

THE **NORTHERN**

E-NEWSLETTER



STRATEGIC PROJECTS

Sustainable Development
Agenda in NCER

INVESTMENT

NCIA's Holistic Ecosystem
Development Initiatives in
Supporting Investors in NCER

HUMAN CAPITAL

Enabling Opportunities
for Better Quality of Life

ISSUE 01
JUL - SEP
2022

Welcome to the North



Al-Hussain Mosque, Perlis



Langkawi, Kedah



Sultan Abdul Halim Muadzam Shah Bridge, Pulau Pinang



Gua Tempurung, Perak



FROM THE OFFICE OF THE CHIEF EXECUTIVE



The Northern is a quarterly newsletter that we aim to present to all our stakeholders as an important reference point for updated information on NCER's high-impact projects, strategic investments, and rakyat-centric human capital programmes.

The Northern will showcase the best that NCER has to offer our stakeholders; from our investors to our collaboration partners, programme participants and the many government agencies that we work with. Underlining all of these are the people of NCER, who form the backbone of the region and on whose shoulders rests the success of the region. **The Northern** gives them a voice; to speak to you directly and welcome you to be a part of this exciting and dynamic region.

Starting with an introduction to NCER, made up of the northern most state of Perlis, followed by Kedah, Penang and Perak, the first edition of **The Northern** showcases the vast potential that NCER has for investors via a robust and all-

inclusive investment ecosystem, which feeds into and is supported by our human capital initiatives in a holistic and sustainable cycle.

Subsequent editions will expand and highlight each state's offering for investors, stakeholders and communities. In each of the newsletters you will be able to read about key events and happenings in NCER, aimed at providing you the updates on the progress of the various programmes and initiatives. We will be reviewing and improving the content of this newsletter from time to time to suit our readers.

The Northern will be emailed directly to our stakeholders every quarter. You will also be able to download the newsletter directly from our website, and our social media platforms.

I invite you to take this reading journey with me, as **The Northern** takes you through all that NCER can provide to the many different communities that form

our current, and potential stakeholders. I hope that as you walk this path with us, you will also reach out and provide feedback on what else you would like to see in subsequent editions, as well as how the newsletter can be further refined as a tool for your understanding of, and partaking in NCER. I look forward to your engagements with us.

I hope too that you will enjoy reading **The Northern** as much as my team and I have enjoyed putting it together for you.

Welcome to **The Northern**.

