

**RI – WEEKLY NEWS** 

WEEK 26 | 21 – 27 June 2025

### **ECONOMY**

### Malaysia's FDI Inflows Jump 33.4% to RM51.5 Billion in 2024

*The Edge – 25 June 2025* 

In 2024, Malaysia recorded a net foreign direct investment (FDI) inflow of RM51.5 billion, up from RM38.6 billion in 2023, according to the Department of Statistics Malaysia (DOSM). Foreign companies in Malaysia earned a total income of RM99.8 billion, driven primarily by equity and investment fund income (RM95.9 billion) and interest income (RM3.9 billion).

## Employers, Foreign Workers to Start 2% EPF Contribution Each from October 2025 The Edge – 25 June 2025

Starting from October 2025, the Employees Provident Fund (EPF) will require mandatory 2% monthly contributions from both employers and their non-Malaysian workers (excluding domestic helpers) with valid passports and work permits. Previously, EPF contributions for non-Malaysians were optional.

#### **GOVERNMENT**

## **Kuala Lumpur's New 15-Year Plan Sets Building Size and Height Limits**The Edge – 24 June 2025

Kuala Lumpur has unveiled its new 15-year development plan, the Kuala Lumpur Local Plan 2040 (PTKL 2040). A key feature is a new plot ratio incentive, allowing developers to build more floor space if specific criteria are met. This incentive is for redevelopment, affordable housing, land lot amalgamation and transit-oriented development. The plan also imposes size and height limits to protect the cityscape and low-rise areas, with plot ratios capped at 1:10 in the city centre commercial areas and 1:8 in key commercial, commerce and mixed-use zones.

## **Prime Minister Launches Kota Madani Smart City Project in Putrajaya**The Edge – 26 June 2025

On 26 June 2025, Prime Minister Datuk Seri Anwar Ibrahim launched the RM4 billion Kota Madani project in Precinct 19, a smart city initiative by Putrajaya Holdings via a public-private partnership under the build, lease, maintain and transfer (BLMT) model. The development will feature 10,000 high-density homes, vertical schools and public amenities, integrating artificial intelligence (AI), smart infrastructure and green mobility.

### **LEGAL**

## Semantan Estate to Immediately Appeal to Federal Court Following Duta Land Loss

The Edge – 24 June 2025

Semantan Estate (1952) Sdn Bhd, currently under voluntary liquidation, has announced plans to appeal to the Federal Court after the Court of Appeal ruled in favour of the Federal Government over ownership of the 'Duta enclave' land. However, the appeal court upheld the illegality of the original 1956 land acquisition and ordered both parties to submit a land valuation report to the High Court within 90 days, based on 1956 market prices with 6% annual interest.

# **Court Rules Housing Minister Had Right to Extend I-City Handover Deadline**The Edge – 23 June 2025

The Court of Appeal ruled that the Housing and Local Government Minister lawfully granted an extension of time (EOT) for I-City developers to hand over vacant possession, extending the period from 42 to 48 months. Overturning a previous High Court decision, the court held that the Minister acted within the powers of Regulation 12 of the Housing Development (Control and Licensing) Regulations 1989, and in the interest of homebuyers, citing special circumstances to prevent project abandonment.

#### **INFRASTRUCTURE**

## Sabah's Pan Borneo Highway Package 20 Lagging at Just 1.6% Completion

The Edge – 24 June 2025

Physical progress on Package 20 of the Pan Borneo Highway in Sabah is only at 1.6%, nearly eight months after the Letter of Acceptance was issued. Deputy Chief Minister III Datuk Shahelmey Yahya attributed the delay to ongoing land and property assessments.

### ECRL Extension to Thai Border Still Under Review

*The Edge – 24 June 2025* 

Malaysia Rail Link Sdn Bhd (MRL) is still considering extending the East Coast Rail Link (ECRL) from Kota Bharu in Kelantan to Sungai Golok in Thailand. This comes as Malaysia and Thailand plan to revive the old Keretapi Tanah Melayu Bhd (KTMB) rail line between Pasir Mas and Sungai Golok, reconnecting to Bangkok.

## **Agreement on Construction of ECRL's Last Railroad Stretch to be Finalised by July 2025**The Edge – 23 June 2025

Malaysia Rail Link Sdn Bhd (MRL) is expected to finalise an agreement by July 2025 with the East Coast Rail Link (ECRL) contractor for the rail connection from Jalan Kastam, Port Klang to Westports and Northport. This final stretch will link industries in the east coast of Peninsular Malaysia to Malaysia's largest container port.

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