

# Accelerating digitalisation

MUNIRA was in the midst of having brunch with friends at a trendy hipster café in one of the city's affluent suburbs when her new phone buzzed.

She looked at the incoming message, excused herself and dashed to her car. About 15 minutes later, she returned and continued to catch up with her pals... after arranging the shipment of her products sold via an online shopping portal to customers in Singapore and Brunei.

Meanwhile, in another part of town, Amy, a fitness instructor, had just completed her warm-up routine to prepare for her spin class that was about to start.

As she opened the door to the studio, she greeted her students who were now heading towards their own bikes.

Once everyone had taken their place, she walked to the podium and climbed onto her own bike. She smiled into the camera and said hello to other students from all over the country as well as the region who would be joining her class... virtually.

Amy, who is also a banker, said the Covid-19 pandemic had played a crucial part in pushing people to think outside of the box and the



results had indeed been surprisingly positive.

Prior to this, people will not even consider paying for an online workout class. Because of global lockdowns, it is now becoming a trend as there are people who want to enjoy a good group workout session — which is more fun than working out alone — without having to be physically there.

"I always believe that every cloud has a silver lining. Business is slowly improving... although we are not out of the woods yet. What I especially like about this new trend in the fitness industry is that it has

helped expand my exposure in the regional level."

Munira and Amy are among the many people who have benefited from digitalising their businesses.

It simplifies operations and reduces overhead cost while also connecting them to serious clients from a wider market, beyond Malaysian shores.

Their decision to digitalise their operations have proven to be fruitful. Their businesses are now able to penetrate the regional market and withstand the impact of the pandemic.

Even before Covid-19, more and more entrepreneurs and small business owners have been turning to digital economy to market their products and services, both locally and internationally.

What the pandemic did was simply accelerate the growth of digitalisation.

Connectivity should not be viewed purely on the basis of high level trade and investment alone. It should also connect people and result in the creation of a harmonious regional/global community.

The Asia Pacific Economic Cooperation (Apec) region has, for quite some time, been looking at



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ways to improve connectivity among member countries, which is aimed at improving trade and investment activities.

In the Apec Leaders' 2013 Declaration, member economies were unanimous in their aspiration to reach a seamlessly and comprehensively connected and integrated Asia Pacific through three pillars — physical connectivity, institutional connectivity and people-to-people connectivity.

The plan represents an ambitious target for a diverse regional organisation.

Connectivity will be important not only for governments and business, but also for Apec as a community.

By connecting Apec's developed and emerging growth centres, the region's quality of growth will improve, contributing to the Asia Pacific's economic prosperity and resilience.

To date, significant work has already been done by various Apec fora and working groups in advancing connectivity in the region.

Apec economies have also undertaken a substantial amount of work to improve connectivity, both at the domestic and regional levels.

However, despite the many achievements and successes of Apec in promoting connectivity in previous years, many challenges still remain.

On physical connectivity, there is still a disparity in access to and quality of physical and Information

and Communications Technology infrastructure throughout the region.

On institutional connectivity, there is also a significant gap in the ability of existing institutions to promote connectivity due to various regulatory constraints or lack of capacity.

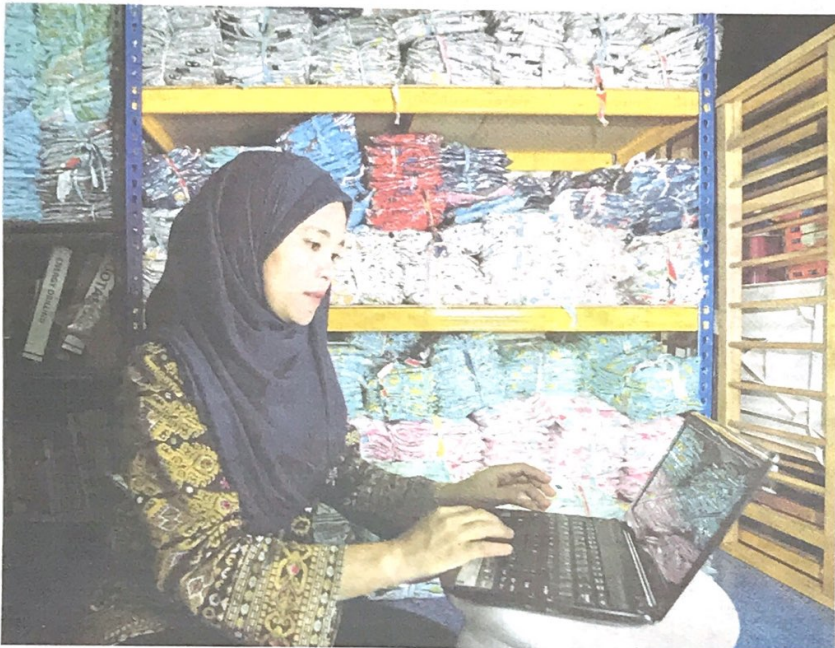
On people-to-people connectivity, much work needs to be done to ease existing barriers to interaction and mobility, and to develop joint endeavours that will support seamless flows of people.

Meanwhile, during the Apec Economic Leaders' Meeting, finance ministers of member countries have acknowledged how Covid-19 had accelerated the digitalisation of member economies, which became an essential factor in the survival of businesses.

Whether a company could embrace digitalisation would make or break its business ventures post-pandemic, the statement pointed out that it was especially critical for micro, small and medium enterprises, as well as some vulnerable groups.

The meeting also recognised the value of digital tools and the digital economy's role in minimising the negative impact of the Covid-19 pandemic.

It also agreed to implement the Apec Connectivity Blueprint 2015-2025, particularly in the area of financial infrastructure to enhance connectivity by economic cooperation.



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