





**DAY 2** SESSION SUMMARIES

### SPECIAL ADDRESS & FIRESIDE CHAT

Tengku Datuk Seri Utama Zafrul Tengku Abdul Aziz, Dr Nungsari Ahmad Radhi, Nurul Izzah Anwar

## EKONOMI MADANI

- 1. The New Industrial Master Plan (NIMP) 2030 aims to rejuvenate the manufacturing sector and ensure national resilience in the face of growing challenges and megatrends.
  - Manufacturing is a key engine of growth for Malaysia, but it has faced limitations, primarily due to: (1) Malaysia's economic complexity lags advanced economies, and (2) a decline in labor productivity growth since 1975, driven by heavy reliance on low-skilled workers and a lack of high-skilled job opportunities.
  - Therefore, NIMP 2030 introduces a mission-based approach to transform Malaysian industries. The plan focuses on four key missions: (1) Advancing economic complexity, (2) Promoting technological advancement; (3) Pursuing Net Zero goals; and (4) Ensuring economic security and inclusivity.
  - NIMP 2030 aims to achieve high-impact growth in Malaysia through effective execution, transparency, and accountability, with target outcomes across six key pillars: (1) increasing economic complexity; (2) creating high-value job opportunities; (3) extending domestic linkages; (4) developing new and existing clusters across all states in Malaysia; (5) improving inclusivity, especially the MSMEs; and (6) enhancing ESG (Environmental, Social, and Governance) practices.
- 2. The Ekonomi Madani framework serves as the fundamental principle guiding policy development in Malaysia, including the NIMP 2030.
  - Given our mixed track record in executing national plans, there was a need for a
    national economic narrative to establish a vision towards the restructuring of the
    Malaysian economy. Consequently, the country requires a framework for institutional
    reforms and a return to fundamental principles, to safeguard basic rights and attain
    desired outcomes.
  - But what is the meaning of "Ekonomi Madani"? It signifies the return to the founding principles of Malaysia, emphasizing social justice, liberty, and unity, all aimed at ensuring the sustainability of a prosperous life for the Rakyat.
  - Ekonomi Madani aims to restructure the economy, position Malaysia as a leader among Asian economies, and enhance social protection for all. In essence, Ekonomi Madani centers on empowering Malaysians and other relevant stakeholders to promote sustainable economic growth, reflecting an "All-of-Malaysia" approach.

- 3. Ekonomi Madani emphasizes the need to restructure and elevate the Malaysian economy through increased regionalization and competitiveness.
  - Malaysia has faced structural issues in its economy since the 1970s. As it expanded
    and commercialized its commodity-based economy, which was primarily focused on
    fossil fuels and plantations, Malaysia has struggled to increase the complexity and
    diversity of its economy, resulting in stagnant growth today.
  - Thus, our production function needs structural changes. Traditional approaches no longer work for the growth we seek. The growth trajectory of Malaysia has decelerated, and the low wage regime has become a constraint on economic competitiveness and production structure.
  - Corporates, especially MSMEs, must undergo transformation to develop capabilities and tap into new markets. Corporate growth in Malaysia has been declining due to domesticated demand. Therefore, transformation is necessary for these corporates to expand their outreach globally and become regionally competitive.
- 4. Notwithstanding, the social sector in Malaysia must not be neglected as it plays a pivotal role in improving the social safety net, advancing social mobility, and fostering inclusive development.
  - Household wellbeing is integral to achieving a holistic development agenda that extends beyond economic indicators. Social protection is a crucial component of the country's overall development strategy.
  - Addressing the issue of female labor force participation is essential. Currently, 48% of women work in the informal sector, highlighting the need for the formalization of safe and high-quality childcare centers. Furthermore, female graduates make up 54% of the unemployment rate in Malaysia, underscoring the importance of supportive policies in increasing female participation in the labor force.
  - The Malaysian government places a strong emphasis on talent development, with a
    focus on Technical and Vocational Education and Training (TVET) and STEM programs.
    These initiatives aim to equip the workforce with industry-relevant skills, catering to
    both formal and informal employment sectors.
  - Building social capital through quality education and healthcare is essential for bridging social gaps and fostering trust within society.