Thank you and best regards,

Mohamad Haris Kader Sultan

CONTENTS

01 Foreword

From the Office of the Chief Executive



04 Investment

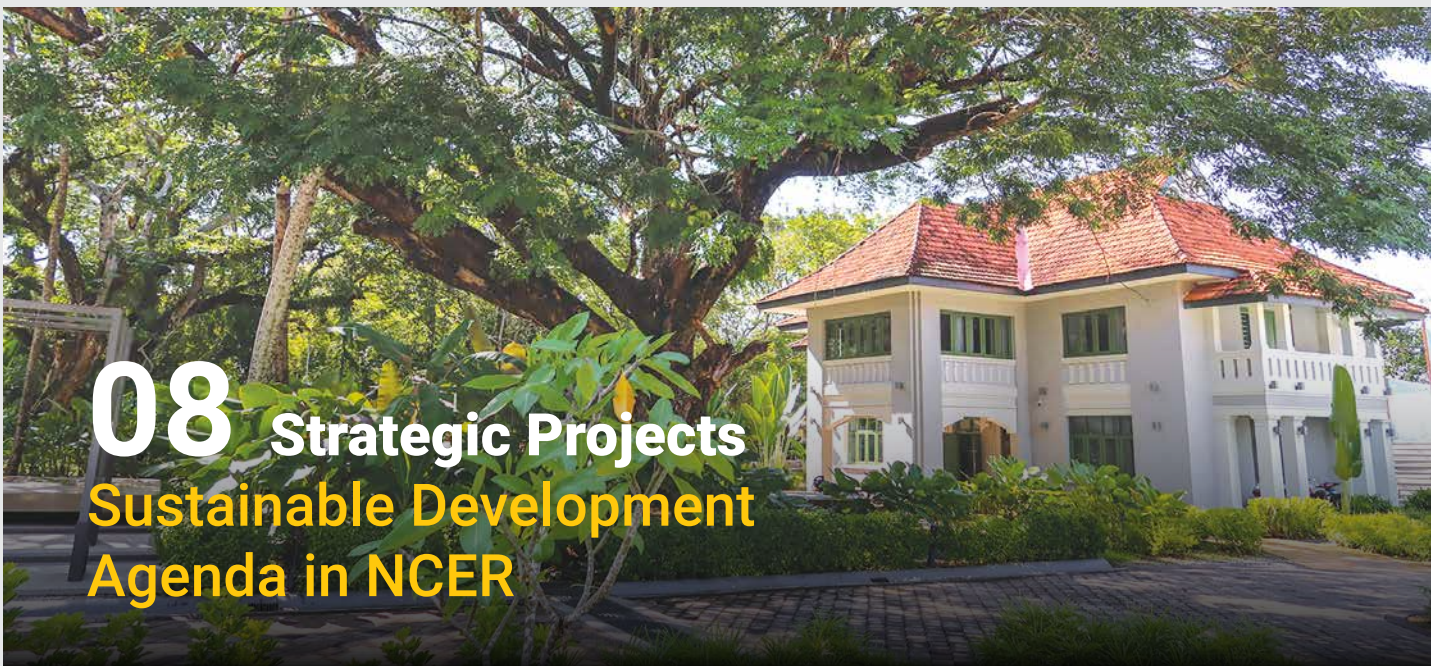
NCER Investment
Performance Highlights
Q1 - Q2 2022

06 Investment

NCIA's Holistic Ecosystem
Development Initiatives in
Supporting Investors
in NCER



08 Strategic Projects Sustainable Development Agenda in NCER





10 Human Capital

Enabling Opportunities for
Better Quality of Life



12 Human Capital

NCER Human Capital
Programmes Scorecard



13 Human Capital

Coffee Table Book
*Menyemai Keazaman,
Menuai Kejayaan*



16 Events

Pictorial Media and Event Diary
2022 Key Events Up to Q3

NCER INVESTMENT PERFORMANCE HIGHLIGHTS Q1 - Q2 2022

NCER RECORDS RM17.3 BILLION OF TOTAL APPROVED INVESTMENT IN Q2'2022 AMID A GLOBAL ECONOMIC DOWNTURN

NCER recorded approved investments in the manufacturing, and services sectors as of July 2022. These projects will create **12,315 new job** opportunities in the economy.

