

Forging a strong digital partnership

RM4bil initiative sees Microsoft set up its first data centre region in the country

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PUTRAJAYA: With data being “the new gold”, Malaysia is set to enjoy economic ripple effects from the RM4bil “Bersama Malaysia” initiative with tech giant Microsoft Corp that will also strengthen the country’s potential as a regional data hub.

The initiative will see Microsoft set up its first data centre region in the country to deliver trusted cloud services locally and to upskill one million Malaysians by the end of 2023.

Prime Minister Tan Sri Muhyiddin Yassin said this significant investment from Microsoft further fortified Malaysia’s position as a potential data hub.

“I am delighted to welcome Microsoft’s long-term commitment to Malaysia in empowering our inclusive digital economy and look forward to our long and prosperous digital partnership,” said Muhyiddin in his keynote address when launching the Microsoft “Bersama Malaysia” initiative here yesterday.

The Prime Minister pointed to International Data Corporation, which stated that the ripple effects of the data centre region investment could translate to US\$6.9 (RM28.3) of revenue generated in the local cloud ecosystem for every US\$1 (RM4.2) of Microsoft Malaysia’s cloud revenue by 2024.



Working together: Muhyiddin (right) launching the 'Bersama Malaysia' initiative in Putrajaya. With him is Microsoft Malaysia managing director K. Raman. — FAIHAN GHANI/The Star

It was also estimated to help create 19,000 jobs including 4,000 IT-related jobs among its cloud users, he added.

“As we cement this partnership with Microsoft today, I hope this is just the first green shoots of a broader meadow of investments in Malaysia, for Microsoft and other data players.

“We stand ever ready to welcome more such partnerships as we work with our stakeholders to continually improve Malaysia’s value proposition in this big data space,” said Muhyiddin.

Several memoranda of understanding were inked at the event, including between Microsoft and the Malaysian Administrative

Modernisation and Management Planning Unit (Mampu), the Human Resources Development Fund (HRDF), Petronas, Celcom Axiata and Grab Malaysia.

These partnerships will see Microsoft offering skills training to help create economic opportunities for people and businesses in the digital era.

Muhyiddin said the impact of Covid-19 and the ensuing lockdowns across the globe had forced the world to embrace remote work, e-commerce, distance education and online interaction on a new magnified scale.

The pandemic had also shown that the most vulnerable often lack access to technologies and were at risk of being left behind, he pointed out.

Malaysia, he added, held the potential to become a regional data hub owing to the growing availability of high bandwidth, ample space, competitive power tariffs and now, the oncoming presence of hyper-scalers.

“We are a small nation with big data ambitions. As we chart that course, Malaysia fully intends to remain at the forefront of technology by using data to deliver improved services for businesses, increase economic productivity and step up Malaysia’s competitiveness,” said Muhyiddin.

He said the government would be migrating 80% of its data to the cloud by end of the year. This migration, coupled with a government super-app in the future, would go far in widening datasets to identify societal issues and coordinate support for the needy.