

# Enhancing the Economic Competitiveness of Malaysia through Digitalisation

Approaches via Entrepreneurship, Investment and Internationalisation





# **ESSENCE OF PRESENTATION**

MITI: An Introductory to <u>Main Roles</u>

 MITI Digitalisation Agenda: Approaches via Entrepreneurship, Investment and Internationalisation



# MINISTRY OF INVESTMENT, TRADE AND INDUSTRY OF MALAYSIA (MITI)

DRIVING
TRANSFORMATION,
POWERING
GROWTH

#### **MAIN ROLES**

- Develop and implement policies on industrial development, international trade and investment
- 2. Attract quality foreign and domestic investments
- 3. Promote and increase Malaysia's exports of high value-added goods and services by international trade relations and cooperation
- 1. Enhance national productivity and competitiveness
- **Conducive** business ecosystem to facilitate trade and investment
- Provide credible standardisation, accreditation and conformity assessment services
- 7. Promote and accelerate adoption of digitalisation and innovative technologies
- 8. Facilitate the development of small and medium enterprises, including homegrown industries, to become globally competitive and integrate into the global value chain

#### **13** Agencies of MITI











Investment
Promotion:
Manufacturing
and Services

**External Trade** 

<u>Productivity</u>: Human Capital, Organisational Financial Solutions:
Manufacturing
Development

**Automotive and Mobility Ecosystem Development** 



Sustainable Iron & Steel Industry development



Technology and Quality Solutions



<u>Financial Solutions</u>: Malaysia's Global Businesses



Malaysia's Standards and Accreditation Body



**Investment Promotion: Greater Kuala Lumpur** 



Halal Economy Development





National Metrology/ Measurement Policy

#### **MITI DIGITALISATION AGENDA**



MyDIGITAL Agenda (under the Economy Cluster) –
Leading National Efforts to Boost Economic Competitiveness through
Entrepreneurship, Investment and Trade

2025 TARGETS









#### **ENTREPRENEURSHIP**

#### **INVESTMENT**

#### TRADE

# Main Initiatives

- Overseeing implementation of :
  - Second National
     e-Commerce
     Strategic Roadmap
     2021-2025 and;
  - Development of the SME Digitalisation Roadmap

Digital Investment
 Office (DIO) – formed on
 22 April 2021 to
 enhance investment in
 digitalisation





Foster Malaysian interests in digital economy arrangements and cooperation – to support competitiveness of businesses at international level

#### **DIGITAL AGENDA: ENTREPRENEURSHIP**



The **Second National e-Commerce Strategic Roadmap** 2021 – 2025 (NeSR 2.0)

- Under the MyDigital Agenda, MITI alongside MDEC are the main coordinators of the NeSR 2.0
- Aims of NeSR 2.0: enhancing and accelerating growth of e-commerce ecosystem.

#### **KEY ACHIEVEMENTS OF NESR 2.0**



1,126,047

MSMEs adopting e-commerce from 2016 to 2022

**2025 Target** : 1, 148, 000 MSMEs



91,077

Businesses **exporting** via e-commerce from 2017 to 2022

**2025 Target** : 84, 000 MSMEs



#### RM1.16 trillion

Total **income** of **e-commerce transactions** for the year 2022

**2025 Target**: RM1.65 trillion e-commerce market size

### **DIGITAL AGENDA: INVESTMENT**



#### **NEW INVESTMENT POLICY OF MALAYSIA:**

**Digital Economy is one of Priority Sectors** 



**ECONOMIC COMPLEXITY**  **HIGH VALUE JOB** 

**DOMESTIC** LINKAGES

**ECONOMIC CLUSTERS** 

**INCLUSIVITY** 

**ESG PRACTICES** 



.0 Citizens & Communities

Mainly consuming/Increasingly producing

Continuum













Digital solutions and services across economic sectors



Estate



Industrial



Media/Ent.



& Fisheries

Payment



Open Govt

Digital **Platforms** 

Authentic ation & digital Signing

Unified & Interopera ble Data

Network infrastructure (Fiber, copper, HFC, satellites, wireless towers), facilities and spectrum

Blockchai

Encryption

Procurem & Industry ent. Billing

Connectivity & Infrastructure

Post, Parcels &

User access devices (smart phones, PCs, notebooks, televisions, media boxes etc.) Voice Data Fixed Wireless

Cloud computing Infrastructure-as-a-service (laas)

Broadcast transmission Infrastructure

# **DIGITAL AGENDA: INVESTMENT**



MyDigital Agenda of RM70 billion investment in digitalisation by 2025:

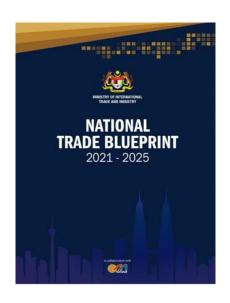
**DIGITAL INVESTMENT OFFICE** – a joint collaboration between 2 agencies – MIDA and MDEC





RM80.8 BILLION (as at Dec 2022) (115.5% of the 2025 Target)

# **DIGITAL AGENDA: INTERNALISATION**



# The National Trade Blueprint, 2021 – 2025

 One of Key Priorities : Increase adoption of digitalisation and e-commerce in driving export competitiveness



Foster <u>Malaysian interests</u> in <u>digital economy</u>
 <u>arrangements and cooperation</u> – to support competitiveness of businesses at <u>international level</u>

### **DIGITAL AGENDA: INTERNALISATION**

# **MULTILATERAL**



Joint Statement Initiative on e-Commerce

## **BILATERAL**

- **FTAs**: Turkey
- Framework on <u>Cooperation</u>
   in Digital Economy:
   Singapore, Australia

**REGIONAL** 

Indonesia

Cambodia

RCEP

Thaliand

Australia

China

Australia

China

Australia

Regional Comprehensive Economic Partnership

ASEAN Digital Transformation Agenda ASEAN
Agreement on
Electronic
Commerce

ASEAN Online Sale Day

ASEA Inte Fran

Bandar Seri

**Begawan** 

Roadmap

ASEAN Digital Integration Framework Action Plan



WP for the Digital Trade Standards and Conformance

ASEAN Digital Masterplan 2025 Masterplan on ASEAN Connectivity 2025 APEC Putrajaya Vision 2024



APEC Internet and Digital Economy Roadmap (AIDER)

PARTNERSHIP

COMPREHENSIVE AND PROGRESSIVE

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- <u>Digitalisation</u> strategic way to enhance the economic competitiveness of Malaysia
- National Digitalisation Agenda (MyDigital): Whole of Nation Approach — policy and governance involving multiple Ministries and Agencies
- MITI Digitalisation Agenda: Approaches via Entrepreneurship, Investment and Internationalisation



# **Thank You**

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#### **Our Agencies**























