



**MINISTRY OF
INVESTMENT, TRADE AND INDUSTRY**

SPEECH BY

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**AT THE LAUNCH OF TNB GREEN LANE SUPPLY AND
STRATEGIC OFFERINGS
FOR DATA CENTRES**

**TUESDAY, 8 AUGUST 2023
LEO MOGGIE CONVENTION CENTRE, TNB PLATINUM**

YBhg. Dato' Indera Ir. Baharin Din

President/CEO, Tenaga Nasional Berhad

YBhg. Datuk Wira Arham Abdul Rahman

CEO, Malaysian Investment Development Authority (MIDA)

Tuan Hj. Kamal Arifin A. Rahman

Chief Retail Officer, Tenaga Nasional Berhad

Data Centres Providers

Members of the management team from MITI, MIDA, and TNB

Members of the media

Ladies and gentlemen

Assalamualaikum warahmatullahi wabarakatuh w.b.t, Salam Malaysia MADANI and a very good afternoon to everyone.

1. As the Minister of International Trade and Industry in Malaysia, I am pleased to be here to witness the launch of the TNB Green Lane Supply & Strategic Offerings for Data Centres. This event marks a significant milestone in Malaysia's journey towards becoming both a digital and manufacturing powerhouse in the region.

MALAYSIAN ECONOMY'S KEY DIGITAL ENABLERS

Ladies and gentlemen,

2. Malaysia's digital economy development has been rather remarkable: the growth of e-commerce, fintech, artificial intelligence, as well as other digital enablers and sectors has unleashed a wave of innovation and entrepreneurship across the nation.
3. **The digital economy is one of Malaysia's primary economic pillars, contributing 23.2% to its GDP in 2021. This is projected to rise to 25.5% by 2025.**
4. Technology adoption can be seen across industries as we transcend into smart manufacturing, smart farming, digital healthcare, and many others. All these have generated a **huge amount of data**, and the requirement for **data analytics** that will unlock new frontiers of knowledge. This will, in turn, **empower businesses to solve complex challenges and create solutions** that were once deemed unimaginable.
5. In this era that is dominated by data-driven technologies, **data centres have emerged as the nerve centres of the**

digital world. They also act as **the backbone that supports the seamless interface of interconnected systems, facilitating the storage, processing, and delivery of vast amounts of information** that fuel our modern, increasingly digitised way of life.

6. As data centres become more crucial in supporting a digital economy, I am proud to say that **Malaysia has developed a strong reputation in the global data centre sector in Southeast Asia.** Malaysia's data centre market share is expected to increase by **USD2.08 billion (RM9.36 billion)** from 2021 to 2026, representing a CAGR of almost **16% (15.72%).**

7. **Malaysia is an ideal hub for data centre operations** in the region due to several reasons. **Firstly, our strategic geographical location** serves as a competitive advantage for the Southeast Asian region. **Secondly, various global data centre companies appreciate our conducive and attractive investment landscape,** thanks to our robust connectivity, reliable power infrastructure, and a business-friendly environment.

8. Guided by the **New Investment Policy (NIP)** and the upcoming **New Industrial Master Plan 2030 (NIMP2030)**, MITI and its agencies such as MIDA, have always targeted and will continue to attract quality hi-tech and digital investment projects.
9. Through **NIMP2030**, for example, we aim to, among others, develop economic complexity and a digitally vibrant nation. We want to **create more high-value growth opportunities via tech, data and cloud-based technologies**, which in turn, **will generate higher-paying jobs for Malaysians**.
10. To date, Malaysia has welcomed notable players in the data centre and cloud sector. We have Amazon Web Services which is committed to investing in Malaysia to build data centres. We also have ByteDance System Sdn. Bhd., the owner of TikTok, which is committed to contributing to the growth of Malaysia's digital economy through long-term investments that provide online experiences to their one billion users worldwide.
11. **More importantly, digital infrastructure investments by these companies also empower local businesses and**

enterprises to create more value and growth opportunities using data and cloud-based technologies. By attracting foreign investors to create this market-ready digital environment, all **industries and local SMEs are encouraged to expand their operations digitally or pursue other digital-based innovations.**

THE POWER BEHIND DIGITAL EMPOWERMENT

Ladies and Gentlemen,

- 12.** Let us now talk about **powering up that digital empowerment.** Behind the sleek racks of servers and sophisticated technologies lies a fundamental necessity - **a reliable and continuous power supply.**

13. The importance of a stable and robust power infrastructure to data centres cannot be overstated, as it directly impacts their performance and ability to deliver seamless digital services 24/7.

14. Data centres operate around the clock, tirelessly supporting critical operations, transactions and communications. Even the slightest disruption in the power supply could have far-reaching consequences, leading to data loss, downtime,

and potentially significant financial losses for businesses and service providers.

15. This is where **TNB's Green Lane initiative** comes into play. This initiative's objective to **enhance the supply process to meet the data centre industry's demand is timely**, particularly as **MITI is about to launch the NIMP2030**. It also **demonstrates TNB's proactive approach support the growth opportunities of the data centre market in Malaysia**.
16. So, congratulations TNB and team, who, under the leadership of Dato' Indera Baharin, have invested valuable effort to fast-track the power supply process and offer beyond kWh (kilowatt-hour) solutions to Data Centre Investors.
17. I was made to understand **that this initiative will connect the data centre (DC) three times faster than the normal delivery time, enabling the speedy and efficient implementation of the data centre project, from up to 48 months, to just 12 months**.

18. As such, by helping companies accelerate their project implementation in Malaysia, **we have, as a team, proven Malaysia's ability and capacity to improve our delivery system to enhance investors' ease of doing business.**

19. I am also delighted to share that an **Electric Supply Agreement (ESA) has been signed between TNB and four prominent data centre players which are Yondr, Airtrunk, GDS and SIPP.** The ESA will power their data centre facilities with **a total capacity of 1,500MW.**

20. Further, we would like to commend TNB and MRANTI for their collaboration in exploring the potential of developing an AI City based on the electricity infrastructure and sustainable solutions provided by TNB. This initiative is set to create numerous opportunities in the data centre industry.

CONCLUSION

Ladies and Gentlemen,

21. Before I end, I would like to say this to all the data centre players and stakeholders who have been part of this journey: thank you for your commitment towards the

development of Malaysia's digital infrastructure, which also contributes significantly to our nation's growth and sustainability. MITI looks forward to your continued efforts in driving Malaysia's digital economy forward.

22. To TNB, Datuk Baharin and his team, thank you again for your commitment towards realising this game-changing project, for which I am honoured to be here today.

23. I wish everyone involved in this exciting journey all the very best. The opportunities that lie ahead are aplenty, indeed, to shape a brighter, more connected future for Malaysia and the global digital community. Thank you.