KEMENTERIAN KOMUNIKASI
DAN MULTIMEDIA MALAYSIA

Speech

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Minister of Communications and Multimedia Malaysia

5G MALAYSIA INTERNATIONAL CONFERENCE

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Terima kasih saya ucapkan kepada saudara pengerusi majlis.

YBrs Encik Al-Ishsal Ishak

Chairman of MCMC

Yang Berbahagia Prof. Dr. Tharek Abdul Rahman

Advisor of the National 5G Taskforce

Mr. Sameer Sharma

Senior Advisor, ITU Regional Office Asia Pacific

Yang Berusaha Dato' Wei Chuan Beng

Commission Member, MCMC

- Distinguished guests and speakers

- Members of the media

- Ladies and gentlemen

Good evening and Salam Harapan

1. First and foremost, it is an honour for me to join all of you here today, at the inaugural **5G Malaysia International Conference.**

2. I would like to take this opportunity to welcome our distinguished guests to Malaysia – a country of outstanding natural beauty and stunning culinary delights, and a wonderful melting pot of different cultures. And you will indeed discover that "Malaysia Truly Asia" is not a mere tagline, rather it is something that Malaysians value and cherish on a daily basis.

Ladies and Gentlemen,

3. In the past, we adapted to and embraced globalisation where a borderless world led to ease of capital flow, and the movement of goods and people.

4. Triggered by the Fourth Industrial Revolution (IR 4.0), this borderless world today is beginning to shape itself into the age of boundless connectivity where machines can communicate with each other seamlessly through the Internet of Things (IoT), making automation more intelligent and intuitive.

5. IR 4.0 melds together the digital, physical and biological spheres, and brings with it breakthroughs in artificial intelligence, robotics, big data, virtual reality and software engineering.

6. Today, we are here to talk about 5G that goes beyond the fixed and mobile broadband markets. 5G will open up innovations and new opportunities in various sectors including agriculture, education, government administration, healthcare, public safety and transportation.

7. It is expected that 24 Asia Pacific markets will launch 5G by 2025 and the rollout of 5G will contribute almost **USD 900 billion** to the region's economy over the next 15 years.

8. Malaysia understands the importance of 5G technology and the potential it has to uplift the economic prospects of the country while providing new and innovative jobs to our people.

9. A recent study by the Malaysia Institute of Economic Research (MIER) concluded that 5G has the potential to contribute an additional RM12.7 billion to the Malaysian GDP over a 5-year period (2021 – 2025) while creating over 39,000 jobs over that same time period.

10. As various industries adopt 5G, I am confident that it would positively influence other industries' contribution rate to the GDP – effectively allowing the country to produce and manufacture more high-quality goods and services while further benefiting the people with better products and services.

Ladies and Gentlemen,

11. Recognising its potential, the government of Malaysia through the Ministry of Communications and Multimedia and the Malaysian Communications and Multimedia Commission (MCMC) is leading the way by proactively taking the necessary steps to develop this new and emerging ecosystem. While the government is leading the effort, it has also decided that this ecosystem can only be sustainable and successful when it collaborates with the other relevant stakeholders.

12. Malaysia's 5G journey started with the formation of the National 5G Taskforce that was formed in November 2018. It is an industry led, multi-stakeholder taskforce consisting of 114 members representing academicians, manufacturers, telecommunications services providers, ministries and governmental agencies from both the demand and supply groups of the ecosystem.

13. The Malaysian National 5G Taskforce was formed to outline the prerequisites of successful 5G deployment that include, among others, use cases, spectrum management solutions, analysing health and safety aspects, as well as proposing new regulatory and infrastructure mechanisms.

