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GREEN ENTREPRENEURSHIP: PROMOTING SUSTAINABLE GROWTH IN MALAYSIA

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Green entrepreneurship is the activity of consciously addressing environmental and social problems and needs and coming up with brilliant, innovative entrepreneurial ideas that will bring a solution to them (iED, 2020). In other words, green entrepreneurship refers to businesses and companies developing products or services that are usable everywhere and have the potential to protect the ecosystem. They must simultaneously ensure that the solutions will not have a detrimental financial impact on the company. While green entrepreneurs are individuals or groups who identify environmental problems and seek to develop innovative solutions through the creation of sustainable businesses.

The government and other organisations are actively supporting and promoting green entrepreneurship in Malaysia, which is also being propelled by the nation's dedication to sustainable development and environmental conservation. Malaysia has come to realise how important it is to support the green industry as a means of achieving its goals for sustainable development. There are several reasons why green business is growing in Malaysia, including:

1. **Government support:** The Malaysian government has made a commitment to sustainable development and environmental protection and has implemented various policies and programs to support green entrepreneurship. This includes the Green Technology Financing Scheme (GTFS), which provides financing for green technology projects and initiatives.
2. **Growing demand for sustainability:** Consumers in Malaysia are becoming increasingly aware of the need for sustainable and eco-friendly products and services. This has created a growing demand for green businesses, particularly in industries such as renewable energy, waste management, and sustainable agriculture.
3. **Economic opportunities:** Green entrepreneurship presents significant economic opportunities, both in terms of job creation and revenue generation. This has encouraged entrepreneurs in Malaysia to explore green business ideas and seek out funding and support for their ventures.
4. **Innovation and technology:** The development of new technologies and innovative solutions has made it easier for entrepreneurs to launch and grow green businesses. This includes advances in renewable energy, waste management, and sustainable agriculture, among others.

The Malaysian government has also implemented various incentives to support and encourage green entrepreneurship in the country. These incentives are designed to support green entrepreneurship by providing funding, tax incentives, and other forms of financial support. Green entrepreneurs in Malaysia can take advantage of these incentives to launch and grow their businesses, while also contributing to the country's sustainable development goals. Some of these incentives include:

1. The Malaysian government launched the "National Policy on Industry 4.0" to drive the country's digital and green transformation. The policy aims to create 1,000 new green technology entrepreneurs by 2025. (<https://www.miti.gov.my/index.php/pages/view/4832>)
2. MyHijau Mark (under MyHijau SME and Development Program): Malaysia's official green recognition scheme endorsed by the Government of Malaysia, bringing together certified products and services that meet local and international environmental standards under one single mark (<https://www.myhijau.my/>)
3. Green Technology Financing Scheme (GTFS) 3.0: The GTFS is a soft loan that provides financing for green technology projects and initiatives, including those undertaken by green entrepreneurs. The scheme provides financing of up to RM2 billion (as of December 31, 2022) at a lower interest rate compared to conventional financing (<https://www.danjamin.com/business/green-technology-financing-scheme/>)
4. Green Investment Tax Allowance (GITA): The GITA provides a tax allowance of up to 100% of qualifying capital expenditure incurred for the purchase of green technology assets. This incentive is available to all companies in Malaysia that invest in qualifying green technology assets (<https://www.myhijau.my/wp-content/uploads/2022/05/REC-GTGT-007-GUIDELINES-FOR-GREEN-TECHNOLOGY-TAX-INCENTIVE-GITAGITE.pdf>)
5. Green Income Tax Exemption (GITE): The GITE provides a tax exemption of up to 70% of statutory income for up to 10 years for companies that are engaged in green technology activities. This incentive is available to companies that are certified by the Malaysian Green Technology Corporation (MGTC) as green technology service providers (<https://www.myhijau.my/green-incentives/>)
6. Green Technology Application for Low Carbon Cities (GTALCC): The GTALCC provides funding for green technology projects in cities and urban areas. This incentive is available to all stakeholders, including green entrepreneurs, who are involved in developing and implementing green technology solutions in cities. (<https://www.seda.gov.my/energy-demand-management-edm/green-technology-application-for-the-development-of-low-carbon-cities-gtalcc/>)
7. Soft loans: The Malaysian government provides soft loans through various agencies to support green entrepreneurship, including Malaysia Debt Ventures (MDV) and the Small Medium Enterprises Development Corporation (SMEDC). (<https://www.mdv.com.my/v3/>)
8. High Tech and Green Facility Fund (HTG): HTG is a financing facility designed to help SMEs and innovative start-ups grow their businesses and invest in strategic sectors and technology fields (digital tech, green tech, and biotech) for a sustainable and entrenched economic recovery (https://www.bnm.gov.my/documents/20124/6025157/htg_faqs_en.pdf)

The following actions can be taken by Malaysian business owners who are interested in becoming green entrepreneurs:

1. Identify a green business idea: Entrepreneurs can start by identifying business ideas that have a positive impact on the environment. This can include products or services that promote sustainability, reduce waste, or use renewable energy sources.
2. Conduct market research: Once a green business idea has been identified, entrepreneurs should conduct market research to assess its viability. This can involve analysing the demand for the product or service, identifying potential customers, and assessing the competition.
3. Develop a business plan: Entrepreneurs should develop a comprehensive business plan that outlines their green business idea, target market, marketing strategy, financial projections, and operational plan.
4. Seek funding: There are various sources of funding available for green entrepreneurs in Malaysia, including the Green Technology Financing Scheme (GTFS) and other government programs, as well as private investors and venture capitalists.
5. Build a network: Entrepreneurs can build a network of contacts in the green business community, including other entrepreneurs, industry experts, and potential customers. This can help them stay up to date with the latest developments in the industry and build relationships that can be beneficial to their business.
6. Obtain necessary certifications: Depending on the nature of the green business, entrepreneurs may need to obtain various certifications and licenses to operate in Malaysia. This can include environmental permits, green certifications, and other regulatory requirements e.g., Malaysia Renewable Energy Certificates (mREC), Green Gold Label (GGL), Ocean Bound Plastic (OBP) Certification, and the MSPO Certification Scheme.
7. Monitor and measure impact: Green entrepreneurs should monitor and measure the impact of their business on the environment and make adjustments as necessary. This can involve implementing sustainable practices, reducing waste, and promoting eco-friendly behaviour among employees and customers.

Ultimately, a combination of creativity, innovation, and a dedication to sustainability is needed to become a green entrepreneur in Malaysia. Entrepreneurs in Malaysia can effectively start and expand a green business by following these guidelines and looking for assistance from the government and other groups.

Green entrepreneurship development in Malaysia is a growing trend that aims to promote sustainable and environmentally friendly business practices. The Malaysian government has implemented various initiatives to support green entrepreneurship. However, there are still challenges to overcome, including the need for greater awareness and education about green entrepreneurship and the importance of sustainable business practices. At the same time, green entrepreneurship in Malaysia can assist in combatting climate change, promoting clean and inexpensive energy, and supporting sustainable economic growth and job creation through fostering sustainable company practices. These initiatives support the SDGs' overarching objectives, which include promoting global social, economic, and environmental sustainability

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