



Microsoft announces US\$1.7 billion investment to advance Indonesia's cloud and AI ambitions

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Microsoft Chairman and CEO Satya Nadella announces a \$1.7 billion investment to advance new cloud and AI infrastructure in Indonesia during the Microsoft Build: AI Day on April 30, 2024 in Jakarta, Indonesia. Photo by Annice Lyn/Getty Images for Microsoft.

Investment includes new cloud and AI infrastructure, major AI skilling initiatives, and support for Indonesia's growing developer community

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Jakarta, April 30, 2024 – Today, Microsoft announced it will invest US\$1.7 billion over the next four years in new cloud and AI infrastructure in Indonesia, as well as AI skilling opportunities for 840,000 people, and support for the nation's growing developer community. It represents the single largest investment in Microsoft's 29-year history in the country.

Together, these initiatives will help achieve the Indonesian government's Golden Indonesia 2045 Vision, which aims to transform the nation into a global economic powerhouse.

"This new generation of AI is reshaping how people live and work everywhere, including in Indonesia," said Satya Nadella, Chairman and CEO, Microsoft. "The investments we are announcing today – spanning digital infrastructure, skilling, and support for developers – will help Indonesia thrive in this new era."

Budi Arie Setiadi, Minister of Communications and Information Technology of the Republic of Indonesia emphasized the significance of Indonesia's partnership with Microsoft in realizing the ambitious vision of Golden Indonesia 2045. "Indonesia's collaboration with Microsoft on AI perfectly aligns with our ambition for a future driven by digital innovation. I am confident this partnership will open up new horizons for Indonesia, positioning us not only as consumers of technology but as pivotal contributors to the global technological supply chain," he said.

Dharma Simorangkir, President Director of Microsoft Indonesia, said: "Our investment sets a new milestone for Indonesia's digital landscape. We aim to empower Indonesians with the infrastructure and skills needed for the AI era, aligning with our national vision for digital prowess. It's a crucial step towards making Indonesia a hub for digital talent and innovation."



(<https://news.microsoft.com/wp-content/uploads/prod/sites/43/2024/04/Satya-with-ID-President-scaled.jpeg>).

Microsoft Chairman and CEO Satya Nadella (L) meets with President of the Republic of Indonesia Joko Widodo prior to the Microsoft Build: AI Day on April 30, 2024 in Jakarta, Indonesia. Photo by Press, Media, and Information Bureau, President Secretariat.

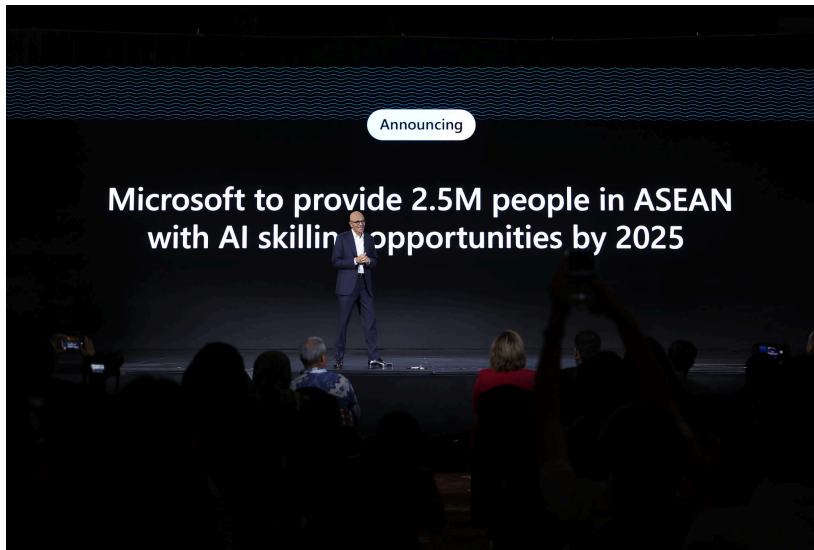
Building a strong foundation for AI transformation

The digital infrastructure investment builds on Microsoft's [Berdayakan Indonesia \(Empower Indonesia\)](https://news.microsoft.com/apac/2021/02/25/microsoft-to-establish-first-datacenter-region-in-indonesia-as-part-of-berdayakan-digital-economy-indonesia-initiative/) (<https://news.microsoft.com/apac/2021/02/25/microsoft-to-establish-first-datacenter-region-in-indonesia-as-part-of-berdayakan-digital-economy-indonesia-initiative/>), initiative, announced in February 2021, to accelerate inclusive economic growth. This included plans to establish the company's first datacenter region in the country.

