

ISSUE #11 | MARCH 2023



DIGITAL PULSE

A SPOTLIGHT ON THE DIGITAL HUB OF ASEAN



EXPERIAN MALAYSIA'S GLOBAL DELIVERY CENTRE: POWERING THE WORLD'S LARGEST CREDIT BUREAU THROUGH DIGITAL TECHNOLOGY

Mechamato Movie: Highest-Grossing Local Animated Film A Testament to Malaysia's Outstanding Digital Talent

Malaysia On Course to Become Regional Hub for Data Centres

ABOUT MDEC

ABOUT MALAYSIA DIGITAL ECONOMY CORPORATION (MDEC)

Malaysia Digital Economy Corporation (MDEC), a government agency under the purview of the Ministry of Communications and Digital, was established in 1996 to lead Malaysia's digital economy. Beginning with the implementation of the MSC Malaysia initiative, we have since then catalysed digital transformation and growth all over the nation. By offering greater incentives and governance for growth and re-investment, we aspire to bolster Malaysia's status as the digital hub of ASEAN, opening new doors and driving shared prosperity for all Malaysians.



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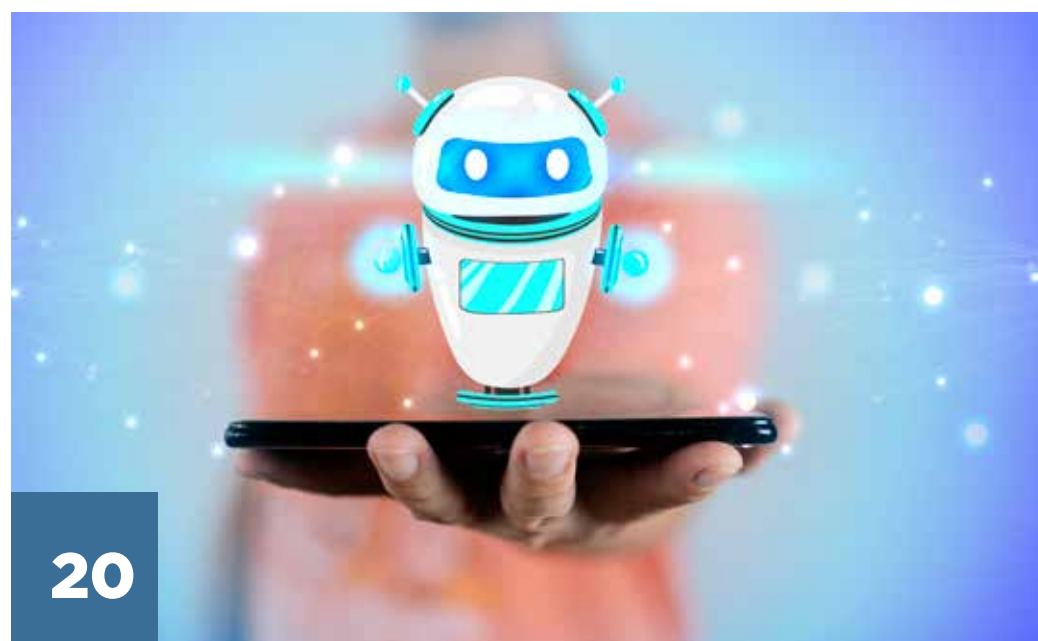
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Take it Easy



FOREWORD



TS. MAHADHIR AZIZ,
CEO of MDEC

“COMING TOGETHER IS A BEGINNING. KEEPING TOGETHER IS PROGRESS. WORKING TOGETHER IS SUCCESS.”

THE quote by Henry Ford, the American industrialist who founded the world’s largest and most successful automotive manufacturer, underscores the importance of collaboration in achieving success, which is at the core of MDEC initiatives.

Collaboration is a process that requires effort and persistence. When people work together, they can achieve great things. Collaboration is one of the crucial elements in realising the potential of Malaysia’s digital sphere.

At this critical juncture, the growth and expansion of the digital economy are more important than ever. The COVID-19

pandemic has fundamentally transformed how we live, work, and interact, making technology more essential than ever.

Malaysia’s tech ecosystem has proven to be resilient and dynamic, with a thriving community of innovators, entrepreneurs, and investors. As a nation, we must continue to collaborate and explore possibilities to take advantage of the immense potential that our tech ecosystem has to offer. At the forefront of this effort is the Malaysia Digital Economy Corporation (MDEC), tasked with driving the country’s digital transformation. MDEC has been instrumental in creating an enabling environment for tech companies to grow and thrive.

In this issue of Digital Pulse, we highlight what makes Malaysia stand out as a country for companies to establish their data centres compared to other countries in ASEAN. MDEC spoke to a representative from Experian, a multinational information services company, about their journey in this country. Experian shared that the policies, infrastructure and support that Malaysia’s tech ecosystem had offered further underpin their expansion in the development of data centres.

Data plays a critical role in achieving sustainable digital economy growth. It provides insights into the current economic state, identifies potential growth areas and helps make strategic investments. As a nation, we must continue to invest in the collection and analysis of data to ensure that we can achieve sustainable growth.

I hope this issue will spark your interest in Malaysia. For those who are observing Ramadhan, wishing you all the blessings of this holy month!



EXPERIAN MALAYSIA'S GLOBAL DELIVERY CENTRE: POWERING THE WORLD'S LARGEST CREDIT BUREAU

With strong government support, access to international markets, and the availability of capable multilingual talents, Malaysia has been chosen as the base for Experian's Global Delivery Centre (GDC). Let's explore why this is the case

LISTED on the London Stock Exchange and a constituent of the FTSE 100 Index, Experian is a multinational business services company headquartered in Dublin, Ireland. Its main product and services include credit and consumer services, audience targeting, decisioning and analytics and data quality, with 21,700 people operating across 30 countries.

Experian Malaysia's Global Delivery Centre (GDC) is an international hub of excellence where professionals from 26 nationalities come together to deliver outstanding products and services.

Located in Cyberjaya, the GDC has been recognised twice as a Great Place to Work,

providing key operations such as finance, analytics, IT, product development and customer service - all crucial to Experian's continued global success.

Chua Chai Ping, Country Site Leader & HR Director, Experian Malaysia, said: "We strive to ensure that each day brings unexpected rewards for our clients. Our teams in Cyberjaya are dedicated to making Malaysia a global delivery centre of operational excellence."

