

**OPENING SPEECH**

*by*

**The Right Honourable Datuk Patinggi Tan Sri (Dr) Abang Haji Abdul Rahman  
Zohari Bin Tun Datuk Abang Haji Openg  
Premier of Sarawak**

*for the Opening Ceremony of*



*Date & Time*

**4<sup>th</sup> October 2023 | 9.00 A.M.**

*Venue*

**Borneo Convention Centre Kuching,  
Sarawak**

## **(Salutations)**

Esteemed Delegates, Distinguished Guests, Ladies and Gentlemen,

## **INTRODUCTION**

Good Morning,

1. It is a great honour and privilege to welcome you all to the grand inauguration of the 27<sup>th</sup> Edition of the World Congress on Innovation and Technology (WCIT) and the 6<sup>th</sup> International Digital Economy Conference Sarawak (IDECS).
2. As we gather here in Sarawak, Malaysia, the Sarawak Government is honoured to host this prestigious global ICT congress in Kuching, and I would like to extend my gratitude and congratulations to everyone who has been part of organizing this event including the ministries, agencies, supporting partners, sponsors, and committees.
3. Special thanks to the World Innovation, Technology and Services Alliance (WITSA), the owner of the WCIT event, for awarding Sarawak to host their signature event this year.
4. A warm welcome also to our esteemed speakers and attendees. I am sure we will have much to learn in the next few days and I highly encourage all of us to engage wholeheartedly in the discussions and collaborations that will unfold in the coming days.
5. Share your expertise, listen to the perspectives of others, and seek common ground. Let us leave this conference with concrete actions and strategies that will make a huge impact on the lives of people everywhere.

## **THE EVENT**

6. This year's WCIT theme is ***"Fulfilling the Promise of the Digital Age: Innovation and Technology Driving Economic Prosperity, Social Inclusivity, and Environmental Sustainability"***. This theme serves as a compass, directing our attention to the multifaceted impact of the digital age. It reminds us that technology is not an end in itself but a powerful tool for achieving broader objectives. It emphasizes the need to harness innovation and technology to drive economic growth, foster social inclusivity, and preserve our precious environment. In essence, this theme encapsulates our collective responsibility to ensure that the digital age fulfills its promise to benefit humanity as a whole.
  
7. In parallel, the theme for IDECS is ***"Advancing Digital Economy for Sustainable Development"***. IDECS, as an integral part of our conference, plays a vital role in delving deeper into the practical aspects of the digital economy and its potential to catalyse sustainable development. This theme highlights our commitment to actionable outcomes, demonstrating how digitalization can translate into tangible progress for societies and economies. It's a call to action, challenging us to bridge the gap between theory and practice and ensure that the digital economy serves as a catalyst for lasting positive change.
  
8. Together, these two dynamic themes emphasize the profound importance of innovation and technology in sustaining our world today and for future generations. It reminds us that our actions today will resonate through the pages of history, shaping the world we leave behind for the betterment of our society. It challenges us to think not only about the present but also about the legacy we are building.
  
9. This prestigious event is the ultimate global gathering for the tech industry and serves as a unique platform to bridge gaps and create business opportunities in a global trade environment. It provides a space for connecting and offers unparalleled opportunities to explore the forefront of cutting-edge trends and technologies.

10. With thousands of international industry players attending, Sarawak has the opportunity to showcase its capabilities and world-class infrastructure. This event positions Sarawak as a credible tech hub in the region.

