SINERGI: Journal of Strategic Studies & International Affairs **3, no. 2, December 2023: 46-66**
10.17576/sinergi.0302.2023.04
eISSN: 2948-4322, ISSN: 2805-4520

CHINA'S FOREIGN DIRECT INVESTMENT (FDI) IN MALAYSIA: IMPACT ON MALAYSIA'S SUSTAINABLE DEVELOPMENT GOALS (SDGs) ©Σ

NORHIDAYAT ZAINAL* AND ANDREW KAM JIA YI†

ABSTRACT

Since its initiation, Malaysia has engaged in many BRI-related infrastructure and connectivity projects. These projects, which are mainly Foreign Direct Investments (FDI) from China, have mixed impacts on the three key dimensions enshrined in the UN Sustainable Development Goals (SDGs) - economy, society, and the environment. As FDI from China continues to be an important source of Malaysian economic growth, its contribution to the country's SDG goals warrants further attention. The study examines China's FDI impact on Malaysia's SDG performance and finds that its presence positively influences index scores and global ranking performance. The impact on human capital is encouraging as moderate knowledge transfers and competition enhance workers' skills. As for the environment, the impact is both positive and negative - gains from China's investment in green technology but losses in environmental degradation. While the effect on political security and national security is generally positive, the social impact of China's FDI cannot be determined due to data limitations. The study concludes that Malaysia should continue to engage with China to harness its positive impact toward achieving its SDGs.

Keywords: Foreign direct investment (FDI), sustainable development goals (SDGs), Malaysia, China.

Σ **Article Info**: Submission date: 7 May 2023; Acceptance date: 9 June 2023; Publication Date: 31 December 2023.

* **First Author**: Norhidayat Zainal is a Military Advisor, Deputy Defence Minister, Ministry of Defence, Jalan Padang Tembak, 50634 Kuala Lumpur. Email: norhidayat.zainal@mod.gov.my.

† **Second Author and Corresponding Author:** Andrew Kam Jia Yi is a Senior Fellow at the Institute of Malaysian and International Studies, National University of Malaysia, 43600 Bangi, Selangor, Malaysia. Email: andrew@ukm.edu.my

PELABURAN LANGSUNG ASING (FDI) CHINA DI MALAYSIA: KESAN TERHADAP MATLAMAT PEMBANGUNAN MAMPAN (SDG) MALAYSIA

NORHIDAYAT ZAINAL DAN ANDREW KAM JIA YI

ABSTRAK

Malaysia telah terlibat dalam pelbagai projek pembangunan infrastruktur dan projek ketersambungan di bawah Inisiatif Jalur dan Laluan (BRI). Projek-projek mega ini, yang kebanyakannya melibatkan Pelaburan Langsung Asing (FDI) dari China, mempunyai kesan-kesan yang berbeza ke atas pembangunan mampan ekonomi, masyarakat dan alam sekitar negara - tiga dimensi utama yang dimaktub dalam Matlamat Pembangunan Mampan (SDGs) Perubuhan Bangsa-bangsa Bersatu (PBB). Memandangkan FDI dari China terus menjadi sumber penting dalam pertumbuhan ekonomi Malaysia, sumbangannya kepada pencapaian SDG negara memerlukan perhatian lanjut. Kajian itu meneliti kesan FDI China terhadap prestasi SDG Malaysia dan mendapati kehadiran FDI China mempengaruhi prestasi SDG secara positif dari segi skor indeks dan kedudukan global. Kesan kepada modal insan adalah positif kerana pemindahan pengetahuan dan persaingan yang sederhana dalam usaha meningkatkan kemahiran pekerja. Dalam aspek alam sekitar, terdapat kelebihan dalam pembangunan infrastruktur melalui pelaburan China dalam teknologi hijau, manakala terdapat juga kekurangan kerana kesannya kepada kemerosotan kualiti alam sekitar. Walau pun kesan ke atas keselamatan politik dan keselamatan negara secara amnya positif, kesan sosial daripada FDI China tidak dapat ditentukan kerana keterbatasan data. Kajian merumuskan bahawa Malaysia harus terus terlibat dengan FDI China untuk memanfaatkan impak positif ke arah mencapai objektif SDGnya.

Kata Kunci: *Pelaburan langsung asing (FDI), matlamat pembangunan mampan (SDG), Malaysia, China.*

Introduction

The historical and geographical underpinnings of Malaysia's relationship with China date back to the 15th century, when the Ming Dynasty and the Malaccan Sultanate officially recognised each other. In the contemporary era, academics commonly describe modern relations between Malaysia and China as a "special relationship." Since they normalised diplomatic ties in 1974, bilateral relations have blossomed and achieved numerous milestones, especially in the socio-economic realm, marked by the exponential growth in bilateral trade and investments (Meng *et al.* 2023). Despite their ideological and political differences during the Cold War, bilateral relations improved upon reconciliation in 1974. It later became mutually beneficial and strategic - with the two nations pursuing close cooperation on geopolitical and economic fronts. Along with its neighbours, the relationship was further strengthened through the formation of ASEAN+3 in 1997. A stronger relationship ensued, with Malaysia signing multiple agreements for comprehensive bilateral cooperation with China since 1999.

With China gaining access to the WTO in 2002, trade and investments between Malaysia and China boomed. Regional integration into the Chinese production and trade network intensified under the 2003 ASEAN-China Free Trade Agreement (ACFTA), and the Malaysia-China bilateral ties were upgraded to a 'Comprehensive Strategic Partnership' during Chinese President Xi Jinping's official visit to Malaysia in 2014 - which covers cooperations in multiple areas of economics, science, and technology. Malaysia's economic growth in the past four decades has been fueled by significant Foreign Direct Investment (FDI) activities. According to the MIDA 2020 report, Malaysia's FDI accounted for almost 40 percent of nominal gross fixed capital formation, with China as the leading investor in Malaysia's FDI since 2016. It was further fuelled by the introduction of the BRI, which further empowered the country's economic development through multiple infrastructure FDI projects such as The East Coast Rail Link (ECRL), the Gemas-Johor Baru Double-Tracking Rail, Melaka Gateway, and the Malaysia-China Kuantan Industrial Park (MCKIP) are the three most critical Chinese megaprojects in Malaysia (Bing 2021).

Efforts to harness economic benefits from the relationship with China are in tandem with Malaysia's aspiration to graduate from middle-income nation status and to move into the high-income category. While this development goal was initially envisioned in the country's Vision 2020 legacy (later revised under the National Transformation 2050 aspirations), it was broadened with the inclusion (or infusion) of sustainability goals. This is based on the conjecture that achieving a targeted growth level is meaningless unless efforts to sustain it are available. This notion of sustainable development has been ingrained in Malaysia's development policy since the 1970s with the introduction of the New Economic Policy (NEP) to eradicate poverty and provide incentives to improve and create a more balanced society. In 2009, the Malaysian government renewed its commitment to sustainable development with the New Economic Model (NEM), emphasising achieving high income, inclusivity, and sustainability. Malaysia, together with 192 world leaders, later forged their sustainability commitments by adopting the 2030 Agenda for Sustainable Development at the United Nations General Assembly (UNGA) in New York in 2015.

