



## JOHOR - SINGAPORE SPECIAL ECONOMIC ZONE (JS-SEZ)



**THE JOHOR - SINGAPORE  
SPECIAL ECONOMIC ZONE  
(JS-SEZ)**

**2025**

**2024**

**JANUARY**

JS-SEZ MoU Signing



**JULY**

JS-SEZ Investment  
Forum



**7<sup>th</sup> JANUARY**

Exchange of JS-SEZ  
Agreement

**JULY**

Announcement on JS-SEZ  
Taskforce

**APRIL**

Workshop with Working  
Groups

**Q3 & Q4**

Drafting of the JS-SEZ  
agreement Workshop  
between Working Groups from  
Malaysia and Singapore  
Finalisation of JS-SEZ  
Definitive Agreement

**2023**

  
**IMFC-J**  
Officially Launch

**18<sup>th</sup> FEBRUARY**



JANUARY 2025



## ‘GREATER TOGETHER TWO ECONOMIES, ONE ECOSYSTEM’

### OBJECTIVE

**Broaden and Deepen Economic integration**  
in Johor-Singapore Special Economic Zone

- Each zone has its **own targeted economic activity**.
- These zones are strategically designed to **foster innovation** and **cater to high-growth sectors**.
- The tailored zones ensure that **infrastructure and investments remain competitive and attractive** to businesses.



Area: **3,588 km<sup>2</sup>**  
Local Authorities: **6**

**9**

#### Nine flagship areas of JS-SEZ

- |                               |   |
|-------------------------------|---|
| A Johor Bahru Waterfront      | F Kulai - Sedenak                               |
| B Iskandar Puteri             | G Desaru - Penawar                              |
| C Tanjung Pelepas             | H Pengerang Integrated Petroleum Complex (PIPC) |
| D Tanjung Langsat - Kong Kong | I Forest City Special Financial Zone            |
| E Senai - Skudai              |   |

# FOCUSED AREAS OF COLLABORATION

**ECONOMIC  
CO-OPERATION**

1



**MOVEMENT OF  
PEOPLE & GOODS**

2



**TALENT  
DEVELOPMENT**

3



**EASE OF DOING  
BUSINESS**

4

**FACILITATION**



# ECONOMIC CO-OPERATION

- Promote & facilitate Investments in the 11 economic sectors
- Support development of innovative ideas and technologies
- Facilitate effective infrastructure and utilities development
- Support cross border data flow

**ECONOMIC CO-OPERATION**

1



# JS SEZ: SPECIAL TAX INCENTIVE PACKAGE



Effective from 1 January 2025

**Special Corporate Tax Rate**

New Companies undertaking new investment in qualifying manufacturing and services activities will benefit from special tax rate of 5% for up to 15 years.

**100% Investment Tax Allowance**

Existing Companies undertaking expansion with new business segment / products in qualifying manufacturing and services activities will benefit from 100% ITA on qualified capital investment

**Flagship Development Focus**

Additional tailor-made incentives are allocated to businesses operating in certain flagship areas in JS-SEZ.

**Special Tax Rate for Knowledge Workers**

Special tax rate of 15% for 10 years for eligible knowledge workers working in JS-SEZ.

## CRITERIA



**JS-SEZ FKW & Returning Expert**

- Malaysian/Non-Malaysian citizen
- Not generating employment income in Malaysia 24-months prior
- Salary abroad/in Malaysia >RM20,000 per month

# The New Incentive Framework (NIF)

**The NIF will be implemented on a phased basis**, as announced by the MITI on **29 January 2026**, commencing with the **manufacturing sector effective 1 March 2026**, followed by the **services sector in the second quarter of 2026**. All incentive applications for the manufacturing sector received by MIDA from 1 March 2026 onwards will be evaluated under the NIF. Manufacturing companies with existing approvals will not be affected, and their incentives will continue under the approved terms and conditions.

## Transitioning into NIF



|                                     |   |                              |   |
|-------------------------------------|---|------------------------------|---|
| <b>Existing Incentive Landscape</b> | <ul style="list-style-type: none"> <li>Promotion of Investment Act 1986 (PIA 1986)</li> <li>Income Tax Act 1967</li> </ul>                            | <b>Legislation</b>           | <ul style="list-style-type: none"> <li>Income Tax Act 1967</li> </ul>   |
|                                     | <ul style="list-style-type: none"> <li>Pioneer Status / Exemption of Income</li> <li>Investment Tax Allowance</li> </ul>                              | <b>Type of Incentive</b>     | <ul style="list-style-type: none"> <li>Special Tax Rate</li> <li>Investment Tax Allowance</li> </ul>  |
|                                     | <ul style="list-style-type: none"> <li>Specified rate of incentive contingent on the list of promoted products or approved activities</li> </ul>      | <b>Quantum of Incentive</b>  | <ul style="list-style-type: none"> <li>Tiering incentive contingent on the level of commitment i.e.: complying to minimum or/and additional conditions</li> </ul> |
|                                     | <ul style="list-style-type: none"> <li>List of promoted products/ activities</li> <li>Other qualifying activities approved by the Minister</li> </ul> | <b>Qualifying Activities</b> | <ul style="list-style-type: none"> <li>Focus sectors and selected services activities</li> <li>Pre-qualifier for certain activities</li> </ul>                    |
|                                     | <ul style="list-style-type: none"> <li>Cost-Benefit Analysis</li> </ul>   | <b>Assessment Tool</b>       | <ul style="list-style-type: none"> <li>NIA Scorecard</li> </ul>   |

