KEMENTERIAN KEWANGAN
MALAYSIA

Malaysia GovTech: Navigating the Transformation

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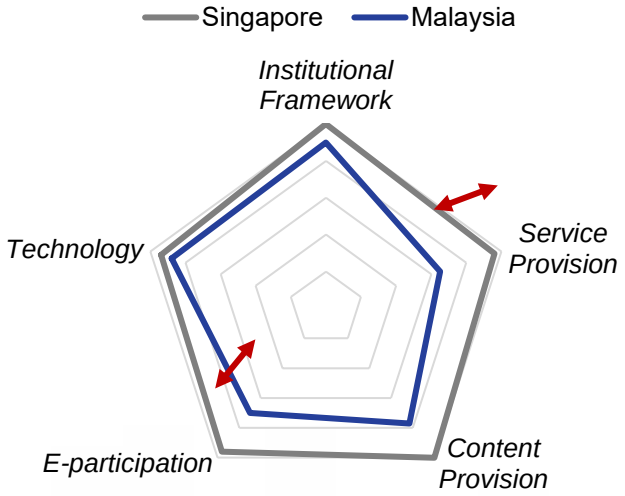
Ekonomi MADANI emphasises the importance of digitalisation for boosting the Malaysian economy and improving the quality of life for citizens

Key challenges in Government Digitalisation

Government Digital Index

UN E-Government Digitalization Index's Online Services Index Component Score (2024)



The largest score gap with Singapore lies in the areas of **E-Participation** and **Service Provision**, particularly in terms of **ease of use, security**, and **redress mechanisms**

Source: UN EGDI Report 2024

Main Challenges

1 Weaknesses in Government Digital Services

- Limited system integration
- Single Sign-On (SSO) not fully optimised for integrated service access
- Security threats – access authorisation and identity authentication
- Need for speedy implementation of the Government's digital agenda

2 Constraints in Developing and Upgrading Systems

- Vendor-driven system development
- Limited migration to cloud-native infrastructure
- Necessity to review existing legislation and enact new laws
- Government digital talent is lacking

3 Malaysia Must Strengthen Its Position in Government Digital Transformation Indices

- UN EGDI Malaysia's ranking declined from **#47 in 2020** to **#53 in 2022**, and further to **#57 in 2024**. Current **Online Services Index (OSI) score** is **0.728 (High category)**.
- GTMI index skor - Score decreased from **0.86 in 2020** to **0.79 in 2022**.
- Global AI Index - Malaysia ranks **44th out of 62 countries**, according to **Tortoise Media**

4 Inconsistent Approach

Overlapping initiatives and projects, resulting in resource wastage among government agencies
- YAB Prime Minister

150 systems without designated owners, posing hacking risks
- DG of National Security Council

Lack of standardised user interface/experience design causing confusion among citizens

Government Digitalisation Agenda through GovTech

GovTech

- The use of digital technology to transform the way a government operates and interacts with citizens

GovTech concept based on the ***World Bank:***

GovTech a whole of approach to public sector modernization through:

1. *Citizen-centric*
2. *Universally accessible public service*
3. *Whole-of-government approach to digital government transformation*

Benefit of GovTech

#1	More efficient operations (cost reduction and resource optimisation)
#2	Government services that are easily accessible, efficient, and user-friendly
#3	Increased government transparency and accountability
#4	Encouragement of citizen engagement
#5	Considerations of security, privacy, and ethics

The GovTech Agenda aligns with the Global Agenda – Sustainable Development Goals

Sustainable Development Goals (SDGs) 1-17

GovTech initiatives promote:

- **Digital** inclusivity
- Access to **service delivery, particularly in education and healthcare**, through **technology**
- **Efficient resource management** for environmental sustainability

Source: The 17 Sustainable Development Goals

Internal administration initiatives for a paperless environment within GovTech

SDG12: Responsible Consumption and Production

- Minimising environmental impact and promoting more sustainable resource management

SDG13: Climate Action

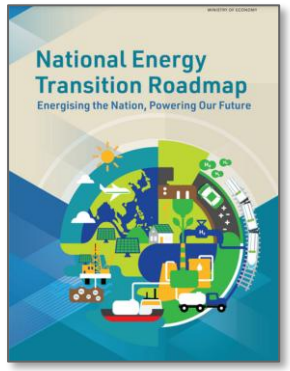
- Paperless culture reduces deforestation and greenhouse gas emissions

Digitalisation is now embedded in national policies

EKONOMI MADANI
Memperkasa Rakyat

- **Promoting digital innovation**, creating a conducive environment for digital entrepreneurship, and enhancing public sector efficiency to attract investment and drive economic growth.
- **Boosting digital economic growth** by encouraging efficiency, innovation, and trust in online transactions.
- **Strengthening digital trust** among business entities and citizens, thereby reinforcing the national digital economy ecosystem

