



## **MALAYSIA AND SINGAPORE STRENGTHENS ECONOMIC CONNECTIVITY WITH JOHOR-SINGAPORE SPECIAL ECONOMIC ZONE**

1. Malaysia and Singapore signed a Memorandum of Understanding (MOU) today in Johor Bahru, to work on a Johor-Singapore Special Economic Zone (JS-SEZ) to strengthen economic connectivity between Johor and Singapore. The MOU was signed by Malaysia's Minister of Economy (MOE), Mohd Rafizi Ramli and Singapore's Minister for Trade and Industry (MTI), Gan Kim Yong and witnessed by Malaysia Prime Minister, YAB Dato' Seri Anwar Ibrahim and Singapore Prime Minister, Lee Hsien Loong.
2. The signing of the MOU, which comes just two months after the 10<sup>th</sup> Singapore-Malaysia Leaders' Retreat in October 2023, reaffirms the long-standing ties and joint commitment by both countries to strengthen economic cooperation. Both sides also agreed to work towards a full-fledged Agreement on the JS-SEZ and provide an update at the 11<sup>th</sup> Malaysia-Singapore Leaders' Retreat.
3. Under the MOU, Malaysia and Singapore will work towards enhancing cross-border flows of goods and people as well as strengthen the business ecosystem within JS-SEZ to support investments. The JS-SEZ rides on the strong growth of Johor and significant investments in the region by Singapore. Johor recorded RM70.6 billion worth of investments in 2022 alone, across various sectors including electrical and electronics, medical equipment, food manufacturing and data centres.<sup>1</sup> Singapore was Johor's second-largest foreign investor from January to June 2022, and contributed to around 70 per cent of Johor's total foreign direct investment in the manufacturing sector.<sup>2</sup>
4. Apart from the Agreement, Malaysia and Singapore will also explore work on several initiatives that will build towards the JS-SEZ. These include:
  - (I) A one-stop business/investment service centre in Johor to facilitate the application processes for various approvals and licenses necessary for Singapore businesses to set-up in Johor;
  - (II) adoption / implementation of a passport-free QR code clearance system on both sides, to facilitate more expeditious clearance of people at land checkpoints;
  - (III) adoption of digitised processes for cargo clearance at the land checkpoints;
  - (IV) co-organising an investors forum to gather feedback from Singapore and Malaysia businesses on the JS-SEZ;
  - (V) facilitating Malaysia-Singapore renewable energy cooperation in JS-SEZ;
  - (VI) curating training and work-based learning initiatives to address talent and skills gaps for relevant industries in JS-SEZ; and

<sup>1</sup> Source: MIDA, 22 June 2023

<sup>2</sup> Source: MIDA, 20 December 2022



- (VII) developing joint promotion events between Johor and Singapore to promote trade and investment into JS-SEZ.

These early initiatives demonstrate the collaborative spirit between both sides and mutual interest in the JS-SEZ to drive economic growth.

5. Minister Rafizi said, “The JS-SEZ presents an unprecedented opportunity to enhance the cross-border flow of goods and people, bolster the business ecosystem, and elevate the economic attractiveness of both Johor and Singapore. I have full confidence that this initiative will herald the commencement of a transformative chapter in our bilateral economic relations, fostering unparalleled connectivity and prosperity for both our great nations.”

6. Minister Gan said, “The JS-SEZ underscores what Singapore and Malaysia can achieve when our governments and business communities work closely together. It will serve as a bridge for both sides to tap on each other’s complementary strengths and seize opportunities to grow together. I look forward to the JS-SEZ Agreement and the benefits for our businesses and people.”

7. Malaysia and Singapore are each other’s second largest trading partners, with bilateral trade growing 18.9% year-on-year to S\$153 billion in 2022. Singapore was also Malaysia’s top source of foreign direct investment (FDI), contributing 20.5% to Malaysia’s total FDI in 2022.<sup>3</sup>

**Ministry of Economy, Malaysia**  
**Ministry of Trade and Industry, Singapore**

**11 JANUARY 2024**

...

---

<sup>3</sup> Source: DOS



***For media enquiries, please contact:***

Muhammad Najib bin Abu Bakar  
Director  
Corporate Communications Unit  
Ministry of Economy  
E-mail: [najib.bakar@ekonomi.gov.my](mailto:najib.bakar@ekonomi.gov.my)

Chelsa Cher  
Senior Assistant Director  
Communications and Engagement Division  
Ministry of Trade and Industry  
E-mail: [Chelsa\\_CHER@mti.gov.sg](mailto:Chelsa_CHER@mti.gov.sg)

Naadiah Badib  
Assistant Director  
Communications and Engagement Division  
Ministry of Trade and Industry  
E-mail: [Naadiah\\_BADIB@mti.gov.sg](mailto:Naadiah_BADIB@mti.gov.sg)