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RESEARCH ARTICLE

# Industrial Development Process Transformation: A Catalyst for Change in Local Authorities

**Muhamad Syahrizat Alwee[1], Salfarina Samsudin[2*], Maryanti Mohd Raid[3], Luqman Hilmi Sallehhuddin[4]**

[1]Department of Real Estate, Faculty of Built Environment and Surveying, Universiti Teknologi Malaysia, 81310 Johor Bahru, Johor, Malaysia
Email: muhamadsyahrizat@graduate.utm.my
[2]Department of Real Estate, Faculty of Built Environment and Surveying, Universiti Teknologi Malaysia, 81310 Johor Bahru, Johor, Malaysia
Email: salfarina@utm.my
[3]Department of Real Estate, Faculty of Built Environment and Surveying, Universiti Teknologi Malaysia, 81310 Johor Bahru, Johor, Malaysia
Email: maryanti@utm.my
[4]Department of Real Estate, Faculty of Built Environment and Surveying, Universiti Teknologi Malaysia, 81310 Johor Bahru, Johor, Malaysia
Email: luqmanhilmi@graduate.utm.my

**CORRESPONDING AUTHOR (*):**
Salfarina Samsudin
(salfarina@utm.my)

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## ABSTRACT

Industrial development significantly impacts surrounding communities by driving economic growth, social transformation, and infrastructure expansion. However, property developers and institutional investors frequently encounter regulatory hurdles due to complex and multi-layered administrative approval processes. To address these bureaucratic bottlenecks, the Kulai Municipal Council (Majlis Perbandaran Kulai, MPKu) introduced the Kulai Fast Lane (KFL) initiative, aimed at expediting approvals and enhancing investor facilitation. This study investigates the key mechanisms of the KFL initiative and evaluates its operational and economic implications for industrial development within the MPKu administrative jurisdiction. Utilizing a qualitative research design, primary data were gathered through semi-structured interviews with key municipal stakeholders and officials. The empirical findings reveal that KFL's core administrative incentives most notably streamlining pre-coordination, expediting planning permissions, and compressing the final Certificate of Completion and Compliance (CCC) and business operating license issuance from 30 days to a single day substantially accelerate the end-to-end project lifecycle, reducing total delivery time from 24 months to 14 months. Furthermore, the initiative has maximized local government land utilization, expanded Johor's state-level industrial investment volume, boosted municipal revenues, and created local employment opportunities, thereby directly advancing Kulai's strategic target of achieving City Council status. Despite these successes, KFL's scope remains confined to specific industrial categories within designated zones. Scaling this framework to include broader sectors

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particularly commercial and residential housing could offer a scalable model for modernizing municipal planning governance.

## 1. Introduction

Malaysia attaches great importance to the industrial sector as it plays an important role in the transformation of the country's economy which can be seen contributing to the country's export revenue and job creation (MIDA, 2021). Nevertheless, Ang (2022) stated that developers, land owners or professionals appointed in the land development process always go through a difficult and long way to obtain the necessary approval from the Local Authority and outside technical agencies. Land development inherently involves multiple interrelated and complex procedures that require careful coordination and systematic management among the relevant authorities and stakeholders (Awang, 2022). The complexity of this process is further compounded by inconsistent requirements across local authorities, the involvement of multiple technical agencies and prolonged administrative procedures, all of which contribute to delays in development approvals (Ang, 2020). This statement is also supported through the findings of a study conducted by Junaidi and Salleh (2016) found that developers are often faced with various problems including complicated procedures, slow approval processes, bureaucracy, as well as risks in planning and the market. The length of time in obtaining approval will affect development projects such as housing or industry that are slow to be built. Furthermore, the time taken to grant approval will also determine the profit and loss of a real estate investment made by the developer because it involves holding costs incurred in addition to the benefits that will be received by buyers and stakeholders when the development is successfully established (Abdul Rashid et al., 2006). This is very worrying, even more so, due to bureaucracy and the long approval period has reduced the interest of large investors into the country (Ismail & Ganason, 2011).

The Eleventh Malaysia Plan (2016–2020) emphasised a people-centred approach to national development while prioritising improvements in the productivity, efficiency and quality of public service delivery. In line with this policy direction, local authorities across Malaysia have introduced various administrative initiatives to streamline procedures and enhance the efficiency of development-related services, particularly by simplifying and expediting land and property development approval processes. Within this context, the Kulai Municipal Council (Majlis Perbandaran Kulai, MPKu) introduced the Kulai Fast Lane (KFL) initiative in January 2022 as a fast-track mechanism aimed at reducing administrative bureaucracy, accelerating development approvals, and creating a more conducive environment for attracting investment to Kulai and the state of Johor. The initiative facilitates a more efficient and coordinated development process by integrating and expediting key stages, from planning approval to the issuance of the Certificate of Completion and Compliance (CCC) and operating licence. Through this streamlined approach, KFL seeks to shorten processing times and facilitate the implementation of industrial development projects within MPKu's administrative area.

