

KEYNOTE ADDRESS

Dato' Seri Mustapa Mohamed
Minister in the Prime Minister's Department (Economy)

**Digital for Development & Resilience:
Powering the Digital Economy**

June 1st 2022

Assalamualaikum warahmatullahi wabarakatuh.
Good evening and Salam Keluarga Malaysia.

Dato' Zainal Azman bin Abu Seman, Timbalan Ketua Pengarah Perkhidmatan Awam (Operasi), Jabatan Perkhidmatan Awam (JPA)

Dr Fazidah Abu Bakar, Director, Digital Government Division and Acting Deputy-DG, MAMPU

Mr. Fabian Bigar, CEO of MyDIGITAL Corporation

Datuk Shahul Hameed Dawood, CEO, Human Resources Development Corporation

Mr Jean-Philippe Courtois, Executive Vice President and President, National Transformation Partnerships, Microsoft Corporation

Mr K Raman, Managing Director, Microsoft Malaysia

Members of the Civil service

Good Afternoon and Salam Keluarga Malaysia.

1. Thank you, Mr Jean-Philippe Courtois (*pronounced core-tua*) and Mr K Raman for the invitation to today's event which brings together leaders from across the public sector.
2. I would also like to welcome Mr Courtois to Malaysia, I understand you were last in Malaysia in 2014. We also met during APEC in Bali, in 2013.
3. We launched MyDIGITAL initiative and the Malaysia Digital Economy Blueprint in February last year. Our efforts to transform the economy with technology are not new and can be traced back to more than 25 years ago, with the establishment of the Multimedia Super Corridor. The setting up of the National Digital Economy and 4th Industrial Revolution Council is a step forward in our journey to leverage on digital technologies to achieve our national vision.
4. The year 2021 also saw the tabling of the 12th Malaysia Plan to further strengthen the economy and drive growth. We need to put in place policy enablers and implement game-changing initiatives to reach our goal of becoming a high-income nation by 2025. Digitalization is of course a very important enabler in building our collective resilience and will be the determining factor of our success moving forward. Countries that have focused on the development of their digital public services ecosystem in particular, have proven to hold an advantage. Estonia for instance, ranked 1st in the European Union on digital public services, where the share of government users accounts for 89% of total internet users in the country. As we move forward with the digital agenda, it is important to benchmark against global leaders.

Ladies and gentlemen,

5. I share Mr. Courtois' optimism for the future. As at end of last year, the digital economy had contributed to 22.6% of GDP¹. We hope to reach 25.5% by 2025. We have exceeded our targets, with more than 890,000 MSMEs adopting e-commerce as at end-2021². This has led us to revise our 2025 target upwards to 1.1 million from 875,000 under the National E-commerce Strategic Roadmap. We have also achieved our national target of 36 EFTPOS per 1,000 persons as at end-2021.
6. In the public sector, we have defined specific targets to be achieved by 2025, that include 100% civil servants to possess digital literacy, and target of 80% end-to-end online government services. We most recently saw achievements³ such as 78% of all Federal Ministries, departments and statutory bodies being able to receive e-payments and 75% of Ministries and agencies using the MyGDX data sharing platform.
7. Public-private partnerships are also an important enabler to these targets, with the signing of the MyGovCloud's Cloud Framework Agreement (CFA) that was signed recently between the government and cloud service provider to support the target of 80% usage of cloud storage across the government.
8. To this end, I believe that achieving our vision of "A Prosperous, Inclusive, Sustainable Malaysia", emerging as a regional leader in the digital economy can be within our grasp. The most recent World Bank GovTech Maturity Index that placed Malaysia in group A, a leadership position. This reflects the commitment that has gone into public sector digital transformation so far.

¹ [Department of Statistics Malaysia Official Portal \(dosm.gov.my\)](https://dosm.gov.my)

² [MDEC-Connecting-Issue-5.pdf](#)

³ [Laporan Kemajuan - MyDIGITAL](#)

factors such as having the right approach to managing talent needs and an enabling policy and regulatory environment.

13. With this in mind, Malaysia now has the opportunity to propel ourselves forward, outpace our peers and even export our talent to the world. During the inaugural MyDigital Alliance Leadership Council last year, we started working on the idea of A Global Digital Workforce – based in Malaysia, serving the world. Imagine a games developer based in Jeli creating content for an organization based in Seattle, or an Islamic Finance expert based in Tapah, serving a client in Dubai. Work is no longer where you go, it is what you do.

Ladies and gentlemen,

14. The Fourth Industrial Revolution presents even broader opportunities for development. The merging of the physical, digital, and biological spheres enables enhanced resilience, and an increased ability to export talent virtually, which in turn leads to inflows of investment for the knowledge economy.

15. Developing our resilience with digital adoption will depend on a robust talent ecosystem. Skills and talent development fit for the digital era, with reskilling, upskilling and cross-skilling forming the foundation for new opportunities in the post-COVID world. For us to emerge stronger from the pandemic, skills need to be at the center of our economic reset.

16. We are blessed that Malaysia has been chosen to be the first Center for the Fourth Industrial Revolution ("C4IR") in the Southeast Asia, an independent center within the World Economic Forum. This highlights the Government's commitment towards prioritizing technology as key catalyst for economic growth and post-pandemic recovery, as well as support its aspiration to be a regional leader in the digital economy.

17. Anchored on inclusion, digitalisation provides an opportunity to improve quality of life, bringing people with disabilities, caregivers, gig workers, and households, into the digital economy, creating new prospects for raising income levels.

18. I am encouraged by the opportunities presented by today's engagement. Public sector and private sector must come together and leverage each other's strengths, for the betterment of Malaysia, in a Whole-of-Nation approach.

Ladies and gentlemen,

19. While the digital divide is slowly but surely being addressed via various efforts such as the National Fiberisation and Connectivity Plan (NFCP) and subsequently JENDELA, public-private partnerships are critical in our efforts to bridge the opportunity divide, enabling inclusive and equitable access to being able to obtain skills in demand, as well as access to the right opportunities. We welcome and applaud Microsoft's commitment to enable skilling for 1 million Malaysians by 2023, through partnerships with MAMPU, JPA, HRD Corp, TalentCorp, MDEC, SOCSO, and non-governmental organisations such as Biji-Biji.

20. The gains we have made today are due to the efforts of many of you from the public sector here today, and I thank you for your hard work. I also urge you to strengthen your resolve in being advocates and agents of change in achieving our vision of an agile and future-ready civil service, equipped with leadership skills and innovative thinking to lead the nation in facing future challenges.

21. Once again, my thanks to Microsoft for your partnership. I look forward to everyone here today continuing our work together, and learning more from each other, as we continue Malaysia's journey towards nation anchored on resilience, innovation, and inclusion.

Terima kasih.