

PRESS STATEMENT | 23 MARCH 2021

Malaysia Digital Economy Blueprint: Towards A Resilient and Inclusive Digital Economy for All

Following the launch of MyDIGITAL and the Malaysia Digital Economy Blueprint on February 19th, SERI hosted a panel session today to delve deeper into this national initiative which identifies six strategic thrusts supported by 22 strategies, 48 national initiatives and 28 sectoral initiatives.

In his opening remarks, Mr Chong Kai Wooi, Managing Director, NEC Corporation of Malaysia, highlighted the importance of trusted and resilient digital infrastructure, and welcomed the efforts to improve connectivity across the nation. "As an advocate for digital inclusion which promotes the values of safety, security, efficiency, and equality, NEC is heartened by the inclusive, ambitious, and forward-looking goals of the Blueprint."

The discussion, part of the Digital Dialogue SERIes, focused on three key areas: connectivity and infrastructure development, policies and regulations for trusted and inclusive use of data and cloud, and fostering digital talent.

Trusted and Inclusive Use of Data and Cloud

Data provides the necessary fuel for emerging technologies such as Artificial Intelligence and Quantum Computing. "We welcome the Government's bold and progressive vision as set out in the Malaysia Digital Economic Blueprint", shared Dr Jasmine Begum, Director of Legal & Government Affairs, ASEAN and SEA New Markets, Microsoft. "With data being the lifeblood of the digital economy, unlocking the potential of the digital era will be reliant on the people's ability to innovate, compete, and transact across borders. The digital-first, cloud-first policy outlined in the Blueprint will further propel innovation in the public and private sectors and accelerate the nation's transformation to become a regional leader in the digital economy."

In the case of Malaysia, the government's efforts to open digital borders would expand our opportunities beyond 32 million people, with intra-ASEAN cross border data flows allowing for greater competitiveness and economic growth within a market 20 times the size of Malaysia's population.

Bridging the Opportunity Divide

Digital exclusion is by no means a problem unique to Malaysia. In South East Asia, a region of approximately 700 million people, 150 million adult individuals are estimated to be digitally excluded. This exclusion is fuelled by disability, illiteracy, gender, age, wealth, and the concentration of economic activity predominantly in urban areas.

"The key to bridging the divide is to understand how ready the nation is in embracing digitalization, what the barriers are, and what more needs to be done to ensure digital equity. Roland Berger's Digital Inclusion Index assesses the state of digital inclusiveness, considering four key aspects: accessibility, affordability, ability, and attitude", explained John Low, Co-Managing Partner, SEA, Roland Berger. "Malaysia is considered a frontrunner in Southeast Asia, ranking at number 2 right behind Singapore. Globally, Malaysia ranks at number 21.

While we lag behind in terms of accessibility and affordability, Malaysia performs highly in relation to ability, and is best in the region for attitude."

Digital talent and skills: Critical building blocks of the post-COVID economy

The Blueprint seeks to equip the current and future workforce with digital skills to thrive in the digital era. While the digital economy provides an impetus for upskilling, reskilling, and talent development at various levels of education, we must ensure that learning opportunities are democratised – an effort which has been advanced by the Malaysia Digital Economy Corporation (MDEC).

"MDEC pledges its unequivocal support and commitment towards making the Malaysia Digital Economy Blueprint – MyDIGITAL, a key driver of national development, a success. Our vision of Malaysia 5.0 complements the holistic MyDIGITAL, encouraging the creation of a society deeply integrated with technology. I believe Malaysia has got what it takes to succeed in the era of 4IR and a focus on execution with private-public sector collaboration will help get us there. We at MDEC will give what we have got to ensure that together, we will make MyDIGITAL the way forward towards realising a shared future of prosperity for all Malaysians," said Surina Shukri, CEO of MDEC.

Connectivity and Infrastructure Development

With 90.1% of Malaysia's households currently connected via mobile and fixed broadband, the Blueprint aims to achieve 100% internet access across households by 2025.

"COVID-19 has forced educational, social, and economic interactions into online spaces. Through this Blueprint, we aim to digitalize our public sector, build digital infrastructure, develop our workforce to be digital-ready, boost our economy, and foster a more inclusive society", shared Dato' Sri Mustapa Mohamed, Minister in the Prime Minister's Department (Economy). "Aligned to our vision to create inclusive, responsible, and sustainable development, the Blueprint seeks to enable internet access in all households.

Digitalization will enable us to uplift productivity across all sectors and industries by 30% and ensure our children have access to quality education. We must ensure no one is left behind."

Given the remote working practices of the new normal, we have an opportunity to mainstream accessibility as a horizontal consideration in realising Malaysia's digital economy aspirations. Malaysia could take the lead in the region, by implementing a digital economy that is both inclusive and resilient by design, by consciously enabling the active participation of people with disabilities.

"With the digital economy currently contributing 19.1% to Malaysia's GDP, and forecasted to reach 20% this year, we look forward to inclusive implementation of the blueprint which will accelerate Malaysia's efforts to exceed the blueprint's target of 22.6% digital economy contribution to GDP by 2025," shared Helmy Haja Mydin, CEO of SERI. "As the Government works towards its vision of trusted, inclusive, and sustainable socioeconomic development, we must ensure that the implementation matches the aspirations of this comprehensive Blueprint. We look forward to playing our role in advancing evidencebased policies to address inequality, bridge divides, and ensure all of us are able to reap the benefits of an inclusive digital economy powered by data and anchored on trust."

SERI is a non-partisan think-tank dedicated to the promotion of evidence-based policies that address issues of inequality. For more information, please visit seri.my or send an e-mail to hello@seri.my

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