The goals and targets are to spur action in critical areas for development over the next fifteen years. They include setting up the national agenda and milestones for SDGs implementation and preparing to report to the UN High-Level Political Forum. Formulate SDGs Road Map, monitor the progress of targets, identify issues, and report to the

National SDGs Council. Similar to SDGs, its 11th Malaysian Plan (MP) also encompasses economic, social, and environmental objectives. The SDGs have started to be implemented in Malaysia through its National Road Map (NRP) in three phases, namely, Phase 1 (from 2016 to 2020), by prioritising the SDGs according to the 11MP. Phase 2 (2021 to 2025) concentrates on the post-2020 goals and targets, while Phase 3 (2026 to 2030) addresses the remaining objectives and targets to align with Malaysia's capacity and global role. Thus far, Malaysia has completed SDGs for Phase 1 (2016 to 2020) with positive achievement and maintained its performance with a clear direction.

Since the attainment of SDG goals also coincided with the time when Chinese FDI activities were highly intensive in the country, herein lies the key research question of the study: *Did the Chinese FDIs also contribute to Malaysia's SDG achievements?* This is anchored in the 2014 World Investment Report (UNCTAD 2014) study, which suggests FDI enhances the socio-economic growth and prosperity of the state through the positive impact of investment. Adopting 17 SDGs and 169 targets with more than 200 indicators requires many resources - which can be gained from the benefits of FDI. For Malaysia to move beyond SDG Phase 1, FDIs (more specifically, in this study, FDI from China) may fill the resource gaps needed to achieve the UN 2030 Agenda. While Malaysia has always pursued an FDI-driven strategy, the link between FDI and economic development has always been ambiguous, meaning the impacts are either positive, negative, or both. Even fewer studies connect China's FDI to SDGs' performances in Malaysia.

The study highlights concerns about the impact of China's FDI that may also spill over to other (non-economic) areas, such as national- and geopolitical- and human-security issues. Some security discourses include investments in strategic industries, over-reliance on China, loss in policymaking space, and environmental and social impact. Section 1 of the paper gives the introduction. Section 2 clarifies the background of China-Malaysia relationship. Some discussions on SDGs are also outlined. Section 3 explains the methodology, and Section 4 describes the findings on the impact of China's FDI on Malaysia's SDGs performance, and at the same time, forms the overall nexus of Malaysia's economy-security-SDG. Section 5 concludes.

Literature Review

This study focuses on the links between China's FDI and SDG performance from the economic and security perspectives. Literature examines the Malaysia-China relationship, the nexus between FDI and economic growth, and finally, FDI and security issues.

The Relationship Between Malaysia and China

Bilateral relations between Malaysia and China date back to the Sultan of Malacca and the Ming Dynasty's recognition of each other in the 15th century. Centuries later, after the end of the Cold War, Malaysia-China relations were more focused on the economic sector following Dr Mahathir's pragmatic foreign policy (Md Akhir *et al.* 2018). Malaysia was the first ASEAN member to establish diplomatic relations with China in 1974 and also one of the most involved 'ASEAN members to engage China in the post-Cold War era (Kuik 2016). Malaysia-China signed bilateral joint documents in 1974 (establishing diplomatic relations). Later, in 1999, Malaysia signed a significant agreement for comprehensive bilateral cooperation with China, followed by agreements in 2004, 2005, 2009, and 2014. The bilateral ties were upgraded to a 'Comprehensive Strategic Partnership' during Chinese President Xi Jinping's official visit to Malaysia in

2014 (Bing 2015), covering exchanges between people, politics, economics, science, and technology.

Chinese outbound investment increased significantly from 2010 to 2020, coinciding with China's 'Go Out' strategy and the acceleration of the BRI, which sparked Chinese investors' interest in mainly Malaysia's manufacturing. Malaysia's strong acceptance of China's economic influence may be traced to the neorealism school of thought. Neorealism highlights the importance of the balance of power in shaping international relations. In the case of Malaysia and China, Malaysia is a small regional power, while China is a major global power. Neorealism suggests that Malaysia will be concerned about the power disparity and will aim to maintain a favourable balance of power to ensure its security and sovereignty. More importantly, the relationship is driven mainly by economic factors.

Impact of FDI on SDGs

According to Kim *et al.* (2010), Trade Openness (TO) has played a critical role in shaping Malaysia's stages of economic development over many years by acting as a growth driver. TO is a trait that attracts foreign direct investments (FDI) due to the nature of most MNCs in the country being export-intensive. Suehrer (2021) further argue that SDG-related investment portfolios have become appealing for investors looking to balance their focus from solely profit-orientation towards a more sustainably stabilised approach. FDI has an impact on economic Growth (SDG 8) whereby through the introduction of capital, technology, and managerial know-how, FDI can support economic expansion. SDG 8 is concerned with encouraging sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all. This can result in the creation of jobs, increased productivity, and expanded industries as validated in studies by Izadi and Madirimov (2023). The FDI growth nexus has been explored in numerous studies. (Tabassum and Ahmed *et al*. 2014) state that FDI contributed enormously to economics by generating higher exports, replacing bank loans, and integrating into foreign markets and currencies, especially in developing countries. FDI can be formed by establishing new businesses, collaborating with foreign companies, or acquiring the host country's foreign properties. This indicates that SDG can be achieved over FDI to stimulate economic expansion and future economic well-being (Omri and Mabrouk 2020).

Past studies also show support that China's FDI helps boost the economy through technology transfer and increase exports in some countries. Chinese BRI investments are mainly in the infrastructure sector, which falls under *Infrastructure Development (SDG 9)*; FDI frequently entails financial investments in infrastructure initiatives related to electricity, telecommunications, and transportation. These investments can contribute to raising the standard and accessibility of infrastructure, which is consistent with SDG 9's goal of creating resilient infrastructure and supporting inclusive and sustainable industrialisation. Chinese FDI in Malaysia also supports *technology transfer* and i*nnovation (SDGs 9 and 17)*. Tham *et al.* (2018) argue that, like other FDIs, Chinese investment in Malaysian manufacturing can spur economic growth by creating jobs and transferring knowledge. FDI can help host nations innovate and adopt cutting-edge technologies, which can progress their sectors and hasten the development of new ones. This is in line with SDG 9's emphasis on supporting sustainable industry and encouraging innovation. SDG 17 emphasises the need for partnerships and collaboration between foreign investors and local stakeholders for the goals, which can help achieve the target.

FDI and National Security issues

Hanauer and Morris (2014) discuss the mixed reactions Chinese investors receive in various African countries. They state, "the lack of transparency or independent scrutiny of many Chinese-funded projects a corollary of Beijing's no-strings-attached, non-interference policy makes such initiatives particularly ripe for personal enrichment." By competing with African merchants, Chinese small businesses actively harm them. Similarly, while 92 percent of Cameroonians polled in 2007 thought China aided their country's overall economy, 70 percent were "disturbed" by the "influx of Chinese workers and merchants." The local reaction to the influx of Chinese business is mixed. Herein, FDI affects SDGs through *Dependency and Volatility (SDG 10)*. Countries that rely heavily on FDI may be more susceptible to external economic shocks and shifts in investor attitude, which can impact their financial stability. This relates to SDG 10's emphasis on reducing inter-country inequality and fostering nations' resilience.

