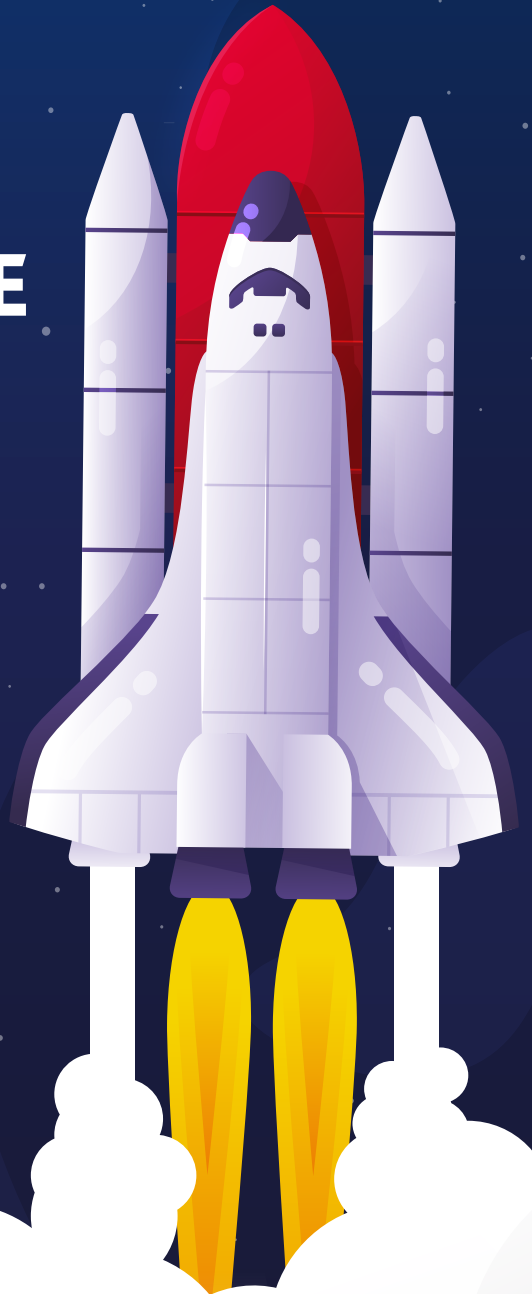


**ACCELERATE
YOUR BUSINESS
INTO DIGITAL SPACE**



KEY HIGHLIGHTS OF THE MALAYSIA DIGITAL ECONOMY BLUEPRINT

1 VISION

To be a regional leader in the digital economy and achieve inclusive, responsible and sustainable socioeconomic development.

3 OBJECTIVES

Encourage industry players to become creators, users and adopters of innovative business models under the digital economy.

Harness human capital that can thrive in the digital economy.

Nurture an integrated ecosystem that allows society to adopt the digital economy.

6 THRUST

Drive digital transformation in the public sector.

Boost economic competitiveness through digitalisation.

Build enabling digital infrastructure.

Build agile and competent digital talent.

Create an inclusive digital society.

Build a trusted, secure and ethical digital environment.

22
STRATEGIES

48 NATIONAL
INITIATIVES

28 SECTORAL
INITIATIVES

KEY HIGHLIGHTS OF THE MALAYSIA DIGITAL ECONOMY BLUEPRINT (CON'T)

According to the blueprint, the government has set the following targets:



- ① Cashless payment for all ministries and agencies;
- ② 80% of the public sector to use cloud storage;
- ③ the chief information officer (CIO) to take on the role of the chief digital officer in every ministry;
- ④ OSC 3.0 Plus online to be used by all local authorities (a system to present online applications for development plans, making payments online, and to enable the technical agency review these applications virtually and subsequently acquire outcomes through the system);
- ⑤ 400 electronic payment transactions made per capita;
- ⑥ a greater mandate for MAMPU (the Malaysian Administrative Modernisation and Management Planning Unit) to act as an adviser, project member or subject matter expert on nationwide digital-related projects.

Malaysia to become a regional market producer of digital products and a digital solution provider.

