OPENING ADDRESS

THE RIGHT HONOURABLE DATUK PATINGGI TAN SRI (DR) ABANG HAJI ABDUL RAHMAN ZOHARI BIN TUN ABANG HAJI OPENG, PREMIER OF SARAWAK

AT

7TH INTERNATIONAL DIGITAL ECONOMY CONFERENCE SARAWAK (IDECS) 2024

"AI FOR SUSTAINABLE DEVELOPMENT: NAVIGATING THE GREEN AND CIRCULAR FUTURE"

16 OCTOBER 2024
BORNEO CONVENTION CENTRE KUCHING (BCCK)

Salutation

Excellencies

Distinguished Speakers, Sponsors, Guests

Ladies and gentlemen

Salam Sarawak Maju Makmur and Good morning to all.

1. It is my privilege to address you today at this pivotal moment in our journey toward creating a more sustainable, equitable, and resilient world.

2. First, I extend my deepest appreciation to the Organising Committee, who have worked tirelessly to make this event possible. Your dedication, collaboration, and shared vision have brought us to this remarkable day.

3. To our esteemed speakers, experts, and sponsors, a heartfelt welcome and thank you for being here to share your invaluable knowledge and insights. Your contributions are essential to advancing our collective mission toward a more prosperous and digital future. We eagerly anticipate the perspectives you will bring to our discussions.

4. I would also like to warmly welcome all our delegates who have travelled from near and far to join us here in Sarawak for the International Digital Economy Conference Sarawak (IDECS) 2024.

5. This year's theme— AI for Sustainable Development: Navigating the Green and Circular Future—is timely and significant. AI has rapidly emerged as a strategic enabler for sustainable development, transforming industries, driving social equity, and fostering economic growth as we shape a green and circular future.

6. Over these two days, I encourage each of you to engage fully in the discussions, collaborations, and exchanges that will take place. Share your expertise, listen to diverse perspectives, and seek common ground in addressing the pressing challenges before us. Let us aim to leave this conference with concrete strategies and actions that will create a lasting impact on communities around the globe.

Distinguished Guests, Ladies and Gentlemen,

Introduction

7. As digital technologies continue to evolve, economies worldwide are leveraging innovations such as AI, blockchain, 5G, and the Internet of Things (IoT) to reshape industries for greater efficiency, automation, and data-driven decision-making. Malaysia has made significant strides in this arena, and Sarawak is committed to keeping pace, aiming to become a regional leader in digital innovation and green technologies, with AI as a crucial enabler.

8. Countries around the globe, including the United States and China, are already experiencing substantial economic impacts from these advancements, particularly in AI-driven startups, digital payments, and smart manufacturing. Meanwhile, European nations like Germany and the Netherlands are at the forefront of developments in smart manufacturing and Industry 4.0 applications. Sarawak is poised to align with these trends, driving growth and sustainability in the region.

9. AI technologies are at the heart of this transformation, driving process efficiency and enhancing automation across a variety of sectors. More than just a disruptive force, artificial intelligence serves as a tool for sustainable and responsible development. It is increasingly recognized as a strategic enabler in advancing Sustainable Development Goals (SDGs). Its applications span a wide array of sectors, including energy, agriculture, manufacturing, and urban development, significantly contributing to environmental stewardship.

10. By facilitating data-driven decisions, AI empowers industries and governments to optimize operations, reduce waste, and promote the responsible use of resources. The widespread adoption of these technologies allows economies to diversify their strategies, streamline supply chains, and maintain competitiveness in an increasingly interconnected world.

11. According to the McKinsey Global Institute, the value generated by generative AI is projected to be between USD 2.6 trillion and USD 4.4 trillion in global corporate profits annually. The banking, high-tech, and life sciences sectors are likely to see the most significant economic impacts from this transformative technology.

Distinguished Guests, Ladies and Gentlemen,

Sarawak's Commitment to Sustainable Development

12. At the core of Sarawak's Post COVID-19 Development Strategy (PCDS) 2030 is an unwavering commitment to sustainable growth—a seamless integration of economic prosperity, environmental responsibility, and social inclusion.