Herzer *et al.* (2008) challenged the widely held belief that FDI positively impacts economic growth and, thus, the SDGs. Herzer identified FDI's impact on security, evidently from Africa, especially the debt trap. He found no effect of FDI on economic growth in many nations after analysing data from 28 countries, aside from the effect on human security and ecosystem disruption. Despite research on the aggregate impact of FDI on a host country's economic growth, few studies have looked at FDI at the sector level. Chakraborty and Nunnenkamp (2008) conducted an influential study that examined the impact of FDI on economic growth at the aggregate and sectoral levels for India's time series data. However, the latter is critical in fostering the performance of medium and high-tech industries and improving long-run growth (Wang *et al.* 2021) to pursue national interest and survivability.

According to Baskurt *et al.* (2022), FDI has driven host countries' industrial activities to grow by restructuring the internal industrial sector and transferring technology. According to Masri (2021), Multinational Corporations (MNC) or foreign companies are usually more technologically advanced than local establishments when investing in the host country. This may lead to an increase in *inequality (SDGs 1 and 10)*. The effects of FDI on inequality can be complex, and if the advantages are not dispersed fairly, it may also worsen income and wealth inequities even though innovation can generate jobs and economic possibilities. This concerns SDG 1, which pls to eradicate poverty, and SDG 10, which aims to lessen inequality within and between nations. The domestic industrial structure may change or undergo restructuring to compete with MNCs.

A rise in economic activities may also lead to harmful environmental consequences, particularly increased emissions and the gradual accumulation of Greenhouse Gases (GHG) (Kam and Devadason 2023). A surge in economic activities (including production from FDIs) leads to an increase in GHG accumulation, which is a primary cause of global warming, climate change, and other environmental degradation factors. Lax environmental rules, ineffective enforcement, or unsustainable resource extraction may occasionally cause some FDIs to contribute to environmental degradation. This might run counter to SDG 13's call for swift action to tackle climate change and its effects.

FDI can be an essential instrument for both economic development and political-economic progress. For example, multinationals and MNCs make a country its 'stopover' to assert or gain political influence. Bilateral investments between countries or joint

ventures can be seen as a tool that permeates political security issues. The effects of Chinese FDI in Malaysia on Malaysian national security are imminent, as closer relations with China may resolve the overlapping claims in the South China Sea (CSC). Growing China's assertive outlook in the SCS has created maritime security issues in the region, and Malaysia stands firm in resolving them through friendly consultation and negotiations. It is evident through Malaysia's stands in the 'West Capella' standoff on Malaysia's Borneo coast, the outer edge of Malaysia's 200-nautical mile exclusive economic zone (EEZ). Malaysia's FDI laws and bilateral investment treaties (BITs) have been established to protect foreign investors. However, neither legislation include specific provisions for protecting sovereignty, national interests, and security (Yeon *et al.* 2020).

The economic literature has extensively discussed the relationship between FDI and economic growth. This study attempts to identify how Chinese FDI affects Malaysia's SDG performance. Currently, there are no studies yet to examine the effects of China's FDI towards Malaysia's SDG for Phase 1 from 2016 to 2020. Thus, this study attempts to bridge this knowledge gap.

Methodology and Scope of Study

The data were collected mainly from primary and secondary sources. Interviews with important individuals, including leaders of organisations, senior researchers, scholars, and related diplomatic personnel—including subject matter experts and key personnel from the Economic Planning Unit (EPU), the Prime Minister's Department, the Department of Statistics Malaysia, and the Malaysian Investment Development Authority (MIDA)—were used to gather primary data. The secondary data source from the Department of Statistics Malaysia from 2018 to 2020 were utilized to analyse the impact of China's FDI on Malaysia's economy and security issues. To confirm the conclusions drawn from the secondary data, a total of three important individuals were interviewed. Every individual was chosen according to their exposure to SDG issues.

Since the objective is to examine the impact of China's FDI on Malaysia's SDGs from economic and security perspectives, it identifies the SDGs that China's FDI impacts. This mapping exercise is broken down into three themes, as indicated in Table 1: Society (People - SDGs 1, 2, 3, 4,5), Economy (Prosperity - SDGs 7, 8, 9, 10, 11, 11), and the environment (Planet - SDGs 6, 12, 13, 14, 15, 15). However, the SDGs impacting the themes at times may be cross-cutting and may not be a standalone goal. Likewise, only SDGs and targets relevant to this research were selected. For example, while examining China's FDI on 'People', there may be other SDGs beyond 1 to 4 that China's FDI impacts but only SDGs and targets pertinent to this research were examined. At the end of every theme, a summary of SDGs affected by China's FDI will be shown in a table. On national security, only the impact of political, military, and societal security will be examined. While some may not be a direct impact, other cases may come across as cross-impact.

Table 1: SDGs, Target, and Key Indicators by 5 Focus Areas Interact with the Economy

SDG	Target	Key Indicators
SDG 1	1.1	Eradicate extreme poverty
No Poverty	1.2	Reduce poverty by at least 50 percent

SDG 2 Zero Hunger	2.4	Sustainable food production and resilient agricultural practices
SDG 3 Good Health and Well-Being	3.3	Fight communicable diseases
SDG 4	4.4	Increase the number of people with relevant skills for financial success
SDG 5	Gender equality - Not relevant	
SDG 6	Clean water and sanitation - Not relevant	
SDG 7 Affordable and Clean Energy	7.a	Promote access to research, technology and investments in clean energy.
SDG 8 Decent Work and Economic Growth	8.1 8.3 8.4 8.6	Sustainable economic growth Promote policies to support job creation and growing enterprises Resource efficiency improvements Promote youth employment, education and training
SDG 9 Industry, Innovation and Infrastructure	9.2 9.b	Promote inclusive and sustainable industrialisation. Support domestic technology development and industrial diversification.
SDG 10	10.1	Reduced income inequalities
SDG 11	Sustainable Cities and Communities – Not relevant	
SDG 12 Responsible Consumption and Production	12.2	Sustainable management and use of natural resources
SDG 13	Climate Action - Not relevant	
SDG 14	Life Below Water - Not relevant	
SDG 15 Life on Land	15.2 15.a	End deforestation and restore degraded forests Increase financial resources to conserve and sustainably use ecosystem and biodiversity.
SDG 16	Peace, Justice and Strong Institutions - Not relevant	
SDG 17	Partnerships for the Goals - Not relevant	

Source: Compiled by the Authors from various UN websites.

The final mapping will show the economic-security nexus between China's FDI and Malaysia's SDG performances.

Key Findings of China's FDI on Malaysia's SDGs Performance

The Economic Impact

FDI potentially enhances international cooperation. Suppose MNCs and host countries have a purposeful relationship. In that case, it can help to facilitate access to clean energy research and technology, including renewable energy through technology, and promote investment in energy infrastructure and clean energy technology. SDG target 7.a is a goal that enables access to research, technology, and investments in clean energy. China's FDI has played a role in the Malaysian economy by investing in clean energy sources together with Small and Medium Enterprises (SMEs), such as Solar projects in Kuala Ketil, Kedah, Power Plants in Melaka, Negeri Sembilan, Selangor, and Bakun, Hydro Projects to encourage green-tech and preserve the environment. Hence, the economic impact here is cross-cutting SDG 7.a and SDG 8.

