

M'sia continues to lead regional data centre index

KUALA LUMPUR: Malaysia has been ranked first among regional peers in Southeast Asia in Knight Frank's SEA-5 Data Centre Opportunity Index for the second consecutive year with an annual take-up of 429 megawatts (MW).

In its Data Centre Research Report 2024, the global property consultancy said growth is driven by strategic investments from tech giants like Microsoft, Amazon Web Services (AWS), Google, and Oracle, totalling US\$23.3 billion (US\$1 = RM4.50).

Knight Frank Malaysia Group managing director Keith Ooi said Malaysia's strategic efforts in digital infrastructure are not just a blueprint for the region but a call for global players to seize the unparalleled opportunity.

"The country's commitment to technological innovation and sustainability

makes it a preferred destination for data centre investments and a model for economic resilience," Ooi said in a statement.

He said Malaysia celebrates a banner year in data centre investments, solidifying its position as the region's leading digital hub.

With RM141.72 billion in digital investments secured in the first ten months of the year—three times 2023's total—Malaysia is redefining its role in the global technology landscape, driven by innovation and strategic growth in the digital economy.

The statement said an impressive annual take-up rate of 429 MW, a 5.5 per cent gross domestic product (GDP) growth forecast for 2025, robust infrastructure, strategic investments, and forward-looking policies continue to set it apart.

The dominance reinforces Malaysia's competitive edge and also signals the nation's readiness to sustain long-term growth in the digital economy.

"The Malaysian government's proactive measures, including the Green Lane Pathway and the Corporate Renewable Energy

Supply Scheme (CRESS), are instrumental in shaping a resilient data centre ecosystem.

"By significantly reducing timelines for electricity supply and promoting renewable energy adoption, these initiatives enhance Malaysia's infrastructure readiness and underscore its commitment to sustainability and technological advancement," the statement said.

It also said Malaysia's leadership in renewable energy and sustainable data centres has set a precedent for responsible technological growth as the world leans into green innovation, noting that Johor has emerged as a key player, surpassing Klang Valley in information technology capacity and driving substantial land transactions for large-scale data centre developments.

"By striking a balance between regulatory frameworks, technological advancements, and strategic land acquisitions, Malaysia is well-positioned to lead the way in sustainable data centre growth across the region," the statement said. — Bernama

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