

# Defence budget tops RM5bil

## Boost needed amid regional tensions, direct deals cut costs

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**KUALA LUMPUR:** Defence expenditures have increased from RM3bil in 2020 to more than RM5bil last year to boost development and procurement efforts in light of geopolitical uncertainties, says Datuk Seri Anwar Ibrahim.

“Recently, there was an increased military presence by the Philippines and the United States in the south of the Philippines, close to Sabah.

“I contacted Philippine President Ferdinand Romualdez Marcos Jr and according to him, it was due to China’s offensive.

“This is definitely concerning and pushes us to improve our preparedness in Pulau Banggi and Sabah to defend ourselves,” Anwar said during Prime Minister Question Time in the Dewan Rakyat.

He was responding to a question by Ahmad Fadhli Shaari (PN-Pasir Mas) who asked about



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Malaysia’s defence readiness amid global and regional geopolitical uncertainties.

Anwar also said that government-to-government negotiations are conducted for defence procurement in various scenarios, which have demonstrated greater effectiveness, transparency and cost savings.

He said the method allows for direct negotiations between the government and the producing country without the involvement of third parties, thereby avoiding delays and cost wastage due to

high commission payments to agents.

“We immediately reduce costs when we negotiate directly with governments, as we eliminate the excessively high agent fees.

“That’s why we’ve completed the procurement process now; in the past, orders would always stall,” he stated.

To a supplementary question by Ahmad Fadhli on the proposed purchase of Black Hawk helicopters or F/A-18 fighter jets, Anwar said any decision on the procurement of air defence assets would

be made by the Air Force’s technical committee.

“The committee will be fully responsible for determining its readiness; if it cannot be justified, we will not sign.

“This is clearly our policy,” Anwar said.

Meanwhile, the Prime Minister has reassured the Indian community that they have not been sidelined, with various forms of assistance channelled beyond allocations under the Malaysian Indian Transformation Unit (Mitra).

Citing examples, he said the government had implemented a list of initiatives in 2022, including RM500mil allocated to the community under the Sumbangan Tunai Rahmah (STR) programme.

Three years later, the allocation for STR to the community rose to nearly RM1bil, amounting to RM972mil in 2025, he said in response to S. Kesavan (PH-Sungai Siput), who asked about the government’s focus on uplifting the socio-economic development of the Indian community.