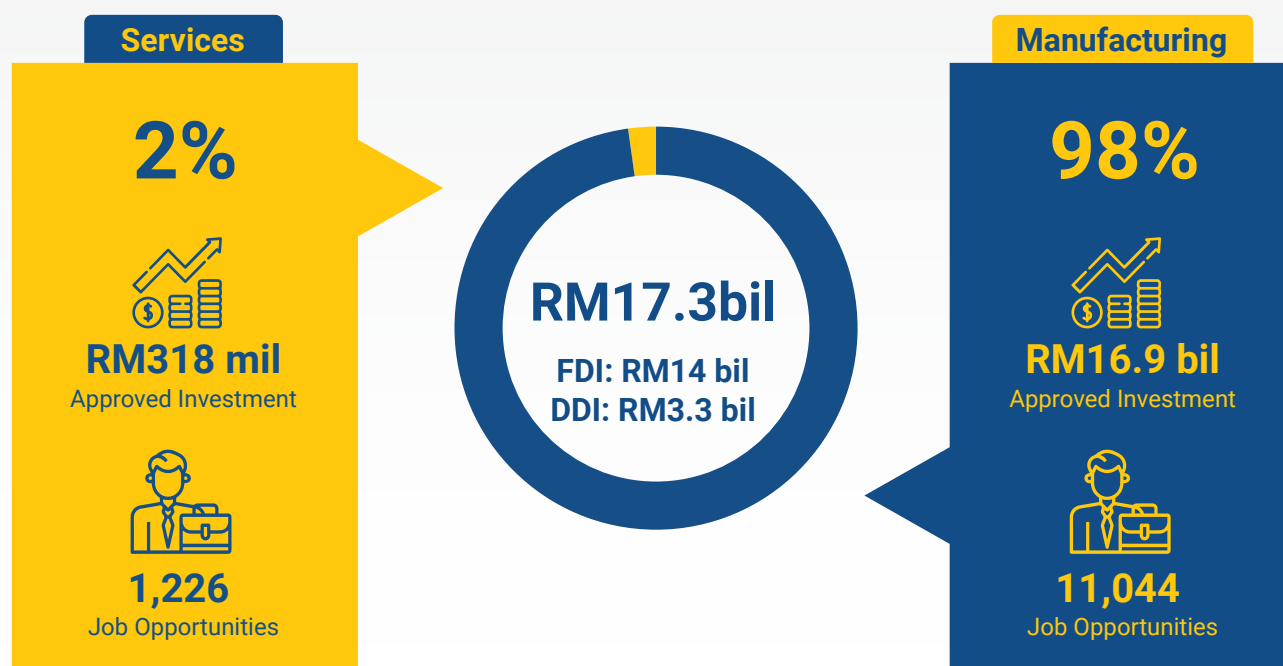
In contrast, a total of **RM4.7 billion** was approved in Q1'2022. This decline was weighed by the primary sectors which were directly impacted by declines in global demands due to the post-economic recovery and growth after COVID-19.



Investment by Sector

The manufacturing sector has the most significant multiplier effect on Malaysia's economic activities and growth. The sector saw a significant increase in approved investments compared to the first quarter registering at **RM12.6 billion** in Q2'2022.

Despite being weighted by the declines in global demands due to the pandemic and slow growth of the economic recovery, the services sector attracted **RM318 million** in approved investments and is expected to create **1,226 jobs** for NCER.





Investment by States

Foreign Direct Investment (FDI) represented the bulk of approved investments in NCER for 2022, totaling **RM14 billion** while Domestic Direct Investments (DDI) recorded RM3.3 billion.

Kedah recorded the highest investments approved, followed by Pulau Pinang, Perak, and Perlis. These four (4) states have contributed more than 40% of the total approved investment in Malaysia.

TOTAL APPROVED INVESTMENT AS OF Q2'2022



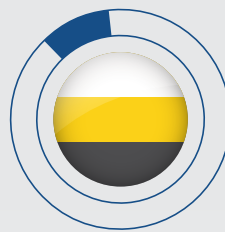
Kedah

RM11.23 bil



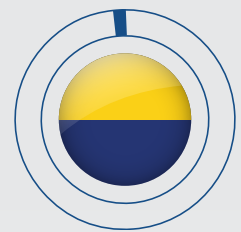
Pulau Pinang

RM4.2 bil



Perak

RM1.82 bil



Perlis

RM23 mil

Investment by Major Foreign Sources

United States of America, Korea, and Taiwan were the top three (3) FDI sources from overall economic sectors in NCER, accounting for **80%** of the total approved FDI for the first two quarters.