Various studies have shown the positive impact of Chinese FDI on local businesses, creating sustainable economic growth and increasing GDP (SDG target 8.1). SDG target 8.1 aims to promote economic growth and decent work for all. Economic growth occurs when more workers have access to jobs and are more productive. Long-term growth necessitates that economies transform in a way that promotes high-productivity work (SDGs target 8.1 and target 8.3). Transitioning from low-productivity to high-productivity sectors accounted for more than two-thirds of total productivity growth in low-income economies (Diao *et al.* 2019).

According to MIDA (2022), Malaysia welcomes investment from China, which includes an exceptionally high technology, knowledge, and capital intensive, with a specialty in automated machines and robotics; aerospace and aeronautical; biopharma and medical devices and new energy vehicles (NEV). Proton New Energy Technology Sdn. Bhd. (Pro-Net) and Geely plan to manufacture and sell their own-brand NEVs in 2 years. Meanwhile, Proton is the authorised dealer for NEV SMART in Malaysia (Zainuddin August 19, 2022). In 2018, HSR High-tech was suspended due to political reasons (*MyHSR Corp* 2019). However, according to 9th Malaysian Prime Minister Datuk Seri Ismail Sabri Yaakob (*The Star* August 22, 2022), the HSR project can be revived soon. According to the Chinese Ambassador, Quyang Yujing (2022), China-Malaysia cooperation in the digital economy with several joint projects and programmes are being implemented, such as 5G in implementing Industry 4.0 technology. The cloud data centre, e-commerce free trade zone, and artificial intelligence industrial park. China's BRI is expected to lead Chinese tech heavyweights to invest in Malaysian companies with a stake in e-commerce (*MIDA* 2022). The Xiamen University Malaysia Campus, in collaboration with technology giant Huawei, is currently developing an Information and Communications Tech-enabled campus to promote the transfer of the latest and best technologies to local students (Yeoh *et al.* 2018).

It addresses youth unemployment and upskilling problems discussed in the UN's SDGs Target 8.4 and 8.6. Some evidence shows that youth unemployment in a country produces broader socio-political impacts, increasing the prevalence of social unrest and crime (Cheng and Mohamad January 10, 2020). FDI provides employees with human capital regarding wealth and savings, leading to substantial economic and social gains. This aligned with SDG target 8.4, promotes youth employment, education, and training policies that will eventually reduce unemployment. Youth with high-skill labour promote inclusive and sustainable industrialisation as stated in SDG target 8.6. The more employment is created, the more GDP will increase. Creating wage jobs for the people is critical to help reduce poverty and income inequality in the country.

FDI has assisted Malaysians in starting their careers and supported skills enhancement through formal or technical training to enable them to become more responsive to the demands of the job market and provide better integration opportunities into productive employment (SDG target 4.4). Highly trained and skilled workers are required, especially in the manufacturing and service sectors. For example, the selection of University Malaysia Pahang (UMP) as a Tester Training Module Training Centre in the Industrial Skills Training Program (PLKI ECRL) provides an opportunity for UMP to contribute to the construction of the ECRL, which is a high-profile project through the cooperation of Malaysia Rail Link Private Limited (MRL), and China Communications Construction Company (M) Private Limited (CCCC) (*UMP* May 7, 2021).

According to Higher Education Minister Datuk Seri Dr Noraini Ahmad (*The Star* August 22, 2022), "Malaysia is looking forward to ongoing collaboration between government agencies and industry players with the Chinese government to improve

Technical and Vocational Education and Training (TVET) in both countries." Malaysian TVET institutions are already collaborating with Chinese partners such as Proton-Geely, Huawei, the Alibaba Group, and ZTE. Additionally, adjusting international best practices on TVET for the local labour force through fostering close collaboration between local and international institutions, e.g., Malaysia and China through BRI projects, will reduce youth unemployment. The unemployment rate is shown in Figure 3.1. Despite the labour demand being affected by COVID-19, the unemployment rate is below 10 percent for the aged 15 to 24.

Infrastructure Development

The Chinese influence in Malaysia has materialised primarily through investments in new mega construction-based projects (see Gomez *et al.* 2020; Md Khalid and Azman 2021). Located in almost every state, these large-scale infrastructure projects include everything from bridges to entire cities, totalling over MYR 242 billion in investment (Todd and Slattery October 4, 2018). This shows that Chinese infrastructure investment supports SDG 9 because it has built resilient and sustainable infrastructure. This project also connects different regions; hence, it impacts SDG 10 and ensures that development in various corridors in Malaysia is much more equitable. Since ECRL connects the east coast of Malaysia to the west coast through the centre of Malaysia, the goods can now be easily transferred via land between the two coasts, saving cost and time and stimulating the economy of both corridors. It can also be connected through the land to other Asia countries such as China, Thailand, Vietnam, Myanmar, Pakistan, India, Bangladesh, and Europe. Increased Malaysian trade will further help Malaysia achieve SGD 8.1 (Sustainable Economic Growth).

With connectivity investments like ECRI, FDI from China is seen as a means to promote inclusive and sustainable industrialisation for different regions in Malaysia. This is seen as a critical source of growth, economic diversification, and value addition. These commitments are related to SDG targets 9.2 and 10.1. The benefits from Chinese FDI may contribute to national GDP and, in return, help to reallocate resources to public investments such as the building of digital infrastructure to enhance internet access (SDG target 9.2) and finance projects that have the goal of building roads, schools (SDG 4), and businesses for the local community (SDG target 8.6). As Chinese FDI has continued to invest in innovation and new technologies, it may foster domestic technology development, research, and innovation in Malaysia by ensuring a conducive policy environment and industrial diversification. Assessing sustainable FDI for Economic impact is shown in Table 2.

Table 2: Summary of Economic Impact

SDG	Key Indicator	Target	Impact	Remark
7	Promote access to research, technology, and investments in clean energy	7.a	Clean energy technology	Solar and Hydro Projects
8	Sustainable economic growth	8.1	Increase GDP	Investment
8	Promote policies to support job creation and growing enterprises	8.3	Decent job creation. Creativity and Innovation	Job Creation from Investment
8	Resource efficiency improvements	8.4	Modern Mining Equipment	Environmental Management

8	Promote youth employment, education and training	8.6	Reduce Unemployed	Skill Labour
9	Promote inclusive and sustainable industrialisation	9.2	Job Creation Increase GDP	Manufacturing Sector
9	Support domestic technology development and industrial diversification	9.b	Highly Trained and Skilled Labours	Hi-Tech Industry
10	Sustain income growth for lower incomes	10.1	Diversify economies	Help reduce income inequality

Source: Compiled by the Authors from various UN websites.