Primarily, the Kulai district is an industrial area within the state of Johor and its position is quite strategic for industrial development. Industrial development that uses KFL incentives is different from existing industrial development. Nevertheless, this KFL incentive can only be used in areas that have been designated by MPKu. So far MPKu has identified 2 initial areas for the implementation of the KFL initiative, namely Ibrahim Technopolis (IBTEC) and Senai Airport City (SAC) and there is 9.46% availability for

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industrial land in Kulai (MPKu, 2023). This means that MPKu has provided land with high potential and has many advantages including complete basic infrastructure in order to save costs for investors. The introduction of the KFL initiative has implications for industrial development, especially in the administrative area of MPKu, both for the local authority and the industry.

Against this background, this study aims to examine the KFL initiative implemented by the MPKu and its implications for industrial development within MPKu's administrative area. Specifically, the study seeks to identify the key mechanisms and incentives introduced under KFL in expediting the development approval process and to examine how the initiative influences industrial development, investment facilitation and local development outcomes. By examining KFL as a local government-led fast-track mechanism, this study provides insights into the role of administrative innovation in reducing bureaucratic constraints and improving the efficiency of development approval processes at the local authority level.

## 2. Literature Review

### 2.1. Industrial Property Development

The Industrial Coordination Act (ICA) 1975 defines the manufacturing activity as *"…making, changing, mixing, decorating, finishing or otherwise treating or adapting any article or material for the purpose of use, sale, transport, delivery or disposal and includes the assembly of parts and ship repair but does not include any activities normally associated with retail or wholesale trade"*. In addition, industrial development also involves the construction or maintenance of factories, workshops, foundries, warehouses, shipyards, piers, railways or other buildings or installations whether for manufacturing, smelting, production and distribution of power, storage, installation, processing, transportation or distribution of goods (Jabatan Kerajaan Tempatan, 2019).

The development of industrial areas affects the surrounding area either directly or indirectly (Ramli, 2007). According to Ang (2022) any property development proposal in Malaysia needs to obtain several levels of approval from internal technical agencies in local authorities and various external technical agencies depending on the needs of the proposed development. According to the Industrial Area Planning Guidelines adopted by the Johor State Government in 1998, industrial development is classified into several categories, including light, medium, heavy, special, and small and medium industries (PLANMalaysia Johor, 1998). These classifications reflect the different characteristics and potential impacts associated with each type of industrial activity. Accordingly, different buffer zone requirements are prescribed for each industrial category to ensure appropriate separation from residential areas and other surrounding land uses. Such requirements are essential for managing potential land-use conflicts and ensuring that industrial development is undertaken in accordance with established planning standards.

### 2.2. The Concept of Kulai Fast Lane (KFL)

The KFL process starts before the approval of the plan until the operation through a combination of work processes at the local authority level starting from before the approval of the plan, the Certificate of Completion and Compliance (CCC) and the operating license (Malaysia Productivity Corporation, 2022). This means that KFL is a development process that is implemented quickly and rapidly. Apart from creating an effective

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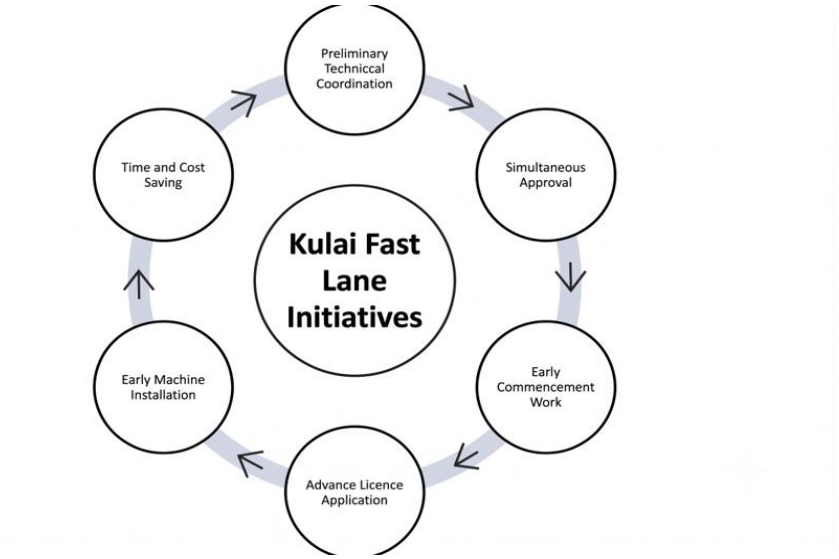
interaction between investors and local authority. The purpose of introducing KFL is also to facilitate development so that products can be produced according to the business planning timeline that has been set without delay (MPKu, 2023). So far KFL incentives have only been implemented for industrial development in two planned areas, namely Ibrahim Technopolis (IBTEC) and SAC (MPKu, 2023). IBTEC covers an area of 1,341 acres while the SAC area development plan involves an area of 2,718 acres. According to MPKu (2023), the selection of IBTEC and SAC areas is based on the infrastructure and utility facilities that are available in the area.