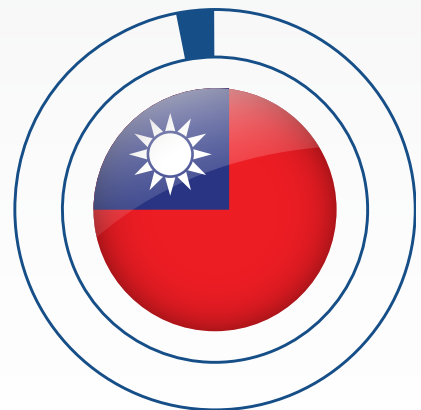
USA

RM16.15 bil



South Korea

RM650 mil



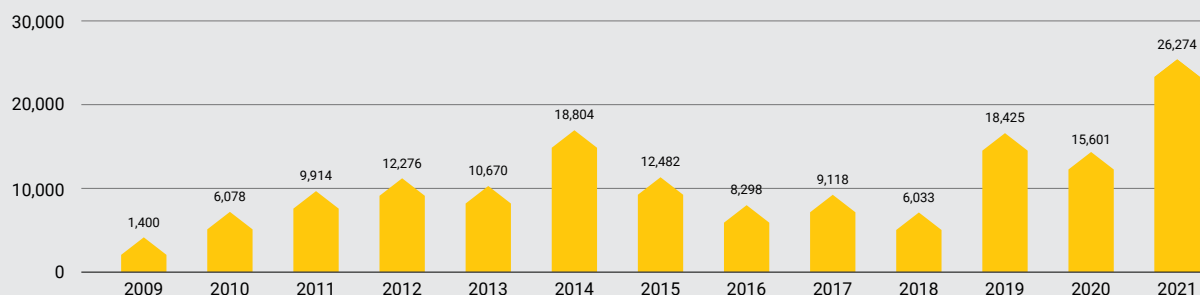
Taiwan

RM500 mil

NCIA'S HOLISTIC ECOSYSTEM DEVELOPMENT INITIATIVES IN SUPPORTING INVESTORS IN NCER

RESILIENT AND HOLISTIC INVESTMENT ECOSYSTEM: THE BRIGHT SPOTLIGHT ON NORTHERN CORRIDOR AMID THE GLOBAL GLOOM

ACTUAL INVESTMENT BY YEAR



The year 2021 has been a bittersweet year for NCER. The mounting challenges emerged from the gradual recovery from the pandemic situation, industrial supply chain disruptions, and rising insecurities from the global macro-economic uncertainties. Nevertheless, the Corridor can be proud to be able to sustain a thriving investment environment. NCER has boasted the record-breaking amount of investment coming into the region in 2021 since its inception with RM26 billion worth of approved investment coming from various sectors, mainly in the manufacturing, services, and agricultural sectors.



Looking ahead into 2022 and onwards, the trajectory is full of optimism amid the current precarious situation of the global market. The NCER is expected to grow into an RM300 billion economic powerhouse in 2027 from the current RM225 billion level. Whereas the cumulative investment is expected to reach



RM146 billion within the same period. This level of optimism is derived from past year track record, signalling the investors' confidence in the region.

To support the investment activity in the Northern region, NCIA has been proactive in ensuring the investment ecosystem in the Northern region to be all-inclusive and fulfils the investors' needs, ultimately attracting both foreign and domestic investors. NCIA fully understands the multiple layers of complexities affecting investment decisions, ranging from the availability of infrastructure, quality of talents, affordability issues. In response, NCIA

has provided various programmes to ensure all these issues confronted by potential investors are being addressed accordingly.

In terms of hard infrastructure, NCIA has designed and developed thematic industrial parks to position investors within conducive environments with full-fledged connectivity to strategic sea and airports for ease of moving goods. Within NCER, thematic industrial parks focus on core sectors, including but not exhaustive to Electrical and Electronics (E&E), medical devices, advanced materials, and rubber-related industries. Alongside hard infrastructure, NCIA



6 KEY ECONOMIC CLUSTERS

supplements investments via soft infrastructure initiatives such as fiscal incentives, employment subsidisation programmes, research and innovation activities, business financing, and technological and accreditation support. Each of these initiatives provide a multi-faceted approach to ensure investors benefit from getting less tax burden, retaining highly skilled workers, developing frontier innovation, reducing capital cost, and ensuring the products manufactured comply to the highest standards, thus opening up vast market potentials.

On investment facilitation, NCIA is diligently working on strategic collaborations with relevant ministries, state governments, and ministerial agencies to synchronise the effort to improve the ease of doing business in NCER as well as to forge trade relationships with the regional and global market.