The investment announced today will enable Microsoft to meet the growing demand for cloud computing services in Indonesia. It will also allow Indonesia to capitalize on the significant economic and productivity opportunities presented by the latest AI technology.

According to [research by Kearney](https://www.kearney.com/service/digital-analytics/digital/article/-/insights/racing-toward-the-future-artificial-intelligence-in-southeast-asia) (<https://www.kearney.com/service/digital-analytics/digital/article/-/insights/racing-toward-the-future-artificial-intelligence-in-southeast-asia>), AI could contribute nearly US\$1 trillion to Southeast Asia's gross domestic product (GDP) by 2030, of which Indonesia is poised to capture US\$366 billion.

Focusing on skills to unlock an AI-powered economy



(<https://news.microsoft.com/wp-content/uploads/prod/sites/43/2024/04/Satya-Skilling-scaled.jpg>).

Microsoft Chairman and CEO Satya Nadella announces a new initiative aimed at equipping 2.5 million people with AI skills by 2025 across ASEAN during the Microsoft Build: AI Day on April 30, 2024 in Jakarta, Indonesia. Photo by Annice Lyn/Getty Images for Microsoft.

Microsoft today also announced a [broader commitment](https://news.microsoft.com/apac/2024/04/30/microsoft-announces-ai-skilling-opportunities-for-2-5-million-people-in-the-asean-region-by-2025/) (<https://news.microsoft.com/apac/2024/04/30/microsoft-announces-ai-skilling-opportunities-for-2-5-million-people-in-the-asean-region-by-2025/>) to provide AI skilling opportunities for 2.5 million people in Association of Southeast Asian Nations (ASEAN) member states by 2025. This training and support will be delivered in partnership with governments, nonprofit and corporate organizations, and communities in Indonesia, Malaysia, the Philippines, Thailand, and Vietnam.

Microsoft's skilling commitment is expected to benefit 840,000 people in Indonesia by providing:

- students with technical and vocational education and training in AI skills through the [AI TEACH for Indonesia program](https://news.microsoft.com/id-id/2024/02/06/plan-indonesia-and-microsoft-launch-ai-teach-for-indonesia-program-targeting-ai-training-for-300000-vocational-school-students-in-indonesia/) (<https://news.microsoft.com/id-id/2024/02/06/plan-indonesia-and-microsoft-launch-ai-teach-for-indonesia-program-targeting-ai-training-for-300000-vocational-school-students-in-indonesia/>).

- women with opportunities and support to build careers in cybersecurity via the new Ready4AI&Security program
- young people with AI fluency training to enhance the employability and work readiness of those from underserved and underrepresented communities
- employees of nonprofit organizations with knowledge of, and skills in, AI and digital technologies.

Enabling developers to realize Indonesia's AI potential

Nadella highlighted the critical role of developers in harnessing AI to fulfill Indonesia's potential as a digital economy. Microsoft will continue to help foster the growth of the country's developer community through new initiatives such as [AI Odyssey \(https://www.microsoft.com/id-id/AIOdyssey/\)](https://www.microsoft.com/id-id/AIOdyssey/), which is expected to help 10,000 Indonesian developers become AI subject matter experts by learning new skills and earning Microsoft credentials.

Over 3.1 million developers in Indonesia use GitHub, the Microsoft-owned software development, collaboration, and innovation platform. This makes Indonesia home to the third-largest developer community on GitHub in the Asia-Pacific region, after India and China. It is projected to be one of the top five developer communities on GitHub globally by 2026.

Indonesia is also [one of the fastest-growing groups \(https://github.blog/2023-11-08-the-state-of-open-source-and-ai/\)](https://github.blog/2023-11-08-the-state-of-open-source-and-ai/) in the region, with a 31 percent year-on-year increase in the number of developers on GitHub in 2023. Furthermore, it witnessed 213 percent year-on-year growth in the number of public generative AI projects on the platform in 2023.

