

# 'Quantum leap in digital transformation necessary'

**LIMA:** Emerging economies must take a quantum leap in digital transformation to stay competitive and resilient, said Prime Minister Datuk Seri Anwar Ibrahim.

He stressed that while artificial intelligence (AI) was a key driver of this transformation, Malaysia faced two significant challenges: the digital divide and the ethical concerns surrounding AI use.

"If emerging economies are to succeed, remain competitive, and be sustainable, a quantum leap in digital transformation is necessary, and AI is the catalyst.

"While Malaysia has successfully attracted substantial investments in AI, the government recognises that we must address several challenges to ensure the smooth implementation of digital transformation," he added.

Anwar said AI was not only essential for economic competitiveness but also crucial for long-term sustainability.

"A significant economic leap can only be achieved through major policy shifts and effective resource management."

However, he cautioned that digital transformation requires more than just financial investment.

"It requires comprehensive structural changes across various sectors, including the workforce, infrastructure, and the education ecosystem."

Anwar made these remarks as one of the panellists at the Apec CEO Summit here.

Other panellists included Zia Mansoor, Microsoft's vice-president of Data and AI; Yangbin

Wang, CEO of Vobile Group; and Karan Bathia, Google's vice-president of Government Affairs and Public Policy.

The session, titled "Opportunities and Challenges in the AI Revolution", was part of the Apec Economic Leaders' Meeting (AELM) programme.

During the session, Anwar also highlighted Malaysia's proactive approach to strengthening its digital economy and attracting technology investments.

He pointed to Malaysia's success in attracting global technology companies like Amazon Web Services, Google, Microsoft, and Oracle.

Acknowledging the importance of accelerating efforts to meet the needs of data centre companies, which required energy, water, and skilled workers Anwar said: "We need to move swiftly – not only in infrastructure but also by updating the curriculum in our universities, colleges, and schools to equip our workforce with the skills necessary for the digital age."

In the broader Asean context, Anwar said Malaysia's upcoming chairmanship of Asean in 2025 would present an opportunity to strengthen regional cooperation in the digital sector.

"Asean needs sustainable infrastructure to support the digital economy and AI, especially as some member countries lack resources."

On the sidelines of the Apec Summit, Anwar also held a discussion with Google's head of delegation, Karan Bhatia, focusing on AI and data centres.