

FOR IMMEDIATE RELEASE

MDEC collaborates with PayNet to enable digital transformation for farmers

- MDEC's Digital Agriculture initiative is a partnership with Pertubuhan Peladang Kawasan Kuala Langat (PPKKL), CIMB Bank Berhad, and PayNet to speed up digital transformation for the farming community in Kuala Langat with cashless transactions.
- The plan is to pilot the DuitNow platform in the Kuala Langat farmer community.
- This new partnership aims to solve the problem of costly payment bottlenecks, cancellations, and rejections caused by PPKKL members not having fixed bank accounts.
- The launch of the initiative at Kuala Langat will help PPKKL members register for DuitNow-enabled CIMB Bank Berhad accounts and will use the pilot as a launchpad for similar future initiatives.

KUALA LANGAT, BANTING, 30 SEPTEMBER 2019 – As part of the push to drive digital transformation and adoption across the nation, Malaysia Digital Economy Corporation (MDEC) today officiated the partnership between its Digital Agriculture initiative, Pertubuhan Peladang Kawasan Kuala Langat (PPKKL), CIMB Bank Berhad and PayNet, Malaysia's payments system and infrastructure network – to bring the latter's DuitNow service to the Kuala Langat farming community.

This new initiative is an extension of the already established Digital Agriculture programme that aims to help Malaysian farmers adopt digital agricultural solutions for improved efficiency and increased crop revenue. Since its inception in 2018, the programme's initiatives have seen farmers adopt an Internet of things (IoT)-enabled fertigation system that has helped them reduce monthly fertiliser use by 20%, lower monthly manpower requirements by 50%, and increase the quality of yield (grade A chilies) by up to 90%.

Building on this success, MDEC and PPKKL have identified a new pain-point that they seek to address – payments. Currently, PPKKL's process of paying its members via cash, cheque and bank transfer is plagued with the issue of its members holding multiple bank accounts or changing bank accounts, often causing cancelled or rejected payments and incurring high operational costs.

This issue has now been remedied via PayNet's latest digital solution called DuitNow – a digital payment platform that enables fund transfers using consistent and easily-retrieved identifiers such as MyKad or mobile phone numbers. This enables PPKKL to pay its 400 members in a way that greatly reduces the risk

of rejections and cancellations. The end goal of this initiative, aside from promoting operational effectiveness and efficiency, is to bring these farmers into the cashless ecosystem.

“MDEC’s collaboration with our partners to enable the farmers in Kuala Langat to enjoy the benefit of digital services is a great example of how we are advocating an inclusive digital economy. I have maintained that digital transformation requires human transformation and I am happy to see the enthusiasm and readiness of our farmers here to adopt digital to enhance their lives,” said MDEC CEO Surina Shukri at the launch event.

“4IR, cashless society, upward mobility – all these terms are digital features that will further empower the agriculture industry,” she added. “This initiative will be the catalyst for further digital transformation for the industry to become a significant participant in the digital economy.”

DuitNow currently records an average of 500,000 transactions a day, with 7.7 mil mobile numbers and MyKad numbers registered to receive funds via DuitNow . Using this integration pilot programme taking place in Banting, Kuala Langat, MDEC can take this concept nationwide and help spur adoption in other farming communities around Malaysia. This translates to a potential 900,000 adopters nationwide, all of whom are members of various Persatuan Peladang.

PayNet's collaboration with MDEC, PPK KL, and CIMB aims to create an efficient platform for the farmers to receive and make daily payments via DuitNow easily with their IC Number," said Peter Schiesser, Group CEO Payments Network Malaysia (PayNet). "DuitNow is available at 35 participating banks' via mobile and internet banking, making it highly accessible, secure and convenient for users," he added.

The launch today will aid PPKKL members to get acquainted with DuitNow and allow them to benefit from the efficiency and convenience of DuitNow.

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About Malaysia Digital Economy Corporation (MDEC)

Malaysia Digital Economy Corporation (MDEC) is the government agency under the Ministry of Communications and Multimedia Malaysia entrusted to lead the nation's digital economy forward.

MDEC’s mandate includes driving digital adoption, development of industry ready tech talents, digital economy policies and global champions.

To future proof Malaysia for the digital age, MDEC will leverage its proven track record, industry credibility and experienced leadership to connect, catalyse and commercialise digital initiatives to advance a thriving and sustainable digital economy placing diversity and inclusivity at its core.

#LetsBuildTogether #DigitalMalaysiaForward

To know more about MDEC's efforts and initiatives to lead the Digital economy, please visit www.mdec.my or follow us on:

Facebook: <https://www.facebook.com/MyMDEC/>

Twitter: @mymdec

About PayNet

Payments Network Malaysia Sdn Bhd is Malaysia's premier payments network and central infrastructure for financial markets. We innovate, build and operate world-class payment systems and financial market infrastructures that safely, reliably and efficiently enable the functioning and development of Malaysia's financial system as well as the economy as a whole. With Bank Negara Malaysia as PayNet's single largest shareholder and eleven major financial institutions as joint shareholders, PayNet also serves as a platform to harness the collaborative efforts of the Malaysian banking system to accelerate the adoption of electronic payments.

For more information, please visit www.paynet.my

About DuitNow

DuitNow is a new way to pay and receive money instantly via Internet and Mobile Banking. With DuitNow, payments can be made via identifiers such as mobile numbers, as well as MyKad numbers and Business Registration numbers.

For more information, please visit www.duitnow.my

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