In short, NCER has remained an attractive investment destination amidst uncertainties and sluggish globaleconomy. To sustain the pull, NCIA's role to engage, facilitate and stimulate investment will be pivotal. NCIA will continuously strive to provide better facilitation and engagement in response to investors' needs. Located strategically with access into huge Asian market, coupled with readily available human capital talents and highly integrated technology in the industries, NCER is ready to welcome investors as their preferred investment destination.

1



MANUFACTURING



E&E



M&E



Aerospace



Automotive



Medical
Devices



Rubber
Products



FMCG

2



AGRIBUSINESS



Paddy



Cash
Crops



Aquaculture



Livestock

3



GREEN ECONOMY



Ecotourism



Archaeotourism



Heritage Tourism



Niche Tourism

4



SERVICES



Biodiversity



Renewable
Energy



Green
Technology

5



PETROCHEMICAL

6



**SUSTAINABLE
MINING**



SUSTAINABLE DEVELOPMENT AGENDA IN NCER

Pendang, Kedah

ALIGNMENT OF THE NCER STRATEGIC FRAMEWORK WITH THE SDGs TOWARDS NATIONAL SUSTAINABLE DEVELOPMENT / NORTHERN REGION

The sustainability aspect is one of the important elements applied by NCIA in implementing balanced socioeconomic development in NCER, in line with the vision of Growth With Equity. Sustainable development in this region is guided by three main references, namely the NCER Strategic Development Plan (2021-2025) or SDP which is in line with the national and state level sustainability agenda; The Sustainable Development Goals (SDGs) of the United Nations (UN); as well as compliance with ESG ("Environment, Social and Governance") Standards or Environment, Social and Governance.

Under the NCER Strategic Development Plan (2021-2025), Conservation and Preservation of the Environment is one of the key strategic thrusts in the region along with Sustainable Economic Growth and Social Reengineering.

Compliance with ESG standards reflects the seriousness of NCIA as an organization that is concerned with its corporate social responsibility as well as the impact of the projects and programmes undertaken.

In terms of the Environment ("Environment"), NCIA is committed in continuing to implement sustainable programmes and development taking into account the long-term impact on

the environment in addressing socio-economic imbalances between and intra-regional in terms of effective land use, energy conservation, resource conservation and sustainable waste emissions.

The development of industrial parks and other physical projects in NCER are also in accordance with the guidelines and specifications of the Environmental Impact Assessment (EIA) report which has been approved by the Department of Environment Malaysia (DOE).

NCIA also highlights the development of industrial parks with the concept of "Eco-Industrial Park" where the design and management model is in accordance with the standards developed by SIRIM Berhad in collaboration with NCIA.

The focus of the Social element at NCIA is through

increased efforts to empower vulnerable groups through People-centric Human Capital Development Programmes. These programmes play an important role in empowering the people at NCER, especially in terms of improving their skills to be able to generate higher income. It also aims to provide a diversity of quality workforce that can meet the needs and requirements of investors, while supporting micro-entrepreneurs and SMEs that are the

backbone of the local economic sector as well as supply chain management and community relations in line with the aspirations of the Keluarga Malaysia.

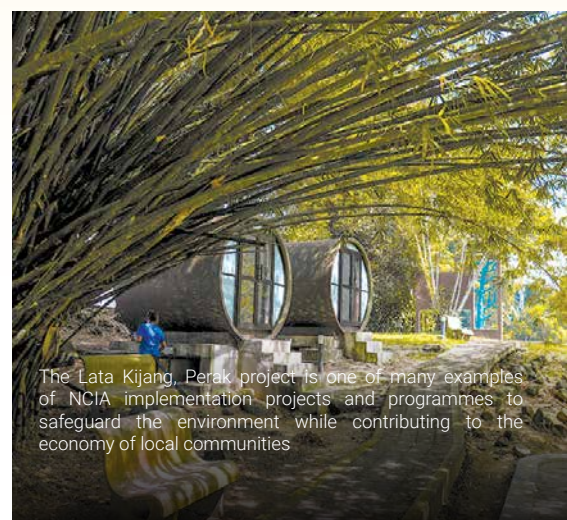
From the point of view of Governance, NCIA strives to plan good governance to improve management efficiency and transparency in the organization. The clear roles and responsibilities of the various committees are key to achieving operational excellence

Among the matters given attention are audit management, information transparency, audit procedures and good project implementation. Sustainable governance will attract more investors from their confidence in NCIA's ability to develop the region with integrity.

