



KEMENTERIAN KOMUNIKASI
DAN MULTIMEDIA MALAYSIA

TALKING POINTS
YB DATUK ZAHIDI ZAINUL ABIDIN
DEPUTY MINISTER OF COMMUNICATIONS
AND MULTIMEDIA

MDEC – Mastercard MoU

2 SEPTEMBER 2020 (WEDNESDAY)
9:00AM-10:00AM
EXECUTIVE BOARD ROOM, LEVEL 3, MDEC OFFICE, 2360
PERSIARAN APEC, CYBERJAYA

Assalamualaikum Warahmatullahi Wabarakatuh and Salam Malaysia Prihatin.

- **YBhg. Datuk Wira Dr Hj. Rais Hussin Mohamed Ariff**
Chairman of MDEC

 - **Pn. Surina Shukri**
CEO of MDEC

 - **Mr. Perry Ong**
Country Manager for Malaysia and Brunei, Mastercard

 - Ladies and Gentlemen.
1. COVID-19 has brought with it a new normal that changes the way we think and even the way we collaborate – new ideas and opportunities need to address the current situation in helping us navigate this uncertain time and gear us for sustained recovery. The impact of the pandemic has been felt by all quarters of society including SMEs (Small and Medium-Sized Enterprises) and MSMEs (Micro, Small and Medium Enterprises) that makeup a significant 98.5% percent of Malaysian businesses, which ultimately is the backbone of our economy.

2. In this digital age, we are no longer defined by physical business premises and geographical locations and thus opportunities are abundant, where businesses need to rethink their approaches, move online and explore growth possibilities especially as this is critical to reducing costs, streamline business processes, improve customer relations and expand their market beyond Malaysia. While some SMEs are already in the midst of their own digital transformation, many are not ready for the massive disruption caused by the pandemic.

3. We are also seeing Malaysian consumers becoming even more digitally inclined with the rise in the adoption of e-commerce, digital payments and preference for online activities, according to the Mastercard Impact Studies™. On the payments front, about 40 percent of Malaysian consumers reported an increase use of mobile/digital wallets, followed by contactless debit cards at 26 percent and contactless credit cards at 22 percent, while cash usage declined to 64 percent since the beginning of the pandemic. The findings also showed that Malaysia led on usage of mobile/ewallets in Southeast Asia, ahead of Philippines, Thailand and Singapore. This demands us to be even more digital in our approach.

4. Several efforts have been implemented by the government, public and private entities to assist and help cushion the impact of COVID-19 and the Movement Control Order (MCO) on businesses and the wider society. The Government recently unveiled the short-term Economic Recovery Plan (PENJANA) with various initiatives focusing on three main components: empowering the people, propelling businesses, and stimulating the economy.

Ladies and Gentlemen,

5. In conjunction with MDEC's "#SayaDigital" movement, we are delighted that MDEC and Mastercard has come onboard to work collaboratively in supporting the Government's PENJANA initiative by rolling out digital payment technologies for the digitally-powered businesses and promoting greater financial inclusion to help create a smarter, more sustainable and inclusive community in today's increasingly digital world – one where unbanked, underbanked populations and vulnerable groups are not left behind.
6. Going digital for businesses means that they can drive their revenues as they can do financial transactions with customers and suppliers in a much faster, secured, and cost-effective manner, as well as access to new marketplaces. While consumers can access convenient and secure digital payments that allow them to stay contact-free, without the physical handling of banknotes and coins.

7. We would like to commend Mastercard's commitment in improving not only the small businesses journey but also the consumer journey through its approach, partnerships, products and solutions. As digital commerce and connectivity continues to grow exponentially, Mastercard's partnership with issuers and digital partners deliver a seamless digital and innovative experience to SMEs and consumers

Ladies and Gentlemen,

8. The MoU with MDEC, the lead agency in driving the nation's digital economy initiatives, brings a truly dynamic synergy that will see the sharing of best practices and knowledge-sharing between both parties to enable the economy's digital transformation and fuel business growth in Malaysia.
9. It is KKMM's and MDEC's aspiration to firmly establish Malaysia as the Heart of Digital ASEAN and reinforce its regional digital powerhouse role that engages global champions, such as Mastercard, by ensuring the digital economy will drive shared prosperity for all Malaysians as well as the region.
10. On this note, I would like to reiterate our shared vision with Mastercard and MDEC that achieving a digitally skilled society cannot be done in silos. It requires an active collaboration of key players from the public and private sectors and in respect of this collaboration, the leveraging of existing resources, knowledge and expertise from both parties will allow everyone to fully harness the possibilities of technology. Thank you.