

Positive growth for ICT industry despite Covid-19

KUALA LUMPUR: The Information and Communications Technology (ICT) industry registered a 10.4% growth in 2020, valued at RM320bil, compared with 7.3% in the previous year, according to the Department of Statistics Malaysia (DOSM).

Chief statistician Datuk Seri Dr Mohd Uzir Mahidin said the ICT industry had shown positive growth despite the country having to face bitter challenges following the Covid-19 pandemic.

"This positive growth is in line with the government's main focus on empowering the digital economy.

This will strengthen the country's economic growth under the 12th Malaysia Plan (12MP) 2021-2025 to restore growth beyond the Covid-19 pandemic," he said in a statement yesterday.

He said the ICT industry contributed 22.6% to the country's gross domestic product (GDP), comprising gross value added of ICT industry (GVAICT) at 14.2% and e-commerce of other industries at 8.4%.

Meanwhile, he said the GVAICT registered a value of RM201.6bil with slower growth of 3.3% in 2020 as against 6.6% in the preceding year.

"This was attributed to the decline in content and media and ICT trade industries at 11.7% and 4.9%, respectively.

"However, the ICT manufacturing and ICT services industries continued to support the growth of GVAICT with 5.9% and 6.7% respectively," he said.

Furthermore, Mohd Uzir said gross value added of e-commerce increased to RM163.3bil in 2020 from RM129.2bil reported in the previous year, recording a growth of 26.5% compared with 10% in 2019.

"For the first time since the Information and Communications Technology Satellite Account compilation, e-commerce recorded a double-digit contribution of 11.5% to the GDP in 2020," he said.

The manufacturing sector remained the major contributor to the gross value added to e-commerce with a share of 54.5%, followed by the services sector at 41.7%.

"The implementation of various phases of the movement control orders to curb the spread of Covid-19 and the closure of non-essential economic sectors have prompted consumers to speed up online shopping, which in turn accelerated the e-commerce market growth in Malaysia," he added.

Mohd Uzir also reported that employment in the ICT industry in 2020 amounted to 1.16 million persons, accounting for 7.7% of total employment.

“ICT manufacturing industry was the main contributor with 35.3%, followed by ICT services (29.5%) and ICT trade (21.7%),” he said. — Bernama

<https://www.thestar.com.my/business/business-news/2021/10/16/positive-growth-for-ict-industry-despite-covid-19>