

## KERATAN AKHBAR

---

TARIKH : 10 JULAI 2024

AKHBAR : BLOOMBERG

PAUTAN : <https://www.bloomberg.com/news/articles/2024-07-10/malaysia-says-near-deal-with-singapore-for-special-economic-zone?embedded-checkout=true>

### Malaysia Says Near Singapore Deal for Special Economic Zone



Johor Bahru, capital of the state of Johor in Malaysia. Photographer: Ore Huiying/Bloomberg

Malaysia said it's near a deal with Singapore to develop Southeast Asia's first cross-border special economic zone, which the countries hope will lure new investment and spur growth.

"We have gone into some final legwork," Economy Minister Rafizi Ramli, who is representing Malaysia in bilateral talks with Singapore, said at a briefing in Kuala Lumpur on Wednesday. "Both sides should be able to sign a deal" and unveil the zone in September.

The geographic makeup of the zone has almost been finalized, Johor Chief Minister Onn Hafiz Ghazi said at the briefing.

Malaysia and Singapore signed a memorandum to develop the economic zone in January this year, aiming for the free movement of goods and people between the resource-rich state of Johor and land-constrained Singapore. Rafizi said the signing will occur before a scheduled year-end leaders retreat involving Malaysia Prime Minister Anwar Ibrahim and Singapore Prime Minister Lawrence Wong.

Malaysia finalized its proposals in May, and is waiting for Singapore to come back, Rafizi said.

Both Johor and Singapore already share the world's busiest land border. Hundreds of thousands of Malaysians living in Johor travel to Singapore for work every day.

"Malaysia is putting together fiscal incentives for companies in the SEZ, to be announced in the budget speech," Rafizi said.

The briefing by Rafizi and Onn Hafiz followed an investment forum run by the Ministry of Economy and the Johor State Government. Executives from various electronics, financial, tourism and other businesses attended the gathering.

The Singapore Business Federation is due to hold a forum on the SEZ on Thursday aimed at potential investors, with Singapore's trade ministry in attendance. The city's Ministry of Trade and Industry declined to comment.

Johor's Onn Hafiz had previously proposed that the economic zone span a vast area covering 3,505 square kilometers (1,353 square miles). That would make it larger than Shenzhen, the special economic zone which borders Hong Kong. The Johor-Singapore Special Economic Zone would include 16 economic sectors, including electrical and electronics, manufacturing and healthcare.

Johor, the home state of Malaysia's outspoken King Ibrahim Iskandar, has already been attracting investments in the run-up to the economic zone. The state has received a slew of data center investments, including from Microsoft Corp. and Nvidia Corp., thanks to the global boom in artificial intelligence.

Singapore's ChemOne is also building a large energy complex in the petrochemical hub of Pengerang, which has also been proposed to be part of the zone.

The state is also expected to be a major beneficiary of a proposed high speed rail between Kuala Lumpur and Singapore, with the Malaysian government currently considering proposals from several private groups on the project.

— With assistance from Anisah Shukry, Cecilia Yap, and Shikhar Gupta