### **CORE SESSION 3: GROWTH AND DEVELOPMENT**

Tan Sri Dr Jemilah Mahmood, Naina Subberwal Batra, Prof Stefan Dercon

# More Football, Less Golf: Orchestrating a Multi-Stakeholder Approach to the Development Bargain

- 1. Complex problems require multilateral solutions.
  - Geopolitical, trade, and economic conditions are rapidly shifting. Therefore, complex
    problems in labour markets, climate change, and other social inequalities require
    multi-stakeholder approaches that balance capital and political interests for
    developmental goals.
  - Malaysia faces the challenge of implementing policies effectively under complex conditions. Thus, we must balance long-term developmental objectives with the constraints of short-term political processes.
  - In the pursuit of solutions amidst structural constraints, we must engage not only the political elites, but also civil society and the business community. This involves the public sector, private sector, philanthropy partnerships ("PPPP") to address complex societal issues effectively.
- 2. Inclusive development and capital redistribution are needed to ensure equitable development.
  - Civil Society Organisations ("CSOs") are key vehicles to mobilise shifts towards an
    inclusive educational system and more redistributive fiscal policies.
  - In pursuit of inclusive development, we must focus on marginalized groups, and redirect capital toward societal impact. Due to unequal and inefficient distribution of resources, we need to build coalitions between private, public, and civil society to mobilise capital towards strategic social change.
  - Investors should manage their expectations around higher risks associated with catalytic social investments, and focus on capacity building for CSOs and non-government organisations, which are the main drivers of local development.

- 3. In a social media centric world, narratives are key in driving holistic development.
  - Social media has the potential to induce behavioural changes and mobilise societal transformations. However, with potential comes the risk of increased polarisation, which we must be mindful of when increasing social media usage.
  - Critical factors for successful development include good governance, communication, education, and public-private engagements. In the realm of communication, social media is a double-edged sword, which can be harnessed for good but also a tool to propagate disinformation, misinformation and harmful sentiments.
  - Business communities and CSOs should take initiative in building the narrative of a developmental vision, thereby setting collective goals and channelling capital towards strategic development objectives.



### **FEATURE ADDRESS**

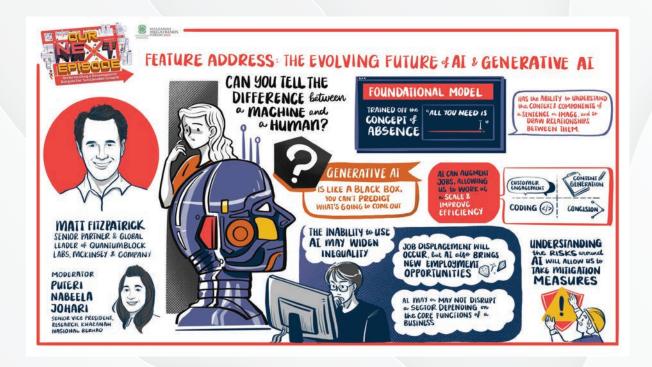
by Matt Fitzpatrick

## The Evolving Future of AI and Generative AI

- 1. Generative AI has captured the imagination of the public since ChatGPT's release in November 2022.
  - Generative Al is the first technological development that surpassed the Turing Test.
     Generative Al is able to interact in a way that seems human and has had some high-profile achievements over the past year, including winning an art prize, passing the US law exam, and passing Google's coding test.
  - While the technology behind Generative AI (also known as foundation models) has been around since 2017, ChatGPT's visual interface allowed a wide audience to interact with the AI models. This is partly why ChatGPT managed to scale faster than any previous technology platform, amassing 1 million users in just 5 days. This may also represent a paradigm shift in the way we interact with technology, from visual/ touch-based graphical user interfaces (GUIs) to natural language (writing or speaking in human languages to a machine).
  - Generative Al differs from machine learning in its ability to understand the context and components of a sentence or image, and to draw relationships between them. Machine learning is trained on specific data and needs to be fine-tuned in order to predict predefined metrics like credit scores. In contrast, foundation models are self-trained using broad, unstructured data. The prediction process is more of a "black box", with outcomes that are less predictable than in traditional machine learning.
- 2. The impact of Generative AI on different sectors and companies will be unequal...
  - Tens of billions of investment dollars are flowing into the Generative AI ecosystem. However, contrarian to the media narrative, certain sectors may experience limited disruption from Generative AI. For example, sectors like Metals & Mining or Agriculture may not have as many use cases for Generative AI, although Agriculture has already witnessed disruption from other forms of AI, such as in crop forecasting.
  - Other sectors will be significantly impacted by Generative AI. Media & Entertainment will
    be heavily impacted, as will Software & Technology, where AI coding assistants will
    greatly improve productivity. While the heavily regulated core functions of Banking and
    Insurance (actuarial statistics, loan decision-making) will not be heavily impacted,
    ancillary functions like customer interaction could benefit significantly from Generative AI.
  - Job displacement is inevitable, but AI will also pave the way for the emergence of new
    employment opportunities. According to the World Economic Forum, 65% of children
    entering primary school today will end up working in jobs that do not yet exist today, and
    many of these jobs will be just as interesting as the ones that disappear.