"Experian empowers our clients to manage their data with confidence. We help people and communities take financial control of their lives and access financial services."

HELPING GLOBAL ECONOMY

Global economic conditions can have a significant impact on businesses. Still, Experian Malaysia believes its business can positively influence the global economy. It is committed to helping people access fair credit, critical to unlocking life-changing opportunities such as having a home or starting a business, paying for education and healthcare, and more.

Chai Ping said: “As the world’s largest credit bureau, Experian has a vital role in providing lenders with the information they need to offer more loans at fairer rates. Extending access to credit helps to drive social and economic development by enabling businesses to grow and families to pay for the essentials they need to transform their lives.”



MALAYSIA IS MOVING TOWARDS BEING AT THE FOREFRONT OF THE RAPID EVOLUTION OF DIGITAL TECHNOLOGIES AND DEVELOPING A FUTURE-READY DIGITAL ECONOMY. MOST IMPORTANTLY, MALAYSIA WILL BE A DIGITALLY CONNECTED SOCIETY THAT CAN SUPPORT EXPERIAN’S FUTURE ROADMAP.”

CHUA CHAI PING,
COUNTRY SITE LEADER & HR DIRECTOR,
EXPERIAN MALAYSIA

THE MDEC CONNECTION

Experian Malaysia is proud to have grown significantly, especially over the past six years, bringing nearly 1,000 employees on board within that period. Its move into Malaysia has been made smoother due to the great help from the Malaysian government and the Malaysia Digital Economy Corporation (MDEC).

In addition, the tax exemptions offered under MSC Status allowed the company to grow further and produced more jobs for Malaysians.

The MSC programme has now been refreshed and revamped to Malaysia Digital. This new national strategic initiative looks to attract high-value digital investments, grow local tech companies, and drive digital adoption.

MDEC’s end-to-end facilitation provides access to various stakeholders, talents, and universities, allowing the Experian team to better understand the government’s digital and technology strategy.

All these support Experian’s decisions to ponder on extending operations beyond Cyberjaya while enabling the company to actively contribute to the global business services networking circle and further promote Malaysia as a Digital Global Business Services Hub of ASEAN.

EXPERIAN GDC TO THE FORE

Since its establishment in 2008, Experian Malaysia GDC has established itself as a brand dedicated to helping create a better tomorrow. The centre works to provide strategic access to the best possible talent around the world. It optimises workloads by sharing processes between different regions.

She said: “With all the effort we put into our work, we hope to ensure more people can have more opportunities than ever before.”

“Experian Malaysia GDC offers colleagues a dynamic work environment that fosters productivity, collaboration, agility, and state-of-the-art technology. We have a strong culture of continuous improvement and a dynamic work environment through our EmPower programme.”

EmPower is Experian’s approach to continuous improvement, centring on building efficiencies, reducing cost, and delivering increased value to customers. Those involved in EmPower are trained in industry-standard problem-solving methodologies.

Delivering local and global projects, Experian’s GDCs currently house over

20% of its workforce across five locations: Malaysia, Bulgaria, Chile, Costa Rica and Hyderabad.

WHY MALAYSIA

Experian chose Malaysia as its base thanks to its active drive towards digital transformation and potential for future growth. In addition, Malaysia is geographically ideal, with access to many export markets and business-friendly policies that foster a competitive environment.

On top of this, the availability of capable and multilingual talents makes it an even more appealing option. Chai Ping said: “Many Malaysian talents speak up to three languages, with 134 languages including non-native languages being used daily as well as 200,000 graduates of different specialisations being churned out each year.”

EXPERIAN ZOOMS INTO MALAYSIA

Malaysia is geographically ideal, with access to many export markets



Business-friendly policies that foster a competitive environment

Availability of capable and multilingual talents



At the forefront of the rapid evolution of digital technologies and developing a future-ready digital economy

A great ecosystem of MNCs, including tech giants like Meta and Google



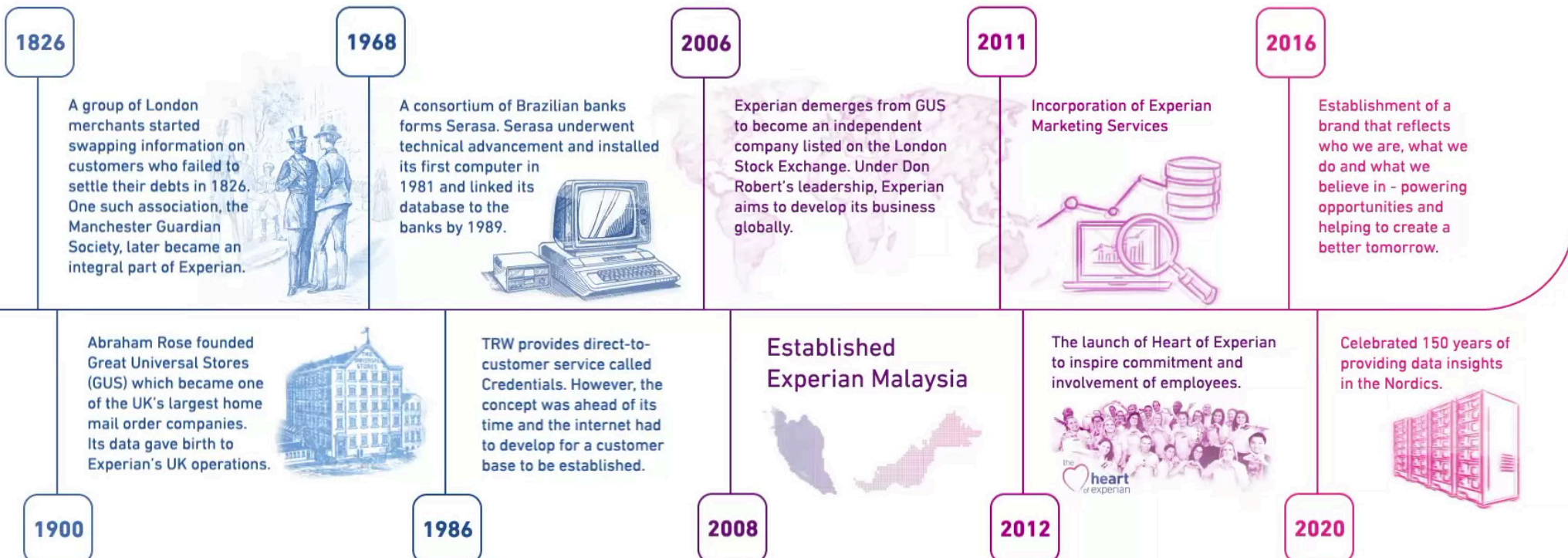
She added: “From being undoubtedly known for its rich culture and heritage, Malaysia is also moving towards being at the forefront of the rapid evolution of digital technologies and developing a future-ready digital economy. This is on top of already having a great ecosystem of MNCs, including tech giants like Meta and Google. Most importantly, Malaysia will be a digitally connected society that can support Experian’s future roadmap.”