Environmental Economic Impact

Forest City is a USD100 billion property developed by a China-linked company in Iskandar, Malaysia, Johor. The project was pitched under the BRI initiative in 2006. According to IRDA (2022), it is developed to be a smart city through a Green-focused Agenda, whereby a green and sustainable environment is one of the main agendas. Malaysia has to collaborate with Chinese investors to promote the conservation and sustainable use of terrestrial and other ecosystems for the long run to maintain the momentum of SDG performance for the next phase. The effort includes protecting, restoring, and promoting sustainable use of terrestrial ecosystems, combating desertification, and halting biodiversity loss by attracting FDI to build a low-carbon and environmentally sustainable economy (Renewable energy technology and green technology) to achieve SDGs targets 15.1 and 15.2.

Economic activities like FDI and global trade are essential for economic growth, which is the main goal that has to be achieved. However, rapid economic growth, accompanied by excessive levels of such activities, industrialisation, and higher population, results not only in increased levels of energy consumption by ongoing economic activities (Wang *et al.* 2021). It also has negative environmental consequences, particularly increased emissions and the gradual accumulation of Greenhouse Gases (GHG) in the atmosphere (Ahmad *et al.* 2022). GHG accumulation is one of the primary causes of global warming, climate change, and other environmental degradation factors. Therefore, it became a concern when China invested in the steel plant in Bintulu, Sarawak. Steel mainly requires coal for energy, and increased emissions are caused by coal combustion. Steel plants emit air pollutants such as particulate matter (PM2.5 and PM10), carbon dioxide, sulphur oxides, nitrogen oxides, carbon monoxide, etc. (Munsi *et al.* 2021). All these factors have profound implications for the whole ecosystem and may roll back the development progress. Because of this, ensuring FDI is focused on the right sectors is essential to achieving SDG 15 of protecting life on land. Peter Elwin, director of fixed income and head of textiles and land use programmes at financial think tank Planet Tracker, emphasises that FDI will be essential to achieving SDGs, including SDG 15. It will require not just FDI in agribusiness and forestry but an entire transformation of the global food system.

Industrialisation has become more prominent in the last few decades, which increases energy demand. Because this demand is typically met by non-renewable fossil fuels, which contribute to GHG accumulation, managing the trade-off between economic growth and environmental degradation becomes more difficult by the day (Baskurt *et al.* 2022). Economic growth typically results in industrialisation, which adds value to

extracted resources and increases agricultural output, thereby increasing natural resource consumption. As a result, natural resource regeneration is outpaced, resulting in ecological deficits in more countries (Sarkodie and Strezov 2019). Malaysia faces the major global challenges of continuing economic development while preserving the environment simultaneously. Significant steps must be taken to prevent an environmental catastrophe while ensuring global sustainable development to reach Malaysia's SDGs for the 2030 Agenda. Achieving sustainable development requires staying under the world's average bio-capacity, which is the capability of natural resources to renew (*Global Footprint Network*).

China's FDI also promotes the use of low-carbon energy. According to the Chinese Ambassador to Malaysia, Ouyang Yujing (2022), the concept of win-win cooperation and green development is the Belt and Road Initiative (BRI). According to Edra Energy Sdn Bhd, the strategic alliance between Malaysia and China, a photovoltaic solar farm in Kuala Ketil, Kedah, under Edra Solar, has been established. The land size of 40 acres surrounding the solar farm facilitates the development of fruit farming by the local community at zero cost. This community partnership is in line with SDG 8, which aims to sustain per capita economic growth and achieve higher levels of economic productivity, as well as to promote development-oriented policies that encourage productive activities, decent job creation, entrepreneurship, creativity, and innovation, and to decouple economic growth from environmental degradation (Munsif *et al.* 2021). Other prestige projects are the Edra Melaka Power Plant (EMPP) and Sultan Iskandar Power Station, which promote sustainable energy for the environment.

Another example is sustainable management and use of natural resources in the mining industry to minimise the effect on the ecosystem by implementing a Material footprint using Modern Mining Equipment provided by Chinese investors focusing on Silk Road Cooperation, 'Striving for Green Mining development.' Sustainable mineral development depends on decoupling economic growth from resource use. The material footprint indicator accounts for environmental pressure related to a country's final demand through ecological management. It measures material use across global supply-chain networks linking production and consumption. For this reason, it has been used as an indicator for two SDGs, namely SDG target 8.4, resource efficiency improvements, and SDG target 12.2, sustainable management of natural resources, such as ore mining in Pengkalan Hulu, Perak, by using 'Green Mining Technology' from China (Md Khalid and Azman 2021). This is aligned with the 'Green Technology Master Plan Malaysia 2017 to 2030,' which outlines the strategic plans for green technology development to create a low-carbon and resource-efficient economy. No reporting facility that provides global, detailed, and timely information on countries' material footprints exists. Assessing sustainable FDI for Environmental impact is shown in Table 3.

Table 3: Summary of Environmental Impact Interaction with the Economy

SDG	Key Indicator	Target	Impact	Remark
12	Sustainable management and use of natural resources	12.2	Material footprint. Green Mining Tech	Mining Industry
15	End deforestation and restore degraded forests	15.2	Increase afforestation and restoration	Forest City
15	Increase financial resources to conserve and sustainably use	15.a	Maintain ecosystem and biodiversity	Forest City

	ecosystem and biodiversity			

Source: Compiled by the Authors from various UN websites.

Political-Security and Political Economy Impact

The impacts of political security have been discussed in the previous chapter under the effect of China's FDI on the economic factor that contributes to the growth of a country. Political security goes beyond conflicts and weapons, corresponds with SDG 16, promoting peaceful societies and reducing violence. However, nowhere in the SDGs is any direct reference to security, including political and human security (Luckham September 1, 2015). Why is achieving SDG 16: peace, justice, and strong institutions so important? Political insecurity, weak institutions, conflict, and limited access to justice continue to threaten SDGs. In today's world, we have witnessed people fleeing from conflict (Russia and Ukraine conflicts), persecution, and war, e.g. Yemen and Afghanistan (Gomez *et al.* 2020).

Table 4 shows other possible impacts of China's FDI on SDG. The focus of the table, however, is on some aspects of political security. Malaysia is balancing its relationship in times when the US and China are engaging in a trade war (or decoupling). Malaysia, a country that has economically benefitted from these major powers, needs to exhibit a good relationship with both. Maneuvering between them is complex and requires a high level of diplomacy. Thus far, investment in BRI has not affected Malaysia's relationship with the USA due to Malaysia's constant messaging of its neutral non-alignment position. Malaysia's relationship with China is unaffected should Malaysia join any initiatives by the USA (or any other countries), i.e., the Indo-Pacific Economic Framework for Prosperity. However, disconnecting politics and the economy may be challenging since Malaysia heavily relies on China for trade. The US may negatively perceive Malaysia due to its role in strengthening China through the repatriation of investment back to China (SGD 8.1). This inevitably increases China's influence in the region. Also, the increase in China's influence may not bode well with competitive powers, especially when China overwhelmingly "monopolises" certain key industries, i.e. infrastructure, ports, etc.