Development projects seeking to benefit from the KFL incentive are subject to prior assessment by MPKu to determine their eligibility and compliance with the established KFL requirements (MPKu, 2022). Currently, the implementation of KFL is concentrated in two designated development areas, namely IBTEC and SAC, with the potential for future expansion to other locations and districts (MIDA, 2022). These areas were strategically selected because the essential planning requirements and preliminary approvals had already been secured, thereby enabling development applications to proceed through an expedited approval process. In particular, key approvals involving planning permission, earthworks, roads, and drainage plans had been obtained for the designated areas. The availability of these prior approvals provides an important foundation for the KFL mechanism, as it reduces procedural constraints and facilitates a more streamlined development approval process. Changes to land boundaries and land boundaries have also been completed in accordance with land use for industrial purposes. This is to make it easier for investors without making those applications. Environmental Impact Assessment (EIA), Traffic Impact Assessment (TIA) and Road Safety Audit (RSA) reports have also been approved in the SAC and IBTEC industrial areas. All of this application is important to get the Planning Submission.

### 2.3. The Initiatives of Kulai Fast Lane

The operational framework outlines the structural mechanisms of the KFL initiative, dividing its core functions across administrative, legal, physical, and technical phases as referred in Figure 1.

Figure 1: The structural mechanisms of the Kulai Fast Lane (KFL) initiatives (MPKu, 2023)




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By coordinating preliminary technical reviews, advance licensing, simultaneous approvals, and early site preparation around a centralized conceptual core, the framework systematically streamlines execution. This integrated multi-phase approach directly drives synthesized outcomes, yielding significant time and cost savings while mitigating overall project risk.

**(a) Initial Coordination of Technical Requirements - Project Brief**

According to KFL implementation guide, this initial coordination involves an initial facilitation session with internal and external technical agencies. This ensures that stakeholders understand project requirements and regulatory compliance. Therefore, the applicant needs to provide project proposal information as required to be presented in the Local Central Committee (OSC) Meeting. Presentation in OSC as initial coordination with technical agencies. This initial coordination is important because the evaluation of a project meets 80% of the main technical requirements after going through this procedure. After that, an official application to the Council will be submitted (MPKu, 2023).

**(b) Concurrent Approval**

As per the procedure in the OSC 3.0 Plus Manual (2019), states that the proposed development plan must be submitted simultaneously. This includes planning permission applications, infrastructure plans, building plans, landscape plans and street lights. Then the complete application will be taken to the consideration of the meeting within 30 days. Application results will also be given simultaneously (MPKu, 2023).

**(c) Initial Site Entry**

This incentive gives special permission to the applicant or developer to start preliminary construction work. According to Saeedi et al. (2019), preliminary work refers to all the activities involved in the construction site before the actual work begins. Among the initial works are such as demolition, site cleaning, site measurement, site planning and design. In this incentive, MPKu gives special permission for the purpose of preliminary construction work involving hoarding, site cleaning work, batching plant, and worker quarters.

**(d) Preliminary License Application**

According to Fatt (2019) license applications for industries or factories can only be applied for after obtaining a CCC. The license for this factory is also subject to approval obtained from the Department of Environment (JAS), Occupational Safety and Health Department (JKKP), Fire and Rescue Department (JBP). Nevertheless, it takes about 3 months for the application to be approved by the local authority and it can also take more than 3 months to get approval (Fatt, 2019). This is in contrast to the incentive under the KFL which in the first stage allows an operating license to be applied for without waiting for the CCC to be issued, provided construction on site reaches 80%. Nevertheless, at the second stage the applicant must submit a copy of the CCC so that the operating license can be approved and the billboard issued within 1 day (24 hours) (MPKu, 2023).

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### (e) Initial Machine Installation

Through this incentive, the government gives permission for industrial tools such as machines and related equipment to be installed during the construction period. Tests to carry out industrial operations of the machine before the CCC is issued are also allowed. Nevertheless, the permission given is subject to compliance with Section 36 (1), Factories and Machinery Act 1967, which is to obtain the written approval of the Factory Inspector. In addition, the applicant must also obtain a Certificate of Permission to Install Machinery (JKJ 112) issued by the Department of Occupational Safety and Health (JKKP).