On the ESG front, GDC employees create a significant and positive impact by contributing volunteer hours to various CSR projects that have helped local communities. Diversity and Inclusion are part of Experian’s culture, evident by its ratio of almost 50/50 between the female and male workforce.

Experian’s office in Cyberjaya is well-designed with national and cultural landmarks that embody Malaysian spirits.



History of Experian





Kre8tif! 2022 was organised to strengthen the digital creative content industry, propelling the nation's digital economy forward.

MECHAMATO MOVIE: HIGHEST-GROSSING LOCAL ANIMATED FILM A TESTAMENT TO MALAYSIA'S OUTSTANDING DIGITAL TALENT

Mechamato, a Malaysian animated film, grossed RM18.3 million in 11 days and entered the top ten of the global weekend box office

THE local animated film Mechamato Movie by Animonsta Studios (Monsta) has made an incredible international impact, amassing a staggering RM34 million at the box office and establishing Malaysia firmly on the global film-making map.

Mechamato Movie has climbed into the top 10 global weekend box office earnings at number nine since its release whilst earning RM18.3 million in 11 days of screenings.

The Monsta's sci-fi adventure animation is recorded as the highest-grossing Malaysian-made animation movie and was also shown in Brunei, broadcasting

booming popularity locally and everywhere else. As the industry witnesses the growing demands for locally-produced animated content, animation films in Malaysia have been gaining more attention in the local scene. There are undoubtedly several contributing factors to the increasing interest in this field like no other before.

More animation studios are finding their stable footing in this country, various career path choices and greater appreciation towards the art of animation amongst Malaysians of all ages. Its' intellectual play with the current sensation, AI robots among children, has piqued people's further attention.

Another reason is the public's growing interest in animation as a potential career path. Malaysian youth are finally putting their hobbies into serious work, and more wish to bring them to life by working closely within the industry.

This has fuelled them to channel their hobbies to pursuing formal education and finally step in as one of the animation industry players. Monsta's big venture in the industry has indirectly created a massive platform of employment opportunities for aspiring animators. They currently employ over 150 talents and more whilst training them to be local animators producing high-quality animated content.

The Mechamoto Movie's success proves that Malaysians are becoming more appreciative of animation and willing to pay to watch more. The following Mechamoto Series are airing on Netflix with broadcasting rights to 65 countries,

available in six languages, including Japanese and Korean and have gained talks globally.

MDEC has achieved success in promoting the animation industry. They've strategically targeted university-level courses, granted financial assistance to local animators, and hosted numerous animation festivals for public benefit - these initiatives proving beneficial all around.

Kre8tif!, MDEC's flagship animation festival, has remarkably advanced the animation agenda in Malaysia and beyond Southeast Asia.

Kre8tif!, founded in 2009, is a networking platform connecting Southeast Asian animation companies with buyers from all over the world and a gathering place for individuals involved in the industry to engage with one another.



MDEC, through Kre8tif!, will keep encouraging the progress of Malaysia's digital creative content industry and position Malaysia as a regional creative powerhouse.

The creative and animation industry must continue its momentum as the global animation market is estimated to be worth US\$298.2 million this year and US\$519.6 million by 2028. The industry has shown tremendous progress due to the growth of streaming platforms worldwide, bringing more opportunities for all studios, said Mahadhir Aziz, CEO of MDEC.

Kre8tif!, has served as a business networking ground for local animators to acquire opportunity paths and learn further about production and distribution.

In keeping with Malaysia's national objective to create 200 original pieces of intellectual property (IP) by 2025, Kre8tif! will see the release of numerous original IPs, including Batik Girl The Movie by R&D Studios, Didi & Friends The Movie by Warnakala, and a Mechamato movie series by Monsta. MDEC's Digital Content Grant sponsored the two latter animated films, which help local producers develop and facilitate digital content IP.

At the Tokyo Anime Awards Festival 2023, Mechamato Movie achieved remarkable success, ranking 11th out of 100 anime works. This amazing breakthrough proved that Malaysian animation studios are capable of creating excellent animated products worthy of competing in the international market - exemplified by successful series such as Boboiboy, Ejen Ali and Upin & Ipin.



Mechamato narrates the story of Amato, a young boy, and his partner robot, MechaBot, who battle against wicked robots.



MALAYSIA ON COURSE TO BECOME REGIONAL HUB FOR DATA CENTRES

Digital Pulse shares a conversation with Wan Murdani Wan Mohamad, Director, Digital Enablers at MDEC, on the importance of the data centre infrastructure to drive digital economy development and pave the way for Malaysia to become an attractive destination for investors

THE rapid growth of the digital economy in Malaysia has made it one of the most attractive destinations for foreign investment. The government's initiatives, such as Malaysia Digital (MD) driven by Malaysia Digital Economy Corporation (MDEC), have enabled the country to emerge as a regional hub for data centres, driving digital adoption amongst aspiring business owners, companies and citizens.

Malaysia has a highly diversified economy and export structure, industry-ready talent, a strong and well-capitalised financial sector, and an export-driven diversified economy spurred on by high technology, knowledge-based and capital-intensive industries.

Based on the 2022 Milken Institute Global Opportunity Index, Malaysia ranks first in emerging Southeast Asia as the country with the most potential to attract FDI. Wan

Murdani says data centres are critical digital infrastructures to drive digital economy development. "Looking at the stable growth of cloud services in Malaysia, we are moving toward becoming the regional hub for data centres. In addition, the impact of COVID-19 on the post-pandemic era has changed the way of working and business activities contributing to the consistent growth of cloud adoption."

MDEC is the federal agency responsible for facilitating data centre investments in Malaysia since 2010, on top of other digital investments including in the areas of cybersecurity, drone tech, blockchain, robotics and more. MDEC works to attract investors, develop attractive locations and promote the adoption of cloud services by promoting their socio-economic benefits. It also hosts technical talks and issues guidelines to help those interested in understanding the relevant technologies.

