



Press Release

CONNECTIVITY AS A CATALYST TO A PROGRESSIVE DIGITAL NATION

- **‘Connect 2030: ICTs for the Sustainable Development Goals’ is the theme for this year’s World Telecommunication and Information Society Day (WTISD)**
- **The Communications and Multimedia (C&M) industry is worth RM144.01 billion in the local stock exchange**

CYBERJAYA, 15 May 2020 --- World Telecommunication and Information Society Day (WTISD), which is celebrated annually on 17 May since 1969, targets to increase awareness among the general public regarding the possibilities that could be achieved through the use of the Internet and information and communications technology (ICT).

This year’s WTISD theme is ‘Connect 2030: ICTs for the Sustainable Development Goals (SDGs)’. It gives focus on ICT-enabled solutions and emerging trends for fostering economic, environmental and social sustainability.

The Government’s commitment in ensuring connectivity in the country is reflected through the annual Communications and Multimedia (C&M) industry performance report. This measure will continuously strengthen digitalisation in this country and ensure its sustainability, while empowering the people towards a better quality of life.

In 2019, the C&M industry in Malaysia in general recorded a commendable achievement. The total market capitalisation value reached RM144.01 billion or 8.4% of the total Bursa Malaysia market capitalisation. From that amount, the telecommunications sector contributed about RM134.01 billion, while RM7.29 billion came from the broadcasting sector; and RM2.71 billion from the postal and courier sector. According to statistics from the Malaysian Communications and Multimedia Commission (MCMC), the value

is an increase of RM6.28 billion or 4.56% as compared to the previous year, which recorded RM137.73 billion in 2018.

The C&M industry generated a revenue of RM43.37 billion in 2019, where the communications sector contributed the biggest share at 80.2% or RM34.8 billion. The broadcasting sector was the second highest contributor at 13.6% (equal to RM5.88 billion), while the revenue generated by the postal and courier sector is RM2.69 billion or 6.2%.

For the telecommunications sector CAPEX, or Capital Expenditure, in 2019, the recorded expenditure value was RM4.6 billion. From that amount, RM2.97 billion was used for mobile services CAPEX, while the balance of RM1.63 billion was for fixed services CAPEX. In this case, most of the CAPEX was used to upgrade the mobile and fibre optic networks to increase network capacity and quality to enable the telecommunications sector to give the best service to customers.

Connectivity is the driver for service provider revenue growth over the last two decades. In 2019, the total broadband subscription was at 43.38 million, where from that amount, 2.95 million was for fixed broadband subscription which is an increase of 10.9% compared to 2.66 million in 2018. Meanwhile, mobile broadband subscription increased 9.9% to 40.43 million compared to 36.79 million in 2018. For coverage in populated areas, 3G coverage was at 95.5% in 2019 compared to 94.7% in 2018. On the other hand, 4G LTE coverage was at 82.2% in 2019 as compared to 79.7% in 2018.

At the same time, an increasing trend can also be seen in the number of mobile cellular subscriptions. In 2019, the total number of mobile cellular subscriptions was at 44.6 million, an increase of 5.2% compared to 42.41 million in 2018. This increase was driven by various factors such as quality coverage expansion, increased capability, better service quality, and increase in data and smartphone usage.

High usage of broadband was reported throughout the Movement Control Order (MCO) period. Realising that fact, the government announced the Prihatin Rakyat Economic Stimulus Package (PRIHATIN) on 27 March with special package offered including free Internet of 1GB per day to ease daily tasks among the public.

At the same time, the five-year National Fiberisation and Connectivity Plan (NFCP) starting from 2019, aims to upgrade the country's digital connectivity, especially in the rural areas. NFCP will ensure that the people will be able to enjoy quality broadband experience that can bridge the digital

divide between residents in Peninsular Malaysia, Sabah and Sarawak, as well as the urban and rural areas.

Implementation of 5G in this country is expected to change the level of connectivity and serves as an important game changer to the nation's economy that impacts the lives of the people, businesses and the Government in a holistic manner.

MCMC Chairman, Al-Ishsal Ishak said: "The main purpose of World Telecommunication and Information Society Day is to help raise awareness on the positive power of the Internet and other communication technologies, such as uniting societies, strengthening economies and bridging the digital divide. Thus, as regulator of the multimedia and communications industry - through initiatives such as NFCP and 5G - we are determined to ensure that societies in Malaysia continue to remain connected and are able to reap the benefits of high-quality connectivity."

"As the world confronts the COVID-19 pandemic, let us not forget that technology and telecommunications have been the foundation on which economies and lives continue to move forward even in the most unprecedented times. Thus, let us take a moment to appreciate all the leaps the industry has achieved, and attempt to continue pushing boundaries to transform lives and make the future a better place," he added.

About Malaysian Communications and Multimedia Commission (MCMC)

The Malaysian Communications and Multimedia Commission (MCMC) is a statutory body established under the Malaysian Communications and Multimedia Commission Act 1998 (MCMCA) which implements and promotes the Government's national policy objectives for the communications and multimedia sector. MCMC regulates and promotes the development of the communications and multimedia industry, which includes telecommunications, broadcasting, and online activities, postal services and digital certification. The Communication and Multimedia Act provides that MCMC undertake a policy implementation role, while policy decision-making is vested with the Minister. For more information, visit www.mcmc.gov.my or contact:

Kamalavacini Ramanathan
Director
Tel: +6010-2251073

Markus Lim Han King
Deputy Director
Tel: +6012-2995027

Mohd Faizal Azizan
Deputy Director
Tel: +6011-2828 6745

Suruhanjaya Komunikasi dan Multimedia Malaysia | Malaysian Communications and Multimedia Commission
MCMC Tower 1, Jalan Impact, Cyber 6, 63000 Cyberjaya, Selangor MALAYSIA
T: + 60 3 86 88 80 00 | F: + 60 3 86 88 10 00 | E: scd@mcmc.gov.my | W: www.mcmc.gov.my