## 3. ...But everyone will stand to gain from understanding and learning how to use Al.

- Al can augment jobs, allowing us to work at scale and improve efficiency. Al has played a significant role in enabling advancements in Healthcare, particularly in patient data management. To effectively utilise these applications, doctors would benefit from understanding some of the underlying logic. While Al can generate vast amounts of artwork, it is worth noting that behind the art prizes won by Generative Al, there was a human directing the composition, analogous to James Cameron utilising novel technologies in filmmaking. One does not need to be an expert in Al to utilise it effectively, but being Al-fluent is helpful.
- Inability to utilise AI may widen inequalities. If MSMEs do not have the resources to utilise AI, they may fall further behind capital-rich large multinationals or conglomerates. However, the cost of deploying AI is likely to fall over time, and smaller companies may be able to better utilise AI if they are more nimble and agile.
- Understanding the risks around AI will allow us to take mitigation measures. Some of the key debates around Generative AI include Intellectual Property (IP) infringement (who owns the data and the output?) and bias (what are you training your model on?), and hallucination (what is the model outputting?). Regulations around AI are still evolving, and there will likely be guardrails around AI detection tools (especially for image generation) and what is considered human- or AI- generated. Companies will also put in mitigation measures such as screening Generative AI output manually or using machine learning.



### MALAYSIANA: STORIES OF SPECTACULAR MALAYSIANS

Anuthra Sirisena, Edmund Tan & Lim Shiew Li, Jasmin Amirul Ghani, Khoo Salma Nasution, Wilson Beh

#### Anuthra Sirisena

Chemistry teacher, SMJK Chung Hwa Tenom; and Founder, Tenom Innovation Centre

Creating opportunities is key to developing our children's potential, while the culture of giving back ensures its sustainable continuity.

- Exposure embodies the 'seeing is believing' concept, which is crucial in gaining community support for education. Project Tenom Innovation Center (TIC) was created to focus on providing exposure, empowering students, and promoting community builders, despite having challenges in necessities in the area. These opportunities have influenced buy-in from parents and the community to support the programme.
- Empowerment is the main driver of the TIC Programme. Learning is student-driven, where secondary students empower themselves to impart knowledge and skills. They decide what to learn and progress at their own pace, with support from teachers, parents, and the community.
- The TIC Programme has had a profoundly positive and widespread impact on both current and former students. The knowledge, skills, and values created are highly valuable and meet market demands. The culture of give-and-take ensures sustainability, benefiting younger generations. Involvement from resource-rich organisations can enhance the impact of developing this ecosystem.

### **Edmund Tan & Lim Shiew Li**

Founders, Inside Scoop

Fostering innovation, creativity and adaptability is crucial for business growth, but a focus on people is equally vital to ensure sustainable success and meaningful impact.

- Embracing innovation and creativity paved the way to success for Inside Scoop. By experimenting with flavours cherished by Malaysians, a unique and delightful ice cream experience is crafted. Indulging in ice cream becomes more than just a treat; it transforms into an immersive experience, evoking joy and creating cherished memories.
- Punching above one's weight is essential for survival. For Inside Scoop, every
  encountered problem becomes a valuable learning experience, contributing to the
  growth of the company. Staying nimble and adaptive in the face of adversity is crucial, as
  it allows for swift exploration of effective solutions under any circumstances.
- Local businesses can be catalysts for shaping the next generation. Attracting and nurturing young, local talents require problem-solving skills and embracing mistakes, all while instilling core values through shared experiences.

