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Amazon to invest US\$6B in Malaysian cloud centre

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UP TO 2037

AMAZON TO INVEST US\$6B IN MALAYSIAN CLOUD CENTRE

Country's largest tech investment to date will have spillover effects on local SMEs

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AMAZON Web Services (AWS), the cloud computing division of Amazon.com Inc, will invest US\$6 billion in Malaysia by 2037, with plans to launch the first AWS region in the country.

This includes cloud computing infrastructure with three "availability zones" to run applications and store data securely, with fast access to AWS services.

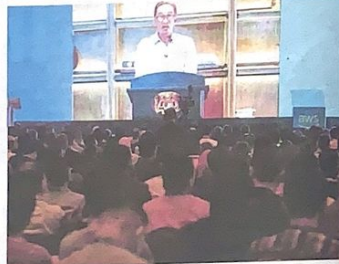
The investment would be the country's largest technology investment to date, which would have a spillover effect on local small- and medium-scale enterprises, besides enhancing the country's competitiveness.

AWS had planned to launch 15 more availability zones and five more AWS Regions, including in Canada, New Zealand and Thailand.

The company said the new AWS Region in Malaysia would give developers, start-ups, entrepreneurs and enterprises, as well as government, education and non-profit organisations a greater choice in running their applications, and serve end-users from data centres in the country.

The AWS Region would enable customers with data residency preferences to store data securely in the country, enable customers to achieve even lower latency and meet demand for cloud services across Southeast Asia.

"We chose Malaysia because our customers are telling us that they need and want additional infrastructure to support their



needs, and we are determined this is the right time to invest in this infrastructure here.

"We have seen a significant acceleration in the pace of adoption in recent years and increasingly, our customers are telling us that they like to run their workloads closer and they would like to have their data closer. So we followed their requests," said AWS regional managing director for worldwide public sector in Asean, Eric Conrad.

Prime Minister Datuk Seri Anwar Ibrahim said the AWS investment would advance the country's Madani vision of a highly skilled, innovative, inclusive and sustainable economy, where wealth was shared equitably.

"AWS Region in Malaysia will further accelerate transformation and the creation of innovative digital services which will secure a high-performing, resilient infrastructure.

"With this new investment by AWS, we hope to see an even bigger increase in digital transformation and digital trust in our



Economy Minister Rafizi Ramli (sixth from left) and International Trade and Industry Minister Tengku Datuk Seri Zafrud Tengku Abdul Aziz (fourth from right) taking a picture with Amazon Web Services vice-president of technology Mat-Lan Tomsen Bukovc (fifth from left) in Petaling Jaya yesterday. With them are Deputy Communications and Digital Minister Teo Nie Ching and Deputy Human Resources Minister Mastopha Sakund. (Inset) Prime Minister Datuk Seri Anwar Ibrahim delivering his speech. BERNAMA PIX

society which will in turn lead to a greater investment in Malaysia," he said in his speech.

Anwar added that the digital economy contribution to Malaysia's gross domestic product stood at 23.2 per cent in 2021. The government wanted to increase this to 25.5 per cent by 2025.

"The investment will unlock opportunities for local businesses to explore globally how to

make a digitally enabled workforce, spur job creation and deliver long-term economic growth," he said.

The new AWS Region would comprise three availability zones at launch, adding to the existing 99 zones across 31 geographic regions globally.

AWS Regions consist of availability zones that place infrastructure in separate and distinct geographic locations, with enough distance to significantly reduce the risk of a single event impacting customers' business continuity, yet near enough to provide low latency for high-availability appli-

cations that use multiple zones.

AWS customers in Malaysia included Astro Malaysia Bhd, Axata Group Bhd, Bank Islam Malaysia Bhd, CelcomDigi Bhd, Johor Corp, PayNet and Petrolim Nasional Bhd.

Public sector customers included Asia-Pacific University of Technology & Innovation, BeEducation, Cybersecurity Malaysia, the Statistics Department, Higher Education Ministry, Pos Malaysia Bhd and Tena-

ga Nasional Bhd.

SMEs like Baba Products, CarSome, Omesti Bhd and StoreHub were also building their businesses on AWS to rapidly scale up nationally and around the world.

As for employment opportunities in the country, Conrad said the company would be looking at the staffing of data centres.

"We would also include local providers for the actual construction and development of overall facilities," he said.



Eric Conrad