DIGITAL OUTLOOK SERIES 2020

“Digital Network Readiness in the Era of COVID-19”

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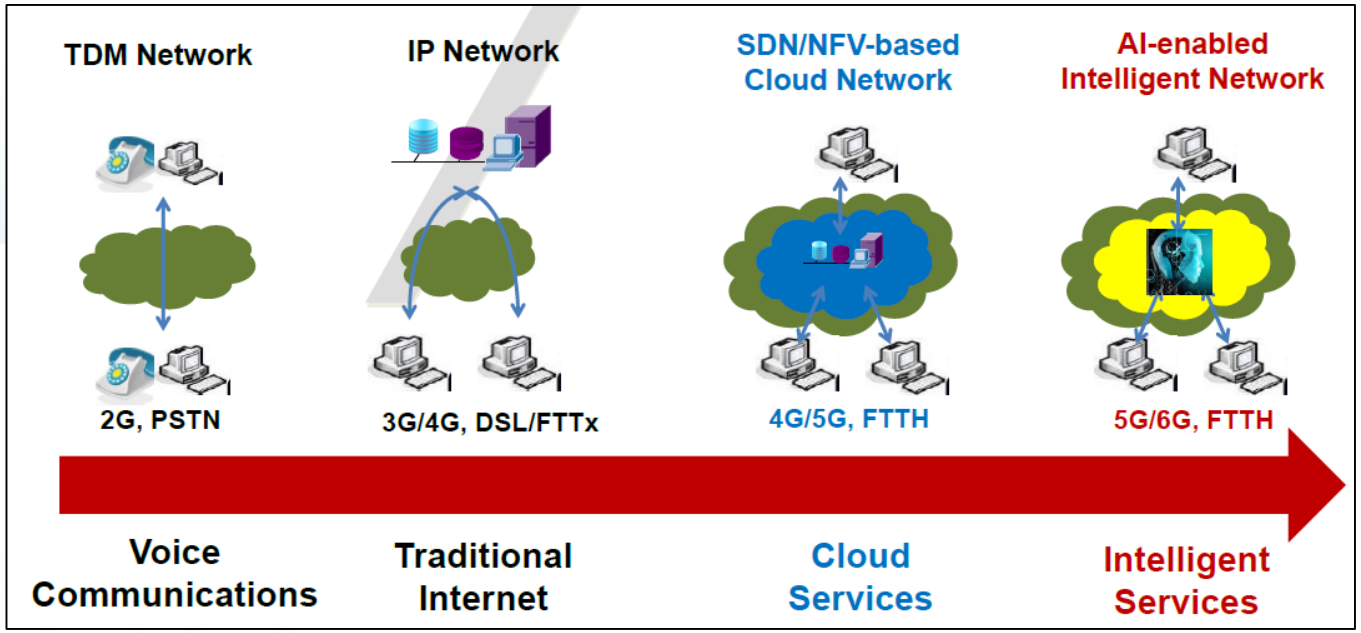
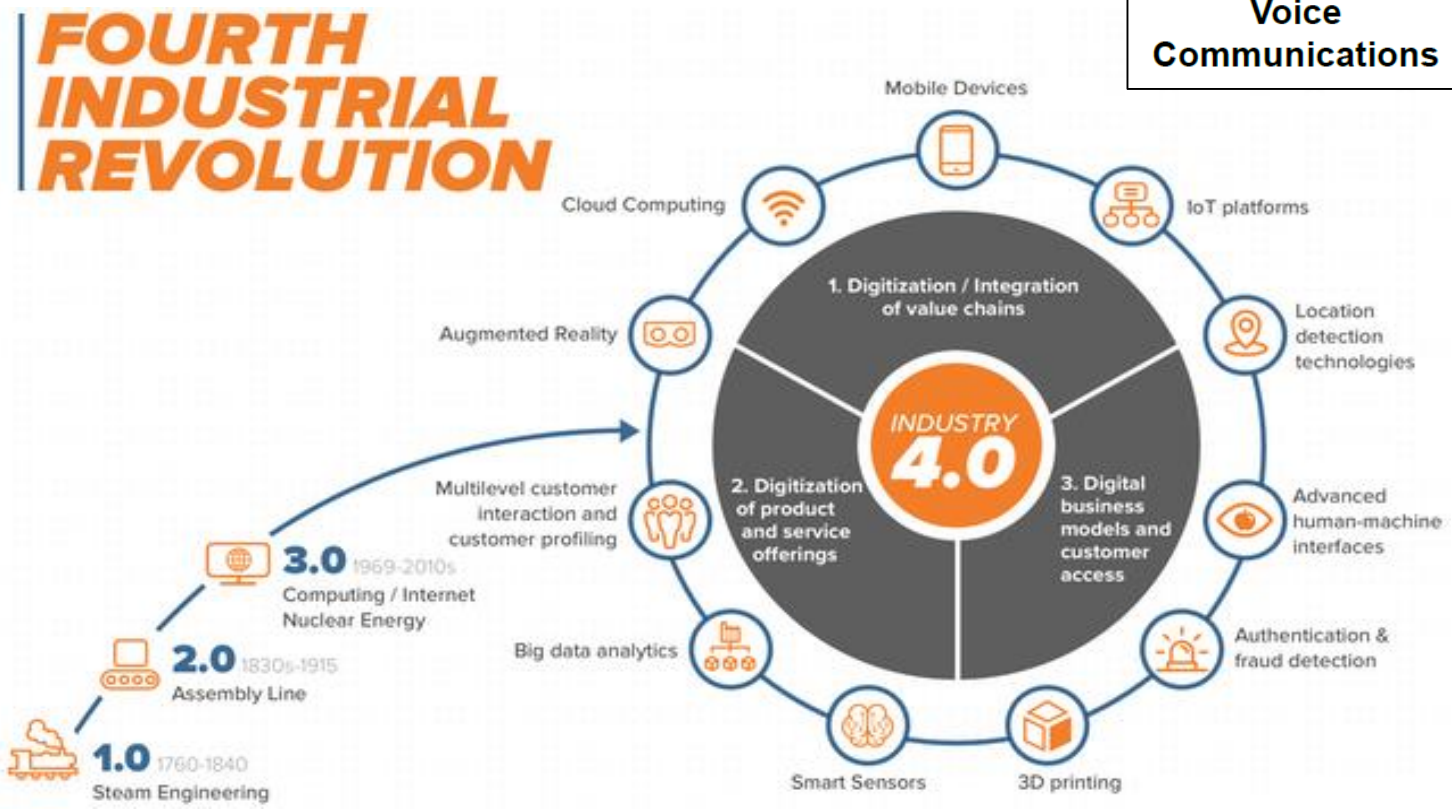
NETWORK OF THE FUTURE