Ladies and Gentlemen,

## **WORLD PERSPECTIVE OF ECONOMY**

11. Our world is navigating through a landscape of economic challenges and opportunities, shaped by a multitude of factors. It is a landscape where nations, policies, and markets are intricately interconnected, and where the decisions we make today have profound implications for our collective future.
12. The COVID-19 Pandemic has cast a long shadow over us. While we have made remarkable progress in many places, recovery has been uneven across countries. We have witnessed supply chain disruptions, labour shortages, and inflationary pressures becoming prevalent. These challenges serve as reminders of the resilience required to overcome such global crises and the importance of solidarity in the face of adversity.
13. Geopolitics plays an ever-increasing role in shaping economic dynamics. Trade tensions between leading nations, notably the United States and China, have persisted and evolved. These tensions have the potential to reshape global supply chains and redefine the economic landscape. As we navigate these challenges, the importance of diplomacy and cooperation cannot be overstated.
14. The climate crisis has also gained prominence on the global stage. Countries are re-evaluating their energy policies and investing in sustainable technologies. The urgent need to address environmental sustainability is no longer a matter of debate; it is an imperative for our survival and prosperity.
15. In this interconnected world, digitalization has accelerated, transforming every facet of our lives. Technological trends are shaping the future of how we transact

in business, and their impact on digital systems is central to economic discussions. The digital age brings both opportunities and challenges, highlighting the necessity of adapting to this rapidly changing landscape is crucial for achieving success.

## **MALAYSIA PERSPECTIVE OF ECONOMY**

16. Malaysia, positioned strategically in Southeast Asia, holds a significant place in the current global economic perspective. As a diverse and export-oriented nation, Malaysia is deeply connected with the global supply chain. Malaysia's economic journey exemplifies broader trends in geopolitics and trade dynamics. The country has been actively pursuing trade diversification strategies. For instance, Malaysia has explored regional partnerships like the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). This move is aimed at reducing reliance on any single market, reflecting a keen understanding of the importance of diversifying trade relationships in an ever-changing global landscape.
17. Apart from that, the COVID-19 pandemic brought forth unprecedented challenges. Malaysia, like many other nations, faced disruptions in its manufacturing and export sectors due to supply chain interruptions and reduced global demand. However, it also presented an opportunity for rapid adaptation. The pandemic accelerated digitalization and e-commerce adoption, creating new avenues for growth and innovation.
18. In response to these challenges, Malaysia's government has been proactively implementing economic recovery measures. These measures include substantial investments in digital infrastructure, renewable energy, and the promotion of green technologies to foster sustainability. It reflects Malaysia's commitment not only to bounce back but to do so in a more environmentally responsible way.

19. Therefore, Malaysia embarked on its Digital Economy Blueprint in 2021 to transform the country into a digitally driven high-income nation and a regional leader in the digital economy. It spells out the efforts and initiatives to deliver the aspiration of MyDIGITAL. The blueprint charts the trajectory of the digital economy's contribution to the Malaysian economy and builds the foundation to drive digitalisation across Malaysia including bridging the digital divide.

### **SARAWAK PERSPECTIVE OF ECONOMY**

20. Sarawak is restructuring its economy based on its strength that includes its strategic location in the fast-growing region. That being said, I strongly believe that Sarawak is capable of emerging as a prominent investment hub offering cost-competitive advantages with good transportation linkages with other parts of the region and the world at large.
21. In terms of our economy, Sarawak has maintained a trade surplus over the years from major trading partners in Asia and Europe. We inspire to leapfrog our annual GDP growth at 8% per year to achieve RM282 Billion in 2030 from the current 4% per year in 2019 and increase our median monthly household income from RM 4,000 (equivalent to USD 1,000) to RM15,000 (equivalent to USD 3,300) through our development plans by 2030.
22. Sarawak is a major contributor to Malaysia's energy sector, primarily through oil and gas production, as well as hydropower generation. The continuous development of infrastructure in Sarawak, exemplified by initiatives like the Sarawak Corridor of Renewable Energy (SCORE), underscores its aspiration to emerge as a key economic centre in the region.
23. However, economic growth must be balanced with environmental sustainability and Sarawak embodies the dual challenge of harnessing its economic potential while aligning with broader global economic and environmental goals.