### (f) Time and Cost Saving Incentives

Time and cost are closely interrelated in development projects, as prolonged project duration can increase project-related expenditure and potentially reduce the financial returns of the parties involved. Consequently, delays in development approval processes may impose additional financial burdens on developers and investors, particularly through the accumulation of holding and project-related costs over time (Bagale & Bohara, 2024; Gómez-Cabrera et al., 2024). In this regard, the implementation of the KFL initiative demonstrates how an integrated fast-track approval mechanism can generate both time and cost savings by streamlining key stages of the development process, from preliminary coordination and plan approval to the issuance of the CCC and operating licence (MPKu, 2023).

## 3. Research Methods

This study adopted a qualitative research approach using semi-structured interviews as the primary method of data collection. Semi-structured interviews were considered appropriate because they provide sufficient flexibility to explore participants' experiences and perspectives while maintaining consistency through a predetermined set of interview questions. The use of open-ended questions also enabled participants to elaborate on emerging issues and provide contextual insights that might not have been captured through a more structured approach. This method was particularly relevant to the present study, as it facilitated an in-depth examination of the implementation of the KFL initiative, including the development approval process, administrative procedures, incentives provided and challenges encountered during its implementation.

Participants were purposively selected based on their direct involvement and experience with the KFL initiative. Two key stakeholder groups were included: representatives from the MPKu as the local authority responsible for introducing and implementing KFL and industrial owners who had utilised the KFL incentive in their development projects. The inclusion of these two stakeholder groups enabled the study to capture perspectives from both the implementing authority and the users of the initiative, thereby providing a more comprehensive understanding of KFL implementation and its implications for industrial development. Table 1 presents the profile and coding of the participants used throughout the data analysis to maintain consistency and confidentiality.

Table 1: List of Respondents

| Code of Respondent | Position |
|---|---|
| R1 | Local Authority Officer |
| R2 | Local Authority Officer |
| R3 | Local Authority Officer |

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| | |
|---|---|
| R4 | Local Authority Officer |
| R5 | Developer/Investor |
| R6 | Developer/Investor |
| R7 | Consultant (Planning) |
| R8 | Consultant (Planning) |
| R9 | Consultant (Engineering) |
| R10 | Consultant (Project Management) |
| R11 | Consultant (Architect) |

## 4. Findings and Discussion

### 4.1. Analysis on Project Implement Kulai Fast Lane (KFL) Incentive

According to the official data from the Kulai Municipal Council (MPKu, 2023), the implementation of the Kulai Fast Lane (KFL) initiative has successfully attracted substantial foreign and domestic industrial investments, as presented in Table 2. Across 36 investor companies from seven countries, the initiative facilitated a total capital investment value of RM 49,667 million. Domestically, Malaysia led in project volume with 20 companies (RM 9,332 million), while major international inflows were driven by China (5 projects; RM 13,180 million), Holland (1 project; RM 15,000 million), and Singapore (3 projects; RM 10,150 million).

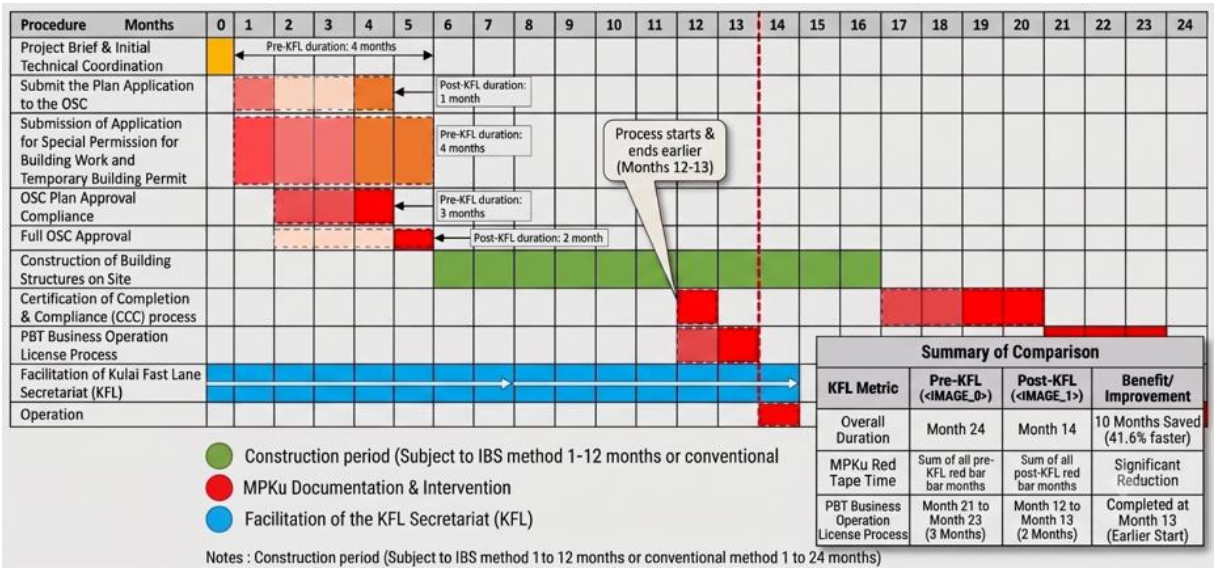
Table 2: The Status of KFL Approval by Country Investor

