



Prime Minister Datuk Seri Anwar Ibrahim launching the strategic partnership with ARM Holdings in Kuala Lumpur yesterday. Present are (from left) Investment, Trade and Industry Minister Tengku Datuk Seri Zafrul Abdul Aziz, Economy Minister Datuk Seri Rafizi Ramli and Chief Secretary to the Government Tan Sri Shamsul Azri Abu Bakar. NSTP PIC BY ASYRAF HAMZAH

AI AND SEMICONDUCTOR

PM: DEAL WITH UK FIRM A MAJOR TECH LEAP

Partnership with ARM Holdings paves the way for made-by-Malaysia AI chips, says Anwar

AMALIA AZMI, S. BIRRUNTHA AND
NASHA ALYSA MAKMAL
KUALA LUMPUR
news@nst.com.my

PRIME Minister Datuk Seri Anwar Ibrahim yesterday launched a groundbreaking collaboration with the United Kingdom's ARM Holdings, a move set to transform Malaysia's artificial intelligence (AI) and semiconductor sectors.

Speaking at the launch of the strategic partnership, Anwar described it as a fundamental shift in Malaysia's technological landscape, and the beginning of the nation's second semiconductor wave.

"Through a comprehensive partnership with ARM, we have conceived one of the most ambitious technological plans Malaysia has ever seen: to pioneer made-by-Malaysia AI chips.

"These chips will be designed, manufactured, tested and assembled here, and sold to the rest of the world," he said.

Present were Chief Secretary to the Government Tan Sri Shamsul Azri Abu Bakar, Economy Minister Datuk Seri Rafizi Ramli, Investment, Trade and Industry Minister Tengku Datuk Seri Zafrul Tengku Abdul Aziz, Economy Ministry secretary-general Datuk Nor Azmie Diron and ARM Holdings chief executive officer Rene Haas.

The projected economic impact of one full ARM Compute Subsystem lifecycle is approximately RM133 billion, with expected spillover effects on innovation, job creation, wage growth, exports and investment.

With this collaboration, Malaysia is ahead of other countries as the first technology ecosystem partner for the company, positioning it as the key hub in Asean.

Anwar said the semiconductor giant would establish its first Asean office in the city centre, expanding its presence in Asean, Australian and New Zealand markets.

This partnership has three key features, he said. The first is the establishment of comprehensive training programmes for 10,000 IC design engineers and the creation of a robust talent pipeline for the semiconductor industry.

"Second, it will provide selected Malaysian companies with privileged access to ARM's cutting-edge technology and IP portfolio.

"Third, it will facilitate the development of locally designed semiconductor products, advancing the nation's goal of producing high-end chips in Malaysia," said Anwar, who is also finance minister.

He said the partnership was made possible through a cross-ministerial collaboration involving the Investment, Trade and Industry Ministry to ensure a competitive and structured investment framework.

The Malaysian Investment Development Authority, he added, spearheaded facilitation efforts and finalised the agreement, while the Finance and Economy ministries aligned financial incentives to ensure lasting economic benefits.

Meanwhile, he said he has instructed relevant public and private agencies, as well as universities, to prioritise these training programmes.

"Earlier, I had discussions with the chief secretary to the government at the Science, Technology and Innovation Ministry on the need to mobilise the government machinery, universities, educational institutions, industries and science agencies."

He said: "This is to ensure that young Malaysians receives adequate training, appropriate qualifications and relevant skills while benefiting from leading semiconductor companies such as ARM."