## **POST COVID-19 DEVELOPMENT STRATEGY (PCDS) 2030**

24. In this challenging environment, the Sarawak Government planned ahead and launched the Post COVID-19 Development Strategy 2030 (known as PCDS 2030) in July 2021, outlining the initiatives to accelerate Sarawak's progress to be a developed region by 2030.
25. The aspiration of Sarawak is that by 2030, Sarawak will be a thriving society driven by data and innovation where everyone enjoys economic prosperity, social inclusivity and a sustainable environment. This will chart the path to strategically position ourselves as a competitive region in this new era.
26. The PCDS 2030 is anchored on six (6) economic sectors as the engine of growth. These priority sectors are manufacturing, agriculture, tourism, forestry, mining and social services. These six (6) economic sectors are supported by seven (7) enablers, namely digital transformation, innovation, education & human capital, basic infrastructure, utilities, transport, and renewable energy. PCDS 2030 is reinforced by technology-driven economies, including the digital economy, green economy and circular economy.

Ladies and Gentlemen,

### **GREEN ECONOMY**

27. Climate change is a big concern for all responsible countries. It is already happening – temperatures are rising, there are more droughts, wildfires and floods are more frequent, glaciers are melting, and sea levels are going higher. These occurrences threaten our health and affect the food we eat, the water we drink, the air we breathe and the natural disasters we encounter.

28. We strive to move away from a linear economy to a circular economy, where waste does not exist, products and raw materials are designed to be repeatedly reused as long as possible, and manufacturers design products to be reusable.
29. An economy that is low-carbon, resource-efficient and socially inclusive supports sustainable development by promoting the use of renewable energy, reducing waste and pollution and creating green jobs and industries.
30. In this respect, Sarawak can claim to be home to Southeast Asia's first integrated hydrogen production plant and re-fuelling station, using primarily renewable electricity to produce our hydrogen.
31. Plans are in place to begin large-scale commercial production and export of hydrogen by 2027. We signed a memorandum of understanding (MOU) with South Korean companies Samsung Engineering, Lotte Chemical and Posco Holdings, and we thank the South Korean government for providing the funds for this project, which we have named the "H2biscus Project".
32. Sarawak Energy's Hydrogen Production Plant services and re-fuels hydrogen buses owned and operated by Sarawak Economic Development Corporation (SEDC). Under our Green Energy Agenda, it also conducts research on greening the transportation sector through low-carbon fuels.
33. We are also working on a project called the Autonomous Rail Transit (ART) under the Sarawak Economic Development Corporation. When fully operational, ART will greatly enhance our public transportation system, helping our people get around more easily, and connecting neighbourhoods, businesses, industrial areas, schools, and tourist destinations, while promoting green mobility.
34. We are also exploring other renewable energy sources such as green hydrogen and solar, enabled by renewable hydropower. Sarawak Energy recently collaborated with the CHITOSE Group, ENEOS, and Sarawak Biodiversity

Centre to launch the CHITOSE Carbon Capture Central Sarawak – the State’s very first industrial microalgae production facility.

35. Microalgae eat up Carbon Dioxide (CO<sub>2</sub>) and use carbon in their growth. This helps us to be more eco-friendly and moves us closer to our goal of producing zero carbon emissions. The algae biomass can also be used to produce commercial products like Sustainable Aviation Fuels (SAF). Sarawak is certainly poised to be a model and hub for the ASEAN region in the realm of green energy and a leader in the green economy.

### **CIRCULAR ECONOMY – CARBON CAPTURE AND STORAGE**

36. As part of our Net Zero goals, we are also looking at various options in Carbon Capture, Utilisation and Storage (CCUS), as well as natural solutions.
37. Last year, we passed the Land Code (Amendment) Bill 2022, to comply with new practices and strategies for environmental sustainability as well as secure opportunities for new revenue sources by regulating and controlling the use of land for carbon storage.
38. Petroleum Sarawak Bhd. (PETROS) received the first licence for carbon storage in March this year, in their role as a Resource Manager for CCUS in Sarawak, with support and collaboration from our relevant ministries.

