

**CLOSING SPEECH BY YB SENATOR DATUK LIM BAN HONG,
DEPUTY MINISTER OF INTERNATIONAL TRADE AND INDUSTRY
AT THE**

**DIGITAL ECONOMY FORUM 5.0
“IT’S GO DIGITAL, OR GO DARK”**

**17 DECEMBER 2020 (THURSDAY)
LIVE FB AND ZOOM PLATFORM**

12.30 PM – 12.40 PM

Yang Berbahagia Dato’ Ng Wan Peng
Chief Operating Officer of MDEC

Distinguished Speakers and Guests,

Ladies and Gentlemen,

I bid you *Salam Sejahtera* and a very good afternoon.

Introduction

1. It gives me great pleasure to join you virtually today, at the **closing** of the **Digital Economy Forum 5.0**.
2. I am confident that **participants** have **benefitted** immensely from the speakers; in particular - from the torrent of their ideas, sharing of experiences and lessons learned from their journey of digital transformation amid this trying time. In fact, if you agree with me, the **journey** of **digital transformation** is made of or rather made by people- those who are **visionary** and **courageous** enough to **lead** in **crisis** and **rise** from the **hardship**.

3. Hence, I found the **mantra** of this event – that is “It’s Go Digital, or Go Dark” is very **apt**. It **resonates** with the **many efforts** of the **Government** in **advocating digitalisation** as the **catalyst** for **economic** and **socio-economic** betterment.

COVID-19 - Opportunities amid Crisis

Ladies and Gentlemen,

4. Needless to say that the **COVID-19 pandemic** has tested us to the limit and has forced us to **adapt** to **new norms**. While the crisis is a **bane** to our **health** and **economy**, COVID-19 is evidently a **boon** for **e-commerce activities** to **grow**, and **digital technology adoption** to **intensify**.

5. Indeed, the **business community** has provided **positive feedback** to **MITI** and our agencies on their **experiences** in **embracing digitalisation**, especially when the **MCO period** was implemented.
For example:

- There has been **overwhelming motivation** amongst the **SMEs** to **join** the **e-commerce activities**. Through the **training** programmes provided under the **National e-Commerce Strategic Roadmap**, a total of **79,274 SMEs** have **enrolled** themselves during the **first 6 months** of this year, to be trained to use the **e-commerce platforms**. This **exceeds** the Government annual target of training **50,000 SMEs** in 2020 itself;

- Most **SMEs benefitting** from the **eTrade programme** conducted by **MATRADE** also updated us that although their business in the domestic market is affected during the MCO period, **85 per cent** from their **income** could still be **sustained** through usage of the **e-commerce platform** and **digital marketing** to reach out to **international markets** such as Saudi Arabia, Japan and the United States;
 - Digitalisation has significantly **empowered** the **fulfilment** and **logistical support**. For instance, **GDEX**, the Malaysia's leading courier company is **reaping** from their **good decision** of investing in **digital technology integration system** since **2018**. GDEX has **successfully managed** the **extraordinary increase** of **couriers** during the **MCO period** - in which number of **couriers** increased by **953 per cent** in **May 2020**, from only around 7,400 couriers in March 2020. In fact, as of **30 November 2020**, **MIDA** has successfully **attracted investments** worth **RM1.52 billion** this year for projects to turn Malaysia into a **Regional Fulfillment Centre** for **e-commerce**.
6. Hence, **feedback** from the **business community** is **invaluable** for the Government to consider **strategic policy interventions**. Indeed, the **Government** has been quick in **introducing** a total of **18 e-commerce and digitalisation measures** under both the **PRIHATIN** and **PENJANA**. Since its implementation in **July 2020**, both **economic stimulus packages** have borne fruition. For instance:
- The **PENJANA e-commerce initiatives** under MDEC, including **Shop Malaysia Online** have assisted **over 21,000**

micro and SME entrepreneurs, generating sales of over RM1.2 billion from an allocation of RM140 million; and

- Through the e-wallet programme, more than 100,000 micro and SMEs and 15 million consumers have been assisted, yielding transaction valued up to RM750 million.