Source: China Unicom



Source: ICTworks

Digital transformation, catalysed by IR 4.0, require the use of a massive ecosystem of networks that can serve the communication needs for billions of connected devices while balancing the right trade-off for coverage, speed, latency and cost

SOCIOECONOMIC IMPACTS OF DIGITALISATION

WORLD ECONOMIC FORUM

COMMITTED TO IMPROVING THE STATE OF THE WORLD

The Jobs Landscape in 2022

emerging roles, global change by 2022

133 Million

Top 10 Emerging

1. Data Analysts and Scientists
2. AI and Machine Learning Specialists
3. General and Operations Managers
4. Software and Applications Developers and Analysts
5. Sales and Marketing Professionals
6. Big Data Specialists
7. Digital Transformation Specialists
8. New Technology Specialists
9. Organisational Development Specialists
10. Information Technology Services

declining roles, global change by 2022

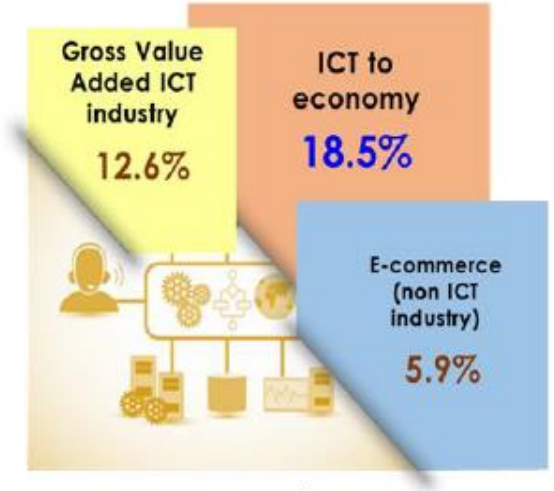
75 Million

Top 10 Declining

1. Data Entry Clerks
2. Accounting, Bookkeeping and Payroll Clerks
3. Administrative and Executive Secretaries
4. Assembly and Factory Workers
5. Client Information and Customer Service Workers
6. Business Services and Administration Managers
7. Accountants and Auditors
8. Material-Recording and Stock-Keeping Clerks
9. General and Operations Managers
10. Postal Service Clerks

Source: World Economic Forum

ICT contribution to the national economy: 18.5%



(RM Billion)

	2015	2016	2017	2018
Gross Value Added ICT Industry	146.5	158.4	171.8	182.4
E-commerce (non ICT industry)	66.4	69.6	78.6	85.4
Total of Gross Value Added ICT Industry and E-commerce	213.0	228.0	250.4	267.7
GDP	1,176.9	1,249.7	1,371.6	1,446.9
Share to GDP (%)	18.1	18.2	18.3	18.5

2018: RM267.7billion → CAGR 10.2% → 2020: RM324.9billion

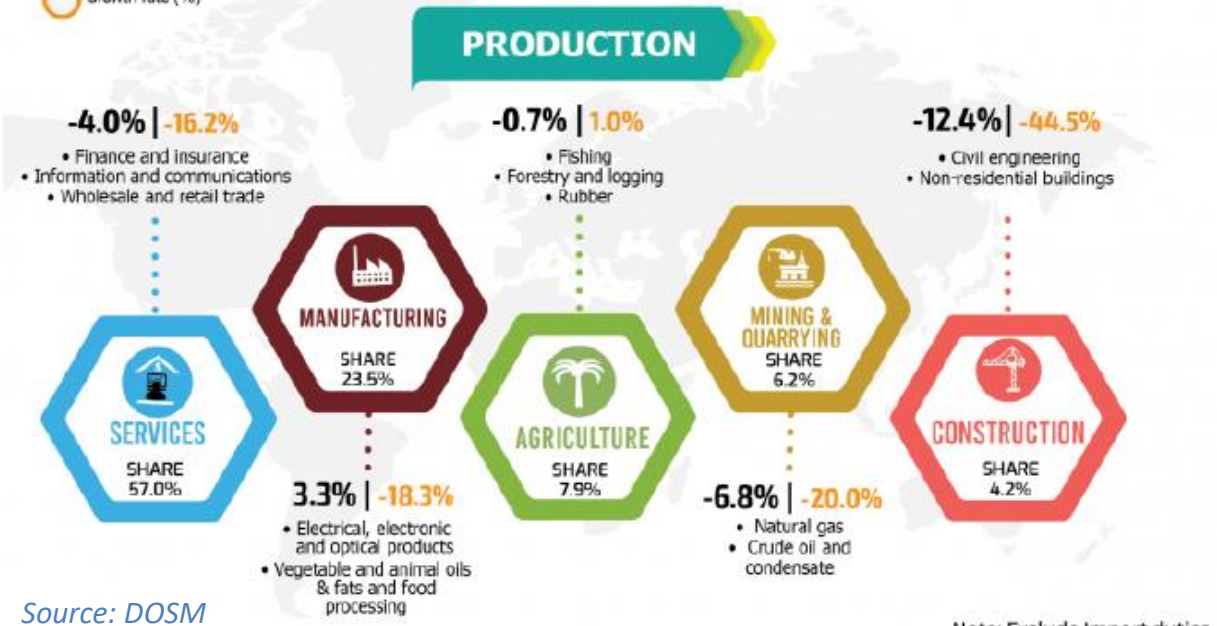
Source: DOSM

IMPACT OF COVID-19 ON ECONOMY & DIGITAL INFRASTRUCTURE

Malaysia's economy posted a smaller decline of 2.7 per cent in Q3 2020

On the production side, the growth was uplifted by rebounded performance of Manufacturing sector while other sectors showed an improved negative growth compared to the previous quarter.