13. Through groundbreaking initiatives in hydrogen energy, biomass, and robust reforestation efforts, we are not only reducing our environmental footprint but also fortifying our long-term economic resilience.

14. But sustainability extends beyond environmental preservation; it is about social equity and inclusion. We are committed to uplifting the lives of all Sarawakians by empowering marginalized communities, creating quality job opportunities, and ensuring access to education and healthcare. We believe that integrating AI holds tremendous potential to bridge existing gaps and deliver smarter, more effective solutions for our people.

Distinguished Guests, Ladies and Gentlemen,

Sarawak's Digital Economy Journey

15. Sarawak's commitment to advancing the digital economy has gained global recognition, exemplified by the Digital Government Award received at the Asian-Oceanian Computing Industry Organization Summit in Korea, 2023.

16. This prestigious award underscores our ambition to cultivate a thriving digital ecosystem that drives economic growth while supporting social equity and environmental sustainability, as outlined in the Sarawak Digital Economy Blueprint 2030.

17. I am also honoured to receive the Eminent Person Award from the World Innovation, Technology, and Services Alliance during the WCIT-IDECS 2023. As the third Malaysian to be recognized alongside great leaders like Nelson Mandela, I find this recognition humbling. This award shows our strong commitment to improving technology for the people of Sarawak. Together, we will keep innovation at the core of our development.

18. With innovation at our core, the Sarawak Government is leveraging cutting-edge digital technologies, including Artificial Intelligence (AI), to enhance government services and improve the business landscape.

19. Unique in Malaysia, Sarawak launched its own e-wallet, SPay Global (formerly Sarawak Pay), in 2017. This platform has facilitated cashless transactions across various public and private services, significantly boosting digital financial inclusion. To date, SPay has processed RM4.2 billion in transactions, boasting 770,000 registered users and 91,000 merchants throughout the region.

20. In 2018, we rolled out Sarawak ID, a single sign-on identification system that simplifies access to over 400 government services. This innovation streamlines operations, reduces manual processes, and promotes transparency, empowering citizens with easier access to e-licensing, e-billing, and e-land services.

21. The Sarawak Government is also at the forefront of AI in public service delivery. Our "Dayang" virtual assistant—a local dialect-enabled chatbot allows Sarawakians to access government services effortlessly through their mobile devices. This tool enhances user interaction and provides localized services, supporting basic functions like bill payments, Sarawak ID assistance, contractor registration, and case logging via Talikhidmat.

22. Meanwhile for private sectors, SDEC is mandated to lead digital transformation in multiple economic areas. Efforts include initiatives such as Go Digital, SME Digitise, Sarawak Digital Mall, and Kamek Digital amongst others. Together with key partners including MINTRED, and many others, they have digitalised more than 20,000 MSMEs across various industries in Sarawak. Through the High Tech Transformation Programme, 10 Sarawakian companies in

the manufacturing sector has greatly benefited from digital technology adoption in their daily processes.

23. Our digital strategy prioritizes local innovation and entrepreneurship. Launched in 2020, the Sarawak Digital Village serves as an incubator for tech startups, particularly in agritech, logistics, and e-commerce. In addition, through various programs conducted by partners such as SDEC in the Sarawak Digital and Innovation Ecosystem, we have nurtured 133 startups with a collective valuation of RM80 million. By fostering a collaborative environment, we boost local competitiveness and position Sarawak as a leader in digital innovation.

24. SDEC has also empowered the private sector economy establishing efforts to catalyse the academia-industry linkage via development and testing of novel or improved products with R&D expertise in emerging technologies, for example, supporting our local technology solution providers in Smart Aquaculture Solutions, Smart Urban Farming and Smart Water Metering projects across Sarawak.