MALAYSIA DIGITAL (MD) IS THE VEHICLE TO:

- Attract high value digital investments
- Grow local tech companies
- Drive digital adoption

DRIVE DIGITAL INVESTMENTS

Over the years, MDEC drove the growth of the nation's digital economy through the MSC Malaysia initiative. MD, meanwhile, is the enhanced and revamped initiative to drive digital investments into Malaysia while allowing SMEs to invest in many of its promoted activities under its new framework for improved incentives.

“In 2021, the hyperscale cloud revenue in Southeast Asia was US\$8.9 billion, whereas Southeast Asia's data centre market size is forecasted to be US\$12.60b by 2025 with a CAGR of 13%. The rise in 5G network connectivity and submarine cables deployment, the increasing applications of IoT, the emergence and adoption of advanced IT workloads and sustainable initiatives by data centre investors are driving DC & Cloud growth in the region,” Wan Murdani adds.

END-TO-END FACILITATION

The Malaysian government and MDEC are responsive to the needs and requirements

of investors by facilitating the key project components such as energy, utility supply, connectivity, local authority approvals, as well as providing agile regulatory and policy approaches. R&D is also vital to reduce carbon emissions, water use for cooling and e-waste and ensure local sustainability.

Renewable energy and clear regulations on international best practices will be encouraged to facilitate regional workloads in Malaysia.

Over the years, Malaysia has also evolved to accommodate large-scale investments and large megawatt deployments. He says: “Malaysia has met its maturity and readiness of infrastructural ecosystem, namely connectivity, availability of suitable lands and utilities.

“There is a ready pool of service providers that are well versed with the needs and requirements of the investors. MDEC has been putting efforts to educate and share experiences with agencies at the state level on how to facilitate these investors.”

The Malaysian data centre industry is expected to snowball in the next five years. According to a research report by Technavio, the local data centre market is set to progress at a CAGR of 15.72% from 2021-2026.

DATA CENTRE OVERVIEW IN MALAYSIA:

- An abundance of developable land, competitive electricity rates, and a pool of dynamic, literate and skilled workers have elevated Malaysia's competitiveness in operational costs and other resources
- Malaysia is ranked 22nd globally (second in ASEAN, eighth in APAC) in the Arcadis Data Centre Location Index 2021
- Malaysia is currently connected to 25 submarine cable networks and 15 landing stations, providing excellent connectivity with the rest of Asia and the world



LOOKING AT THE STABLE GROWTH OF CLOUD SERVICES IN MALAYSIA, WE ARE MOVING TOWARD BECOMING THE REGIONAL HUB FOR DATA CENTRES.”

**WAN MURDANI WAN MOHAMAD,
DIRECTOR - DIGITAL ENABLERS OF
MDEC**

Government tax benefits encourage investments by hyperscale and colocation operators, allowing for the development of data centres in free trade zones. In addition, the MD Status grant provides incentives, rights, and privileges from the government, designed to create a favourable environment for qualified companies.

Local councils provide fast-tracking services to address investors' aggressive timeline needs while agencies at all levels coordinate, support, and facilitate such investments. This infrastructure supports economic growth for customers and partners alike, enabling them to capitalise on cloud technology innovations and projects while bolstering their technological ecosystems.

ADDRESSING INVESTORS' NEEDS

With the increase in digital technology investments, MDEC is addressing investors' needs and working closely with Malaysia's


power utility provider, Tenaga Nasional Berhad, to provide medium and high-voltage electricity supply to investors. This collaboration aims to drive new large scale data centre projects into Malaysia and to ensure that energy supply for projects are delivered on time as envisaged by the investors.

Meanwhile, on the ESG front, MDEC is promoting and educating investors on the use of renewable energy - namely hydro, solar and biogas. The Virtual Power Purchase Agreement (VPPA) and Third Party Access (TPA) will be introduced in Malaysia very soon, which has been highly anticipated by data centre investors in the region. These initiatives demonstrate an effort towards creating a comprehensive approach to suiting business needs, while promoting environmental management goals.

The agency also plays an advocacy role in bridging the investors or industry with the government policy makers and regulators, to ensure Malaysia enhances its value proposition and remain competitive as an attractive destination for global businesses seeking to invest in data centres.

To do this, MDEC acts on behalf of these stakeholders to help bridge the communication gap that often arises when dealing with unfamiliar regulatory procedures, or technical infrastructure complexities. By removing barriers preventing further growth of data centres within Malaysia, MDEC is amplifying the nation's potential as a leader in digital investment opportunities.

“MDEC recognises that it is our responsibility to facilitate this process of finding practical solutions while respecting ecological responsibilities,” Wan Murdani concludes.



MDEC IDENTIFIES FIVE PLAUSIBLE FUTURE TRENDS OF E-COMMERCE

By: Ts. Mahadhir Aziz, CEO of MDEC

E-COMMERCE has exploded exponentially, especially in the recent few years.

The Department of Statistics Malaysia, DOSM, reported that Malaysia's income on e-commerce transactions surpassed the RM1 trillion mark for the first time in 2021, at a growth rate of 21.8%, compared to RM896 billion in 2020. The trajectory continues to grow - at the end of the second quarter in 2022, the total e-commerce income was recorded at RM566.4 billion, registering a positive growth of 7.7% compared to the same quarter in 2021.

DOSM further reported that, in 2021, e-commerce contributed to 13% of Malaysia's GDP, whilst the contribution was 11.8% the year before. With e-commerce at the front and centre of the digital economy,

the Malaysia Digital Economy Corporation (MDEC), the nation's lead digital economy agency, has sought to seek a deeper understanding of current developments and how they may evolve into industry-changing paradigms, with a view towards enhancing the readiness of all stakeholders to plan, react and adapt to game-changing shifts in the future.

In this regard, MDEC has developed the "E-Commerce Trend Radar: Envisioning the Next Decade in E-Commerce" report towards setting out a forward-looking insight in line with MDEC's strategies under Malaysia Digital and to work closely with relevant stakeholders to assess the opportunities that future trends may bring, in optimising the benefits of the digital economy.

MDEC'S E-COMMERCE TREND RADAR: ENVISIONING THE NEXT DECADE IN E-COMMERCE

The future is, by and large, unpredictable. In envisioning the future of e-commerce, the team scanned the current e-commerce landscape and actively engaged with stakeholders to uncover drivers of change. The exercise involved conversations with global technology companies, regional e-commerce industry players and the local e-commerce community to learn about current developments and the direction that they are moving towards.