The Government Leadership in Digital Governance

Ladies and Gentlemen,

7. The momentum of digitalisation brought about by the pandemic and the restriction movement orders should not be short-lived, but rather be utilised to drive the much-needed changes. In this regard, the Government is leading monumental efforts to sustain the digital uptakes for continuous economic recovery and reform.
8. In that context, a new high-level governance structure called the National Digital Economy and Fourth Industrial Revolution Council has been formed. This is to ensure that Malaysian business community, the society and the government delivery services to be more hyper-connected, and harness the full potentials of digitalisation.
9. Chaired by the YAB Prime Minister of Malaysia, the Council is to ensure that all efforts by the various Ministries and agencies are harmonised, by focusing on six elements of:
 - i. Digital transformation in the public sector;
 - ii. Digitalising economic competitiveness;
 - iii. Ramping-up on the digital infrastructure;
 - iv. Building agile and competent digital talent;

- v. Creating **inclusive digital society**; and
 - vi. Building **trusted**, **secured** and **ethical digital environment**.
10. With the establishment of the National Digital Economy and Fourth Industrial Revolution Council, the **Government** is providing **clear** and **coherent policy leadership** to scale the country's **capabilities** in **technological advancement** and **power** the growth of the **digital economy**.

Key Digitalisation Efforts by MITI and Agencies

Ladies and Gentlemen,

11. **MITI** and our **agencies** have indeed **pioneered digital transformation** in our **own delivery**, to promote **ease of doing business**, **future-proof** the **industries**, drive **productivity**, attract **quality investments** and enhance **Malaysian trade competitiveness**. Among the **key** and **latest initiatives** and **digital-based facilities** we have **put in place** include:
- i. The establishment of **Data Centre Investment Coordination Task Force led** by **MITI** with members include key Ministries and agencies to steer **investment** in **data centre ecosystem** in Malaysia;
 - ii. Secondly, the **end-to-end facilitation** to **investments projects** – as provided under the **Project Acceleration and Coordination Unit** or “**PACU**” at **MIDA**. The establishment of PACU has further **led** to the **digitalisation enhancement** of the **online platforms** for **tracking** and **monitoring progress** of the

investment projects, expediting approvals for non-sensitive manufacturing license within two days; online applications for incentive and customs duties exemptions;

- iii. Thirdly - an online service or app called “MyExport” to help Malaysian exporters to access to real-time international market alerts and leads, trade statistics and international tender notices. The information is provided by 46 MATRADE Offices around the globe.

In October, MyExport was awarded as the second runner up of “Best Use of Technology” by the World Trade Promotion Organisations 2020 Award in Geneva. Currently, MyExport has more than 15,000 subscribers, with a total of 2,764 trade leads and 795 market alerts distributed during the period of January-November this year; and

- iv. Fourthly, enhancing productivity capitalising on digitalisation for pandemic-stricken sectors such as tourism. In this regard, the Malaysia Productivity Corporation through its productivity nexus established the Malaysia Virtual Experience or MyVXp, to assist Malaysia’s tourism industry to shift to new norms of providing tourism products and services virtually. Since its implementation in July 2020, MyVXp has successfully premiered over 100 live virtual visits to touristic areas and educational showcases of Malaysian cultures.

Conclusion

Ladies and Gentlemen,

12. Moving forward, our **GDP** is projected to **grow** between **6.5 and 7.5 per cent** in **2021**, with the **strong rebound** to be driven by the anticipated **improvement** in **global growth** in **demand** and **international trade**.
13. While the **forecast** is a **projection**, the **direction** of our **economic growth** could be made **intentional**. We could intently use **digitalisation** as the **effective catalyst** for **economic** and **socio-economic growth**. I urge **businesses** to “**go digital**” and **leverage** on the **opportunities** available.
14. On that note ladies and gentlemen, I congratulate the organisers for a compact and impactful conference. I hope it is not too early to wish all a “Merry Christmas and a Happy New Year”.