



Malaysian-German Chamber
of Commerce and Industry
Deutsch-Malaysische
Industrie- und Handelskammer



Good Morning Craig,

In a landmark achievement, Malaysia has recorded a historic high in approved investments for 2024, reaching RM378.5 billion, with Germany proudly ranked as the second-highest trading partner after the US.

As Malaysia sets its sights on breaking the RM3 trillion trade volume target for 2025, the momentum for business growth remains strong.

In other news, Penang's semiconductor sector is being urged to adopt a diversified approach to mitigate risks, especially with the potential threat of tariffs from the US. The government's green energy initiatives for data centres also highlight the country's commitment to sustainability, further opening doors for innovation and collaboration.

Lastly, with higher dividends anticipated from the Employees Provident Fund (EPF), there is positive economic optimism for the year ahead.

Thank you for reading MGCC's Pressespiegel!

We hope you enjoy our selection of stories this week.

National



Malaysia's 2024 total approved investment at historic high of RM378.5 billion

Malaysia recorded a record-breaking RM378.5 billion in total investments in 2024, a 14.9% increase from the previous year, according to the Malaysian Investment Development Authority (MIDA). Domestic investments reached RM208.1 billion, showing strong confidence in the local economy, while foreign direct investment (FDI) declined by 9.5% to RM170.4 billion. The US remained Malaysia's top investor, followed by Germany and China. The information and communication sector attracted the largest share of investments, amounting to RM136 billion. Selangor, Wilayah Persekutuan, and Johor were the top states for investment. The government is committed to enhancing Malaysia's investment climate through pro-business policies and innovation.

Source: [Business Today](#)



Higher EPF dividend expected, says minister

The Employees Provident Fund (EPF) has shown strong performance for the third quarter of 2024, with RM57.5 billion in investment income, surpassing the previous year. Finance Minister II Amir Hamzah Azizan indicated that based on this positive trend, contributors can expect higher dividend payouts for 2024 compared to 2023. In 2023, EPF declared a dividend of 5.50% for conventional savings and 5.40% for



Jalan Petaling signboard stays, no plans to remove Chinese characters, says DBKL

Kuala Lumpur City Hall (DBKL) has refuted claims that there were plans to remove the Chinese characters from the "Jalan Petaling" signboard, stating that the current signage complies with official guidelines and policies. DBKL emphasised that no changes are

shariah savings. The 2024 dividend is expected to exceed 6%, with an announcement expected in early March.

Source: [Free Malaysia Today](#)

planned and that all decisions regarding signboards are made in accordance with the Federal Territory Advertisement By-Laws 1982, considering heritage, culture, and community needs. This comes after concerns were raised by MCA president Wee Ka Siong about preserving the Chinese signage in Petaling Street, which holds cultural and historical significance.

Source: [The Star](#)



Kedah MB Sanusi acquitted of sedition charges

Kedah Menteri Besar, Muhammad Sanusi Md Nor, was acquitted and discharged by the High Court on 24 February, regarding a sedition case linked to remarks made about the 16th Yang di-Pertuan Agong during a political speech in July 2023. The prosecution decided not to proceed with the case, leading to the acquittal. Sanusi had previously pleaded not guilty to charges of sedition under the Sedition Act, which carried penalties of a fine or imprisonment.

Source: [The Star](#)



Malaysia's new US envoy will be a ready-made ambassador, says foreign minister

Malaysia's Foreign Minister, Mohamad Hasan, announced that the new Malaysian ambassador to the US will be a career diplomat or a "ready-made" ambassador with experience in international relations. The candidate has already been identified and is awaiting approval from the US before the official appointment process can proceed. The new ambassador will be able to start their role immediately without needing an adaptation period. This follows the completion of Mohamed Nazri Abdul Aziz's two-year term as ambassador, who was a political appointee.

Source: [Malay Mail](#)

Economy



Tengku Zafrul: Malaysia aiming to break RM3 trillion trade volume in 2025

The Ministry of Investment, Trade, and Industry (MITI) aims for a 5% increase in total trade for 2025, building on the RM2.879 trillion recorded in 2024. Minister Tengku Zafrul Abdul Aziz acknowledged that potential tariffs or new trade measures could impact Malaysia's trade forecast, which remains flexible in response to global economic factors. He also highlighted progress in the EU free trade agreement, noting that palm oil concerns are resolved, and emphasised the importance of a comprehensive deal covering digital and green sectors. Additionally, MITI reported RM64.8 billion in approved digital investments by Q3 2024, with data centres accounting for 69% of this amount.

Source: [Malay Mail](#)



MEF: Firms must step up to help Malaysia fight rapid talent flight

The Malaysian Employers Federation (MEF) urged companies to offer more competitive salaries and benefits to address Malaysia's brain drain, which has reached 5.5% in 2024. MEF president Syed Hussain Syed Husman cited factors like wage gaps and poor



Adopt multi-pronged strategy against Trump's potential tariffs, Penang chip firms told

An economist, Goh Lim Thye, has recommended that Penang-based semiconductor firms adopt a multi-pronged strategy to mitigate risks and ensure long-term growth amidst uncertainty over US trade policies. He

workplace cultures driving skilled professionals abroad, especially in sectors like AI and renewable energy. He called for greater collaboration between the government, employers, and workers, and proposed expanding programmes like the Returning Expert Programme (REP) to encourage Malaysians abroad to return and contribute to the local economy.

