



MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY

OPENING REMARKS

**YB SENATOR TENGKU DATUK SERI UTAMA ZAFRUL
TENGKU ABDUL AZIZ
MINISTER OF INTERNATIONAL TRADE AND INDUSTRY
(MITI)**

NATIONAL CONFERENCE ON BEHAVIOURAL INSIGHTS 2023

**Nudging: An Approach in Applying Behavioural Insights
for Better Policy and Regulation**

**21 MARCH 2023
2.40 PM – 3.00 PM (MALAYSIA TIME)
VIA ONLINE PLATFORM**

Yang Berbahagia Dato' Abdul Latif Bin Haji Abu Seman
Director General, Malaysia Productivity Corporation (MPC)

Datuk-Datuk

Eminent speakers

Members of media

Ladies and gentlemen

Assalamualaikum, Good afternoon and salam sejahtera.

1. At the outset, I must congratulate Malaysia Productivity Corporation (MPC) for organising the National Conference on Behavioural Insights 2023.
2. This reflects MPC's commitment to drive the application of Behavioural Insights or BI in public policymaking – a role entrusted to MPC under the Twelfth Malaysia Plan, where BI is listed as a complementary tool to enhance the Government's services and guide citizens towards making better decisions.
3. I am confident that MPC, through this conference, will promote a better understanding of BI, especially in embedding 'nudging' in an entity's operations and communications, as a more effective way of developing, implementing and embracing new policies and regulations.

Ladies and gentlemen,

4. The Ministry of International Trade and Industry is mandated to bring in investments, expand international trade, and facilitate industrial development. To achieve this, we need

solid policies and regulations to sustainably develop the country's supply chain, and appropriately train our human capital towards higher productivity, global competitiveness and shared prosperity.

5. To this end, Malaysia welcomes BI applications for effective policies and quality regulations, where a 'nudge' is utilised as a gentle push or reminder to help people make better, more appropriate decisions without limiting their freedom of choice.
6. Last year, with assistance from MPC, MITI itself conducted a BI project to enhance compliance with the Strategic Trade Act 2010. The incorporation of nudges such as using plain language, reorganizing the information sequence, and emphasizing pertinent details effectively reduced the number of errors in the application process and improved regulatory compliance.
7. In another case study conducted by MPC, nudging was used to increase parking compound payments in areas under the Sungai Petani Municipal Council in Kedah. The nudging message printed on the compound notice led to a 30% increase in public compliance, with payments made within the 14-day payment period.
8. Hence, I foresee vast potential for nudging and BI in increasing the ease of doing business in Malaysia, particularly in reducing compliance costs, and deploying the optimum level of resources on regulatory or procedural monitoring and enforcement. These are key to managing operational costs and maximising profitability.

9. As such, nudging and BI can be a reformative step for quality rulemaking and efficient regulatory implementation without relying on heavy-handed or coercive measures.
10. I foresee its application by agencies such as Malaysia's Special Task Force to Facilitate Business (PEMUDAH), and other regulatory or enforcement entities with a similar mandate to reduce bureaucracy for investors and businesses to achieve the country's long-term goals.

Ladies and gentlemen,

11. I would like to thank the speakers today who have agreed to share their expertise on the various aspects of Behavioural Insights. Malaysia's journey in BI is still in its infancy, and we look forward to learning from experts like yourselves on international best practices for BI applications.
12. On that note, I hereby officially open the National Conference on Behavioural Insights 2023, themed Nudging: **An Approach in Applying Behavioural Insights for Better Policy and Regulation.**

Thank you and I wish you a productive session ahead.