

SPEECH TEXT
YAB TAN SRI DATO' HAJI MUHYIDDIN BIN HAJI MOHD YASSIN
PRIME MINISTER

IN CONJUNCTION WITH MYDIGITAL AND MALAYSIA DIGITAL
ECONOMY BLUEPRINT LAUNCH CEREMONY

ON 19 FEBRUARY 2021 (FRIDAY)

Bismillahirrahmanirrahim,
Assalamualaikum Warahmatullahi Wabarakatuh and Salam Sejahtera,

Yang Berhormat Senior Ministers

Yang Amat Berhormat Menteri Besar and Ketua Menteri

Yang Berhormat Dato' Sri Mustapa Bin Mohamed,
Minister in the Prime Minister's Department (Economy)

Honorable Ministers

Yang Berbahagia Tan Sri Mohd Zuki Bin Ali,
Chief Secretary to The Government

Secretaries-General of Ministries, Heads of Department,

Distinguished guests, ladies and gentlemen

Apa khabar semua? I hope you all are in the best of health, insya-Allah.

1. First of all, let us express our gratitude to Allah Subhanahu Wata'ala because with His permission, we are here, virtually, together at this launching ceremony of MyDIGITAL and the Malaysia Digital Economy Blueprint this fine morning.

Ladies and Gentlemen,

2. The digital wave continues to impact the global community, reaching a scale that has never been achieved before and has completely changed the lifestyles of most communities all over the world. If we were to look back just five years ago, there were endless changes we can see in various and long-ranging aspects. Whether in terms of the way we interact with each other, the way we learn, doing business, and even the way we monitor our personal health, everything is different and has changed with the touch of technology. Advanced technologies such as artificial intelligence (AI), internet of things (IOT) or big data analytics and blockchain; all of them have changed the patterns of the world's economy and the way of life of modern society.

3. The role of digital technology is evident, especially, since a year ago following the outbreak of the COVID-19 pandemic which has led to tough, difficult challenges facing all countries to continue business as usual. It has never been clearer that technology is a convenient tool for advancement in the best of times, and an essential tool of survival during the most challenging of crises.

4. The mastery of digital technology is also key for our country to overcome productivity limitations, hence, upgrading the Malaysian economy. The ability to seize opportunities emerging from innovative technologies and business models, plays an important role in driving new engines of the country's economic growth.

Ladies and Gentlemen,

5. The MyDIGITAL initiative aims to empower all Malaysians, from Perlis to Sabah, to improve their lives in every aspect. Among others, it includes ideas and plans to improve digital literacy, creates high-income jobs, makes banking and finance business easier and more organized, provides virtual educational access to our children and brings medical facilities to remote towns.

6. It also serves as a digital transformation direction plan that is able to drive the business sector to compete on the global arena by enhancing expediency and efficiency of their operations.

Ladies and Gentlemen,

7. As a caring and responsive government, today, I would like to announce the MyDIGITAL initiative which includes the Malaysia Digital Economy Blueprint. This initiative will complement the national development policies such as the Twelfth Malaysia Plan (12-MP) and the Vision for Shared Prosperity 2030 (WKB 2030).

8. MyDIGITAL sets out a combination of initiatives and targets across three phases of implementation until the year 2030;

- i) By 2025, the digital economy is expected to contribute 22.6 percent to the country's Gross Domestic Product (GDP).
- ii) At the same time, the plan also aims to provide 500,000 job opportunities in the digital economy.
- iii) The government also encourages 875,000 micro, small and medium enterprises to accept the use of e-commerce.
- iv) In addition, these initiatives under the auspices of MyDIGITAL also serve as catalysts for 5,000 start-up companies to begin their operations in the next five years.
- v) These initiatives will be the starting point to attract new investments worth RM70 billion in the digital sector, from within and outside the country.
- vi) The government is also targeting for the level of productivity of the economic sector to increase by 30 percent higher than what that has been achieved today, by 2030.
- vii) For the public sector, all agencies will provide cashless transaction facilities as the main option by 2022.

Ladies and Gentlemen,

9. To accelerate innovation and create an effective digital ecosystem, four important types of digital infrastructure under MyDIGITAL must be built first. Development efforts will be jointly undertaken by the Government and private sector where the latter will share in contributing towards capital and expertise;

10. Firstly, a total of RM21 billion will be invested over the next five years through the National Digital Network (JENDELA) project to strengthen the existing connectivity. This fixed line optical fibre network will cover almost 100 per cent populated areas in stages - from 7.5 million premises by the end of 2022 to 9 million premises by the end of 2025. Based on this wider fibre optic network coverage, this country will be better prepared to switch to fifth generation cellular networking technology (“5G”) in the near future.