| Country Invested | Numbers of Investor Company | Investment Value (RM Million) |
|---|---|---|
| **Taiwan** | 5 | 1,605 |
| **China** | 5 | 13,180 |
| **Malaysia** | 20 | 9,332 |
| **Germany** | 1 | 300 |
| **USA** | 1 | 100 |
| **Holland** | 1 | 15,000 |
| **Singapore** | 3 | 10,150 |
| **TOTAL** | **36** | **49,667** |

The economic appeal of the KFL framework relies directly on its capacity to minimize time-to-market by compressing project approval cycles to under 14 months, compared to the conventional baseline exceeding two years. As illustrated in Figure 2, KFL achieves this acceleration through key structural incentives, including initial project briefs, concurrent process approvals, early site entry, preliminary licensing, and expedited machine installation.

Figure 2: The Comparison of Development Approval Timelines Before and After KFL Implementation

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The comparative timeline analysis demonstrates that the KFL initiative enhances administrative and operational efficiency by shifting project lifecycle approvals from a rigid, sequential model to an integrated parallel-processing framework. Under the conventional baseline, linear administrative procedures particularly prolonged lead times for initial planning applications, One Stop Centre (OSC) compliance, and post-construction operational licensing extended the total project delivery cycle to 24 months. In contrast, the post KFL framework compresses early-stage documentation and initial approvals into a single-month window (Months 1–2), while concurrently advancing the CCC and local authority business licensing phases. Backed by continuous KFL Secretariat facilitation throughout the lifecycle, this intervention successfully reduces the overall timeline to 14 months, delivering a 10-month absolute time saving and a 41.6% increase in overall process velocity. Consequently, this operational efficiency ensures that capital-intensive industrial developments achieve target completion dates, directly translating administrative expediency into high-value investment outcomes.

### 4.2. Analysis on Implications of Recent Industry Developments in Local Area

Based on the analysis of report project from MPKu (2023), the project that implement KFL is give some implication of recent industry development in local area. According to the report analysis the project is give many job opportunities as shown in the Table 3. The creation of job opportunities is a significant positive impact. It not only contributes to reducing unemployment rates but also enhances the overall economic well-being of the local community. Besides that, this also can lead to economic growth where the job opportunities and the adoption of advanced technologies can lead to increased productivity and economic growth. This, in turn, attracts more businesses, investments, and stimulates overall development in the area.

Table 3: MPKu Revenue Generation by Country of Investment Origin (Tax vs. Non-Tax Revenue)

| Country Invested In MPKU | Revenue Tax (RM) | Non-Revenue Tax (RM) |
|---|---|---|
| Taiwan | 4,318,800.00 | 4,995,351.41 |
| China | 1,613,890.00 | 7,600,127.53 |
| Malaysia | 3,650,215.00 | 12,721,334.91 |
| Germany | 450,000.00 | 2,040,860.40 |
| USA | 180,000.00 | 397,548.75 |
| Holland | 1,289,740.00 | 1,320,426.90 |