By
2022

By
2025

By
2023

- ① 100% of Malaysian households will have Internet access;
- ② online learning (My Device, My Digital Teacher Programme);
- ③ the digital economy will account for 22.6% of Malaysia's gross domestic product (GDP);
- ④ to attract two to five unicorns with headquarters in Malaysia (a unicorn is a start-up with US\$1 billion [or about RM4.04 billion] in valuation);
- ⑤ RM70 billion in digital investment;
- ⑥ 80% end-to-end government services to be available online;
- ⑦ legislations relating to broadband as a basic utility at the federal and state levels to be streamlined by 2025 (among the laws to be reviewed are the Local Government Act 1976 and the Street, Drainage and Building Act 1974 [Act 133]);
- ⑧ all ministries and agencies to use MyGDx (the Malaysian Government Central Data Exchange, a data sharing platform that provides data brokerage services for common data referred by government agencies; data sourced from original sources);
- ⑨ all schools to have access to the Internet (identifying financing models with contributions from the private sector and civil society organisations (CSOs) to support the implementation of this initiative);
- ⑩ the local data centre industry to churn out a revenue of RM3.6 billion;
- ⑪ for Malaysia to have the highest number of submarine cables landing in Southeast Asia.

KEY FOCUS AREAS TO BE DIGITALLY READY



DIGITAL TRANSFORMATION

The COVID-19 crisis has accelerated the need for digital transformation and adoption for businesses. An effective digital strategy can help alleviate the effects of these challenges, while also identifying new opportunities.

Digital transformation is not about technology and not just a job for the IT department. Increasingly more non-tech C-suite executives (e.g. CEO, CMO, CFO and COO) are responsible for leading digital transformation in their organisations.

For digital transformation to work, focus on the fundamentals which are changing mindsets and organisational culture before deciding on what technologies to use to solve business problems, boost efficiency and add value.

Companies that begin their journey today are much more equipped to staying in business and continue evolving tomorrow. The challenges will be great—but the rewards, greater.

Digital transformation is not the end goal. It is a step in the right direction.

