

NCER's Strategic Border Development Catalyses High-Value Investments, Taps ASEAN Market and Global Supply Chain Shifts

CHUPING, PERLIS, 28 MAY 2026 – The Northern Corridor Economic Region (NCER) is reshaping the Malaysia–Thailand border into a strategic gateway for advanced manufacturing, cross-border logistics and technology-driven industries, marking a decisive milestone in its border development agenda. Anchored by the recently launched New Investment Framework – which prioritises high-value investments and high-value employment – key catalytic projects are now fast-tracking investor entry and positioning the Northern Region as a prime destination in the global China +1 supply chain reconfiguration.

Leveraging the dual logistics nodes of Perlis Inland Port (PIP) near Padang Besar and the Bukit Kayu Hitam Inland Clearance Depot (BKH ICD) at the busiest border crossing, NCER is integrating thematic industrial parks – Chuping Valley Industrial Area (CVIA), Kedah Rubber City (KRC) and Kedah Science & Technology Park (KSTP) – under a unified border economic development framework. This alignment ensures complementary planning, seamless cross-border connectivity, and direct access to the vast ASEAN consumer market of over 680 million people, with onward reach into the Greater Mekong Subregion.

Dato' Mohamad Haris Kader Sultan, Chief Executive of the Northern Corridor Implementation Authority (NCIA), said the integrated border strategy is deliberately designed to capture accelerating shifts in global manufacturing. "The China +1 strategy is not a temporary trend – it is a structural realignment of supply chains. By combining industry and manufacturing readiness, logistics connectivity, innovation, ESG-compliant renewable energy, and trade facilitation at our border gateways, NCER offers a uniquely de-risked, cost-competitive launchpad into the ASEAN market. Our recently launched New Investment Framework sharpens this proposition by specifically targeting high-value, high-technology investments that create quality employment for Malaysians."

He added that the early harvest from CVIA, PIP and KRC prove the model is working. "These projects are no longer blueprints; they are delivering concrete outcomes and catalysing follow-on investor confidence this year."

CVIA and PIP – Dual Logistics-Industrial Powerhouse

CVIA secured a landmark investment from global manufacturer Jabil last year. Initial operations began end-December 2025, with phased expansion underway and a

healthy pipeline of follow-on investments. NCER is in the final stages of concluding several more major commitments in CVIA before year-end.

In tandem, the PIP was fully completed this year, with NCER delivering external infrastructure including the border road, flyover and railway spur line, while internal infrastructure was developed by Mutiara Perlis Sdn Bhd. PIP commenced initial operations at end-2025 and is progressively scaling throughput capacity throughout 2026, transforming Padang Besar into a multimodal logistics hub that shortens time-to-market for goods moving across the ASEAN land bridge.

KRC – Smart Manufacturing for Global Markets

At KRC, Prinx Tire committed a cumulative RM2.6 billion investment over 15 years to develop a smart, eco-friendly tire manufacturing plant. With initial operations expected in Q4 2026, the project will generate significant local ecosystem and socio-economic spillovers, particularly in skilled job creation and vendor development. NCIA is now finalising several additional major investments to accelerate the fulfilment of KRC Phase 1 by year-end.

KSTP – High-Tech Ecosystem at Bukit Kayu Hitam

KSTP Phase 2A infrastructure, has been under construction since 2024 and is on track for completion by December 2026. Strategically located adjacent to the brownfield industrial area and the BKH ICD, KSTP is set to receive investments as early as next year. Once fully operational, it is projected to attract RM12.9 billion in investments and create 23,244 high-value job opportunities. NCER has curated a specific investment plan focusing on nanotechnology, high technology and aerospace, complementing existing industries and transforming Bukit Kayu Hitam into an advanced manufacturing and innovation corridor.

Leveraging Regional Platforms and Strategic Frameworks

“Thematic industrial parks are a long game, requiring proactive planning to stay relevant amid evolving economic realities. We are leveraging the Indonesia–Malaysia–Thailand Growth Triangle (IMT-GT) platform to add strategic depth to our border development planning, while our New Investment Framework ensures every ringgit of incentivised investment delivers high-value jobs and technology transfer,” Dato’ Mohamad Haris emphasised.

“We are grateful that CVIA, PIP and KRC have delivered early results this year, acting as powerful proof points that will accelerate investor entry compared to previous years. The pipeline is robust, and the strategic narrative – anchored on border connectivity, ASEAN market access, and supply chain diversification – is resonating globally.”

“NCER expressed its appreciation to the Ministry of Economy, State Governments, MIDA, local authorities and all agencies involved in facilitating and realising investments in the Northern Region, particularly for border projects,” he added.

For more information about NCER, please visit the NCER homepage at www.ncer.com.my.

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INFORMATIONS FOR EDITOR:

About NCIA

The Northern Corridor Implementation Authority (NCIA) is a regional development authority responsible for establishing directions, devising policies and strategies related to the socioeconomic development of the Northern Corridor Economic Region (NCER). Incorporated in June 2008 under the Northern Corridor Implementation Authority Act 2008 (Act 687), NCER encompasses the four northern states of Kedah, Penang, Perak and Perlis in Peninsular Malaysia. NCIA's Chief Executive is Mohamad Haris Kader Sultan.

NCIA drives the growth of NCER towards becoming an excellent economic region while catalysing and implementing high value-added development programmes in six (6) economic clusters: Manufacturing, Agribusiness, Petrochemical, Mining, Green Economy and Services (Inc. Tourism; Logistics and Connectivity; and Digital Economy)

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