11. Secondly, a total of RM1.65 billion will be invested by several telecommunication companies to strengthen connectivity to the international submarine cable network until the year 2023. This will open up space for faster and more stable international data transfer, in turn lowering internet costs to consumers in Malaysia.

12. Thirdly, a total of RM15 billion will be invested over a period of ten years for the implementation of 5G nationwide. This will create approximately a total of 105,000 job opportunities. This effort will be carried out by a special purpose vehicle under the Malaysian Government. This entity will then be given the appropriate spectrum to own, implement and manage the 5G infrastructure.

13. Insya-Allah, all licenced telecommunication companies will have equal access to this infrastructure, in marketing their 5G services to their customers. This infrastructure cost-sharing enables telecommunication companies to generate higher returns and, in turn, provide better and cheaper 5G services to consumers. This will boost the usage of 5G, thus enhance economic capability in triggering more product and service innovations.

14. So, by the end of this year, the rakyat will be able to enjoy the 5G technology in stages. With this, Malaysia will emerge as one of the first countries in this region to build a 5G ecosystem using internet and cloud services in real-time to enable instant sharing of information.

15. Just imagine - this 5G technology will serve as a game changer as more smart services with direct impact will be made available for the well-being of the people. This 5G technology not only promises better and faster internet access, but more importantly, it also enables various important applications to be in the hands of end-users, including health monitoring applications for chronic patients, smart emergency assistance, and special applications for senior citizens who are living alone.

16. Fourth, between RM12 billion and RM15 billion will be invested by Cloud Service Provider (CSP) companies over the next five years. Here, I am pleased to announce that the government has so far given conditional approvals to four CSP companies - Microsoft, Google, Amazon and Telekom Malaysia - to build and manage hyper-scale data centres and cloud services. This hyper-scale data centres as well as hybrid cloud services will be created to increase data storage space, thus reducing operating costs and improving analytical efficiency.

17. In addition, the government has also proposed the appointment of three local ICT companies as Manage Service Providers (MSP) to work with CSPs to manage their services to agencies in the public sector. This is in line with our goal to strengthen the capabilities of local companies. The three companies are Enfrasys Solution Sdn. Bhd, Prestariang Systems Sdn. Bhd and Cloud Connect Sdn. Bhd.

18. As part of the measures to empower cloud computing services in the public sector, the government through its Cloud First strategy, has targeted the migration of 80 per cent of public data to hybrid cloud systems by the end of 2022. In addition, for a more effective and smooth data collection and management, this strategy also helps to reduce government costs in information technology management in the long run. All these Cloud services will allow Big Data, AI, IoT and other applications to be utilized to enhance and strengthen government services.

Ladies and Gentlemen,

19. The construction of this digital infrastructure forms the backbone for a sustainable digital ecosystem. This ecosystem serves as the key engine of growth towards sustainable economy. The government will continue to help strengthen this new ecosystem through various ways, including:

- i) by creating a regulated environment that can support digital use while protecting the privacy of citizens;
- ii) by administering public data resources in order to be jointly benefited by public and private organizations, and;
- iii) by facilitating the evolution of labour market in potentially disruptive industries through automation and digital technology.

20. Therefore, we will ensure that digital companies involved with the government, will work hard to help Malaysians improve on their digital skills. These companies, among others, will also collaborate with local universities to establish the Faculty of Artificial Intelligence, and to work with the government to carry out employees' skills improvement programs.

21. Cyber and data security are definitely among the government's main focus in realizing the vision for a nation of digital technology. Public data will be handled sparingly based on security standards set by the government through the implementing agency, the National Cyber Security Agency (NACSA). Here I would like to assure you that the Government is very committed in monitoring the security of the data management system to avoid any future cyber threats.

Ladies and Gentlemen,

22. I would like to emphasize here that the MyDIGITAL initiative through the Malaysia Digital Economy Blueprint is a whole of nation approach. In the face of future digital ecosystems, all stakeholders need to adapt as soon as possible to face whatever arising challenges in a connected nation.

23. Finally, I hope all Malaysians will take full advantage of this digital technology and be bold to face the process of transition towards achieving digital economy. Although the public and private sectors may play distinctly different roles, we must remain consistent and in tune. I'm confident that a policy framework encompassing the formation of infrastructure, detailing all regulations as well as facilitating the formation of ecosystems, can determine the direction the country needed to realize this digital vision.

24. With Bismillahirrahmanirrahim, I hereby launch the MyDIGITAL initiative and the Malaysia Digital Economy Blueprint.

Thank you. Wabillahi al-taufiq wal hidayah wassalamu'alaikum warahmatullahi wabarakatuh.