



PRESS RELEASE

BELANJAWAN MADANI 2026 A 'STRATEGIC WHOLE-OF-NATION CATALYST' FOR AI NATION 2030, SAYS MDEC

CYBERJAYA, SELANGOR, 16 October 2025 — Malaysia Digital Economy Corporation (MDEC) has hailed the 'Belanjawan MADANI 2026' as a 'strategic whole-of-nation catalyst' that will accelerate Malaysia's journey to become an AI Nation by 2030.

MDEC Chief Executive Officer, Anuar Fariz Fadzil, described the budget recently announced by Prime Minister Datuk Seri Anwar Ibrahim and reinforced by Digital Minister Gobind Singh Deo, as a bold yet practical blueprint that strengthens the foundations of a secure, inclusive, and innovation-driven digital economy.

"This Budget recognises that building our digital and AI future requires a whole-of-nation effort. It aligns investment in AI, advanced technologies and talent with the needs of our industries and the rakyat," said Anuar. "MDEC's mission is to turn this national vision into tangible outcomes; building ecosystems, partnerships and talent pathways that will propel Malaysia towards AI Nation 2030."

Anuar highlighted key allocations that demonstrate this strategic coherence in building an AI Nation. These include RM53 million for the Malaysia Digital Acceleration Grant (MDAG), RM18 million for the National AI Office; RM2 billion for MCMC to establish Sovereign AI Cloud, RM30 million for Cyber Security Malaysia which will include the development of cryptographic security services and RM7 million for MIMOS to spearhead blockchain innovation and deepfake detection.

Anuar further cited that the MDAG allocation reflects strong support to the Ministry of Digital's drive to integrate NextGen Tech into Malaysia's future digital agenda, fostering a culture of innovation and technological advancement. This is crucial to accelerate the adoption and growth of emerging technologies like blockchain, AI, and quantum computing, which are shaping the next wave of digital transformation. Such strategic funding will further empower Malaysia Digital (MD) companies, particularly those in their commercialisation and expansion phases, to scale as significant regional and global players in the digital economy.

He also emphasised the critical RM5.9 billion allocation for R&D, commercialisation, and innovation (R&D&C&I) as a vital investment to stimulate high-value industries and expand Malaysia's innovation pipeline. This allocation signals a concerted effort to position Malaysia as a regional innovation hub; one that nurtures NextGen technologies, strengthens public-private collaboration, and drives the commercialisation of Made by Malaysia innovations into globally competitive solutions.

"Coupled with transformative infrastructure projects such as the RM2 billion SALAM Cable, and the RM2 billion Sovereign AI Cloud, Malaysia is not only strengthening its digital backbone, but we are shaping ourselves as a global contributor," Anuar added

Complementing initiatives that drive high-value industries is the government's focus on the orange economy. Under the MADANI Budget, the RM20 million for the local animation and digital games sector was framed as a strategic move to capture a share of the global creative economy. "The RM20 million seed fund for the animation and games sector was framed as a strategic move to capture a share of the global creative economy. "The Orange Economy alone is projected to add RM32 billion to GDP by 2030. The momentum from Level Up KL 2025, and home-grown successes like *Upin & Ipin Universe* prove that Malaysian creativity and technology can compete globally," he said.

"At the same time, we are accelerating the growth of Malaysia's AI talent. In line with this, MDEC lauded the 50% tax deduction given to SMEs for their expenditure on AI and cybersecurity trainings. We aim to inspire every Malaysian to seize new opportunities in the AI-driven economy; through upskilling, innovation, and the many initiatives made available under this Budget," Anuar stated.

Anuar reaffirmed MDEC's role as the strategic bridge between policy and practice. "Belanjawan MADANI 2026 sets the tempo for execution. MDEC will work closely with all partners — from ministries and industry leaders to local communities — to mobilise these allocations, ensuring every ringgit invested delivers measurable national impact."

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