
ARISE PLUS MALAYSIA

NAVIGATING GLOBAL MARKETS: IMPACT ON SMALL BUSINESSES AND REGULATORY EVOLUTION

CHALLENGES AND OPPORTUNITIES

Micro, small, and medium sized enterprises (MSMEs) in Malaysia play a pivotal role in the country's economic framework. The intricate web of international regulations, agreements, and market dynamics can significantly impact the operations, competitiveness, and growth prospects of small businesses. Being aware of the latest developments in global trade policies enables MSMEs to proactively navigate challenges, seize emerging opportunities, and foster sustainable growth. Their ability to adapt to evolving trade and investment landscapes is not merely a strategic advantage but a necessity for long-term success.

Maintaining regulatory agility is also essential to facilitate a conducive environment for MSMEs. By proactively addressing emerging trends and harmonizing policies with international norms, Malaysian regulators can position the country as an attractive and competitive player on the global stage, creating an environment that supports the growth and resilience of its small businesses in an increasingly interconnected world.

RESULTS AND IMPACT

ARISE Plus Malaysia made strides in shaping Malaysia's trade landscape by supporting the development and execution of trade policies that not only adhere to the standards set by the Association of Southeast Asian Nations (ASEAN) but also align with broader international commitments, such as those of the European Union.

The project focused on five key areas that demand special attention in the formulation and implementation of trade policies i.e. Emerging trends in trade and investment policies, International Investment Dispute Settlement, Strengthening the Rules of Origin system, Enhancing the E-Commerce Regulatory Framework, and Building Foreign Trade Agreement (FTA) Impact Assessment Capacities. More than 600 Malaysian public and private representatives benefited from 50+ workshops, seminars, and dialogues.

The benefits to Malaysian MSMEs are substantial, ranging from improved market access and streamlined processes to enhanced adaptability to global standards, thereby bolstering their competitiveness on the international stage.

Key results:

- Enhanced comprehension of the UNCITRAL Model Law of Electronic Transferable Records, leading to the development of policies that align with global standards. This initiative facilitates smoother cross-border transactions and promotes the use of electronic records in trade activities.
- Awareness creation about the EU Green Deal, particularly the Carbon Border Adjustment Mechanism (CBAM) and the EU Deforestation Regulations (EUDR). The project provided practical insights on how the private sector can adopt and adapt to these changing regulations, including sustainable practices and digital compliance measures.

- Updated policies and negotiation strategies related to digital obligations in trade agreements, ensuring Malaysia's strategic position in the evolving digital trade landscape.

VOICES OF PROJECT BENEFICIARIES

"The EU Green Deal discussions provided us with valuable insights into the current trends in FTAs and prompted a re-evaluation of their relevance to our local context." – Chan Foh Ching, Ministry of Science, Technology and Innovation (MOSTI) of Malaysia

"Grateful for the invaluable training. It was not only enjoyable but also incredibly insightful. Now, I feel well-equipped to tackle any challenge. Thank you for your wisdom, experience, and engaging presentation!" – Ahmad Shazwan Zaini, Ministry of Human Resources (MOHR) of Malaysia



About ARISE Plus Malaysia: The project (2021-2024) supported sustainable trade growth in Malaysia by enhancing a sustainable business and investment environment in Malaysia, improving product quality and competitiveness, and enhancing sustainable and internationally quality-compliant practices in the agri-food sector. The project was funded by the European Union (EU), and implemented by the International Trade Centre (ITC) (<https://intracen.org/>) jointly with the Government of Malaysia, in collaboration with the Ministry of Investment, Trade and Industry (MITI) (<https://www.miti.gov.my/index.php>). It was part of the broader EU "ARISE Plus" regional programme, supporting greater connectivity and economic integration in ASEAN, through regional thematic projects and national ARISE Plus projects (<https://ariseplus.asean.org/>).

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