14. In order to further nurture and catalyse the development of the 5G ecosystem in Malaysia, the 5G Malaysia Demonstration Projects was announced on 30 September 2019. The 5GDP, which is from October 2019 until March 2020, would include trial deployment of a 5G network, the provision of 5G equipment and the use of the 5G technology across 9 industry verticals namely:

    a. Agriculture
    b. Digital Healthcare
    c. Education
    d. Entertainment/Media
    e. Manufacturing and Processing
    f. Oil and Gas
    g. Smart City
    h. Smart Transportation

15. To date, we have identified 100 use cases in which 72 use cases are currently being demonstrated across 56 5G live sites and six states in Malaysia.

16. I am also pleased to note that Langkawi is the 1st 5G island in the world with 35 use cases across 6 verticals in 25 live sites.

17. To the innovators, service providers, and relevant stakeholders, this is an exciting time for Malaysia. The Ministry and MCMC urges you to work hand-in-hand to make 5G commercial service a reality by Q3 2020.

18. I am also cognisant of the fact that while we should be optimistic on the outlook of 5G and how it can change the economy, we should also recognise its complexities and the cost constraints that the industry and government will face. As such, 5G requires a major shift in infrastructure and network planning.

Ladies and Gentlemen,

19. Moving ahead, I would like to encourage the industry players to identify new and innovative ways to collectively build and share their infrastructure. This approach is intended to lower the capital expenditure ("CAPEX") by minimising costs and prevent the duplication of infrastructure as infrastructure for 5G could cost RM7-8 billion over the medium term, in addition to investments in 4G and LTE.

20. In turn, capital expenditure savings can be redirected to building more innovative products and services that can bring in new revenue streams to the service providers as well as benefits to the consumers.

21. It's also critical that there is collaboration across various stakeholders from the local authorities, state governments to relevant agencies, and ministries, to guarantee the success of 5G. It is our collective responsibility to give Malaysians from every corner of the country an opportunity to reap the benefits of connectivity and the many digital technologies available.

22. Furthermore, in order to facilitate a faster and more cost-efficient rollout, it is important that we define clear guidelines and standards. This in turn will provide for a streamlined way of rolling-out new 5G products and services. For example, clear guidelines and standards of what constitutes 'Smart City' would ensure that solutions can be replicated and rolled out across multiple municipalities. A lack of common standards and guidelines would result in duplication, higher costs and the inability to leverage innovative solutions across these municipalities.

23. I would like the industry and the relevant government agencies to work with MCMC to ensure that this important aspect of rolling out 5G technology is clearly articulated and defined as part of the implementation plan.

Tuan-tuan dan Puan-puan,

24. Potensi dan keupayaan teknologi 5G untuk meningkatkan tahap ekonomi serta menjana pekerjaan baru untuk masyarakat Malaysia tidak boleh dinafikan.

25. Satu kajian baru-baru ini oleh Institut Penyelidikan Ekonomi Malaysia (MIER) mendapati bahawa industri teknologi 5G boleh menambah RM12.7 bilion kepada KDNK negara dalam tempoh lima tahun ini (2021-2025) dan pada masa yang sama, mewujudkan lebih daripada 39,000 pekerjaan.

26. Pembangunan industri digital yang rancak dan mampan adalah kritikal untuk pertumbuhan ekonomi negara berpendapatan tinggi serta meningkatkan kuasa beli rakyat, demi masa hadapan yang lebih cerah dan baik. Ia akan menjamin bahawa kekayaan dinikmati oleh semua lapisan masyarakat selari dengan Wawasan Kemakmuran Bersama yang diterajui Kerajaan ini.

Ladies and Gentlemen,

27. The rollout of infrastructure and services is not an end in itself, rather, it is part of the Shared Prosperity Vision of Malaysia. The Shared Prosperity Vision will see a recalibration and restructuring of the Malaysian economy on a more progressive trajectory and centered on development for all. All this would not be possible without the availability of digital platforms on which services can be provided to all corners of society.

28. Lastly, I would like to congratulate the Malaysian Communications and Multimedia Commission (MCMC) for organising this conference, I hope you find today's conference helpful and insightful, and are inspired today to think about the possibilities of tomorrow.

Thank you.