- Enabling industry growth through the promotion of **automation, data-informed decision-making, and the enhancement of digital skills,** resulting in improved productivity and competitiveness

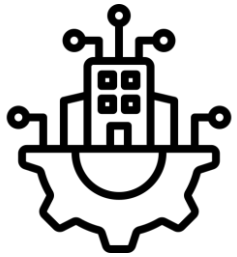


- **Enabling smart grids, data analytics** for energy optimisation, and citizen participation in energy conservation through digital platforms

- **Adoption of AI, big data, automation, and cybersecurity** to enhance public service efficiency, data-driven governance, and ease of doing business

Source: Ekonomi MADANI, Malaysia Digital Economy Framework, NIMP2030, NETR, National 4IR Industrial Revolution Policy

3 core principles driving the comprehensive digitalisation of government services



1 GovTech as the central entity for the digitalisation of Government services

- Ensuring **effective** governance of the **ICT budget**
- Executing **ICT initiatives** through a Whole-of-Government approach
- Proposing legal requirements for GovTech to **eliminate overlaps and silos**

2 Centralised procurement by the Ministry of Digital

- **Streamlining the procurement process for digital assets**
- Delivering **better economies of scale**
  - Reducing administrative
  - Optimising resource allocation

3 Implementation of MyDIGITAL ID and Digital Business ID

- **The success of GovTech** initiatives covering citizen and business services depends on the **availability of citizens' Digital ID and Digital Business ID**

GovTech Products

MyGovernment Portal
(Integrated Digital Service Gateway)

- Products developed jointly with agencies
- Official Gateway of the Malaysian Government
- Includes Notifications/Announcements, Key Agency Services, Directory, Smart Search, Voting, Podcast, News Feed.

Government Mobile Application (MYGOV)
- Developed in Phases

- Digital One-Stop Centre Application for Government Services
- Phase 1 (Feb 2025): 26 Services, using PDSA facilities
- Phase 2 (Mid 2025): Launched for Civil Servants
- Includes features like Notifications/Announcements, Key Agency Services, Directory, Smart Search, Voting, Podcast, News Feed

National Digital ID
(ID Digital Nasional, IDN)

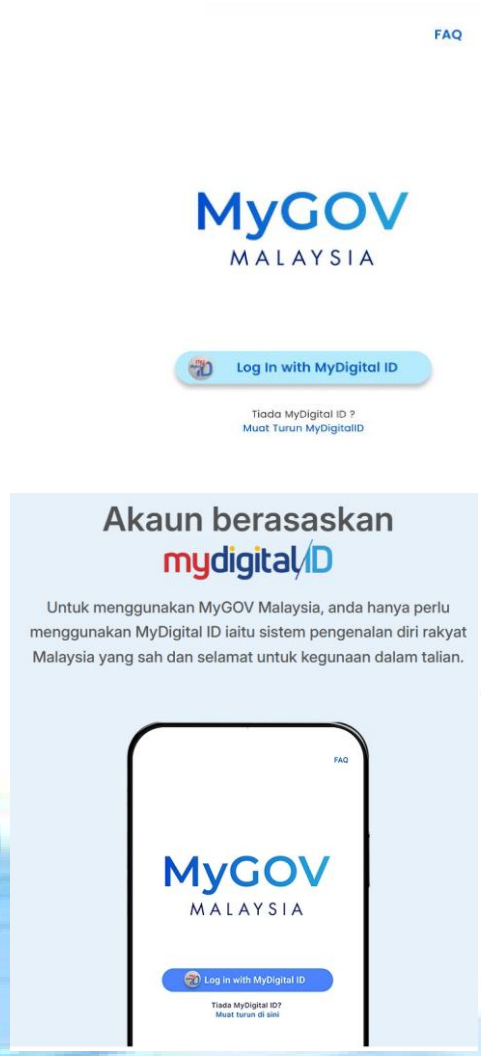
- Verifiable Platform of Trust
- Public and private sectors to verify the identity of their respective users when conducting digital transactions
- Targeted for every Malaysian citizen and permanent residents aged 5 years and above