**New Incentive Landscape**

## KEY FEATURES OF THE INCENTIVES

The tax incentive under the NIF offers two primary tax incentives, which are mutually exclusive. Applicants are required to select one of the following incentives for their qualifying project:

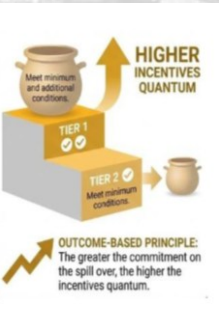
### Special Tax Rate (STR)

- A **reduced corporate income tax rate** on a company's taxable income for a specified period.
- Accumulated losses incurred during the Special Tax Rate period can be carried forward for **seven (7) consecutive years** and be deducted from the company's post-incentive income
- Incentive subject to **yearly condition fulfilment**
- No clawback provision**, providing certainty to the company

### Investment Tax Allowance (ITA)

- A **capital expenditure-based incentive** that allows a company to offset a percentage of its qualifying capital expenditure (QCE) **against its statutory income**. This allowance is granted on QCE incurred within a specified period.
- Any unutilised allowance can be carried forward to subsequent years until **fully utilised**.

|                          |  |
|--------------------------|--|
| <b>Initial Claim</b>     | Half of Tier 2 within 3 years subject fulfill minimum conditions |
| <b>Remaining balance</b> | Subject fulfill minimum and additional conditions                |



# MOVEMENT OF PEOPLE & GOODS

- Increase clearance capacity, reduce border crossing time
- Implement automated immigration lanes,
- Implementing paperless clearance for goods

**MOVEMENT OF  
PEOPLE &  
GOODS**

**2**



**Cross Border  
QR Code Clearance**



|                   |   |
|-------------------|---|
| <b>4km</b>        | Length  |
| <b>2 Stations</b> | Bukit Chagar (Msia) & Woodlands North (Spore) |
| <b>10,000</b>     | Passengers per direction (p/hr)               |
| <b>40,000</b>     | Ridership per day                             |
| <b>6 mins</b>     | Journey time per Station                      |
| <b>3.6 mins</b>   | Frequency during peak hour                    |

Wadi Hana Depot

Kim Teng Park

Immigration, Custom and Quarantine (ICQ) Complex

Bangunan Sultan Iskandar (CIQ)

Johor Bahru Sentral

Menara Komtar

City Square

MALAYSIA

SINGAPORE

RTS Link Woodlands North Station

Straits of Johor

# RAPID TRANSIT SYSTEM LINK

BETWEEN JOHOR BAHRU AND SINGAPORE

Connecting

KTM Intercity | ETS

Bus Rapid Transit Interchange

Thomson-East Coast Line



Architectural Impression of the RTS Link Bukit Chagar Station

# | TALENT DEVELOPMENT




## JOHOR TALENT DEVELOPMENT COUNCIL

*Address skill gaps, foster **upskilling opportunities**, and **prepare the workforce** for JSSEZ*

**TALENT DEVELOPMENT**

3



**Strengthen the ecosystem** for technical and vocational education and training (TVET)



To increase **direct career placement** schemes and industrial training



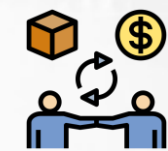
**Expanding partnerships** with industries and higher education



**Realign all educational and training courses** to meet industry demands




Provide **opportunities for high-skilled careers**





Ensure **Supply and Demand** for Talent are in line.

# JTDC – JOHOR TALENT DEVELOPMENT COUNCIL

**11** GOVERNMENT DEPARTMENT  
**21** AGENCIES

**7** INSTITUTE OF STUDIES  
**125** TVET CENTER

**FINANCING**

## Active Collaboration with MY & SG Industry Players



SBF Business Mission to JB



Visit to RP Singapore



JTDC & Republic Polytechnic MoU signing



JTDC Skills Forged for Industry





## INVEST MALAYSIA FACILITATION CENTER - JOHOR

To ensure a **seamless end-to-end investment facilitation** process from advisory, application, and approval to aftercare investment experience for investors.

**EASE OF DOING BUSINESS**

**4**



- 1 Investment Advisory Services
- 2 Talent Advisory Services (JTDC)
- 3 Land Matters
- 4 Malaysia Automatic Clearance System (MACS)
- 5 Incentives Support Package (ISP)
- 6 Development Matters
- 7 Expatriate Employment Pass

# IMFC-J COLLECTIVE STRENGTHS

The strength of IMFC-J lies in our collaboration with numerous Federal and State agencies as well as various Municipal Councils

## FEDERAL MINISTRIES

## STATE AGENCIES



## Simplified Investors' Experience In Setting Up A Manufacturing Plant

- Step 1 Preliminary Study
- Step 2 Application & Approval
- Step 3 Project Setup
- Step 4 Construction
- Step 5 Commencement

Reducing business processing time from **24 months** to **14 months**

\*This list of partners is non exhaustive

**COMPETITIVE COST ADVANTAGE**



**DESIGNATED FLAGSHIP ZONES.**



**STRONG GOVERNMENT SUPPORT FROM BOTH NATIONS**



**STRATEGIC LOCATION AND STRONG CONNECTIVITY**



**ATTRACTIVE POLICIES & INCENTIVES**



# WHY JS-SEZ ?

# THANK YOU FOR YOUR ATTENTION



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