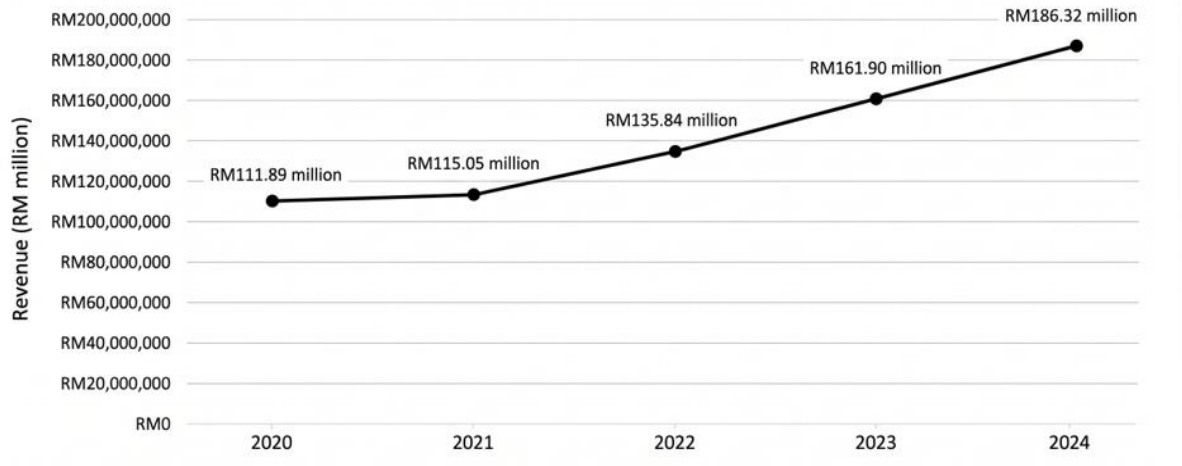
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| | | |
|---|---|---|
| Singapore | 1,427,000.00 | 3,812,112.34 |
| Total (RM) | 12,929,645.00 | 32,887,762.24 |
| **Total Revenue (RM) = 45,817,407.24** | | |

Moreover, through the incentive that has been introduce is attract domestic and foreign investors to invest in Kulai. The investors feel that this state will continue to support their growth (MIDA, 2022). In accordance with MIDA (2023), RM20.2billion worth of investments through the KFL initiative with estimated revenue of RM12.3million has been receive in 2023. In addition, Foreign Direct Investment (FDI) in Kulai in 2022 was worth RM70.6billion which was mainly in data center and manufacturing sectors (MIDA, 2023). The interest from foreign investors suggests that the region is seen as an attractive destination for foreign direct investment. This can bring in additional capital, technology, and expertise, further stimulating economic growth.

According to MPKU (2023), currently this KFL incentive only implemented in areas that have been designated by MPKu which is Ibrahim Technopolis (IBTEC) and Senai Airport City (SAC). This has led to increased industrial activity, attracting investors and creating job opportunities. The streamlined process enhances economic competitiveness, fosters a positive business environment, and focuses regional development efforts. At the same time utilized the land with the highest and best use. Government also can get other income in terms of tax collection. Nevertheless, continuous monitoring is crucial for assessing the long-term success of accelerated industrial development in these areas.

Figure 2: Numbers of revenue collected by MPKu from 2020 to 2024 (MPKu Annual Report, 2024)




| Year | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|
| Revenue (RM million) | 111.89 | 115.05 | 135.84 | 161.90 | 186.32 |
| Year-on-Year Change (%) | – | 1.04% ▲ | 17.20% ▲ | 19.18% ▲ | 15.06% ▲ *(Projected)* |

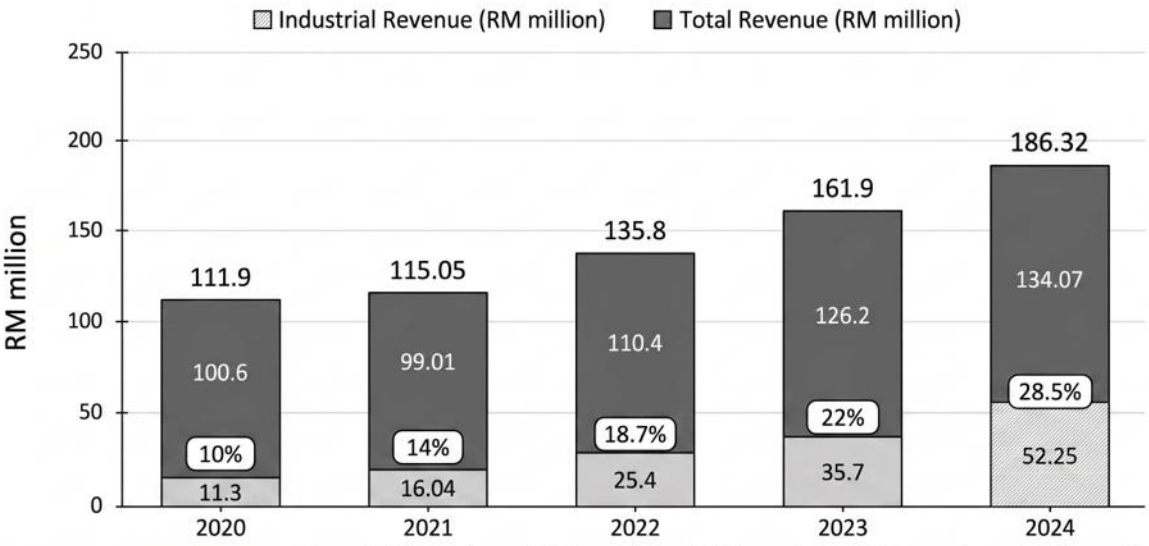
As shown in Figure 2, MPKu's total revenue demonstrated a consistent upward trend between 2020 and 2024, increasing from RM111.89 million in 2020 to RM186.32 million in 2024. Although the increase was relatively modest between 2020 and 2021, the revenue growth became more pronounced from 2021 onwards. The year-on-year growth was 2.82% between 2020 and 2021, followed by a substantial increase of 17.20% between 2021 and 2022. This upward trajectory continued with the highest annual growth of