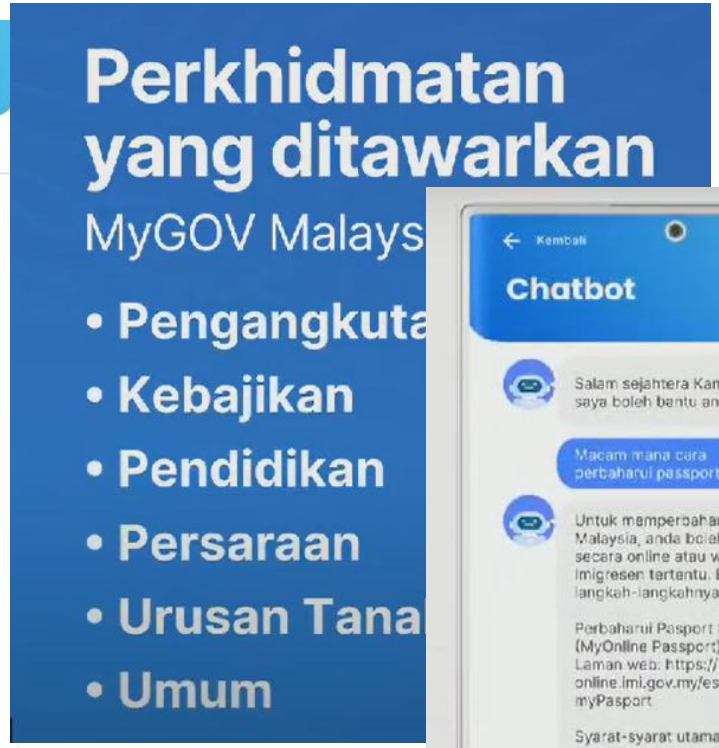
MyCoID Gateway

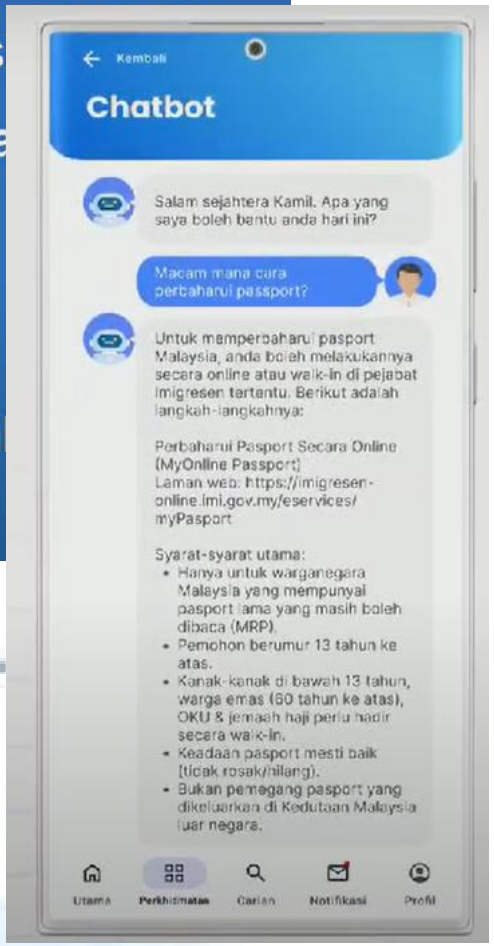
Enables automatic population of data for simultaneous registration with the relevant Government Agencies upon incorporation

MyGovernment PORTAL

MyGOV Application







MyCoID Portal

- **MyCoID** is a company number issued by the Companies Commission of Malaysia (SSM) used for all dealings with relevant agencies.
- Intended to streamline the digital management of business documents
- Designed to enhance the convenience and effectiveness of business information management in Malaysia, aligning with the government's efforts to drive digital transformation in the economic sector.

A BRIEF ON THE MALAYSIA CORPORATE IDENTITY NUMBER (MyCoID)

WHAT IS MyCoID?

1. The Malaysia Corporate Identity Number or its acronym, MyCoID refers to the company incorporation number which is used as a single source of reference for registration and transaction purposes with other relevant Government agencies. With the MyCoID, the public can utilize a single series of number derived from the incorporation number assigned by the Companies Commission of Malaysia (SSM) for registration, reference and transaction purposes in the following:

   (i) The Inland Revenue Board (IRB);
   (ii) Employees Provident Fund (EPF);
   (iii) Human Resources Development Fund (HRDF);
   (iv) Social Security Organization (SOCSO); and
   (v) Small and Medium Enterprise Corporation Malaysia (SME Corp. Malaysia)

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GovTech under the 13th Malaysia Plan

Priority Areas

Empowering GovTech: Strengthening the digitalisation of public services to connect government, citizens, and businesses

Strategies and Initiatives

Enhancing Digitalisation and Workflow Process Services

Integrating digital services and transitioning towards full digitalisation

Strengthening Digital Governance

Enhancing the national system application assessment mechanism and introducing Sludge Audit in the evaluation of government services

Advancing Digital Talent Development

Providing exposure and intensive training in digital and AI fields, as well as strengthening the information technology service schemes

Outcome

1. Malaysia Ranking

20th

Position in the Online Services Sub-Index of the *United Nations e-Government Development Index* (UNeGDI)

2.

Category **A**

Malaysia's Ranking in GovTech Maturity Index

Source:Consideration Paper – Thirteenth Malaysia Plan 2026-2030 by the Ministry of Economic Affairs at the Special Meeting of the National Development Planning Committee, 8 May 2025

THANK YOU

Ministry of Finance Malaysia:
https://www.mof.gov.my/portal/en/

MyGovernment Portal:
https://www.malaysia.gov.my/portal/index

MyGov Apps:
https://www.mygov.gov.my/