Many organizations in Indonesia are boosting their productivity and accelerating innovation using Microsoft's generative AI-powered solutions. These include [DANA](https://news.microsoft.com/id-id/2024/04/24/driving-ai-transformation-with-github-copilot-dana-and-microsofts-collaborative-efforts-in-ai-enhanced-financial-inclusion/) (<https://news.microsoft.com/id-id/2024/04/24/driving-ai-transformation-with-github-copilot-dana-and-microsofts-collaborative-efforts-in-ai-enhanced-financial-inclusion/>), a leading Indonesian fintech company, [PT Kereta Api Indonesia](https://news.microsoft.com/id-id/2023/12/23/kai-partners-with-microsoft-to-launch-an-ai-based-virtual-assistant-at-gambir-bandung-yogyakarta-and-surabaya-gubeng-stations/) (<https://news.microsoft.com/id-id/2023/12/23/kai-partners-with-microsoft-to-launch-an-ai-based-virtual-assistant-at-gambir-bandung-yogyakarta-and-surabaya-gubeng-stations/>), the nation's major operator of public railways, and [Telkomsel](https://customers.microsoft.com/en-us/story/1739790055278570755-telkomsel-azure-openai-service-telecommunications-en-indonesia) (<https://customers.microsoft.com/en-us/story/1739790055278570755-telkomsel-azure-openai-service-telecommunications-en-indonesia>), one of Asia's largest digital telco companies. Other notable examples include:

- **Bank Rakyat Indonesia (BRI)**, a 128-year-old bank in Indonesia, is developing four generative AI use cases in less than a year to enhance operational efficiency and service quality. They are a work instruction search engine for faster customer service, a 'content factory' for streamlining the creation of marketing material, a letter-creation tool to standardize administrative documents, and a digital chatbot called Sabrina to provide transparent financial product information to millions of Indonesians.
- **BUMA**, one of the largest reliable mining contractors in Indonesia, started using Copilot for Microsoft 365 in March 2024 to improve the productivity of its workforce. Around 100 employees across the company's departments are leveraging the tool to optimize their workflows and uncover previously underused features of Microsoft 365.
- **eFishery**, the first aqua technology startup based in Asia with a mission to combat world hunger, has launched Mas Ahya (Mr. Cultivation Expert). The solution, powered by Azure OpenAI Service, is designed to provide advice and insights to Asian aqua farmers. It caters to farmers with varying levels of experience and uses everyday language. It will also support multiple local languages, starting with Bahasa Indonesia and Javanese.
- **PT Telkom Indonesia (Persero) Tbk (Telkom)**, the nation's largest telecommunications provider in the country, has enhanced its coding efficiency since adopting GitHub Copilot in mid-2023. In its early-stage usage,

developers are already accepting 20–30 percent of the code suggested by the AI-pair programmer, which leads to increased confidence, productivity, and code quality.

- **Universitas Terbuka**, Indonesia's open and distance learning university, has created an AI Assistant with Azure OpenAI Service in 1,000 virtual classrooms across 10 subjects; empowering up to 60,000 students across provinces. By indexing the teaching materials and grading criteria provided and curated by the lecturers, AI Assistant can help online lecturers evaluate, grade, and suggest improvements to students' written answers. This real-time feedback encourages students to pay attention to their learning tasks and motivates them to participate more actively, thereby increasing student retention rates and contributing to their overall success.
- **Yayasan Mitra Netra (Mitra Netra Foundation)**, a nonprofit organization, used Azure OpenAI Service's GPT-4 to enable its Arabic Braille Converter to convert Arabic text with harakat in image format to Arabic Unicode. The app, created by a team including non-technical staff members and a programmer who is blind, converts Arabic text with Harakat to Indonesian braille and vice versa, potentially benefiting millions of people with vision impairment.

Ensuring a responsible future in the AI era

Microsoft is actively collaborating with the Indonesian government, civil society, academics, and industry peers to ensure AI serves as a force for good.

In January 2024, Microsoft [voluntarily committed](https://news.microsoft.com/id-id/2024/01/26/indonesias-ai-moment-for-southeast-asia-powering-innovation-and-accelerating-digital-economy/) (<https://news.microsoft.com/id-id/2024/01/26/indonesias-ai-moment-for-southeast-asia-powering-innovation-and-accelerating-digital-economy/>) to the implementation of AI ethical values highlighted in the Indonesian Ministry of Communication and Information Technology's Circular Letter No. 9/2023.

To learn more about Satya Nadella's visit and how Microsoft is empowering organizations in Indonesia with AI, visit news.microsoft.com/indonesia-visit-2024 (<https://news.microsoft.com/indonesia-visit-2024>).

About Microsoft

Microsoft (Nasdaq "MSFT" @microsoft) creates platforms and tools powered by AI to deliver innovative solutions that meet the evolving needs of our customers. The technology company is committed to making AI available broadly and doing so responsibly, with a mission to empower every person and every organization on the planet to achieve more.

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