#### Jasmin Amirul Ghani

Managing Director, Hire. Seniors & Amazing Seniors

## A successful, healthy, and fun ageing society can be created by empowering seniors and fostering active social engagements.

- Malaysia is experiencing a rapid shift towards an ageing population, leading to a
  significant decline in the working-age workforce. Hire. Seniors provides a space to
  leverage the skills of older adults and offer a viable solution to this issue. It also
  addresses the major challenge of job acquisition at old age, which is age discrimination.
- Public misconceptions about hiring seniors are often false. Hiring seniors enhances the
  economy by creating more job opportunities, as their roles often complement rather
  than replace younger positions, debunking the misconception that it diminishes youth
  employment. Additionally, hiring seniors does not cost more, as payments are
  job-based, not experience-dependent.
- Facilitating connections among seniors promotes a happy and healthy ageing society.
   Old age is often associated with reduced social interactions, declining physical
   movements and health conditions. Amazing Seniors provides a digital platform that
   enables senior communities to engage through events and chats, which will bring many
   benefits such as sustained social interactions, maintenance of physical and cognitive
   function, as well as disease prevention.

#### Khoo Salma Nasution

Co-Founder, Areca Books; and Vice President, Penang Heritage Trust

## Heritage serves as a game changer for Penang, playing a vital role as cultural infrastructure for local economic opportunities and social innovation.

- Think global, act local. Rich cultural heritage must be shared and appreciated by others.
   Therefore, various historical products like books and heritage maps have been created to capture and disseminate these invaluable narratives.
- Heritage holds significant value, not only in the realm of tourism but also as a profound educational asset. Its significance goes beyond a mere tourist attraction but also encompasses a wealth of cultural knowledge and wisdom. For students, heritage serves as a tool to foster deep appreciation for their roots by immersing them in culturally stimulating environments.
- The narrative that history is written by former colonization powers must be reconstructed. Malaysians must reclaim the narrative from colonial influences by crafting stories rooted in our unique experiences and memories. Despite the limited market for such books in Malaysia, Areca Book stands firm, advocating for the continued documentation and illustration of these insights which are important for knowledge, education, and nation-building.

#### Wilson Beh

Co-Founder and COO, PolicyStreet

## Inspired to serving the underserved, PolicyStreet strives to bridge gaps and enhance insurance coverage with better solutions.

- Enormous gaps present significant opportunities for service and growth. Approximately 90% of Malaysians are underinsured, with 85% of MSMEs lacking adequate coverage. In SEA, insurance penetration stands at only 4%, falling below the global average of 7%.
- Innovative, bite-sized products can drive enhances market penetration. PolicyStreet strives for a comprehensive approach, recognising that digital solutions alone will not suffice. Its goal is to cater to diverse customer needs, offering a business model that elevates and satisfies all.
- Key differentiating approaches derived from their experiences results in customer satisfaction. PolicyStreet aims to expand coverage by curating relevant products embedded at different touchpoints, utilising solutions from upstream to downstream; and fostering value-driven partnerships to bridge the protection gap.



## FIRESIDE CHAT with Magnus Grimeland

### 1. Equal opportunity is essential to gain access to global talent.

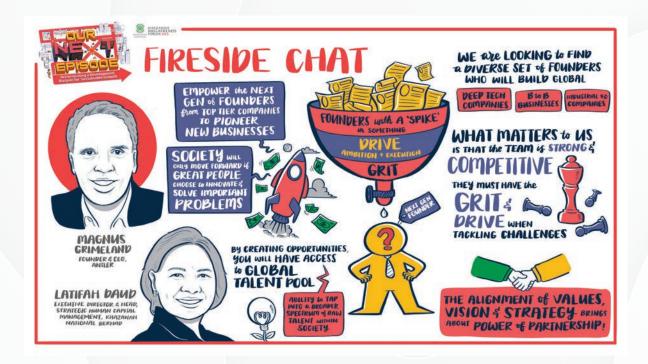
- Building a successful startup involves harnessing a team with strong individual skillsets and core talents to address existing problems. Antler, through a lens of equal opportunity, strives to identify the most suitable individual and highlight their greatest strengths.
- Antler's mission is to develop a cohort of individuals with equal opportunities for success. For instance, the company enables founders from all backgrounds to harness their individual potential by derisking the company lifecycle, starting from pre-seed stage, all the way to exit. Antler aims to lower economic risk by providing stipends, capital, playbooks and by sharing a global network. Hence, these individuals do not need to come from privileged backgrounds in order to launch their businesses.
- The most outstanding applicants come from diverse backgrounds. Antler has an acceptance rate as low as 3%, and they employ a selection process that relies on referrals from a network of VC's.