These conversations identified rapid developments within several game-changing key technological and socio-economic drivers that are expected to shape future innovations within the e-commerce ecosystem. These range from Anticipatory Analytics, Artificial Intelligence (AI), Internet of Things (IoT) to Extended Reality (XR), Virtual Worlds, Conscious Consumerism to Next Generation Wireless.

KEY TAKEAWAYS

- **Beyond 5G:** With connectivity as the backbone of future innovations, the industry is looking beyond 5G, towards 5.5G and even 6G, in anticipation of a highly immersive and much enhanced and richer overall experience.
- **The rules of engagements are shifting:** As the line between social and commerce blurs, brands will flock to where consumers spend their time to engage customers in an increasingly distracted world. E-commerce is expected to evolve from a functional-based service to becoming a part of entertainment and societal interactions.

- **Consumers want convenience:** Even the “3-click rule” falls short of convenience. However, continuous advances in technological innovations, such as ultra-powerful microchips and brain-control interfaces, could revolutionise the way we shop.
- **Eco-friendly is business friendly:** The rise of circular economy, re-commerce, and shifts in consumer attitudes towards environmental responsibility will shape and influence businesses to rethink their entire supply chain approach.

FIVE PLAUSIBLE FUTURE TRENDS

These key takeaways with social-economic and technological key drivers, along with “signals” in the form of observable indications in the emergence of innovations through early-stage deployment and adoption, have led to the anticipation and vision of five plausible future trends in MDEC's E-Commerce Trend Radar.

Future Trend #1 : Ubiquitous Marketplaces

Continuous advances in technological innovations will revolutionise the way we shop. We anticipate shopping to break out of conventional touchpoints beyond the current definition of e-marketplaces.

To attract the ever-shrinking attention span of consumers, brands and businesses are expected to strive towards challenging the conventional notion of convenience in the existing 3-click rule. We can expect a robust push towards an omnipresent market space to expand beyond the current confined definitions of a marketplace.

Commerce would be accessible in new pockets of spaces to extend to daily pursuits such as home appliances, in-car consoles, and intelligent wearables.



The e-commerce ecosystem is expected to shape the future innovations and advancements.

Integrated sensors, ultra-portable powerful microchips, and ambient intelligence within the consumers' everyday environment will enable ubiquitous marketspaces at the consumer's disposal anytime, anywhere.

Future Trend #2 : Hyper-Personalised Commerce

The ability to harness the abundance of real-time, granular consumer data will drive advanced analytics for brands and businesses to build highly individualised, customer-centric, and convenient shopping experiences. We anticipate highly personalised e-commerce to cater to the consumer's unique and exact specifications.

Hyper-personalised commerce will go beyond anticipating every consumer's preference to realising each consumer's desired products to the exact specifications enabled by advancement and cost efficiency in 3D printing and 3D-visualisation technologies.

Future Trend #3 : Ultra-Precise Delivery Network

Greater openness and a highly collaborative network is expected to cater to consumers' demands for agile deliveries to adapt to their behaviour and lifestyles. We anticipate the future of fulfilment to be highly agile, dynamic and efficient.

The advancement in geolocation-based autonomous deliveries adapting to consumers' lifestyles, coupled with the push for economic efficiencies and optimisation in delivery through open collaboration frameworks, are expected to drive greater fulfilment optimisation. We can expect fulfilment to be highly precise, enabling the delivery of goods straight into the consumers' hands, locating the consumer who is always on the go, wherever they may be.

Future Trend #4 : Metaverse Commerce

As social interaction, work, and relationships migrate into the metaverse worlds, new marketplaces can emerge to shift material goods. We are anticipating metaverse commerce to open up relentless new possibilities with immersive and spectacular hyper-realistic experiences towards delivering a fully functioning economy.

McKinsey’s June 2022 report highlighted that US\$120 billion in investment flowed into the metaverse in 2022, with 79% of consumers on metaverse making a purchase. McKinsey forecasts that the metaverse can grow to US\$5 trillion by 2030, with e-commerce as the largest economic force with a potential of US\$2.6 trillion.

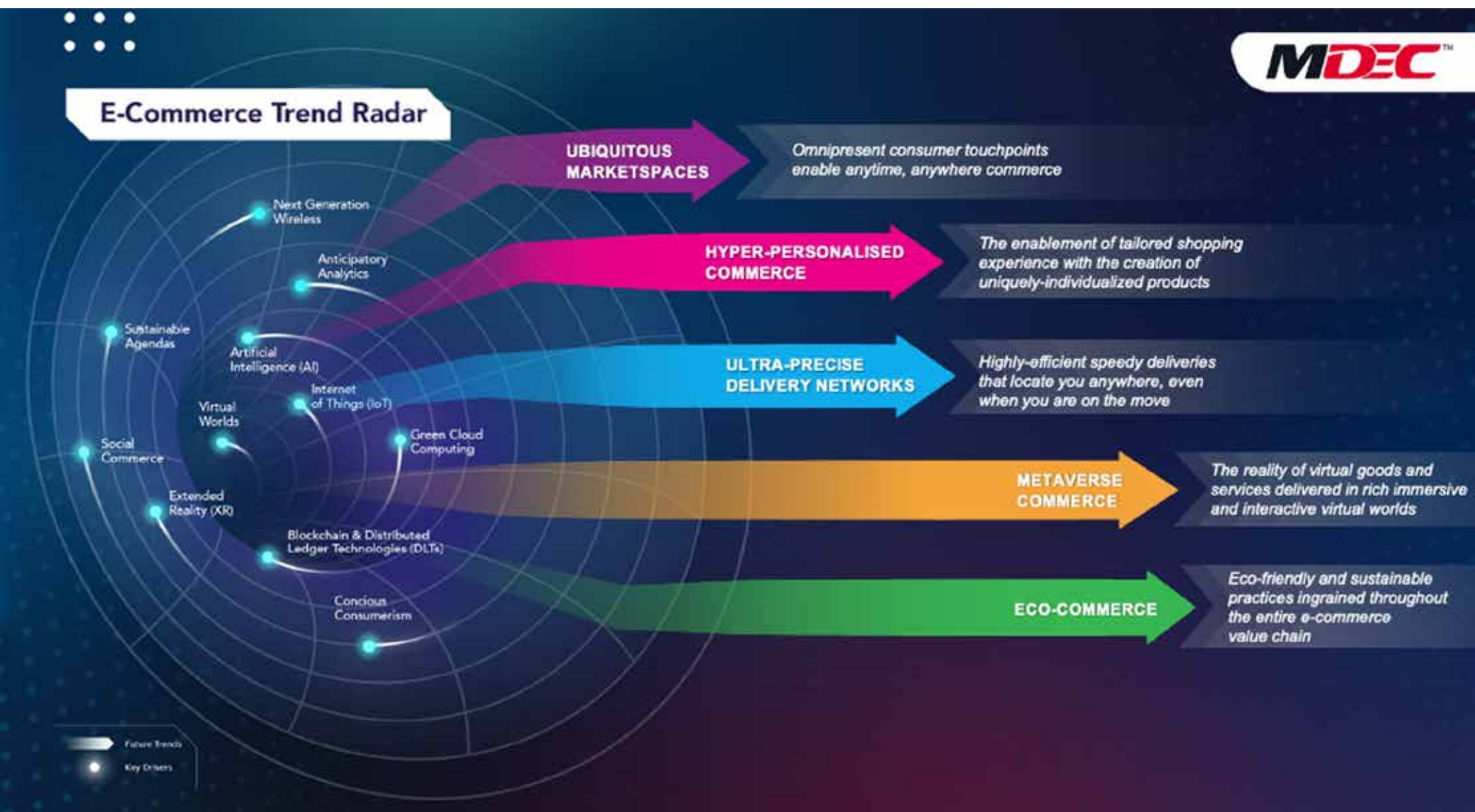
The trend towards metaverse commerce is empowered through, among other drivers, the rise in massive computing