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19.18% recorded between 2022 and 2023, before moderating to 15.06% between 2023 and 2024.

Overall, the findings indicate a substantial expansion in MPKu's revenue base over the five-year period, with total revenue increasing by approximately RM74.43 million from 2020 to 2024. Notably, stronger revenue growth was observed from 2022 onwards, coinciding with the introduction of the KFL initiative. While this trend cannot be attributed solely to KFL, the continued increase in MPKu's revenue provides useful contextual evidence of the broader economic and development growth occurring within its administrative area. When considered alongside the increasing contribution of industrial revenue, these findings suggest that industrial development has become increasingly significant to MPKu's local revenue base.

Figure 3: Industrial revenue collected by MPKu from 2020 – 2024 (MPKu Annual Report, 2024)




| | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|
| Total Revenue (RM million) | 111.9 | 115.05 | 135.8 | 161.9 | 186.32 |
| Industrial Revenue (RM million) | 11.3 | 16.04 | 25.4 | 35.7 | 52.25 |
| Industrial Revenue Share (%) | 10% | 14% | 18.7% | 22% | 28.5% |

As illustrated in Figure 3, MPKu's revenue derived from industrial sources demonstrated a consistent upward trend between 2020 and 2024. Industrial revenue increased from RM11.3 million in 2020, representing approximately 10% of total revenue, to RM52.25 million in 2024, accounting for 28.5%. A particularly notable increase can be observed following the introduction of the KFL initiative in 2022, with industrial revenue rising from RM25.4 million (18.7%) in 2022 to RM35.7 million (22.0%) in 2023 and RM52.25 million (28.5%) in 2024.

Overall, the findings indicate that industrial activities have become an increasingly significant contributor to MPKu's revenue structure. The simultaneous increase in industrial revenue and its share of total revenue suggests a strengthening industrial

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contribution within MPKu's administrative area. While the upward trend following the introduction of KFL provides an indication of a positive association between streamlined development processes and industrial growth, the revenue data alone are insufficient to establish a direct causal relationship. Nevertheless, when considered alongside the qualitative findings, the trend provides supporting evidence of the potential contribution of KFL in facilitating industrial development and strengthening the local revenue base. Moving forward, it would be prudent for the local government to continue fostering industrial development, perhaps through supportive policies, infrastructure improvements, and investment incentives. Such measures can help sustain the growth rate and further increase the dependency on industrial income, ultimately contributing to the overall economic development of the region.

The positive trajectory of revenue growth in Kulai, driven by the industrial development initiatives, indicates a successful strategy by the MPKu. The industrial booster program KFL have likely created an environment conducive to business growth. To ensure continued success, it is essential to focus on sustainable practices, workforce development, and technological advancements. By doing so, Kulai can further enhance its position as a prominent industrial center in the region. The industrial development process in Kulai, particularly through the KFL initiative by the MPKu, has demonstrated notable improvements in revenue generation over the years.

The KFL initiative significantly impacts investment in the Kulai District by streamlining the industrial development process. One of the most notable changes brought by the KFL is the drastic reduction in the time required for crucial approvals, notably the CCC and operating licenses. By cutting the approval times from 30 days to just 1 day, the KFL directly addresses one of the primary barriers to investment: the lengthy and cumbersome bureaucratic processes. This swift approval framework creates a more attractive environment for both local and foreign investors.

The KFL promotes a sense of efficiency and predictability in the development process, which can enhance investor confidence. Investors are more likely to commit resources to projects when they see a streamlined process that minimizes delays and fosters a collaborative relationship with local authorities. Although initially limited to certain industries, the success of the KFL could pave the way for its expansion into other sectors, including housing. By successfully attracting diverse industries, the initiative creates a more robust economic landscape, which can generate ripple effects throughout the local economy. Increased investment in industrial development can lead to significant job creation in the region. As new companies establish operations, they require a workforce, which can reduce unemployment rates and increase local income levels. This economic development can also enhance the overall standard of living in the community.