Regarding the social impact (or impact on society), the effects of FDI cannot be determined clearly because of the limitation of resources, which drives the conclusion that this security domain is unknown or has ambiguous results. There is insufficient evidence to link BRI projects to social issues such as increases in crime rates, social tensions, unity erosion, etc. Similarly, in Malaysia's pursuit of upgrading its military capability and hardware, it is unsure whether BRI is used as a potential armed race platform in the region. Without further evidence, the study can only hypothesise its negative connotations and implications. Hence, the study will leave this aspect to further research.

Table 4: Summary of Political Economy Dimensions of China FDI on National Security

Security Issues	SDGs Target	Key Indicators	Impact
Repatriation of Investment	8.1	Sustainable Economic Growth	Boosts Foreign Investor's Economy/Economic Security

Monopoly Market/Market Power	8.1	Sustainable Economic Growth	Reduced Output and Loss of Economic Welfare/Economic Security
Military Capability Upgrade	16	Upgrading on military capability and hardware	Negative in terms of geopolitical implications with other countries. But not linked with BRI projects
Social / Ensure healthy lives and promote well-being for all at all ages	3		No data/connection

Source: Compiled by the Authors from various UN websites.

Major Discussions and Overall SDG Progress in Malaysia

FDI is generally an effective tool for enhancing social, environmental, and economic sustainability. These pillars represent people, the planet, profits (economy), peace, and partnership. The additional security elements are also linked with SDGs in political, military, and societal aspects. Table 5 summarises the study's key findings, including the economic and security link to Malaysia's SDGs performance. In the economic sector, FDI supports the development of Malaysia and its contribution to the SDGs, while in the security aspect, some negative impacts were found.

Human resources factors, primarily for locals, are moderately affected by moderate knowledge transfers and mild competition from skilled workers. Job opportunities are essential, especially for the youth highly competent employees through TVET's cooperation with China with digital technology and BRI Projects, e.g., MCKIP and ECRL and Proton-Geely Holding, to eliminate poverty and upgrade living standards. Exploring the resilient agriculture and food industry is important to the food supply to improve the quality of human life and maintain the food chain (SDG target 2.4). The FDI has a significant impact on human security (SDG target 3.3) related to COVID-19, where Malaysia receives assistance from China to develop local vaccine production capability, which is reciprocal to the "Health Silk Road" (HSR) initiative. There is also a positive sign regarding natural resources, where the exploration of earth minerals with innovation supports environmental conservation through improved waste management efforts and material footprint initiatives promoting SDG targets 8.4 and 12.2. It was done in collaboration, which usually requires high-tech, green mining technology and technical assistance provided by the Chinese industry, such as ore mining in Pengkalan Hulu, Perak.

The interaction between humans and the environment is vital to ensure adequate resources are left for future generations. Meanwhile, SDG 7.a promotes investment in clean energy to avoid endangered ecosystems by human actions. Also, there are gains in infrastructure as China's investment in green techs such as solar, sustainable power plants, and various infrastructures could attract more FDI in line with the 'Green Technology Master Plan Malaysia 2017 to 2030.' However, the infrastructure should have environmental concerns, where we can see that Iskandar Puteri came up with a smart city to preserve the ecosystem by implementing green Programmes. Protecting life on land (SDG 15) should be an increasing focus for investors. This is the new way to tackle land degradation and forest and biodiversity loss without compromising on financial performance, which can be developed with FDI technology through green technology regardless of whether the investment is from China or any other country.

Technologically, China is known for having high technology comparable to developed countries. Malaysia has yet to learn from that and gain benefits from it. Therefore, the absence of technology transfer to human resources has yet to be addressed. Economically, FDI has positively impact Malaysia's economic sustainability and bilateral trade relationships. Further, FDI may introduce cleaner technologies and better management practices to improve the environmental quality of host countries. FDI is vital in stimulating productivity, improving workflows, and designing new products because it is an essential source of capital driving digital transformation and Industry 4.0. The relationship between FDI and sustainable development goals is still widely untapped.

Table 5: The Impact of China's FDI on SDGs Linked to Economy and Security

SDG	Indicators	Economy		Security		SGD links
		Benefit	Loss	Benefit	Loss	
1	No Poverty	✓	-	-	-	Social - People
2	No Hunger	✓	-	-	-	Social - People
3	Good Health and Well-being	✓	-	-	✓	Communicable Disease – Human Security
4	Quality Education	✓	-	-	-	Social - People
5	Gender Equality	✓	-	-	-	Social - People
6	Clean Water and Sanitation	✓	-	-	-	Environmental
7	Affordable and Clean Energy	✓	-	-	-	Economy
8	Good Jobs and Economic Growth	✓	-	-	✓	Economy Security, Technology
9	Industry, Innovation and Infrastructure	✓	-	-	-	Economy
10	Reduce Inequalities	✓	-	-	✓	Societal Security
11	Sustainable Cities and Communities	✓	-	-	-	Economy
12	Responsible, Consumption and Production	✓	-	-	-	Environmental
13	Climate Action	✓	-	-	-	Environmental
14	Life Below Water	✓	-	-	✓	Marine Ecosystem. Environmental Security

15	Life on Land	✓	-	✓	✓	Infrastructure, Environmental, Natural Resources. Environmental Security
16	Peace, Justice and Strong Institutions	✓	-	-	✓	Societal Security
17	Partnerships for the Goals	Not Relevant				

Source: Compiled by the Authors from various UN websites.

Table 6 shows that four items have positive impacts, while five have negative impression on the respective SDGs. This indicates that the role of China's FDI in Malaysia's SDGs in the security domain is still moderate but on the right track. FDI has contributed to economic viability, except for social equality for human resources and environmental protection. However, socially, the effects of FDI cannot be determined clearly because of resource limitation, which leads to the conclusion that this security domain is unknown or has ambiguous results. Figure 8 indicates that development under either FDI investment or BRI is less constructive due to the imminent environmental damage. This will influence the SDGs index rank and score or percentage of SDGs achievement globally. Overall, in pursuit of the country's progress, the government should organise measures to attract foreign investors.

The impact on political security benefits Malaysia as a small nation engulfed in the US-China competition. The strategy of hedging towards China is to ensure the balance of power in Malaysia and the region. Malaysia is taking advantage of this political relationship. The impact of BRI on economic security has been discussed in the previous chapter, where the finding is more beneficial to Malaysia, except for the human resource factor. However, in social security, the impact of BRI cannot be determined due to the limitation of resources, which leads to the conclusion that this security domain is unknown. On the other hand, the environment security domain indicates that development under BRI is not benefiting Malaysia due to some damage that occur in Forest City.

Table 6: The Impact of China's FDI on the Economy and Security of Malaysia and its nexus

Sectors	Benefit	Loss	Remark
Economy Issue			
a. Human Resources	✓	✓	Human Security
b. technology	✓	✓	Military security
c. infrastructure	✓	-	Environmental Security
d. Natural resources	✓	-	Military security, Environmental security
e. Environmental	✓		Environmental Security
Security Issue			
a. Political	✓	-	Politics

b. Political Economy	✓	-	Politics, Economy, and Policy
c. Military	✓	✓	Politics
d. Societal	Unknown		Politics

Source: Compiled by the Authors from various UN websites.

