

ADDRESS BY
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MALAYSIA PRODUCTIVITY CORPORATION WEBINAR SERIES

13 MAY 2020

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Ladies and Gentlemen,

Assalamualaikum w.b.t. and a very good morning.

1. First and foremost, allow me to express my appreciation for being invited to address this webinar. I would like to extend a very warm welcome to all participants of this series which is most pertinent at this point in time where the world is being confronted with the COVID-19 outbreak.
2. This pandemic has impacted all of us. Entire economies have been severely affected, industries have been brought to a grinding halt, supply chains massively disrupted, and unemployment has spiked to unprecedented levels.
3. Like other economies, Malaysia is doing its utmost to confront the crisis and has implemented incremental measures to mitigate the unintended economic consequences of the battle against this dreaded disease.
4. Malaysia has now entered its latest stage with the imposition of the Conditional Movement Control Order. We have opened up almost all economic sectors which are crucial in order to restart the economy, even as we continue to maintain steadfastly our health protocols.

5. The New Normal requires us to embrace new attitudes and approaches towards the protection of the health of the community while ensuring that the economy remains vibrant and sustainable.
6. For many enterprises hit by this crisis, business survival is the main concern. In the longer run however, it is imperative that businesses remain sustainable. In this regard, MITI will do its best to bolster the industries and businesses, particularly the SMEs and to ensure the sustainability of employment. One of the core concerns will not only be the number of jobs, but also the importance of productivity of our workers.
7. Various initiatives will be undertaken including the present series of Webinars, specially organised for companies to take stock of the situation and to design strategies to move forward. These strategies include how to rethink, recover, and to revitalise their businesses post COVID-19. MPC and its partners have arranged for internationally renowned speakers and captains of industry to share their knowledge and insights.

Ladies and Gentlemen

8. I must commend Electrical & Electronics Productivity Nexus for priming this series because the E&E sector is among the sector most negatively impacted. The cumulative losses incurred by the sector is estimated at RM7.28 billion of GDP while the impact to exports is estimated at RM29.12 billion. The entire E&E industry in Malaysia, including the Local Large Companies and SMEs, is part of the global supply chain.

9. The E&E sector is the backbone of the country's economy and remains a significant contributor to the GDP. Its contribution to GDP last year was RM81 billion, constituting 5.8 per cent of the national GDP while its exports amounted to RM380 billion. There is therefore, no over stressing the importance of the E&E sector in bolstering our economy. At the same time, we need to stand back and take stock of its contribution and explore how best we can add value to it to ensure its strong and sustainable growth.

10. The Government is structuring cohesive short, medium and long-term plans to resuscitate the economy. The Government laid out a 6-phase plan, called 6R, to achieve the medium and long-term goals, namely, Resolve, Resilience, Restart, Recovery, Revitalise and Reform.
11. Resolve was when we implemented the Movement Control Order to control the spread of the virus and by all accounts this has proven to be successful. Thanks to the unrelenting hard work and sacrifices of the front liners and the unstinting cooperation of the people as well as industry players and other stakeholders, our resolve to flatten the curve has borne fruit.
12. Resilience was when we launched the RM260 billion PRIHATIN economic stimulus package, which firmly underscores the Government's responsiveness to the pressing issues faced by the rakyat and businesses. Our approach has always been two-pronged: the protection of lives and livelihoods.

13. This massive allocation is absolutely necessary to help ease the burden of the people and bolster businesses with a strong focus given to direct cash injections to the various segments of the rakyat that need it, as well as alleviating cash flow among the Micro, Small and Medium Enterprises.
14. As I have said at the outset, the latest phase that we are in currently, is the Restart phase where almost all economic sectors are allowed to operate. It bears repeating that no amount of stimulus can mitigate the huge loss of employment and income unless we open up.
15. Therefore, this proactive move is timely and calculated to give a positive impact on the country's economic growth and income as well as the sustainability of employment for the rakyat.
16. We have facilitated the business community's transition to operate in an environment that is safe for all by providing them with a set of sector-specific Standard Operating Procedures.

17. All companies operating out there must adhere to the SOPs and create a safe environment for their workers and customers. Failure to comply with the SOPs will result in legal action.

18. While stringent enforcement will be implemented by Federal and State enforcement agencies, we mustn't forget that real success to ensure the health and safety of the rakyat lies in "self-enforcement" on the part of each Ministry as well as "community enforcement."

19. Following the Restart phase is Recovery where the Government will announce a 6-month short-term economic recovery plan by the end of May. After that, we will move into the Revitalise (medium-term phase) which is the tabling of the 2021 budget in November. Last but not least we have the reform (long-term phase) which is the 12th Malaysia Plan scheduled to be revealed in January 2021.

20. MITI and its agencies are committed to assisting Malaysian companies to remain competitive during these difficult times and help our local companies especially SMEs to remain resilient.

21. The COVID-19 crisis has highlighted the need for a rapid transformation of the Malaysian economy. We need to determine the enablers to link the present to the future. Malaysia should seize emerging trends and opportunities to mitigate the COVID-19 pandemic which has lasting implications on global investment. As FDIs will be affected, we must find enablers to have a better future which is quality investment.

22. Accelerating digital empowerment to enrich the lives and livelihoods of Malaysians is the best way forward. In the current situation, I would like to urge the business community to look at the challenges they are facing as an opportunity to add value to their business. There is no better time than now to fast-track their digitalization agenda, across all facets of their businesses.

23. The fact is that COVID-19 has jolted us to the reality of how crucial and pervasive digitalization is and why we need it more than ever to future-proof our businesses.

24. Digitalization drives productivity and enhances connectivity among working peers, customers and business partners beyond geographical borders and may even help in reducing the carbon footprint. It will help us achieve sustainable economic growth while protecting the environment and the well-being of the people.

25. In closing, I would like to congratulate MPC and its partners in organising this series of Webinars. I wish you all fruitful and productive deliberations and success in your undertakings.

26. *Ramadhan al Mubarak* and thank you.