Source: [Malay Mail](#)

suggested diversifying exports to high-growth markets like the EU, ASEAN, and India, especially with opportunities presented by the European Chips Act. Goh also emphasised strengthening Penang's position as a key destination for the "China Plus One" strategy and investing in local supply chains. Additionally, experts urged the Penang government to focus on maintaining a business-friendly environment and provide guidance to SMEs on managing trade risks and tariffs.

Source: [Free Malaysia Today](#)

Industry



Capital A to publish internal targets to improve transparency

Capital A Berhad, the parent company of AirAsia, announced it will start publishing internal business targets alongside quarterly results to provide investors with a clearer financial outlook. The company, previously classified as financially distressed (PN17), is working to exit this status and is in the process of selling its AirAsia aviation business to AirAsia X Bhd. Capital A aims to rebuild investor confidence with more transparent financial disclosures. The company also reported significant progress in the sale of AirAsia X, expecting all approvals by the end of February.

Source: [The Vibes](#)



Tesla faces boycott in Malaysia after Elon Musk backs Trump's Gaza plan

Tesla is facing growing calls for boycotts in Malaysia due to CEO Elon Musk's support for Donald Trump, whose recent comments about Gaza sparked controversy. A media analysis revealed that 85% of public sentiment was negative, with criticisms focusing on Tesla being overtaken by competitors, its high pricing, and its association with political issues. Some defended Tesla's innovation, while others questioned its affordability for Malaysian consumers. Additionally, 20% of comments urged a boycott due to Musk's political ties with Trump.

Source: [Marketing Interactive](#)



Govt unveils green energy plans for data centre expansion

As of December 2024, Malaysia has 18 operational data centres with a combined electricity demand of at least 800 MW, a figure expected to rise significantly by 2035. To ensure energy efficiency, the government has implemented the Power Usage Effectiveness (PUE) standard for new data centres seeking investment incentives and introduced Data Centre Planning Guidelines to streamline approval processes. The government is also working to increase the share of renewable energy in the country's electricity mix, with plans to reach 31% by 2025, 40% by 2035, and 70% by 2050. Additionally, the Corporate Renewable Energy Supply Scheme (CRESS) enables data centres to directly source renewable energy, helping to manage energy costs while supporting the energy transition.

Source: [Business Today](#)

ESG



Water supply may not meet increasing demand

Experts have warned that Malaysia's water treatment infrastructure may struggle to meet growing demands due to increased domestic, industrial, and agricultural needs, along with rapid urbanisation. Dr. Marfiah Ab Wahid, an environmental management expert, highlighted that Malaysia's population is expected to reach 40 million by 2040, necessitating investments in modernising water treatment plants, improving distribution systems, and promoting water conservation. With one of the highest per capita water consumptions in Southeast Asia, Malaysia's water demand is projected to double by 2050, further stressing the need for effective solutions.

Source: [The Sun](#)



Good to know

Tucked away near Chinatown, Kong Wooi Fong (KWF) Tea, established in 1928, is one of the city's oldest and most charming tea shops, still run by the Liew family after nearly a century. As you drive along Jalan Sultan, keep an eye out for the quaint shop with its traditional wooden signage, where the aroma of roasted tea leaves fills the air. Inside, shelves are brimming with an array of teas from China, Sri Lanka, India, Indonesia, and even Argentina. The shop is not just a business for 67-year-old Liew Choon Kong—it's his second home. He's the fourth generation of the Liew family to oversee KWF, taking over in the 1980s. The shop's rich history dates back to his great-grandfather, Liew Da Zhi, who arrived in Malaya from China and started small by peddling groceries on foot. After a stroke of good luck and smart business decisions, Da Zhi rented the same shop space in 1928 that KWF still calls home today. With its century of history and an ongoing commitment to preserving tradition, KWF Tea is a delightful glimpse into the past, steeped in the Liew family's legacy.

(Source and pic: Free Malaysia Today)

Nachrichtenhäppchen

[Deutsche Welle](#): German election results explained in graphics

The New York Times: What Germany's election result means for its economy

Tatler Asia: What does Trump's tariff war mean for Malaysia?

Free Malaysia Today: Political dynasties breed nepotism and cause stagnation

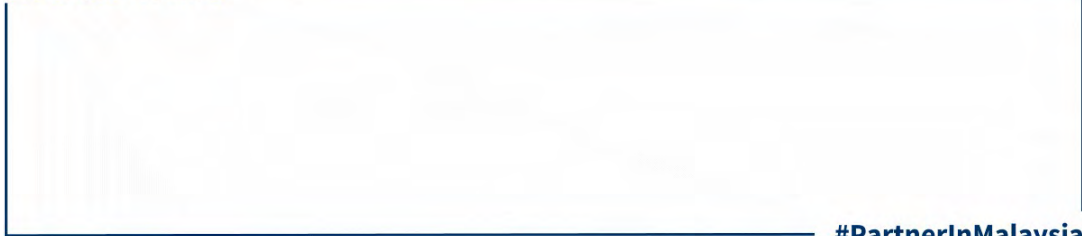
The Star: Lim Kit Siang: A visionary ahead of the times

Free Malaysia Today: Malaysia's e-waste policy: a case of short-sightedness

Channel News Asia: Anwar's PKR leadership race won't be a race at all - and that's the point (Commentary)

The Straits Times: Mainland Chinese escaping stress set up home in Malaysia via MM2H scheme

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