

## **Cross-border entrepreneurship: a preliminary study on informal entrepreneurs in Sebatik Island**

### **ABSTRACT**

Cross-border entrepreneurship contributes a positive spill-over effect to socio-economic growth in border regions through employment opportunities, wealth creation, better infrastructure, thus improving the standard of living in the border communities. Nevertheless, economic activities in a small border rural area tends to be less formal, which have been contended by many researchers due to several diplomatic issues, such as unclear demarcation of international borders and unequal pace of democratic development between neighbouring countries. Therefore, the study aims to explore the entrepreneurial activities in Sebatik Island, through preliminary site visits and informal conversations with local communities in two of the island's borderline villages, i.e. Kampung Sungai Melayu and Kampung Aji Kuning by employing Rapid Ethnographic (RE) approach. The site visits provide interesting remarks about the prospects for crossborder entrepreneurship on the island. The study presents the current state of entrepreneurial activities in Sebatik Island and several emerging issues in relation to economic potential, such as the rise of informal business activities, business infrastructure, and government initiatives to support cross-border entrepreneurship on the island. This study provides valuable insights to relevant agencies responsible for rural entrepreneurial development, thus suitable measures or programs can be implemented in promoting formal cross-border entrepreneurship on the island.