

INVEST MALAYSIA ISKANDAR 2024 CONFERENCE

# 'ECONOMIC INCENTIVES TO ATTRACT INVESTORS'

**PM: Competitive tax regime, talent development initiatives, stronger focus on bilateral ties among measures**

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**E**CONOMIC incentives, particularly in Johor's Iskandar region and Forest City, are aimed at bolstering Malaysia's attractiveness to international investors, Prime Minister Datuk Seri Anwar Ibrahim said yesterday. At the Invest Malaysia Iskandar 2024 conference, Anwar said these measures included a competitive tax regime, talent development initiatives and a stronger focus on bilateral relations, notably with Singapore.

He said continued economic collaboration within Asean was also important to ensure the country's economic growth remained resilient.

"We have outpaced expectations in gross domestic product growth for the first two quarters, and the third quarter is looking promising."

The key initiatives in Johor's Forest City include a concessionary corporate tax rate of zero to five per cent and a special individual income tax rate of 15 per cent for knowledge workers.

Forest City is the first special zone in Malaysia to offer a zero-tax rate for family offices.



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The initiative, managed by the Securities Commission, is aimed at encouraging regional and Malaysian families to handle their wealth in the country.

"These incentives are designed to make Johor a primary engine of growth for Malaysia," Anwar said.

He emphasised the need for talent development to keep pace with global technological changes, noting that Universiti Teknologi Malaysia in Johor had set up an Artificial Intelligence Faculty in just four months to meet these emerging demands.

The prime minister reiterated the government's commitment to fighting corruption and ensuring better governance, which he linked to the ease of doing business.

He said Malaysia's strategic advantage was part of a peaceful and economically vibrant Asean, with continued bilateral cooperation with Singapore, which had spurred significant real estate and talent development in Johor.

As Malaysia prepares to chair Asean next year, Anwar reaffirmed the nation's goal of becoming a leader in clean energy and sustainability, citing the progress in large-scale solar pro-

jects and net energy metering initiatives.

"These projects, in collaboration with Tenaga Nasional and Petronas, are key to Malaysia's target of achieving net-zero emissions by 2050.

"With these initiatives, we aim to position Malaysia as a hub for international capital and technological innovation."

Anwar further said Malaysia and Singapore were strategic partners with the potential for even stronger collaboration.

He downplayed issues between the two countries, calling them minor challenges typical between nations sharing borders.

"Every country has issues with its neighbours.

"The United States and Canada are a good example, as are European nations," he said.

Anwar said the long-standing bilateral relations should be preserved for the benefit of both nations.

He added that the country's economic development was well-positioned to support the growth of the Johor-Singapore Special Economic Zone (JSSEZ).

"With energy-focused projects across Malaysia, you can see Selangor and Sarawak emerging as

energy hubs.

"We are confident that the surplus will support developments like JSSEZ and boost our energy exports."

Meanwhile, Menteri Besar Datuk Onn Hafiz Ghazi said Johor's strategic advantages and strong growth momentum made the state an unbeatable investment destination.

"We are witnessing growing interest from investors, both locally and internationally.

"Johor's GDP growth outpaced the national average, expanding by 4.1 per cent year-on-year in 2023, driven primarily by our thriving services and manufacturing sectors."

He also said Johor recorded RM5.2 billion in exports in July, with strong performances in petrochemicals, electronics and non-metallic materials.

Johor's superior connectivity positioned it as a critical regional hub, he added.

"This includes Johor's links to global supply chains through Johor Port and the Port of Tanjung Pelepas, its close integration with Singapore and infrastructure upgrades like the Johor Baru-Singapore Rapid Transit System Link."