

Mosti, Miti discuss ways to address AI chip restrictions

KUALA LUMPUR: The Ministry of Science, Technology and Innovation (Mosti) is in discussions with the Ministry of Investment, Trade and Industry (Miti) and other ministries to prepare for any potential development following reports that the United States (US) is considering further export restrictions on artificial intelligence (AI) chips.

Mosti Minister Chang Lih Kang acknowledged that the potential impact could be significant for Malaysia but clarified that the reports are still unconfirmed.

"If they really implement (export restrictions), of course there will be impact not only to Malaysia but also to the entire

global community.... It will definitely impact Malaysia, especially as we are looking at growing AI in a big way. So without those AI chips, I think we will have problems.

"But as of now, everything is still hearsay. We do not know what kind of category and what countries in what categories (are affected), but of course, we've heard that 85 per cent of the countries are in Tier 2 (category), which is not the most permissive but also not the most restrictive," he told the media after launching the Teater LogTech research laboratory and TalentBridge programme at the Faculty of Computer Science & Information Technology, Universiti Malaya.

According to reports, under the new US restriction, companies can apply for blanket permission to ship chips to data centres in most parts of the world, provided that no more than a quarter of their total computing power is located outside of Tier 1 countries, and no more than seven per cent in any one Tier 2 country.

The outgoing administration of President Joe Biden is reportedly planning a new round of export controls on advanced chips used in data centres, targeting both countries and companies. Bloomberg, citing anonymous sources, first reported the potential move. - Bernama

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