Singapore-Malaysia

15 October 2025

Johor-Singapore Special Economic Zone gets another official boost

- The second Johor-Singapore Special Economic Zone Joint Investment Forum took place in Singapore on 14 October 2025.
- The Malaysian authorities took the opportunity to announce additional measures to enhance the ease of doing business while the Singapore authorities doubled down on their commitment to the JS-SEZ.
- We continue to see the JS-SEZ as an opportunity to bolster intra-regional growth as external headwinds build into 2026.

Selena Ling
Head of Research and Strategy
lingssselena@ocbc.com

Lavanya Venkateswaran
Senior ASEAN economist
+65 6530 6875
lavanyavenkateswaran@ocbc.com

The second Johor-Singapore Special Economic Zone Joint Investment Forum took place in Singapore on 14 October 2025. The forum served as a platform for officials, firms and interested parties to discuss opportunities and challenges associated with the JS-SEZ.

The starting point was strong, with officials from Singapore and Malaysia noting building investment momentum into the JS-SEZ. Deputy Prime Minister Gan Kim Yong noted that Singapore-based companies had committed SGD5.5bn of investments into Johor, since the MoU was signed in January 2024. The Singapore authorities have established a joint JS-SEZ project office that comprises of the Ministry of Trade and Industry, the Economic Development Board and Enterprise Singapore.

Additional announcements to bolster the flow of investments into JS-SEZ

The Minister of Investment, Trade and Industry of Malaysia Tengku Zafrul Aziz announced additional measures to improve the ease of doing business and support financing for companies looking to invest in the JS-SEZ. Specifically, he announced that manufacturing licenses for non-sensitive industries will be granted a license within seven working days, further to which a no-objection certificate will be issued by the Johor government within seven working days. He also introduced a multiple-entry visa, valid for 12 months, for investors. The Malaysia Investment Development Authority (MIDA) can also proactively offer investor passes to those looking at high value-add sectors. There were also measures announced for additional financing support for firms looking to invest in JS-SEZ.

The Chief Minister of Johor, Onn Hafiz Ghazi, noted that investments into the Johor state had touched MYR56bn, the bulk of which was directed to JS-SEZ. He added that Johor is on track on attracting MYR100bn in investments for 2025, which would be the highest on record. He noted that the JS-SEZ blueprint is expected to be ready by 1Q26.

Additional announcements from the Malaysian authorities to bolster investments into JS-SEZ	
Ease of doing business	Fast tracking manufacturing approvals: manufacturing licenses for non-sensitive industries will be granted license within 7 working days further to which a no-objection certificate will be provided from the Johor government within 7 working days. The process can be as short as 14 working days.
Improving cross-border flow of goods and professionals	Malaysia is introducing a multiple-entry visa, valid for up to 12 months, through the Xpats Gateway platform.
	The Malaysia Investment Development Authority (MIDA) can proactively offer the investor pass directly to multinational and investors in high-value sectors
Strengthening skills and talent development	MYR650mn for the Skills Development Fund Corporation
Financing	An additional MYR200mn is allocated to the Strategic Co-Investment Fund under the New Industrial Master Plan 2030. The matching ratio is 1:1 from 1:2 and the interest rate could go as low as 0.5%
Source: MITI; MIDA: EDB; OCBC.	

The discussions in the forum centred around Singapore companies that have subscribed to the twinning model and have operations in Johor and Singapore[1] and some of the opportunities and challenges of doing business in a cross-border initiative.

Some key highlights:

1) **Why Johor?** EDB noted that there are three archetypes of companies looking to invest in Johor – first, companies that are already based in Singapore and tapping on another location for growth; second, companies new to Southeast Asia looking at exploring the region given its favourable dynamics; and third, companies with regional distribution needs. Interest in the JS-SEZ has spanned companies across various sectors including food processing, medical technology and data centers.

2) **Focus on talent development:** The highlight to us is the emphasis being given to labour and talent development. The Johor Chief Minister noted that the Johor Talent Development Council is working on three focus groups – the leadership in Johor, institutions, and the youth. The Johor

[1] The official release from MTI states Kuehne+ Nagel, ResMed, Alpine Renewables & Edible Oils, Archisen, Olam Food Ingredients (ofi) and Sin Chew Woodpaq as some examples.

authorities are tapping existing MoUs with Singapore's higher learning institutes but also tapping expertise across universities in the US and UK to enhance curriculum. MIDA noted that it works with companies strategically to address labour market needs, particularly for high-tech industries in aerospace or medical devices.

3) **Queen-bee model?** There was some discussion on the JS-SEZ being geared towards bigger players, i.e. the queen bees, which can in turn develop the right supply chain and promote the development of SMEs, which are important to both the economies of Singapore and Malaysia. While registering for the IMFC-J, companies need to declare the players in their supply chain allowing for SMEs to also become a part of the process.

4) **Impact from US tariffs**: The direct impact on company business plans from US tariffs seems minimal so far based on panelist feedback. Companies are proceeding with plans that are currently being executed; however, it is not clear if any new plans will be undertaken. There is, however, a building discussion within companies about optimizing their product mix and corresponding destination to reduce the impact from tariffs when exporting to the US.

Overall, the authorities continue to progress the agenda of the JS-SEZ. The progress so far in 2025 has been encouraging, with some movement on key agenda items such as last mile connectivity[2] being addressed. As such, we continue to see the JS-SEZ as an opportunity to bolster intra-regional growth as external headwinds build into 2026.

[2] To enhance last mile connectivity the government will build an elevated Autonomous Rapid Transit (e-ART) system in JB. It is expected to feature 32 stations and cost MYR7bn. Contracts are expected to be awarded from end-2025.

Macro Research

Selena Ling
Head of Research & Strategy
lingssselena@ocbc.com

Tommy Xie Dongming
Head of Asia Macro Research
xied@ocbc.com

Keung Ching (Cindy)
Hong Kong & Macau Economist
cindyckeung@ocbc.com

Herbert Wong
Hong Kong & Taiwan Economist
herberthtwong@ocbc.com

Lavanya Venkateswaran
Senior ASEAN Economist
lavanyavenkateswaran@ocbc.com

Ahmad A Enver
ASEAN Economist
ahmad.enver@ocbc.com

Jonathan Ng
ASEAN Economist
jonathanng4@ocbc.com

Ong Shu Yi
ESG Analyst
shuyiong1@ocbc.com

FX/Rates Strategy

Frances Cheung, CFA
Head of FX & Rates Strategy
francescheung@ocbc.com

Christopher Wong
FX Strategist
christopherwong@ocbc.com

Credit Research

Andrew Wong
Head of Credit Research
wongvkam@ocbc.com

Ezien Hoo, CFA
Credit Research Analyst
ezienhoo@ocbc.com

Wong Hong Wei, CFA
Credit Research Analyst
wonghongwei@ocbc.com

Chin Meng Tee, CFA
Credit Research Analyst
mengteechin@ocbc.com