Ladies and Gentlemen,

### **DIGITAL ECONOMY**

39. Sarawak has achieved much since we launched our Sarawak Digital Economy Strategy 2018 - 2022. With it, we had a clear direction to drive the State economy in achieving high-income developed status by 2030. We had to ensure that we were not left behind, as most developing countries are already ahead in the digital economy race.

40. The Sarawak Government established the Sarawak Multimedia Authority (SMA) in 2017, as a regulatory body to spearhead, oversee and facilitate the development and implementation of communication and multimedia as well as the State's Digital Economy Initiatives.
41. Other key agencies that were established as part of the ecosystem included the Sarawak Digital Economy Corporation (SDEC), Centre for Technology Excellence Sarawak (CENTEXS), and Sarawak Information Systems (SAINS).
42. These agencies have worked closely with the Ministries, Agencies, Government Linked Companies (GLCs), Universities, TVET, Private Sectors, and Communities to accelerate digital transformation in Sarawak.

### **SARAWAK DIGITAL ECONOMY 2030**

43. To ensure that our PCDS 2030 is well supported and enabled by way of technology and innovation, Sarawak established its second digital strategy which is known as **Sarawak Digital Economy Blueprint 2030**. The Blueprint sets out how Sarawak will secure its future as a leading digital economy and society by 2030. This comprehensive plan builds upon the existing Sarawak Digital Economy Strategy 2018-2022 and serves as the cornerstone of the Sarawak Post COVID-19 Development Strategy 2030 (PCDS 2030).
44. The Blueprint is a living document that will transform the whole-of-economy and society from a conventional resource-based economy to an environmentally sustainable technology-based economy. This is also to ensure that Sarawak will not be left behind as most developing countries are already at the forefront of the digital economy and to ensure Sarawak is on track to be a developed region by 2030.
45. A key goal of the Blueprint is to inspire businesses to come up with new ideas, use them, and adapt to contemporary business models. It also aims to help

people use their skills to succeed in the digital world and create a system where everyone can benefit from the digital economy.

46. With this, Sarawak aspires to become a major digital economy powerhouse in the region by 2030, making sure that growth benefits everyone, does not harm the environment, and is achieved in an inclusive and responsible way.

Ladies and Gentlemen,

### **INFRASTRUCTURE – CONNECTIVITY**

47. Digital infrastructure is the basic and key to achieving our Blueprint 2030 goals. We are expending major efforts to widen our internet coverage and connectivity, especially to rural communities.
48. With our vast landscape, it is estimated that we will need 7,000 telecommunication towers to achieve 99.9% internet penetration throughout Sarawak. Presently, 3,856 towers have been completed; 761 towers will be built in stages by the end of this year, and the remaining towers will be constructed and completed before 2030.
49. With the Sarawak Linking Urban, Rural and Nation (or SALURAN) initiative, the Sarawak Government is spearheading efforts to provide connectivity to the people and enable greater urban-rural economic integration.
50. Sarawak Rural Broadband Network (or MySRBN) is the first government-owned broadband network, offering 4G and 5G support via Fixed Wireless Broadband to the rural community. Other than that, Sarawak Government has initiated Sarawak Multimedia Authority Rural Telecommunication (or SMART Project) with the aim to expand the connectivity coverage at the rural areas with 600 towers to be operationalised by Q3 2024. We have established an interim solution via Very Small Aperture Terminals (or VSAT) in order to bring internet access in far-reaching areas.

51. From the Federal Government Initiative through MCMC also has allocated additional 742 new towers in Sarawak under the National Fiberisation and Connectivity Plan (or JENDELA).
52. Currently, Sarawak has 61.6% 4G coverage, set to increase to 93.87% by the end of 2023, thanks to initiatives like SMART600, JENDELA, Clawback, and others. Sarawak is proud to be an early adopter of 5G, with the plans for 587 operational sites by 2024, covering 59.6% of populated areas.
53. Data centres are like the engines that make the digital economy grow, and the Sarawak Government is working with the private sector to create eco-friendly green data centres in Sarawak. These centres will become the main locations where we store, manage, and share information for both global utilization and our government's use.