On the expenditure side, Private final consumption expenditure and Gross fixed capital formation recorded a smaller contraction.



Note: Exclude Import duties

Source: DOSM

Internet usage increase triggered by COVID-19

Area	Service provider	Area of usage percent increase	Source
	AT&T (US)	Core network traffic (22%)	AT&T
Telecommunication traffic	British Telecom (UK)	Fixed network traffic (60% on weekdays)	British Telecom
	Telecom Italia (Italy)	Internet traffic (70%)	Telecom Italia
	Vodafone	Mobile data traffic in Italy and Spain (30%)	Vodafone
		Facebook Messenger (50%)	Facebook
Over The Top (OTT)	Facebook	WhatsApp (Overall: 50%; Spain: 76%)	WhatsApp
		Video calling (100%)	Facebook
	Netflix	Subscriber base (9.6% or 16 million)	Netflix
	E-commerce (Mexico)	Number of Users (8%)	Competitive Intelligence
	Zoom	Daily usage (300%)	JP Morgan
Video conferencing	Cisco Webex	Subscribers (33%)	Cisco
	Teams (Italy)	Monthly users (775%)	Microsoft

Source: Analysys Mason

URGENCY TO ADDRESS THE NEW NORM AND FUTURE DEMANDS

Plans were in place to improve the coverage and quality for broadband and digital service, however, measures placed under COVID-19 was a stress test to the nation's digital infrastructure

Internet traffic increased by 30% - 70%	***Internet use have moved to residential areas by 50%-70%***
Internet speed has reduced by 30%-40%	***Complaints on internet speed, new and indoor coverage have increased from 40%-70%***

The new Malaysia to be globally competitive, robust, resilient and an enriched digital-based society

EDUCATION / PRODUCTIVITY

- Students requiring internet connectivity for home-based learning

BUSINESSES / GOVERNMENT & SERVICE BASED INDUSTRIES

- Digitise the SMEs / B2B to recover and diversify their businesses

COMMUNITIES & SOCIETIES

- Constantly stay in-touch with families and friends

PELAN JALINAN DIGITAL NEGARA (JENDELA)

	RMK-11, RMK-12 Focus (2016 – 2020)	Current State (2020)	RMK 12 Aspirations (2021-2025)	NDIL National Aspirations
Wireless Broadband	• Nationwide 3G coverage • Rapid 4G expansion	• 96.7% of 2G *coverage in populated areas • 95.3% of 3G coverage in populated areas • 91.8% of 4G coverage in populated areas • 25Mbps Speed	• Nationwide 4G coverage • 5G planning and rollout	• 100% of 4G coverage in populated areas • 100Mbps speed by adopting 5G
Fixed Broadband	• Expand from High Speed Broadband (HSBB) to HSBB 2 and Sub-Urban Broadband (SUBB)	• 4.95 mil premises passed**	• Expand fibre to sub-urban and rural areas • Alternative technologies to connect premises	• Gigabit access to 9 million premises passed
Delivery Ecosystem	• Strengthen digital infrastructure planning across States		• Integrating digital infrastructure across Government, Businesses and Rakyat	• A readily accessible Digital Infrastructure map

- Improve coverage and quality of service
- Set the foundation for 5G

Note:
JENDELA will prioritise populated areas and areas having economic activities
* Coverage in populated areas covers at least 20 people per square km

Source:
**Consolidated data by the fixed operators in the NDIL

MCMC