**PRESS RELEASE**

# Malaysia explores Fit-for-Purpose Governance solutions to drive the digital economy

*by the Tech for Good Institute (TFGI)*

**Kuala Lumpur, June 19, 2025** – The Tech for Good Institute, with support from Malaysia Digital Economy Corporation (MDEC), launched the 2nd Edition of the report, ***The Evolution of Tech Governance in Southeast Asia-6***, at a public seminar entitled "The Evolution of Tech Governance in Southeast Asia: Spotlight on Malaysia."

The 2024 report provides an in-depth analysis of significant policy developments and governance strategies across Indonesia, Malaysia, Singapore, the Philippines, Thailand, and Vietnam. This second edition expands upon the 2023 findings by examining the key players, government approaches towards technology governance, and policy areas which gained prominence in 2024, offering critical perspectives on the region's evolving regulatory environment.

In addition, the seminar convened policymakers, industry leaders, and academic experts to explore key governance challenges, regulatory developments, and policy priorities essential for Malaysia's digital transformation journey.

“Malaysia’s digital economy is one of the most dynamic sectors of the national economy, projected to contribute an impressive 35% to GDP by 2030 and generate 1.5 million jobs. With such ambitious targets, it is critical to ensure that this rapid digital transformation is both responsible and sustainable,” says Arifah Sharifuddin, Institute Director of the Tech for Good Institute. “We extend our sincere appreciation to our partner, Malaysia Digital Economy Corporation (MDEC), for their support in hosting this meaningful event. We are happy to create a platform where regional and national perspectives on tech governance trends can be shared.”

**Fit-for-Purpose Governance in the Innovation Age**

TFGI Programme Lead Keith Detros presented key insights from the regional study, highlighting policy trends that are shaping Southeast Asia’s digital economy in 2024. These include emerging trends in AI governance, cybersecurity, data protection, and trust and safety initiatives, demonstrating how various governments across the region are approaching similar digital transformation challenges. His presentation set the stage for deeper reflection on Malaysia’s own governance approaches.

The seminar featured a panel discussion titled *"Fit-for-Purpose Governance in the Innovation Age: Spotlight on Malaysia,"* bringing together distinguished experts representing government, industry, academia, and innovation ecosystem stakeholders.

Key panelists included YM Ts Tengku Azrul Tengku Azhar of MDEC; Dr. Noor Hasliza Mohd Hassan from Jabatan Digital Negara (JDN), Ministry of Digital; Safuan Zairi representing Malaysian Research Accelerator for Technology & Innovation (MRANTI); Hafidzi Razali of the E-Commerce Chapter, Malaysian International Chamber of Commerce & Industry (MICCI); and Dr. Kanmani Munusamy from Universiti Malaya's Digital Infrastructure Centre. The discussion centred on three critical topics that shape Malaysia's approach to digital governance: emerging technologies, balancing economic growth with societal protection, and policy innovations.

**Leveraging emerging technologies with adaptive governance**

The experts highlighted Malaysia’s unique innovation landscape, which is characterised by multi-agency coordination, multi-sectoral involvement, and broad-based collaboration that spans urban and rural communities. The country’s technology ecosystem is also powered by strong partnerships among the public, private, academic, and civil society sectors, amid varying levels of digital literacy across the population.

Malaysia's approach to emerging technology governance emphasises digital inclusivity through a whole-of-government approach with integrated systems and shared services platforms like

Malaysian Government Central Data Exchange (myGDX). The country is implementing cloud computing solutions and piloting AI solutions with plans for broader implementation. These efforts include implementing digital technologies for sectors such as health, agriculture, transportation, and public services.

**Protecting Digital Society through balanced governance**

The discussion also addressed the critical challenge of designing governance frameworks that simultaneously protect users, workers, and businesses while fostering innovation and economic growth. Experts identified key challenges in protecting Malaysia's digital society, including involving different socioeconomic groups in the digital transformation process, ensuring affordable and reliable digital infrastructure reaches all communities, and improving digital literacy across all segments of society.

A particular focus was placed on e-commerce and digital platforms governance, as Malaysia continues to advance its digital economy ambitions.

The panel discussed Malaysia's upcoming e-commerce legislation that aims to strike a balance by providing regulatory clarity which supports business confidence and digital trade expansion while ensuring robust consumer protection and fair competition. The "one-size-fits-all" approach for regulation is viewed by industries as potentially counterproductive, as different businesses have unique needs and operating models. The discussion emphasised that developing effective regulations should take into consideration the nature of different business models and user experiences. Hence, governance mechanisms that balance innovation with public safety through flexible, principle-based regulations are encouraged.

**Multi-Stakeholder collaboration through policy innovations**

The panel explored how Malaysia can strengthen multi-stakeholder partnerships and maintain governance agility amid rapidly evolving technologies. Experts discussed key policy innovation initiatives, including co-creating policies with industry experts, implementing collaborative governance approaches, and encouraging more use of the sandbox approach for controlled testing of new technologies and developing outcome-based regulations. One key area the government can focus on is procurement policy. Updating outdated procurement laws can enable the public sector to move faster in adopting and leveraging technology for a more efficient service delivery.

---

**About the Tech for Good Institute**

Tech for Good Institute (TFGI) is a non-profit organisation founded in 2021 to encourage conversations and dialogue on how the promise of technology and the digital economy may be leveraged to enable sustainable, equitable and inclusive growth for Southeast Asia.

For media inquiries, please contact:


- **Keith Detros**
  Programme Lead, TFGI
  keith.detros@techforgoodinstitute.org