Distinguished Guests, Ladies and Gentlemen,

Harnessing AI and Innovation for Environmental and Economic Sustainability

Renewable Energy

25. Our commitment to sustainability started early, evident in our investments in renewable energy since the early 2000s. Milestones like the Bakun, Murum, and Baleh hydroelectric plants are crucial to Sarawak's renewable energy strategy, spurring economic growth while delivering socio-economic benefits to local communities.

26. To boost the efficiency and sustainability of these hydropower projects, we are investing in research and exploring cutting-edge energy storage solutions, like pumped storage hydropower. Additionally, we plan to establish small to medium-sized power sources along our rivers to optimize water usage and minimize ecological disruption.

27. In Sarawak, investing in new renewable energy sources is vital, and AI technologies are essential for managing energy intermittency to ensure a stable power supply. AI will be integrated into smart grids, enabling them to effectively balance energy supply and demand in real time. These advanced grids utilize predictive algorithms to optimize energy distribution and seamlessly incorporate renewable sources, such as solar and wave kinetic energy.

28. By analyzing energy consumption data and predicting demand, AI maximizes renewable use while minimizing reliance on non-renewables. Moreover, it enhances energy storage systems, reducing waste and bolstering grid resilience—critical steps toward our net-zero carbon goals.

Waste Management

29. Waste management is another vital area where AI drives sustainability. As urban areas expand, efficient waste management becomes essential. AI-powered systems can sort, process, and recycle materials more effectively, ensuring valuable resources are not lost.

30. In Miri, smart waste truck management systems are used to optimize garbage collection by tracking schedules and routes, reducing fuel consumption and operational costs while lessening environmental impact. By ensuring timely waste disposal, Miri is minimizing landfill burdens and fostering a cleaner urban environment.

31. We welcome collaboration with countries like South Korea and Japan, leaders in this space, to co-develop a circular economy in Sarawak.

32. Sarawak is also exploring ways to convert organic waste from agricultural production into energy. By leveraging anaerobic digestion and biomass conversion, we aim to reduce landfill waste while generating renewable energy for local communities.

33. SDEC is also supporting deep tech research and development initiatives in our universities which focus on integrating AI into waste management and conversion processes. Advanced analytics will help monitor feedstock quality and optimize fermentation processes, boosting overall productivity. As such, the outcome of these research projects aims to enhance efficiency, ensuring sustainable and cost-effective measures.

34. Through these initiatives, we aim to strengthen our waste management infrastructure and contribute to a cleaner environment for all Sarawakians.

Urban Development

35. In urban development, our smart city initiatives in Kuching and Miri exemplify how technology can transform urban environments. From intelligent traffic systems and smart street lighting to AI-driven public safety and smart waste management, these projects enhance public services, improve infrastructure, and contribute to social inclusivity and environmental sustainability.

36. The introduction of smart buses with real-time tracking ensures that public transportation is accessible and reliable, particularly for residents in rural or underserved areas. This initiative promotes social inclusivity, guaranteeing affordable access to transportation for those without personal vehicles.

37. Moreover, AI-driven surveillance systems in Miri enhance public safety, creating a secure environment for residents and tourists alike. These systems provide equitable

protection across communities of various socioeconomic statuses, ensuring public order for all.

38. In urban planning, tools like smart drainage systems and digital signage improve infrastructure management. This enhances living standards and attracts investments, further supporting business growth and contributing to Miri's economic development.

Agriculture

39. Meanwhile, Sarawak is actively pursuing precision farming initiatives using AI and modern technology to enhance agricultural productivity and food security, aiming to become a net food exporter by 2030.

40. The establishment of the Precision and Discipline Agriculture Facility (PDAF) by SDEC in collaboration with the Centre for Technology Excellence Sarawak (CENTEXS) in Kuching marks a key development in this journey. Launched in early 2023, this facility represents Malaysia's first fully integrated high-tech agriculture platform, utilizing advanced technologies for greenhouses and open-field farming.

41. We are exploring various AI applications in agriculture, partnering with technology companies to implement smart farming solutions. These innovations empower farmers to leverage AI-driven tools for soil analysis, pest management, and climate monitoring. We welcome investors to collaborate in the agriculture sector, using data analytics and machine learning to improve crop management and productivity.