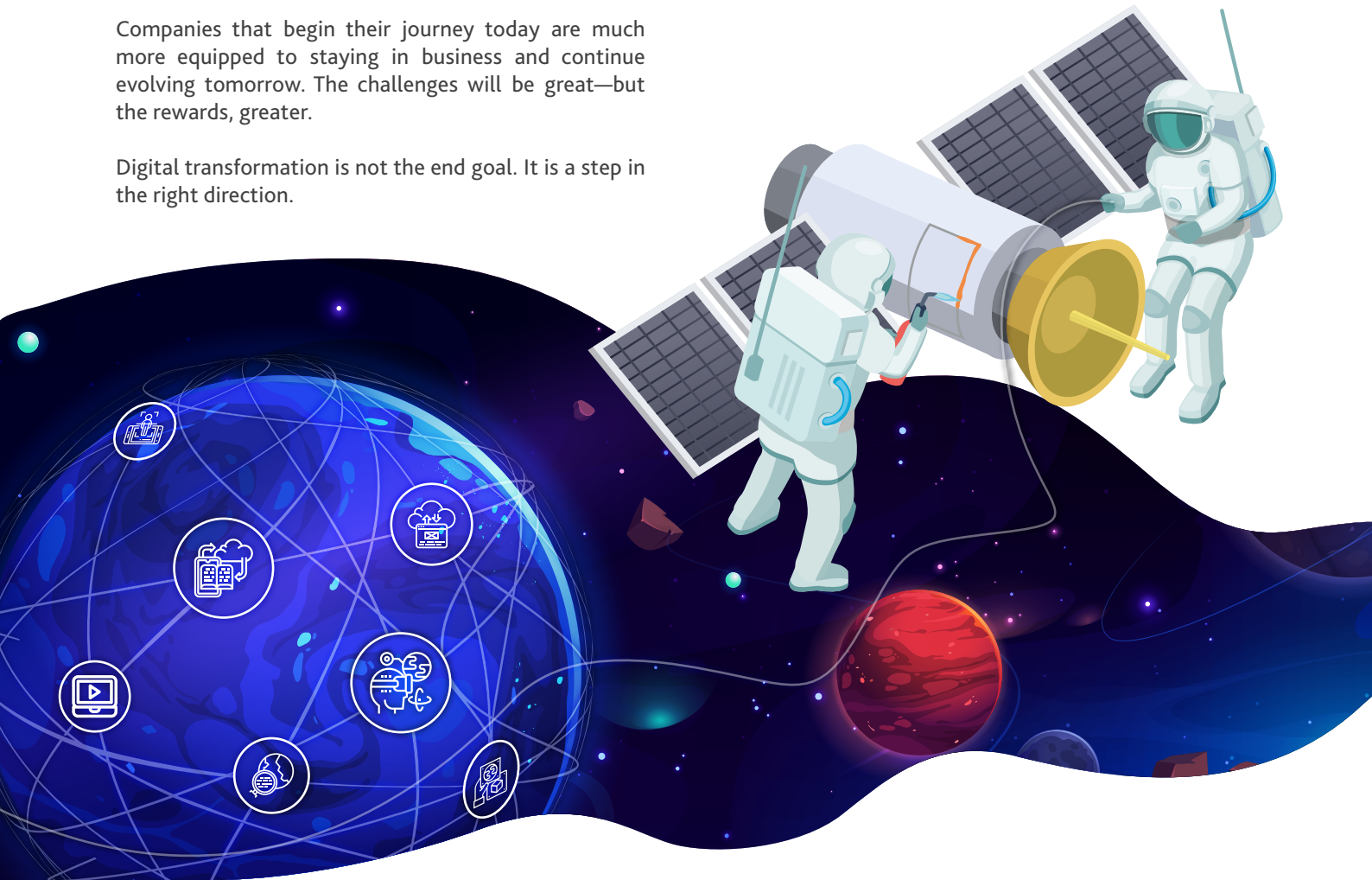


BUILD AGILITY AT WORK

No business wants uncertainty, but, in the current climate, uncertainty abounds. The businesses that foster agility and prepare accordingly will be best positioned to respond to changes in the market.

To support organisational agility, it is best practice to review, update and test the business continuity plan and incident response plan. It is useful to have visibility into the business continuity plans of important suppliers and third party vendors as well. Additional steps to increase agility on a continual basis include upskilling employees and improving business processes.

Change starts at the top, so top executives and management need to champion the changes and collaborate.



KEY FOCUS AREAS TO BE DIGITALLY READY (CON'T)



CYBERSECURITY

The Covid-19 pandemic, which has fuelled unprecedented demands for internet services, cloud-based services and information technology (IT) support services, has coincided with a sharp rise in the number of cyber-attacks that have impacted organisations.

With employees required or encouraged to work remotely from home to curb the spread of the virus, many businesses find themselves unprepared and vulnerable to additional cyber risks, which can impact the confidentiality, integrity, and availability of key data and information systems.

While we often hear high profile examples of cyber-attacks, the fact is that no organisation is too big or too small to be targeted by cyber attackers.

Research shows that most businesses take 6 months or more to detect a breach.

Protecting your business starts with understanding some of the biggest risks such as lack of defined remote work policy, insecure devices and networks, inadequate virtual private networks (VPNs) controls as well as cyber-attacks and fraud attempt detection.



DATA PRIVACY

There has been a huge shift in the importance placed on data privacy.

Working from home is the "new normal" given the Covid-19 pandemic. This brings internal and external challenges. Internal considerations include the rapid shift to remote working with increased use of personal devices and dependence on key individuals. External challenges include the emergence of increased opportunities for fraudsters to illegally obtain personal data as well as the potential impact of an impaired service from external providers which may result in increased data breaches.

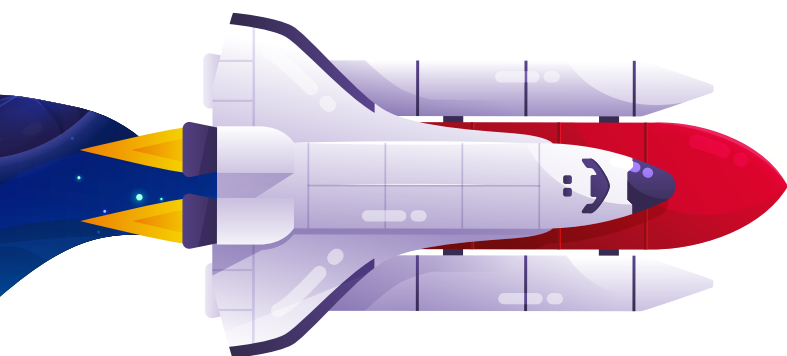
Compliance with data privacy regulations will require good data hygiene in the form of purposeful collection, protection of sensitive information and adherence to retention programmes that remove expired information.

In assuring each of these, companies can expect to achieve more than mere compliance and penalty avoidance, but also to lower the cost of infrastructure and operations and to help employees gain quick access to good information to support business decisions.

Data protection is only as strong as your weakest link – people. Organisations need to be constantly vigilant in maintaining high levels of awareness and engagement with all employees and other stakeholders to ensure that best practices and policies are adopted and followed consistently.

As you embark on your digital journey, our team in BDO are ready to support you and our relevant services include:

- Cybersecurity assessments
 - IT risk management and data protection
 - IT project management
 - Business continuity management
 - Third party attestations e.g. WebTrust for Certification Authorities/Public Key Infrastructure, Risk Management in Technology (RMiT), Systems and Organisations Controls 2 (SOC 2) compliance, etc
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