processing power, next-generation wireless network capabilities, disruptive payment technologies, and the widespread use of XR technologies.

Future Trend #5 : Eco-Commerce

Eco-friendly and sustainable e-commerce practices have become inevitable with shifts in social attitudes and heightened scrutiny by eco-conscious consumers. We are anticipating the embodiment of the Environment, Social well-being, Governance (ESG) and sustainability agenda into mainstream e-commerce.

Driven by conscious consumers, technological innovations, inclusive policies and regulatory measures, businesses can be expected to be more responsive to embrace a strong ecosystem culture and continuous innovations across the entire e-commerce ecosystem to move towards a cleaner and greener future.





E-commerce is key to the digital economy and Malaysian company growth.

PREPARING FOR THE FUTURE OF E-COMMERCE

Anticipating the future also means preparing for it. We must lay the groundwork for a digital ecosystem that will be ready for any changes and disruptions in the e-commerce space. Through strategies under Malaysia Digital (MD), the Ministry of Communications and Digital and MDEC are working in tandem to build the foundation of Malaysia's digital transformation.

MD is a national strategic initiative to encourage and attract companies, talents and investment while enabling Malaysian businesses and rakyat to play a leading part in the global digital revolution and digital economy. By attracting high-value digital investments, creating a digitally savvy society, and facilitating a business-friendly and sustainable digital ecosystem, we can foster a digital economy that is prepared and resilient.

With Digital Trade as one of the Malaysia Digital Catalytic Programmes - PEMANGKIN - e-commerce is no longer regarded as the end game. Instead, e-commerce will be driven as the springboard towards Digital Trade.

Underpinning Digital Trade is the seamless and end-to-end data movement to enhance the transaction's efficiency, accuracy, and reliability across sectors and industries. An open, reliable, interoperable digital trade ecosystem would optimise efficiency and convenience. It will promote transparency and traceability, reduce barriers and facilitate businesses to reach new consumers and markets within and across borders.

With the dynamic and evolving nature of innovations, policymakers, technologists, and businesses within the digital economy ecosystem should keep abreast of new and emerging future trends highlighted above to be ready to embrace game-changing shifts in the landscape.

I invite you to read and make full use of the "E-Commerce Trend Radar: Envisioning the Next Decade in E-Commerce" report here at <https://mdec.my/e-commerce-trend-radar>.

IN CASE YOU MISSED IT

Business and tech news round-ups

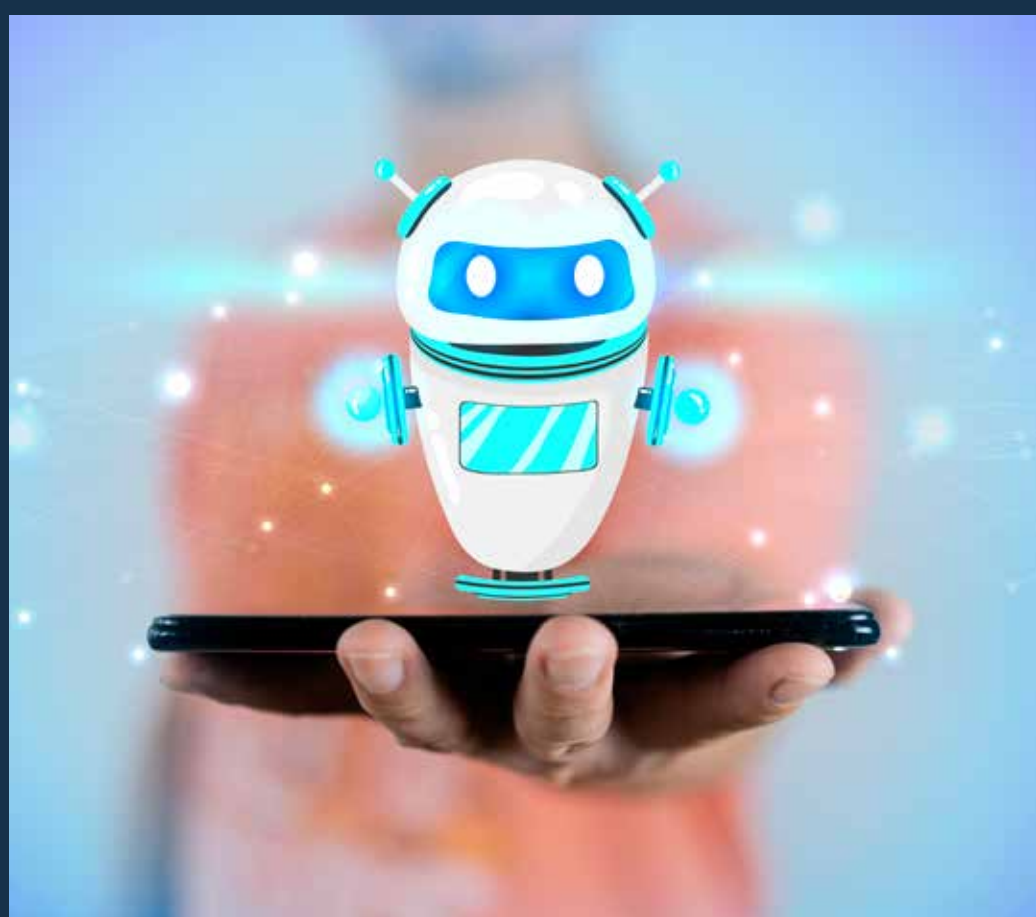


OECD Says Global Economic Outlook 'Slightly Better' for 2023, but Inflation Risks Linger