Conclusion

Being a small and open economy, Malaysia will continue to pursue its outward-oriented regime, to have an open market and embrace FDIs from around the world. Regardless of the global geopolitical environment changes, Malaysia will remain an economic partner to China. Therefore, the impact of China's FDI on traditional security issues seems minor. This study acknowledges China's FDI role in Malaysia's economic development and growth. This growth eventually translates into some favourable impacts on Malaysia's SDGs. There are also some marginal threats to economic security like the crowding-out effect, investment repatriation, and monopoly over the local market, should over-reliance occur. However, this should not imply the need for market protectionism but rather the empowerment of local industries to stay competitive with these international players.

The key policy action now is to ensure a continuous flow of FDIs into the country that feeds sustainability goals that are challenging to achieve. While numerous policies are already in place to achieve sustainable development goals, key concerns to harness the benefits of China's FDI on SDGs lie in the availability of human capital. Technology transfers will not occur without absorptive capacity/capabilities from skilled workers. Enhancing cooperation between Malaysia and China in industrial processes and human capital upgrading should be the key to enhancing SDGs 8 and 9. Attracting China's FDI that facilitates Malaysia's transition from conventional power generation to green technology under the 'Green Technology Masterplan Malaysia 2017 to 2030' also contributes to Malaysia's achievements in multiple SDGs, namely 7 and 13. With economic resources obtained from FDIs, further initiatives to increase quality of life can be introduced, further supporting SDGs' different goals. This includes national security goals under SDG 16.

Declaration and Acknowledgement

The Authors would like to show their gratitude to SINERGI's anonymous reviewers and their constructive feedback in improving the quality of the manuscript. Authors are also immensely grateful for their comments on earlier versions of the draft. No potential conflict of interest was reported.

References

Ahmad, Sahrish., Zartash Fatima, Pakeeza Iqbal, Amna Khan, Iqra Zakir, Haseeb Ullah, Ghulam Abbas, Mukhtar Ahmed, Muhammad Mubeen, Sajjad Hussain and Shakeel Ahmad. 2022. "An Introduction to Climate Change Phenomenon." In *Building Climate Resilience in Agriculture: Theory, Practice and Future Perspective*, edited by Wajid Nasim Jatoi, Mohammad Mubeen, Ashfaq Ahmad, Mumtaz Akhtar Cheema, Zhaohui Lin and Muhammad Zaffar Hashmi, 3-16. London: Springer.

Baskurt, Burcu Bahceci., Saban Celik, Abdul Rafay, and Tayo Oke. 2022. "FDI and Environmental Degradation: Evidence from a Developed Country." In *Handbook of Research on Energy and Environmental Finance 4.0*, edited by Abdul Rafay, 446-471. New York: Business Science Reference.

Bing, Ngeow Chow. 2015. "Comprehensive Strategic Partners but Prosaic Military Ties: The Development of Malaysia–China Defence Relations 1991–2015." *Contemporary Southeast Asia* 37, no. 2: 269-304.

Bing, Ngeow Chow. 2021. "Malaysia and the Belt and Road Initiative: Maritime, Rail, and Digital Connectivity." In *Research Handbook on the Belt and Road Initiative*, edited by Joseph Chinyong Liow, Hong Liu and Gong Xue, 151-161. London: Edward Elgar.

Chakraborty, Chandana. and Peter Nunnenkamp. 2008. "Economic Reforms, FDI, and Economic Growth in India: A Sector Level Analysis." *World Development* 36, no. 7: 1192-1212.

Cheng, Calvin. and Juita Mohamad. January 10, 2020. "Youth Unemployment in Malaysia & the Region." *Japan Economic Foundation (JEF).* Accessed December 23, 2023. Available at: https://www.jef.or.jp/jspotlight/latestissue/

Diao, Xinshen., Margaret McMillan, and Dani Rodrik. 2019. "The Recent Growth Boom in Developing Economies: A Structural-Change Perspective." In *Palgrave Handbook of Development Economics*, edited by Machiko Nissanke and Jose Antonio Ocampo, 281-334. Singapore: Springer.

Gomez, Edmund Terence., Siew Yeam Tham, Ran Li and Kee Cheok Cheong. 2020. *China in Malaysia: State-Business Relations of Investment Flows*. New York: Palgrave Macmillan.

Hanauer, Larry. and Lyle J. Morris. 2014. *Chinese Engagement in Africa: Drivers, Reactions, and Implications for US Policy*. Santa Monica, CA: Rand Corporation.

Herzer, Dierk., Stephan Klasen and Felicitas Nowak-Lehmann D. 2008. "In Search of FDI-led Growth in Developing Countries: The Way Forward." *Economic Modelling* 25, no. 5: 793-810.

IRDA. 2022. "IRDA Report." *Iskandar Regional Development Authority (IRDA).* Accessed December 23, 2023. Available at: https://www.iskandarmalaysia.com.my/

Izadi, Javad. and Bobur Madirimov. 2023. "Effect of Foreign Direct Investment on Sustainable Development Goals? Evidence from Eurasian Countries." *Journal of Sustainable Finance & Investment* (Latest Article): https://doi.org/10.1080/20430795.2022.2163846

Kam, Andrew Jia Yi. and Evelyn S. Devadason. 2023. "How Does Carbon Emission Affect the Economy?" *Jurnal Ekonomi Malaysia* 57, no. 1: 167-159

Kim, Dong-Hyeon., Shu-Chin Lin, and Yu-Bo Suen. 2010. "Dynamic Effects of Trade Openness on Financial Development." *Economic Modelling* 27, no. 1: 254-261.

Kuik, Cheng-Chwee. 2016. "Malaysia between the United States and China: What Do Weaker States Hedge Against?" *Asian Politics & Policy* 8, no. 1: 155-177.

Li, Guangdong., Chuanglin Fang. Shaojian Wang, and Siao Sun. 2016. "The Effect of Economic Growth, Urbanisation, and Industrialisation on Fine Particulate Matter (PM2. 5) Concentrations in China." *Environmental Science & Technology* 50, no. 21: 11452-11459.

Luckham, Robin. September 1, 2015. "Whose Security? Building Inclusive and Secure Societies in an Unequal and Insecure World." *Institute Development Studies (IDS) Evidence Report* No. 151. Accessed December 23, 2023. Available at: https://www.ids.ac.uk/publications/whose-security-building-inclusive-and-secure-societies-in-an-unequal-and-insecure-world/

Masri, Indah. 2021. "International Tax Avoidance Practice in ASEAN-4 Multinational Company." *The International Journal of Business Review (The Jobs Review)* 4, no. 2: 141-154.

Md Akhir, Md Nasrudin., Lee Chee Leong, and Hafiz Muhamad Tahir. 2018. "Malaysia-China Bilateral Relations, 1974-2018." *WILAYAH: The International Journal of East Asian Studies* 7, no. 1: 1–26.

Md Khalid, Khadijah. And Muhammad Danial Azman. 2020. "In the Dragon's Tight Embrace? A Neo-Gramscian Perspective on Malaysia's Foreign Policy towards China." *Contemporary Chinese Political Economy and Strategic Relations* 7, no. 3: 1081-1189.

