technologies.

On the topic of corporate governance, the discussion revolved around the burning corporate dilemma of whether a company should focus on shareholders and bottom lines, or should they focus on the society at large and positive impact.

As the world **gets more connected and news travels way faster than what it was before especially on social media**, companies that violate laws or pollute the environment will face the scorn of public opinion and ultimately bring the business down. Therefore it is important that in the pursuit of profits, companies should also focus on impact and ensuring that business is done ethically.

The session on bridging the income gap highlights the long-lasting conundrum of free trade, where local producers and traders struggle to make sufficient margins competing with cheap, mass-produced foreign imports, particularly from China.

This has affected countries around the world and Malaysia is not alone. But what can be done to address this issue? The advent of e-commerce was supposed to bring producers closer to market, thereby eliminating the need for middlemen and increase profits.

“The gap between rich and poor is a result of inefficiencies in the economic value chain.”

But this is not the case, as margins are squeezed to ensure that prices remain unnaturally cheap on digital platforms. The best way to compete in such a situation is to **focus on quality and customer service as these are 2 fundamental factors that Malaysia still can achieve competitive advantage in.**

The last session on blockchain picks up the conversation from the previous session on income gap. The gap between rich and poor is a result of inefficiencies in the economic value chain. Those who produce are getting lower margins than those that distribute for the simple reason that their closer to the end consumer, with value increasing exponentially along the value chain.

New technologies seek to bring the producers directly to the consumers, with a particular focus on blockchain.



Blockchain has the huge potential of disrupting the status quo by allowing no room for middlemen to get in between the commodity and the final consumer.

Blockchain in principle is the answer to all this problem, yet the adoption of blockchain is still at its nascent stage around the world. The reason is because the architecture necessary to support a blockchain system requires a major overhaul of the current system which not only takes time, but requires a huge political will from governments with a huge pressure from traditional banking institutions to maintain the status quo. But such fears are unfounded as more and more countries are starting to regulate blockchain as a legitimate platform, some even are issuing national digital currencies **to enhance transparency in transactions and curb corruption.** Malaysia is treading on this path at the moment and this is good news for the country as the economy will become more efficient and transparent, saving the country millions of dollars from inefficiencies in the market.



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**A-15-02 & A-15-03,
The Vertical Business Suite,
Tower A, Bangsar South, 59200 Kuala Lumpur**

**T: +603 2242 3799 F: +603 2242 3033
E: info@istrategyglobal.org W: www.istrategyglobal.org**

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