

BEST TIME TO LEAP FURTHER INTO THE DIGITAL ECONOMY

- More focus towards digitalization, automation and forward -looking recovery plan

KUALA LUMPUR, 5 June 2020: PIKOM, the National Tech Association of Malaysia welcomes a very progressive and forward-looking economic recovery plan and feels that this is the best time to fully utilise the potential of the Digital Economy based on the announcement of the government's Short-Term Economic Recovery Plan today by the Prime Minister YAB Tan Sri Muhyiddin Yassin.

The focus on digitalisation and automation which would place Malaysia in good standing in the post Covid-19 recovery phase. The allocation of RM700 million to drive digitalisation of businesses and innovation and smart automation funds of RM100 million will be a shot in the arm that is greatly needed to provide the leap for Malaysia into the digital economy. In addition to that, as an effort to encourage micro enterprises and SMEs to use digital services, the government together with the private sector will finance this effort.

"This importance of the Digital Economy is very much central to the economic recovery efforts. This will greatly benefit the tech industry," says Danny Lee, Chairman of PIKOM.

This is further fuelled by the RM 140 million matching grant and the RM 70 million Shop Malaysia Online allocation for e-commerce. Micro enterprises and SMEs in Malaysia will be well positioned for the digital revolution taking place.

"We also applaud the RM 700 million funding provided for SMEs and mid-tier companies. These grants and funding will be the bridge for SMEs and mid-tier companies to cross the chasm into the digital realm," added Danny.

The venture investment and risk capital needs of start-ups and growth stage companies also received the attention of the Government with the setting up of the Dana Penjana Nasional Investment Fund. In addition, PIKOM, through its Future Digital think tank, has been calling for a setting up of a technology sandbox. The announcement is indeed timely.

The pivot towards a digital strategy is also evident with the delivery of Government service, a Buy Malaysia campaign anchored on digital platform and the matching allocation of RM 50 for e-wallets. This will provide a catalytic effect on the digital economy.

The economic recovery can only be sustained if Malaysians continue to be employed. The extension of the Wage Support Scheme and the Hiring and Training Assistance accorded to

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businesses are greatly appreciated. This is complemented by the reskilling and upskilling programmes including the Place-and-Train funding.

“The technology sector is prepared to work closely with the Government to place unemployed graduates and retrenched workers into a training programme that will equip them for employment in our sector,” said Danny.

PIKOM also applauds the government on its call to include incentives towards training and apprenticeship. Moving forward, the 1GB free Internet for all users daily until 31 December 2020 as part of the Short-Term Economy Recovery Plan will help plan long-term strategies for continuous online lessons.

In closing Danny encourages businesses to continue complying to the SOPs to ensure health and safety is not compromised at work.

ABOUT PIKOM:

PIKOM, THE NATIONAL TECH ASSOCIATION OF MALAYSIA, is the association representing the technology (TECH) industry in Malaysia. Its membership currently stands at more than 1,000 active companies involved in a whole spectrum of TECH products and services, and which command 80% of the total TECH business in Malaysia.

The 5 Chapters under PIKOM cover: OM; CIO; Cybersecurity; E-Commerce; Venture Investment. These chapters help improve and drive the business climate for all member companies, together with promoting industry growth in line with different national aspirations, along the following approaches:

As the Voice of the Tech Industry, PIKOM embraces the task of growing the size and capabilities of the TECH industry in Malaysia by creating opportunities for its members as well as all Malaysians to capture the benefits offered by advances in TECH by focusing on the following:

- Spearhead, promote & encourage development of resources, professional skills and programmes in Malaysia’s TECH industry.
- Represent the local TECH industry to the Government and private sector both local and overseas.
- Provide a platform for TECH players and users to meet, network, learn and share ideas in order to grow the industry and improved applications.
- Foster high standards of conduct, service and performance throughout the TECH industry.
- Promote and market local TECH services to the region and overseas.

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