



**Speech by**

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**Minister of Communications and Multimedia Malaysia**

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**‘Championing the Malaysian Digital Economy’**

**Malaysia Tech Week 2019**

**The Vertical, Bangsar South**

**18 June 2019**

**YB Senator Dr. Radzi Jidin**

**YBrs Puan Surina Shukri**

CEO, Malaysia Digital Economy Corporation (MDEC)

**YBrs Al-Ishsal Ishak**

Chairman, Malaysian Communications and Multimedia Commission (MCMC)

**Esteemed foreign dignitaries**

**Respected delegates and partners**

**Members of the media**

**Ladies and gentlemen.**

**A very good morning and Salam Harapan to everyone.**

1. I am indeed honoured to be here today for the first ever Malaysia Tech Week. To our partners and friends from around the world – Selamat datang! Welcome to Malaysia!
2. Malaysia, as you know, is a diverse nation comprising multiple races, religions and cultures. We celebrate that diversity; it is our strength and we are proud of it. Innovation thrives when there is diversity and openness.
3. We also have a strong entrepreneurial spirit. We have long been a hub for traders, with the Straits of Malacca being favored as a major route connecting the Asia, Europe and the Middle East. Malaysia today has evolved to being a hub of highly skilled talent, thriving within a vibrant business ecosystem founded on world-class infrastructure.
4. Malaysia continues to offer limitless opportunities for anyone who has a vision for the future and a passion to make it happen.

Ladies and gentlemen,

5. Twenty-three years ago, Malaysia acted on a vision to create an economy founded on technology that will drive digital transformation. We took the opportunities it presented, and we have not looked back since. Our first move was to set up the Multimedia Super Corridor (MSC) in 1996. The Malaysia Digital Economy Corporation (MDEC) or Multimedia Development Corporation (MDC) as it was known then was established in 1997 with a clear mandate – to lead and drive Malaysia’s digital economy forward.
  
6. Now, 23 years on, Malaysia has gone Seriously Digital with:
  - Cumulative Total Investment of RM330 billion from the MSC (1997 – 2018)
  - Export sales worth RM166 billion
  - More importantly, the MSC has created a total of 182,538 jobs.

7. In terms of business, Malaysia has awarded 4,664 companies with MSC Malaysia Status, giving them access to attractive incentives, rights and privileges. Out of the 4,664 companies, 74% are Malaysian-Owned companies and 26% are Foreign-Owned, including 180 MNCs.
8. These numbers clearly show that Malaysia is a country with a mature digital economy and is a preferred choice for ICT and digital companies from all over the world.
9. Nevertheless, we are not resting on our laurels. Malaysia is charging forward and upward in the technology and digital space, and Malaysia Tech Week 2019 is a clear indication of how far we have come and can still advance.
10. Malaysia Tech Week 2019, or MTW19 in short, is *THE* platform for everything tech and digital. Conceptualised by MDEC together with partners, MTW19 is a powerful platform featuring innovation showcases, business matching opportunities, pitching platforms and access to Malaysia's successful tech ecosystem network.

11. MTW19 is the first major event in a month of industry-driven tech events; demonstrating Malaysia as the ideal digital destination and ASEAN gateway. The month-long celebration will continue with Wild Digital and the Beyond Paradigm events. These events will give delegates the opportunities to connect with innovative minds, industry experts and a chance to scale up their businesses.

Honourable guests,

12. The government of Malaysia firmly believes that it is no longer a privilege or a luxury to have internet access but is in fact a necessity and a tool to enhance productivity and livelihoods.
13. In light of this, we have commenced efforts to improve the country's digital connectivity through the National Fiberisation and Connectivity Plan or NFCP, which was announced in October 2018. The NFCP was developed to put in place a nationwide digital infrastructure that is robust, pervasive and affordable, to enable adoption of new technologies and future digital services.

14. This ambitious 5-year plan has seen positive initial results through the 'Double the Speed, Half the Price' initiative which saw fixed broadband prices reduce by 35% to 55% at the end of 2018. Encouragingly, demand for fixed broadband services increased by 21.7% enabling more people to be connected to high-speed fixed broadband.
15. This initiative also saw Malaysia moving up the global ranks. In February 2019, the Speedtest Global Index by Ookla reported that Malaysia now ranks 28th in the world compared to 56th in 2017 in terms of fixed broadband download speeds.
16. The government also understands that the quality of telco and internet services is of utmost importance if Malaysia is to succeed in progressing its digital agenda. Just last Friday, on 14 June 2019, the government advanced efforts to improve the quality of these services when all the main industry participants signed up to the 'Industry Performance Pledge'.

17. This new initiative promises that 60% of issues will be resolved in 3 days; 90% in 5 days and 95% in 15 days. This is a significant improvement from the previous standards which provided for 90% of issues to be resolved in 15 days and 95% to be resolved in 30 days. It is hoped that these improvements will translate to lower downtimes and better customer experience.
  
18. In April 2019, Malaysia boldly embarked into the 5G space. The roadmap for 5G implementation is currently being developed by the National 5G Taskforce, formed in November 2018 and to date, consists of 110 industry participants. We hope to see new capabilities, skills, business opportunities and a vibrant ecosystem emerge that will help propel the next phase of growth in the Malaysian digital economy.
  
19. If the above reasons are still not persuasive enough, allow me to provide a few more:
  - i. Malaysia's multicultural and multilingual background makes it a country that has a low language barrier, with regard to English and Chinese, both of which are widely used in this region.

- ii. Developing industry-ready tech talents is a key initiative by the Malaysian Government. We have implemented focused initiatives to ensure Malaysians remain competitive and meet industry standards.

20. Furthermore, our initiatives have obtained global validation. Statistics from industry sources state that:

- Approved foreign direct investment (FDI) in the first quarter of 2019 surged by 73.4% to RM29.30bil from RM16.90bil a year ago.
- Malaysia is ranked 2nd in ease of doing business within ASEAN countries, according to World Bank's Doing Business Report 2018;
- Malaysia is ranked 2nd in global competitiveness among ASEAN countries, according to World Economic Forum's Global Competitiveness Report 2018;
- And of course, Malaysia is ranked 8<sup>th</sup> in the Most Startup Friendly Countries In The World in 2019.

21. This Malaysian government has taken a different approach in trying to grow the digital start-up ecosystem just as it did in the development of the 5G ecosystem. We believe that a more consultative approach is required to collectively harness the strength and energy of the ecosystem.
22. My ministry, at the beginning of this year, decided to form a council to act as a platform for the private sector to propose digital tech initiatives. It's called the Malaysia Innovation Policy Council (MIPC) and is chaired by MDEC with participation from industry experts, seasoned innovators and startups, reputable funding partners and other government agencies such as MaGIC, Cradle and Futurise.
23. I hope you will use this council to suggest ways that we can streamline processes, improve access to markets and funding, and revise regulations to ensure that the government is able to cater to the fast-changing needs of the technology ecosystem.

24. In conclusion, I hope MTW19 will build networks and lasting partnerships among all digital and technology players. This industry needs your passion, innovation and investments to grow and evolve.
  
25. I assure you that Malaysia will continue to support you and together, we will change the game and propel the industry and the nation to greater heights, as well as build a better world for everyone.

Thank you.