

ICAEW: Budget 2025 crucial for strengthening Malaysia's global competitiveness

KUALA LUMPUR: Budget 2025 presents an opportunity for Malaysia to implement crucial reforms to strengthen its global competitiveness, according to the Institute of Chartered Accountants in England and Wales (ICAEW).

ICAEW said by simplifying business operations, improving regulatory frameworks, and investing in digital infrastructure and sustainability, Malaysia could attract foreign investment, create jobs and drive innovation.

"As the country navigates an increasingly interconnected world, now is the time for decisive action to secure Malaysia's future as a thriving, competitive economy," the institute said in a statement.

Member of ICAEW, Elliot Chaw, highlighted the launch of the Forest City Special Financial Zone as one of the standout initiatives, introducing Malaysia's first family office framework outside Labuan.

"This initiative aims to attract high-net-worth individuals through a well-structured legal and tax framework, fostering confidence and reinvestment in the national economy.

"Such a framework could serve as a sandbox for innovative financial solutions, encouraging families to manage their wealth while contributing to Malaysia's economic growth," said Chaw, who is also associate director of corporate tax advisory at

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KPMG Malaysia.

Meanwhile, Kevin Foo, partner at KPMG and past chairman of the ICAEW Members' Society Malaysian Chapter, emphasised the need for Malaysia to refine its business environment to maintain its appeal to multinational corporations.

Both Foo and Chaw agreed that inconsistencies in regulations and practices across states could deter foreign investment, particularly in large-scale developments.

They suggested that streamlining licensing, environmental approvals, and land-use permits into a single digital platform would reduce delays, improve the investment climate, boost investor confidence and attract long-term commitments from local and foreign investors.

— Bernama