



Lorong Produktiviti Off Jalan Sultan, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.
Tel: 03-7955 7266
<http://www.mpc.gov.my>

FOR IMMEDIATE RELEASE

**DIGITAL PRODUCTIVITY NEXUS APPLAUDS GOVERNMENT'S COMMITMENT
TO DIGITAL TRANSFORMATION IN BUDGET 2024 ANNOUNCEMENT**

KUALA LUMPUR, 18 October 2023 – Digital Productivity Nexus (DPN), a public-private collaboration under the supervision of the Malaysia Productivity Corporation (MPC) and the Ministry of Investment, Trade, and Industry (MITI), commends the recent budget announcement by the YAB Prime Minister and Minister of Finance, Dato' Seri Anwar Ibrahim. The budget unveils a comprehensive strategy for accelerating digital transformation in Malaysia, aligning closely with DPN's mission to enhance productivity in the ICT services and drive economic growth through digitalisation.

The budget announcement resonates with DPN's core objectives and current initiatives, reinforcing DPN's commitment in fostering digital transformation and digital adoption. These initiatives include Digital Acceleration for Learning and Industry Adoption (DALIA) where DALIA is an essential program that aligns with DPN's goals of helping businesses embrace digitalisation to enhance their processes efficiency and address operational challenges.

Another initiative includes Digital Platform Network+ (DPN+) where the establishment of DPN+ as a one-stop center for businesses to embark on their digital transformation journey, from digital pledges to impact measurement, is a significant step toward ensuring successful digitalisation. This initiative complements DPN's efforts to support organisations on their digital journeys. DPN+ aims to develop a robust community of digital solution providers to elevate the capacity and capabilities of local technology firms, contributing to the growth of the digital economy.

The budget announcement further aligns with Malaysia's aspirations in the digital economy, as outlined in the 12th Malaysia Plan Mid-Term Review and the New Industrial Master Plan (NIMP). Malaysia's goal to have the digital economy contribute 24.4% to GDP in 2023 is a testament to the nation's commitment to harnessing technology for economic growth, even in the face of global economic challenges. The budget's emphasis on accelerating technology adoption and innovation, strengthening R&D, and expanding digitalisation is a step in the right direction.

The budget also underscores the importance of empowering Micro, Small, and Medium Enterprises (MSMEs) through technology adoption, a key focus for DPN. The allocation of RM100 million for digitisation grants and RM900 million in loan funds to enhance business productivity through automation and digitisation is a promising development for MSMEs.

Malaysia's global competitiveness, as measured by the IMD World Competitiveness Ranking, is a vital benchmark for the nation. It is believed that the budget announcement will have a

positive impact on Malaysia's digitalisation and transformation, with the potential to elevate Malaysia's rankings in both digital tool and technology usage and digital transformation in companies, aligning with the nation's goal to become one of the top 12 most competitive countries by 2030.

In response to the budget announcement, Dato' Wei Chuan Beng, Champion of Digital Productivity Nexus, commends the government's unwavering commitment in investing RM30 million in the training and development of the local workforce. This strategic move not only addresses the pressing need for skilled talent but also positions the digital industry on a path to realize the ambitious goals of *Ekonomi MADANI*.

"The allocation of RM30 million for workforce development underscores the government's recognition of the pivotal role skilled professionals play in the nation's digital transformation journey, reinforcing the importance of equipping the labour force with the necessary talent to thrive in the digital age", he said.

Zahid Ismail, Director General of MPC, offers strong support for the budget announcement, emphasizing its significance in enabling ICT services to maintain their status as an aspirational sector. The current productivity levels in this sector, standing at RM384,485, have already outpaced national growth, which averages at RM95,628. With the allocation and initiatives outlined in this budget, it is anticipated that the ICT sector will experience a sustained upward trajectory in productivity.

DPN is excited about the potential that the Budget 2024 announcement holds for the digital transformation of Malaysia. We remain dedicated to our mission of enhancing digital productivity and look forward to collaborating with the government and businesses to drive Malaysia's digital economy to new heights.

End.

For Media Enquiry:

Noor Izzati Kamis
012-2867346 / noorizzati@mpc.gov.my

or

Aiman Zakwan Zahari
014-2700260 / aiman@mpc.gov.my



"Memacu Produktiviti Negara" | "Driving Productivity of the Nation"



MPCProductivity



www.mpc.gov.my

About Malaysia Productivity Corporation (MPC)

MPC is a statutory body under the Ministry of Investment, Trade and Industry (MITI). It drives national productivity holistically at the national, sectoral, and enterprise levels through five main thrusts: developing future talent, driving digitization and innovation, ensuring industry accountability for productivity, building a robust ecosystem, and fostering productive mindset. It collaborates strategically with the private and public sectors by emphasising productivity as a key agenda to boost productivity growth and national competitiveness, ultimately leading to shared well-being and prosperity.

About Digital Productivity Nexus (DPN):

Digital Productivity Nexus (DPN) is a public-private collaboration established under the supervision of the Malaysia Productivity Corporation (MPC) and the Ministry of Investment, Trade, and Industry (MITI). DPN is committed to increasing the productivity of ICT services and accelerating digitalization to contribute more to the digital economy. It plays a pivotal role in shaping Malaysia's digital future through strategic partnerships, innovative programs, and continuous collaboration with stakeholders.