### 2. A good founder is an individual with spike, a strong drive and grit.

- A founder with spike has the capacity to recognize what makes them stand out from the crowd and has the desire to leverage their outstanding traits. A good founder is set on digging deep into their ambitions to figure out the underlying intentions, and whether those intentions hold a strong currency to them and their company's sense of being.
- A founder must possess strong drive, which involves the combination of ambition, vision, and determination to act. Drive should not be mistaken for passion, as passion without the commitment to follow through often leads to failure. One common mistake founders make is dwelling on an idea for too long, rendering it obsolete in an ever-changing landscape of trends.
- A successful founder needs grit the ability to persevere through the tough duties of a
  founder. The journey to exit involves multiple challenges, extended work hours and the
  potential for disappointment. While a founder's role is demanding and should not be
  romanticized, it can also be highly rewarding in the long run, making the initial
  challenges worthwhile.

### 3. Malaysia has the potential to develop a strong incubator environment.

- Unlike other entrepreneurial hubs, Malaysia stands out in supporting companies across a wide spectrum of diverse business models. These business models encompass Industry 4.0 companies focused on digitalization, B2B companies who leverage on strong networks and forms of collaboration, as well as B2Cs business models.
- As an emerging market, Malaysian entrepreneurs should focus on garnering stronger forms of collaboration between multiple stakeholders (other VC's, industry players) within the business ecosystem. This starts by recognizing the wealth of natural talent that is yet to be developed through improving access to technical know-how and capital funding.
- Antler cultivates a robust culture where members share fundamental core values, despite their presence in six continents. Their ultimate objective remains consistent across their operations in 27 countries, which is to harness the best local resources to launch of the next successful global company.



### **CORE SESSION 4: PEOPLE AND LEADERSHIP**

Prof Dato' Dr Adeeba Kamarulzaman, Sha-Ron Low, Suthen Thomas

# Of the People, By the People, For the People - Competing to Run our Development Journey

- 1. Despite intergenerational differences, everyone has the same fundamental needs.
  - The requests from each generation are relatively consistent. The requests from current generation such as access to opportunities, trust from supervisors, as well as being heard and acknowledged, have always existed in past generations.
  - Jobs are no longer merely jobs. An engaging environment, purpose, and progression have becoming essential components to attract and retain talent, in addition to fair compensation.
  - Conscious efforts are needed to reverse the trail of suffering. Generational gaps and differences do exist, so the older generation needs to keep in mind that times have changed.
- 2. Leadership skills are highly personal, and there is no one-size-fits-all model.
  - Listen with intent and be self-aware. The ability to listen and understand is key to forming a comprehensive picture of the system.
  - Unite people around a common purpose and vision. Deliberately create opportunities for the team to connect with the larger mission and reinforce the collective narrative.
     Consider a servant-leadership style with the primary focus on serving the greater good and enabling the success of others.
  - Move beyond titles and reduce organisational power distance. The senior leadership
    plays a role in reducing power distance and driving changes within the organisations to
    create real impact.

#### 3. Reframe 'brain drain' as talent flow.

- Loyalty is overrated. Across APAC, the talent war is real. The competition for talent and challenges surrounding 'brain drain' is experienced worldwide as talents migrate for opportunities internally and abroad.
- Remain open to the movement of talent. People grow from experiences and those who have spent longer times abroad often develop diverse perspectives.
- Be intentional in talent attraction, especially in the age of global talent competition. The
  movement of talent is not limited to job opportunities, but also the social environment
  that is conducive to their needs. Creating an environment that allows talents to thrive in
  Malaysia is crucial to attract talent back to the country.



## **CLOSING ADDRESS**

by YAB Dato' Seri Anwar Ibrahim