Ladies and Gentlemen,

### **TALENT DEVELOPMENT**

54. The Sarawak Government is actively investing in helping talented people grow and supporting digital entrepreneurs to avoid a brain drain. Currently, there are 22 government and businesses-funded Innovation hubs and a Digital Village to accelerate start-up growth in Sarawak. These have resulted in 26 high-tech start-ups and currently 27 high-tech research projects which are on the way towards commercialisation.
55. Education is extremely important for a strong digital world. By working alongside various stakeholders at local, federal and international levels, many initiatives and special projects are curated to help people succeed in this digital age. We are committed to providing access to quality education and training for everyone, regardless of socioeconomic background and geographical location.

56. We have invested over RM1.5 million in STEM supplementary programs, including innovative ones such as the mobile classroom unit Science on Wheels; awarded grants for the Digital Research and Technological Track which involves research by universities, and Digital Economy Testbeds for academics to explore the commercial potential of IP.
57. With our Start-up and Innovation Track program, we target individuals and groups who are innovative and establish start-ups to address particular challenges. An estimated investment of RM13.9 million will be spent in 2023 on Innovation Hubs and the Digital Village Accelerator (DiVA) programs, to develop innovative tech solutions fit for the market.
58. The Sarawak Digital Residency Program (or SRDP) aims to attract professionals, remote workers, foreign entrepreneurs and investors to Sarawak, with flexible terms and conditions for foreign participation in the program.
59. We have also initiated programs to empower SMEs, providing them with Digital Tools to increase their economic activities and digital opportunities, especially in rural communities. Programs such as Go Digital Sarawak, as of 2023, RM7 million funding from the Ministry of International Trade, Industry and Investment Sarawak (or MINTRED) have benefited a total of 1,100 MSMEs.

## **INVESTMENTS**

60. We need to have strategic investments which target the generation of jobs and the development of a competitive market. With our Blueprint, 2030, the Government plays an enabling role, driving the economy together with the public and private sectors towards success in achieving a sustainable and technological-driven region by 2030.
61. Malaysian Business Angel Network (MBAN) Sarawak was established to encourage greater collaboration with the private sector to invest in start-ups. It is the official trade association and governing body for angel investors and angel

clubs in Malaysia. To date, we have trained over 150 high-net-worth individuals through MBAN Sarawak educational programs.

## **PRIVATE SECTOR ECONOMY**

62. The private sector has an imperative role to play in our aspirations for a digital economy ecosystem in Sarawak. The government cannot do this on their own.
63. Therefore, SDEC as a company wholly owned by the Sarawak Government, was established to help support and escalate the private sector, including SMEs' uptake in digital technology to spur their growth, productivity and efficiency. SMEs are enablers in driving our socio-economic growth through their participation, investment and productivity.

## **CYBERSECURITY**

64. Last but definitely not least, cybersecurity is no longer a technological option, but a real need for society. Not only do we have to protect our data, but our critical infrastructure, transport system, utilities, healthcare, manufacturing, retail and finance – in fact, it permeates almost every societal aspect of our daily lives.
65. According to the European Union Cybersecurity Report, cybercrime cost the world US\$6 trillion in 2021. In Malaysia, cybercrimes in 2022 cost us RM600 million, mostly for fraud cases.
66. Although we cannot eliminate it altogether, we have addressed this problem through education for end-users and industries, and cultivating a security-conscious approach such as security-by-design and security-by-default, to help mitigate risks at an early stage.
67. We will be establishing a Cyber Security Unit to provide cybersecurity services and guidance to both public and private sectors, and citizens, including addressing solutions for critical infrastructures such as power plants and hospitals, among others.