According to the Organisation for Economic Co-operation and Development (OECD) Secretary-General Mathias Cormann, the global economic outlook is 'slightly brighter' this year, but inflation challenges remain. However, he also stated that energy and food prices are substantially lower than they were at their peaks.

Baidu Says Its Alternative to ChatGPT Is Coming to the Public in March

Chinese multinational tech company Baidu has announced that its artificial intelligence product, Ernie bot, is set to open to the public in March. The news follows the rise in popularity of ChatGPT, which jumped to 100 million users just two months after launching.



EU Economy to 'Narrowly' Avoid a Recession as Inflation Peak Passes, Brussels Projects

In its latest forecast, the European Commission stated that the European Union's economy is set to 'narrowly' avoid a recession this year as inflation softens and gas prices continue to decline, paving the way for better-than-expected economic performance.



Everything You Wanted to Know About AI - But Were Afraid to Ask

Keep yourself up to date with the current state of artificial intelligence, from the different types of AI to understanding what deep fakes are.

Singapore Records Highest Fintech Funding in Three Years Amidst a Global Slowdown

KPMG's Pulse of Fintech H2 '22 report reveals that fintech investments in Singapore last year saw a three-year high of US\$4.1 billion across 250 deals. The global fintech market meanwhile attracted US\$164.1 billion across 6,006 deals in 2022.



Q1 2023 INVESTMENT WINS HIGHLIGHT

A look into notable investment wins for MDEC for the first quarter of 2023



AWS to Invest US\$6bil in Malaysia by 2037 for Its Infrastructure Region

Amazon Web Services announced a US\$6 billion (RM25.5 billion) investment, spread over 15 years to 2037, into building an AWS Infrastructure Region in Malaysia. This is seen as Amazon's commitment to Malaysia for being selected as a Cloud Service Provider by the government as part of the Malaysia Digital Economy Blueprint (MyDigital) announced in February 2021. MDEC looks forward to continued collaboration with AWS in Malaysia to advance the Malaysia Digital national strategic initiative.

Siemens Energy Opens Cyber Security Operations Centre in Cyberjaya

Siemens Energy has launched its cyber security operations centre (CSOC) in Cyberjaya, aimed at providing operational technology (OT) cyber security services to customers across the region and beyond. The facility marks the region's first managed detection response OT CSOC, engineered to monitor, detect and mitigate cyber threats on critical infrastructure. The centre harnesses AI and a team of cyber security experts to provide round-the-clock monitoring, detection and crisis support.



Xsolla Announces New Office in KL as Part of Expansion

Xsolla, a global video game commerce company, has announced a new office in Kuala Lumpur - the largest Xsolla office globally outside of its HQ in Los Angeles. The expansion helps Xsolla offer its growing list of innovative products to more game companies worldwide. MDEC will continue to facilitate further expansion and growth of key partners in utilising the nation as a hub to land and expand to the wider ASEAN region.



EVENTS HIGHLIGHT

Glimpses of what matters: Coverage of MDEC's engagements and initiatives

2023



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MARCH

DEPARTMENT FOR BUSINESS AND TRADE, BRITISH HIGH COMMISSION KL

MDEC strengthened its ties with the Department for Business and Trade team at the British High Commission KL, discussing potential collaborations in various sectors within the tech space.



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MARCH

KPJ HEALTHCARE

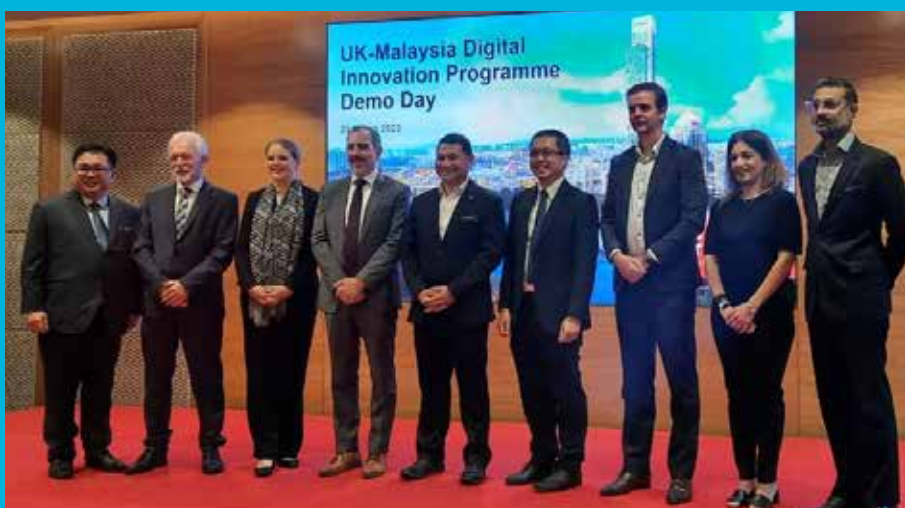
MDEC had a productive discussion with the leadership of KPJ Healthcare, including Dr Ahmad Syukri Jamaludin, Chief Executive Officer and Dato' Dr Sivamohan N., Medical Director, to explore how MDEC can assist the company's digital transformation efforts through Malaysia Digital.

20

MARCH

UK-MALAYSIA DIGITAL INNOVATION PROGRAMME DEMO DAY

The UK-Malaysia Digital Innovation Programme Demo Day held in Petaling Jaya was graced by YB Tuan Rafizi Ramli, Minister of Economy, who delivered the keynote speech. The event saw 10 UK net zero start-ups pitch their technologies for up to US\$1 million investments and entry into the Sunway iLabs Net Zero Lab. Raymond Siva, Senior Vice President, Digital Investment at MDEC was a panellist in the discussion focusing on driving net zero action.





