

# KERATAN AKHBAR

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## Rafizi: Govt to reform digital, startup ecosystem

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BY GLORIA HARRY BEATTY  
sunbiz@thesundaily.com

**PETALING JAYA:** The government aims to build a digital ecosystem on par with those of Indonesia and Singapore, to make Malaysia the hub of choice for investors in the region, and create an environment that is conducive for startups.

According to Economy Minister Rafizi Ramli (*pic*), the government has "a good plan" and the existing ecosystem in Malaysia, which includes agencies, has the ability to catch up very quickly with some of its regional peers.

He said Indonesia and Singapore are advanced in terms of the startup landscape and Malaysia has the ability to reverse the situation by catching with them.

Rafizi said there have been investors or digital startups which have moved from Malaysia to Singapore or Indonesia.

"There is a gap definitely but it's a gap that I think is not beyond fixing and within one year, I think the excitement will come."

Rafizi said the Economy Ministry, Communications and Digital Ministry, and Science, Technology and Innovation Ministry are

responsible for the digital ecosystem.

"We will go through stage by stage, as much as we need to build the momentum, we also want to make sure that (every implementation will benefit) the ecosystem," he told reporters after the Mavcap Ilham talk organised by Malaysia Venture Capital Management Bhd yesterday.

Earlier at the talk, Rafizi said his ministry looking into ways to reform the startup ecosystem with regard to venture capital and investments.

"We definitely will look into the so-called funding ecosystem. How we're going to approach it, how to see more investments into the seed and angel (funding rounds).

"We'll be looking at how we want to create an ecosystem that while it is very friendly to the seed and angel stage, it has also got to be very accountable and ... that's what you need to grow," he said.

He added that his ministry has made a study on the situation and believes that the focus should be more on seed and angel stages.

Rafizi pointed out that startup products are mostly meant for business and are



commercial in nature.

"From the government's side, it will move towards governmental technology (govtech), "so that government solutions move away from very vendor-driven all the way, from back end to front end for every solution, to one where it revolves around API (application programming interface)".

"That will open up to more opportunities for smaller players to focus on just the API solution, rather than the whole data infrastructure because once a centralised government's database works and consolidated, then solutions can move towards API for example," he said.

Last month, Rafizi announced that his ministry is formulating a single-window policy for digital and technology incentives application. He said yesterday the policy will be presented to the digital economy council, chaired by Prime Minister Datuk Seri Anwar Ibrahim, by the end of July.

"After the digital economy council meeting, we hope to get the clearance for us to make some big announcements that involve some big investments," he shared.