

Malaysia enters critical phase of AI nation push

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KUALA LUMPUR: Malaysia is entering a critical phase in its ambition to become a globally competitive artificial intelligence (AI) nation by 2030, as implementation of the National AI Action Plan 2026-2030 begins this year.

Digital Minister Gobind Singh Deo said the national digital agenda will be the primary engine for Malaysia's economic growth, designed to raise productivity, create high-skilled jobs, and attract quality investments that directly benefit every Malaysian.

To drive this vision, the government is focusing on six high-impact areas this year to accelerate digital transformation: healthcare, transport, agriculture, SME digitalisation, enforcement, and government services.

"By focusing on these areas, we ensure that our digital ecosystem is not just growing but is doing so with purpose and precision.

"This vision is centred on transforming Malaysia into a high-income nation and a regional leader in the digital economy.

"At the Ministry of Digital, we are committed to ensuring this economy is resilient, inclusive, and future-ready," Gobind said when officiating Menara Merdeka 118 as Malaysia's first MD Nexus yesterday.

The MD Nexus recognition, under the Ministry of Digital's MD Location Recognition initiative, led by the Malaysia Digital Economy Corporation (MDEC), accredits strategic locations purpose-built to support digital businesses, services, and innovation.

Menara Merdeka 118's designation as the first MD Nexus reflects its readiness to host high-value digital enterprises through robust infrastructure, connectivity and an integrated ecosystem.

Gobind said being an AI Nation is not just about adopting new gadgets but about building a comprehensive ecosystem that

integrates infrastructure, talent, and a robust governance framework, led by the National AI Office (NAIO), to ensure Malaysia is a producer of AI technology.

"The MD Nexus initiative supports this by recognising strategic locations, like Merdeka 118, that are equipped to serve as hubs for these high-value digital businesses," Gobind said.

MDEC CEO Anuar Fariz Fadzil said the MD Nexus is a strategic step in translating Malaysia's digital economy vision into tangible, investment-ready environments.

The designation of Menara Merdeka 118 as Malaysia's first MD Nexus status reflects its strong digital readiness, from resilient infrastructure and connectivity to a vibrant ecosystem that supports talent, innovation, and scale-up operations.

He said this recognition enables digital companies to immediately plug into a future-ready location that supports growth, collaboration, and long-term value creation, while reinforcing Malaysia's position as a competitive regional digital hub.

"We aim to attract companies to apply for this status because it offers clear benefits to MD Nexus. At this stage, the potential scale of digital investment expected to flow through MD Nexus will only become clear once we have concrete figures, specifically, the number of investors and first movers.

"Currently, there are about 50 companies in the pipeline that could participate, and we are closely monitoring those that are applying for this status.

"What is important to emphasise is that digital investments coming to Menara 118 are not confined to cyberspace; these are real, physical hubs that demonstrate the significance of digital investments as we move toward becoming an AI-driven nation and building a more robust AI infrastructure," he said.

With the digital economy projected to account for 25.5% of Malaysia's GDP in 2025, Gobind calls on industry players to step forward as partners in this national development.

"This year, our focus is to strengthen that momentum while ensuring that Malaysia's digital ecosystem continues to move up the value chain.

"In this spirit, I call upon more industry players to step forward as partners in national development, moving in tandem with economic shifts, accelerating technology adoption, and collectively contributing to the growth of Malaysia's digital economy," he said.

Menara Merdeka 118 is LEED Platinum-certified and targets Platinum certification under the Green Building Index (GBI), GreenRE, and WELL.

Its recognition as Malaysia's first MD Nexus strengthens its positioning as a future-ready workplace, supported by enhanced technology and digital infrastructure.

As part of a wider mixed-use development integrating premium offices, cultural and heritage assets, public spaces and future attractions, Merdeka 118 is positioned as a strategic destination for local and international companies seeking a base in Kuala Lumpur.

The launch also sets the foundation for future collaborations and partnerships within Malaysia's digital ecosystem, reinforcing Menara Merdeka 118's role as a catalyst for innovation and long-term value creation.

It further positions the development as a global hub that enables cross-border collaboration, supports the flow of high-value investments, and connects Malaysia's digital economy with regional and global markets.