14
MARCH

SARAWAK ENERGY

The MDEC team was in the Land of the Hornbills to attend a discussion with Sarawak Energy Berhad and Sarawak Economic Development Corporation, exploring how Malaysia Digital can accelerate the digitalisation agenda of Sarawak.



21
MARCH

25 STARTUPS

The MDEC team visited Penang for a Malaysia Digital sharing session with founders of tech companies under 25 Startups. MDEC is working very closely with the startup community builder to provide support via Malaysia Digital, for more tech companies to thrive in the country.

10
MARCH

META LAUNCHES CREATOR ACADEMY IN MALAYSIA

Meta has launched its Creator Academy in Malaysia. The academy is endorsed by MDEC and will provide free training and support for aspiring and emerging creators. During the launch, Raymond Siva, Senior Vice President, Digital Investment at MDEC, also shared insights on how the creative economy is flourishing in the country and that Malaysia is leading the way in the new era of creativity.



7-10
MARCH

MDEC'S BUSINESS MISSION TO EUROPE

2023 Global Industrie, Lyon

MDEC visited Lyon to attend the 2023 Global Industrie, where the MDEC team shared about the Malaysia Digital ecosystem and initiatives to French tech companies in attendance.

27 **FEBRUARY** -
06 **MARCH**

Mobile World Congress (MWC) 2023, Barcelona

Being a part of the Malaysian delegation to Barcelona for MWC 2023, MDEC secured a working collaboration with GSMA to advance the development of 5G applications and drive digital investments in Malaysia.

27 **FEBRUARY** -
06 **MARCH**

Mobile World Congress (MWC) 2023, Barcelona

MDEC participated in a roundtable session where tech leaders gathered to discuss the industry's challenges and opportunities.



27 FEBRUARY - 06 MARCH

Mobile World Congress (MWC) 2023, London

MDEC's investment mission continued with a productive meeting with Mr Zahirul Ishak, the Counsellor for Investment (Director) of MIDA's UK Global Office, discussing and exchanging ideas on Malaysia's national strategic initiative for high-quality tech investments.



27 FEBRUARY - 06 MARCH

Mobile World Congress (MWC) 2023, Barcelona

MDEC hosted the Malaysia Investor Networking Night to bring together potential investors, ecosystem builders and fellow Malaysians.



23 FEBRUARY

DE RANTAU @ KL

MDEC introduced the third location for its digital nomad programme, DE Rantau, in Kuala Lumpur, following Penang and Langkawi. YB Teo Nie Ching, Deputy Minister of Communications and Digital officiated the event at Komune Living, Bangsar South.





13
FEBRUARY

CATCH CLOSING IN KUALA LUMPUR

Toyota Mobility Foundation (TMF) has been working with MDEC for the City Architecture for Tomorrow Challenge (CATCH) in Kuala Lumpur, designed to invite innovators worldwide to propose original and advanced solutions.

23
FEBRUARY

FOUNDERS GRINDSTONE

MDEC has commenced its Founders Grindstone series for 2023 with the "Selling Up Selling Out" Tech M&A Programme in collaboration with Corum Group, a leading advisor in tech M&A. The programme was held at MDEC Bangsar South with around 70 attendees who gained valuable knowledge on various aspects of M&A.



09
FEBRUARY

MoU SIGNING BETWEEN MDEC AND DEPA

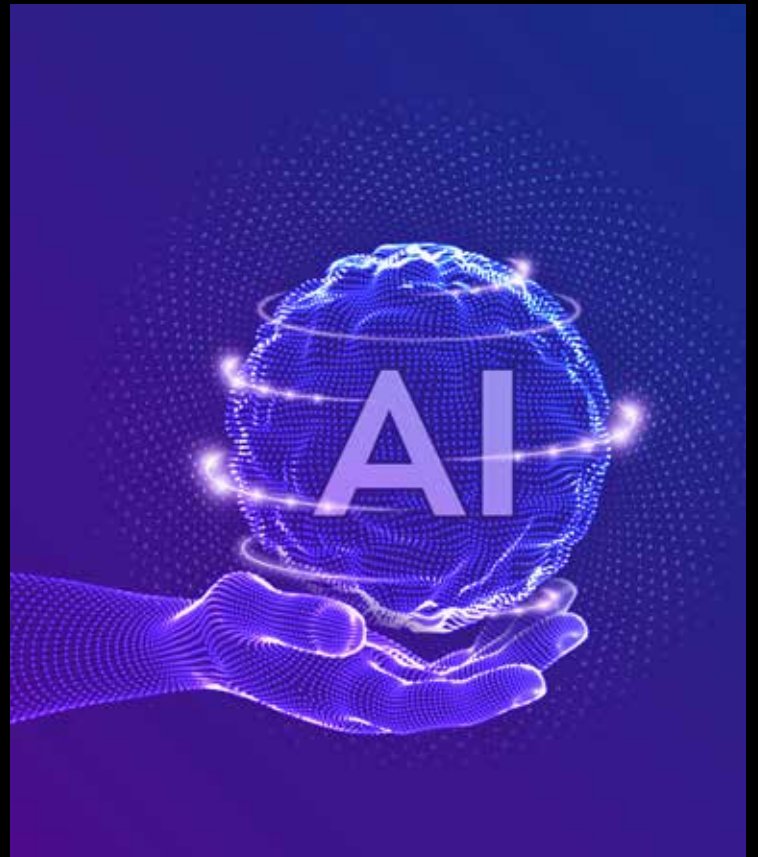
MDEC signed an MoU with Thailand's Digital Economy Promotion Agency (DEPA) that focuses on enhancing investment and technological cooperation between the countries.



TAKE IT EASY

Light takes on technology that makes the world go round

Artificial Intelligence can now craft original jokes, and that is no laughing matter!



Q: What did the IT technician say when they were asked how to fix a broken computer?

A: I don't know, it looks terminal to me!

Q: How does a computer get drunk?
A: It takes screenshots!



“My English teacher told us to write about the history of our life. However, I hate writing, so I used AI to write it for me. I guess you can say it's an auto-biography.”



To find out more about MDEC's Digital Economy initiatives, please visit us at www.mdec.my or follow us on:
Facebook: www.facebook.com/MyMDEC/
Twitter: [@mymdec](https://twitter.com/mymdec)