The KFL has the potential not only to expedite private investments but also to facilitate the effective development of government land. This can enhance infrastructure and community facilities, contributing to a more sustainable economic environment. An influx of investments and industrial activities is likely to increase the local government's revenue through taxes and other fees associated with business operations. This additional revenue can be reinvested into community projects, improving public services and facilities for residents.

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Implementing initiatives KFL initiatives requires careful consideration of several key factors to ensure its success. Engaging with all relevant stakeholders, including local businesses, investors, community members and government agencies, is crucial. This engagement can provide valuable insights into the challenges faced by investors and help tailor the initiative to meet their needs effectively. Providing clear information about the initiative, including the benefits, processes, and any requirements, is essential. A dedicated platform or communication channel to address queries and share updates can improve transparency and trust.

An evaluation of existing bureaucratic processes should be conducted to identify and eliminate unnecessary steps. Automation and digital solutions can further enhance efficiency, reducing paperwork and processing times. Training local authority personnel on the new procedures, customer service, and collaboration skills can improve the implementation of the KFL. Well-informed staff can better assist investors and navigate the streamlined processes effectively. Establishing metrics to track the success of the KFL is vital. Regularly evaluating the impact of the initiative on investment levels, approval times, and stakeholder satisfaction can help identify areas for improvement and demonstrate the initiative's effectiveness. The ability to adapt policies based on feedback and changing circumstances is important. This flexibility can help address unforeseen challenges and ensure the initiative remains relevant and effective.

Actively promoting the KFL initiative through various channels can attract potential investors. Highlighting success stories and testimonials from businesses that have benefitted from the initiative can serve as powerful marketing tools. Collaboration with technical agencies and other relevant authorities can help streamline processes further. Creating inter-agency task forces can enhance coordination, reduce overlaps, and foster a more cohesive approach to investment facilitation. While the KFL may initially target specific industries, considering a broader range of sectors in terms of incentives can enhance its appeal. Offering tailored incentives for various industries can attract a wider pool of investors. Educating the local community about the benefits of industrial development and the KFL initiative can garner public support. When the community understands how investments can lead to job creation, improved services, and economic growth, they are more likely to endorse these efforts.

Integrating sustainability into development goals can attract socially responsible investors. Encouraging environmentally friendly practices in the development process can also foster long-term community benefits. By taking these factors into account, the implementation of the KFL initiative can be optimized, leading to increased investment, economic growth and enhanced community well-being in the Kulai District.

## 5. Conclusion

This study examined the implementation of the KFL initiative and its implications for industrial development within the administrative area of the MPKu. The findings indicate that KFL provides an effective fast-track mechanism for streamlining development approval procedures and reducing administrative bureaucracy. By integrating and expediting key stages of the development process, particularly planning approvals, the CCC and operating licences, the initiative has facilitated a more efficient pathway for industrial development. This streamlined mechanism has also created a more conducive environment for investment while supporting the development of strategically designated industrial areas.

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Beyond improving administrative efficiency, KFL has generated broader economic and development implications for the local area. The initiative facilitates industrial investment, creates employment opportunities, and supports the productive utilisation of land within designated development areas. From a land development perspective, concentrating industrial activities in areas with established planning approvals and infrastructure can contribute to more efficient land utilisation and infrastructure provision. The increasing contribution of industrial revenue to MPKu's total revenue further reflects the growing significance of industrial activities within the local economy. Nevertheless, these outcomes should be interpreted as being associated with the broader industrial development facilitated by KFL rather than as effects attributable solely to the initiative.

Despite these positive outcomes, the implementation of a fast-track approval mechanism requires continuous monitoring and coordination to ensure that greater administrative efficiency does not compromise planning requirements, technical compliance, or development quality. Furthermore, as KFL is currently limited to selected industries and designated development areas, its wider applicability requires further assessment. Continuous evaluation, inter-agency coordination, and refinement of implementation procedures are therefore essential to maintain the effectiveness and sustainability of the initiative.

Overall, KFL demonstrates how local government-led administrative innovation can contribute to a more efficient and investment-friendly development environment. By reducing procedural delays while facilitating planned industrial development, the initiative has the potential to strengthen Kulai's competitiveness as an industrial and investment destination within Johor. The experience of KFL may also provide useful lessons for other local authorities seeking to reform development approval processes and could inform the potential adaptation of similar fast-track mechanisms to other development sectors, particularly housing. In the longer term, improvements in administrative efficiency, investment activity, and local economic development may also support Kulai's broader urban development aspirations, including its progression towards City Council status.

## Ethics Approval and Consent to Participate

Not applicable. This study did not involve human participants or animal subjects.

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## Conflict of Interest

The authors declare no conflict of interest.

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