Ladies and gentlemen,

## **GENERATIVE AI AS TECHNOLOGY CATALYST**

68. To grasp what lies ahead in the advancement of technology requires an understanding of the breakthrough that have enabled the rise of generative AI, which were decades in the making. ChatGPT, GitHub Copilot, Stable Diffusion, and other generative AI tools that have captured the current public attention are the result of significant levels of investment in recent years that have helped advance machine learning and deep learning. This investment have secured the AI applications embedded in many of the products and services we use every day.
69. But because AI have permeated our lives incrementally – through everything from tech powering our smartphones to autonomous-driving features on cars to tools retailers use to surprise and delight consumers – its progress was almost imperceptible.
70. The latest generative AI applications can perform a range of routine task, such as the reorganisation and classification of data. But it is their ability to write text, compose music, and create digital art that has garnered headlines and persuaded consumers and households to experiment on their own.
71. According to experts, foundation models are part of what is called deep learning, a term that alludes to many deep layers within neural networks. Deep learning has powered has powered many of the recent advances in AI, but the foundation models powering generative AI applications are a step change evolution within deep learning. Unlike previous deep learning models, they can process extremely large and varied sets of unstructured data and perform more than one task.

72. Generative AI have stunned and excited the world with its potential for reshaping how knowledge work gets done in industries and business function across the entire economy. Across functions such as sales and marketing, customer operations, and software development, it is poised to transform roles and boost performance. In the process, it could unlock trillions of dollars in value across sectors from banking to life sciences.

Ladies and Gentlemen,

### **CONCLUDING REMARKS**

73. As you can see, the Sarawak Government is ambitious and proactive about Sarawak's digital future. The decisions we make today will impact the lives of present and future generations, and our planet as a whole.
74. Sarawak Government is committed to accomplishing the goals of our journey towards a digital economy – and to enabling the necessary digital transformation so important for the future of our people. I can assure you that we are committed to realising a prosperous and sustainable future which is also inclusive.
75. We believe that a digital future is the way forward, and our goal is to be a leading digital economy and society by 2030. We have achieved significant milestones thus far, but more still needs to be done, to empower our people and to meet the challenges ahead.
76. With a successful and strategic partnership between the government, businesses and society, careful planning and a focus on delivery excellence, I am confident that Sarawak will be a thriving society driven by innovation and technology.
77. For example, I am proud to say that Sarawak Energy Berhad continues to power up new lines, and is now Malaysia's largest renewable energy producer.

78. SDEC has been in a very successful partnership with leading global ICT provider Huawei Technologies for some time, using their telecommunication appliances in digital connectivity development in the rural areas of Sarawak.
79. I believe that we are on the right track, as the World Bank recently acknowledged that Sarawak is now a high-income state with a revenue of RM11.96 billion in 2022.
80. I am also happy to note that Sarawak has taken the lead in organizing the She-Tech Asia Forum as a pre-event to WCIT | IDECS 2023. The participation of women in technology is vital in an increasingly digitised world, and I hope that more women will be represented in future in the tech industry. There are many ways that women can contribute towards enhancing our digital plans for Sarawak, where there is a great ease of doing business, and this is an area which needs to be explored further.
81. Sarawak is an attractive investment, business and tourism destination. We endeavour to be a go-to hub for investors looking to combine business with leisure, with the ultimate goal of uplifting the socioeconomics of the people.
82. As the host of WCIT | IDECS 2023, we reaffirm our commitment to advance Sarawak's vision to become a digital economy powerhouse for the country and region.
83. The event is expected to create a positive economic impact of approximately USD145 million (MYR 660 million) on the Sarawakian tech and start-up ecosystem, through Foreign Direct Investments (FDI), Meetings, Incentives, Conferences & Exhibitions (MICE) tourism, as well as sponsorships.
84. I look forward to the important conversations of the next few days, and the networking opportunities afforded by this esteemed event, to help us achieve our aspirations.

85. Thank you again, for being here in Kuching, Sarawak and I am confident we will attain our objectives, and enable a prosperous future for all. With this note and aspiration, it is my honour and privilege to officially launch the World Congress on Innovation and Technology and International Digital Economy Conference Sarawak 2023 (in short WCIT | IDECS 2023). Thank you.