Resource Management

42. In ensuring sustainable forest management and biodiversity conservation, our Sarawak Forestry Corporation (SFC) utilizes digital solutions for monitoring forest health and illegal logging activities. Our Smart Monitoring and Reporting Tool for Forest Management (SMART) deploys an AI and IoT-based system that has earned recognition at the ASEAN Biodiversity Heroes Awards.

43. Additionally, our Wildlife Digital Tracking System represents a pioneering effort in using IoT sensors and digital tagging for wildlife protection in Sarawak's national parks. This innovative project has been recognized for its contributions to wildlife conservation, earning accolades at the Malaysia Environmental Innovation Awards.

Data and Security

44. Above all these AI initiatives, ladies and gentlemen, the essence of AI is data; without it, AI cannot function effectively. The Sarawak Government is embracing this reality by building a robust data ecosystem.

45. We are driving the initiatives such as the Sarawak Integrated Operation Centre (SIOC) and the Open Data platform. These initiatives aim to harness diverse data for AI applications across various sectors, including healthcare, agriculture, and energy. By doing so, we are accelerating our digital economy and enhancing our sustainability efforts.

46. Through these strategic initiatives, we are laying the foundation for a resilient and innovative Sarawak, where data-driven decisions pave the way for a brighter and more sustainable future.

47. Furthermore, we are investing in digital infrastructure and improving data governance to fully unlock AI's potential. These efforts will optimize public services, enhance rural access, and boost resource efficiency across the region.

48. In addition, the Sarawak Multimedia Authority (SMA) will launch the CyberSarawak initiative to strengthen our cybersecurity readiness and promote digital safety. This initiative aims to create a secure digital environment that fosters innovation while protecting the integrity of our data systems.

49. Complementing these efforts, the Ministry of Science, Technology and Innovation (MOSTI) has published the National Guidelines on AI governance and ethics. These guidelines are crucial in ensuring ethical and trustworthy AI development, aligning with global best practices. By establishing a framework that emphasizes responsibility and transparency, we aim to build public trust in AI technologies while maximizing their benefits for all sectors of society.

50. Through these multifaceted efforts, we are not only preparing for the future but ensuring that Sarawak harnesses the full power of digital innovation responsibly and sustainably.

Distinguished Guests, Ladies and Gentlemen,

The Way Forward

51. Generative AI has emerged as a powerful catalyst for technological advancement, built on decades of innovation in machine learning and deep learning. Tools like AIGPT, GitHub Copilot, and Stable Diffusion have captured public attention, fuelled by significant investments that have seamlessly integrated AI into our daily lives, from smartphones to autonomous driving and retail applications. However, it is Generative AI's ability to write, compose, and create digital art that has truly captivated our imagination.

52. As we enhance our AI capabilities, we anticipate significant advancements with Generative AI that will propel our digital transformation and improve service delivery for all citizens. This technology is poised to redefine knowledge work and elevate performance across the entire economy.

Sarawak AI Centre

53. We remain dedicated to implementing ethical and transparent digital strategies that enhance the quality of life for every Sarawakian. In this light, we are establishing the Sarawak AI Centre, which will lead our initiatives in AI development and its integration into our digital infrastructure.

54. The Centre is pivotal in driving innovation and positioning Sarawak as a hub for AI research and development. Through strategic partnerships with academic institutions, industry leaders, and government entities, the Sarawak AI Centre is nurturing a vibrant AI ecosystem.

55. One of the Centre's flagship initiatives is the "AI for Smart Agriculture" program, which utilizes AI-powered data analytics to optimize crop yields and promote sustainability in agriculture. The Centre is also spearheading healthcare projects, such as predictive analytics for early disease detection, and enhancing energy efficiency through AI-driven smart grid systems.