Meng, Lai Yew., Maureen De Silva, and Wang Yunqi. 2023. "Crouching Tiger, Ascending Dragon: The Trends and Dynamics of Malaysia-China Relations." *Kajian Malaysia* 41, no. 1, 85-108.

MIDA. 2022. "Annual Report." *Malaysian Investment Development Authority (MIDA).* Accessed December 23, 2023. Available at: https://www.mida.gov.my/type-of-report/annual-report/

Ministry of Economics Malaysia. 2020 "2019 & 2020. "Sustainable Development Goals (SDGs) Indicators." Department of Statistics. Accessed December 23, 2023. Available at: chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.ekonomi.gov.my/sites/default/files/2021-02/Sustainable-Development-Goals-%28SDG%29-Indicators-Malaysia-2019.pdf

Ministry of Economics Malaysia.2020. "SDGs Roadmap for Malaysia Phase 1." Department of Statistics, Ministry of Economics, 2016-2020. Accessed December 23, 2023. Available at: chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.ekonomi.gov.my/sites/default/files/2021-05/SDG_Roadmap_Phase_I_2016-2020.pdf

Munsif, Rabia., Muhamad Zubair, Ayesha Aziz, and Muhamad Nadeem Zafar. 2021. "Industrial Air Emission Pollution: Potential Sources and Sustainable

Mitigation." In *Environmental Emissions*, edited by Richard Viskup, London: In Tech Press: 10.5772/intechopen.93104

MyHSR Corp. June 28, 2019. "Press Release." *Malaysia High Speed Rail Corporation (MyHSR Corp).* Accessed December 23, 2023. Available at: https://www.myhsr.com.my/clients/MyHSR_C9A9D510-C802-4FEA-8DC3-05EA13351D53/contentms/img/press_releases.

Omri, Anis. and Nejah Ben Mabrouk. 2020. "Good Governance for Sustainable Development Goals: Getting Ahead of the Pack or Falling Behind?" *Environmental Impact Assessment Review* 83, July: https://doi.org/10.1016/j.eiar.2020.106388

Rajib, Moshfequl Islam. and Redwanur Rahman. 2020. "Foreign Direct Investment and Economic Growth: Evidence from Bangladesh." *European Scientific Journal* 16, no. 10: 38-55.

Sarkodie, Samuel Asumadu. and Vladimir Strezov. 2019. "Effect of Foreign Direct Investments, Economic Development and Energy Consumption on Greenhouse Gas Emissions in Developing Countries." *Science of the Total Environment* 646, January: 862-871.

Shi, Zhengkang. 2015. "Mining Technology in Mining-Based on the Cream Filling." In *2015 International Conference on Applied Science and Engineering Innovation*, edited by Ming Xu and Guang Liang Wang, 1376-1380. Dordrecht: Atlantis Press.

Suehrer, Juri. 2021. "Sustainable Impact–How Foreign Direct Investments (FDI) Contribute to Achieve the Sustainable Development Goals (SDGs)." PhD Thesis. University of Northumbria, Newcastle, UK

Tabassum, Nafeesa., and Samiul Ahmad. 2014. "Foreign Direct Investment and Economic Growth: Evidence from Bangladesh." *International Journal of Economics and Finance* 6, no. 9: 117-135.

Tham, Siew Yean. February 27, 2018. "Chinese Investment in Malaysia: Five Years into the BRI." ISEAS Yusof Ishak Institute Perspective. No. 11 Issue 2018. Singapore: *Yusof Ishak Institute of Southeast Asian Studies (ISEAS).*

Tham, Siew Yean., Soo Khoon Goh, Koi Nyen Wong, and Ahmad Fadhli. 2018. "Bilateral Export Trade, Outward and Inward FDI: A Dynamic Gravity Model Approach Using Sectoral Data from Malaysia." *Emerging Markets Finance and Trade* 54, no. 12: 2718-2735.

The Star. August 22, 2022. "PM: Malaysia Hopes to Revive KL-Singapore HSR Project: Newsroom." *The Star*. Accessed December 23, 2023. Available at: https://www.thestar.com.my/news/nation/2022/08/22/pm-malaysia-hopes-to-revive-kl-singapore-hsr-project

Todd, Laurence., and Meghan Slattery. October 4, 2018. "Impacts of Investment from China in Malaysia on the Local Economy." *Institute for Democracy and Economic Affairs (IDEAS)*. Accessed December 23, 2023. Available at:

https://www.ideas.org.my/publications-item/policy-paper-no-53-impacts-of-investment-from-china-in-malaysia-on-the-local-economy/

UMP. May 7, 2021. "Opportunity to Add Skills in the Field of Rail Development." *Universiti Malaysia Pahang (UMP)* News. Accessed on December 24, 2023. https://news.umpsa.edu.my/general/opportunity-add-skills-field-rail-development

UN ECOSOC. N. D.. "The 17 Goals." United Nations Sustainable Development Goals (UNSDGs), *United Nations Department of Economic and Social Affairs (ECOSOC).* Accessed December 23, 2023. Available at: sdgs.un.org/goals

UN SDRI. N. D. "The Initial Assessment: The Sustainable Development Goals Indicators for Malaysia. *United Nations Sustainable Development Report and Index (UN SDRI) By Countries.* Accessed December 23, 2023. Available at: https://dashboards.sdgindex.org/profiles/malaysia/indicators

UNCTAD. 2014. *World Investment Report 2014.* New York: United Nations Conference on Trade and Development (UNCTAD).

UNGA. July 6, 2017. "Resolution Adopted by the General Assembly on 6 July 2017, Work of the Statistical Commission Pertaining to the 2030 Agenda for Sustainable Development." *Unired Nations General Assembly (UNGA).* Accessed December 23, 2023. Available at: /efaidnbmnnnibpcajpcglclefindmkaj/https://ggim.un.org/documents/a_res_71_313.pdf

Wang, Pei., Zijin Zhang, Yeli Zeng, Shucheng Yang, and Xu Tang. 2021. "The Effect of Technology Innovation on Corporate Sustainability in Chinese Renewable Energy Companies." *Frontiers in Energy Research* 9: https://doi.org/10.3389/fenrg.2021.638459

Yeoh, Emile Kok-Kheng., Le Chang, and Yemo Zhang. 2018. "China–Malaysia Trade, Investment, and Cooperation in the Contexts of China–ASEAN Integration and the 21st Century Maritime Silk Road Construction." *The Chinese Economy* 51, no. 4: 298-317.

Yeon, Asmah Laili Haji Yeon., Mohammad Belayet Hossain, and Ahmad Shamsul Abdul Aziz. 2020. "Sovereignty, National Interest and Security in Bilateral Investment Treaties of Malaysia." *Journal of International Studies* 16: 39-58.

Yujing, Ouyang. October 4, 2022. "Malaysia Partners with China to Boost Digital Economy - Asia Property Awards." *Property Report.* Accessed December 23, 2023. Available at: https://www.iskandarmalaysia.com.my/

Zainuddin, Hafiz. August 19, 2022. "Proton Is Bringing Smart Electric Vehicles Into Malaysia." *Says.* Accessed December 23, 2023. Available at: https://says.com/my/tech/proton-is-bringing-smart-electric-vehicles-into-malaysia