AI Talent Development

56. Looking ahead, Sarawak will launch its "AI Talent Development Initiative" to cultivate a skilled workforce equipped with advanced AI competencies, aligning with the demands of future industries. These initiatives underscore our commitment to harnessing AI as a fundamental driver of digital transformation across various sectors.

57. Moreover, the Sarawak Government is forming an AI Unit within the civil service and developing an AI data center to bolster our capabilities. We will collaborate closely with industry experts, academia, federal authorities, and international bodies, ensuring a meaningful contribution to our AI transformation journey.

Carbon Reporting

58. Sarawak has a unique opportunity to showcase its sustainability leadership by embracing proactive environmental practices, aligning perfectly with the theme of IDECS 2024.

59. Through carbon emissions reporting, we gain valuable insights into our environmental impact and create a clear pathway for significant reductions. This initiative not only sets a strong precedent for sustainability within the digital economy but also inspires other events and industries to follow suit, enhancing Sarawak's reputation as a responsible and forward-thinking region.

60. This year, for the first time at IDECS, we will calculate the carbon footprint of our event, reinforcing our commitment to sustainable progress. By utilizing advanced analytics and innovative technologies in collaboration with our local startups: CarbonGPT and EB Tech, we aim to ensure that our efforts translate into actionable insights that promote environmental stewardship.

61. Through these collaborations, we demonstrate that sustainability is not just a goal but a fundamental aspect of our approach to development. Together, we are paving the way for future initiatives that prioritize ecological responsibility while fostering economic growth.

Distinguished Guests, Ladies and Gentlemen,

Launching of Sarawak Sandbox and Sarawak Digital Residency Programme (SDRP)

62. I am thrilled to announce the launch of two groundbreaking initiatives that will propel Sarawak's digital agenda forward, the Sarawak Technology and Innovation Sandbox and the Sarawak Digital Residency Programme (SDRP).

63. The SDRP is a bold initiative aimed at attracting professionals, remote workers, foreign entrepreneurs, and investors to Sarawak. With flexible terms, we are positioning Sarawak as an inclusive digital hub that welcomes global talent. Our first initiative under this program, De Rantau Sarawak, will open for applications early next year in collaboration with the Malaysian Digital Economy Corporation (MDEC), further solidifying Malaysia's status as a top destination for digital nomads in Southeast Asia.

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65. The Sarawak Technology and Innovation Sandbox, developed in partnership with the National Technology and Innovation Sandbox, SDEC, Startup Borneo, and TEGAS, aims to facilitate our transition to a knowledge-based economy.

66. The STI Sandbox is expected to drive innovation in agritech, smart cities, and cultural industries, positioning Sarawak as a food security hub and supporting the Post COVID-19 Development Strategy 2030, aligning with Sarawak's commitment to balancing progress with sustainable innovation.

67. Together, these initiatives reinforce our commitment to fostering a vibrant, innovative, and globally connected digital economy.

Conclusion

68. In conclusion, Sarawak is boldly charting an ambitious course to become a leading digital economy by 2030. The decisions we make today will lay the foundation for a sustainable and innovative future for generations to come.

69. While we have celebrated significant milestones, there is much more to achieve. Our focus remains on empowering our people and addressing the challenges of tomorrow. With strong collaboration among the government, businesses, and the community, I am confident we can harness the potential of AI and digital technologies to drive sustainable growth and prosperity.

70. We take pride in the World Bank's recognition of Sarawak as a rising high-income economy with remarkable revenue achievements. This acknowledgment reflects our immense economic potential, and we are committed to striving for even greater accomplishments. We are also dedicated to championing women's participation in technology, exemplified by our initiatives like the She-Tech Asia Forum.

71. Sarawak is emerging as a prime destination for investment and tourism, focusing on uplifting the socio-economic status of our people. As we move forward, collaboration across sectors and borders will be essential for realizing our digital aspirations.

72. Thank you for joining us here in Kuching. I eagerly anticipate the discussions and partnerships that will shape a vibrant digital future.

73. With that, it is my honour to officially launch the International Digital Economy Conference Sarawak 2024.

Thank you.