The alignment of these frameworks, approaches and targets set by NCIA will be improved from time to time as appropriate, which in turn will contribute to the sustainable development of NCER directly and nationally indirectly.

"NCIA is committed to continue to implement sustainable programs and development"

Mr. Hasri A. Hasan
Chief Operating Officer, NCIA



The Lata Kijang, Perak project is one of many examples of NCIA implementation projects and programmes to safeguard the environment while contributing to the economy of local communities



ALIGNMENT OF THE NCER STRATEGIC FRAMEWORK WITH THE SDGs TOWARDS NATIONAL SUSTAINABLE DEVELOPMENT / NORTHERN REGION

Sustainability Aspirations

NCIA is committed to the Sustainable Development Goals (SDG) by assimilating Environmental, Social and Governance (ESG) elements through the implementation of Strategic and High Impact Projects, Human Capital Programmes and Sustainable Investment

Main Focus of Sustainability

ENVIRONMENT



NCIA is committed to continuing to implement sustainable programmes and development taking into account the long-term impact on the environment in addressing inter- and intra-regional socioeconomic imbalances.

SOCIAL



NCIA will step up efforts to empower Vulnerable Groups through People-Centric Human Capital Programmes

GOVERNANCE



NCIA strives to pursue good governance to enhance management efficiency and transparency. The clear roles and responsibilities of the various committees are key to achieving NCIA operational excellence

SGD-related Main Focuses

NCIA's main focus in developing the NCER region – Alignment of the meaning of sustainability to NCIA

- Effective Land Use
- Energy Saving
- Conservation of Natural Resources
- Sustainable Waste Disposal

- Workforce Diversity
- Public Relations
- Supply Chain Management

- Corporate Governance
- Transparency and Reporting
- Financial sustainability
- Stakeholder Involvement

Sustainability Actions

Steps to achieve the main focus of sustainability and targets through the 3-Pronged Method

STRATEGIC AND HIGH IMPACT PROJECTS

Inculcate the value of sustainable development in every project planned and implemented

HUMAN CAPITAL PROGRAMMES

Implementation of the value of sustainability in every Human Capital programme and the management of NCIA in general

SUSTAINABLE INVESTMENT

Apply the value of sustainability in every investment decision

ENABLING OPPORTUNITIES FOR BETTER QUALITY OF LIFE

The well-being of communities is dependent on the ability of its people to gain access to social and economic opportunities.

To help more people develop their full potential, NCIA has implemented several programmes to help empower the *rakyat* in NCER.

These people-centric human capital programmes drive the *rakyat* towards comprehensive development to create more employment and entrepreneurial opportunities that will contribute to an increase in household income. Human capital development is one of NCIA's priorities, particularly in improving the socio-economic status of target groups which comprised of the B40 group, women, youth and Orang Asli.



These initiatives help increase the *rakyat's* purchasing power, ensure a sufficiently skilled workforce that is relevant to industry needs, and provide support to entrepreneurs and SMEs who are the backbone of the local economy. The initiatives will also help the Electric and Electrical (E&E), Machinery and Equipment (M&E) and Medical Devices sectors by providing higher calibre employees, which in turn will help the industries grow. With access to these opportunities, the *rakyat* can be empowered to boost their socio-economic status and ensure their prosperity.

NCER Human Capital Programmes are comprehensive and emphasizes on "continuous development" of participants, for example the recipients of the Kasih Ibu programme have been absorbed/integrated into the empowerNCER Skills and Entrepreneurship or JomNiaga programme so that they can use the new skills that they learned for either business or work. This reduces the aspect of dependence on government aid among the recipients of Kasih Ibu aid.

These programmes are aimed at improving the welfare of the *rakyat* and are focused on:



ERADICATING
POVERTY



UPLIFTING
B40 ECONOMY



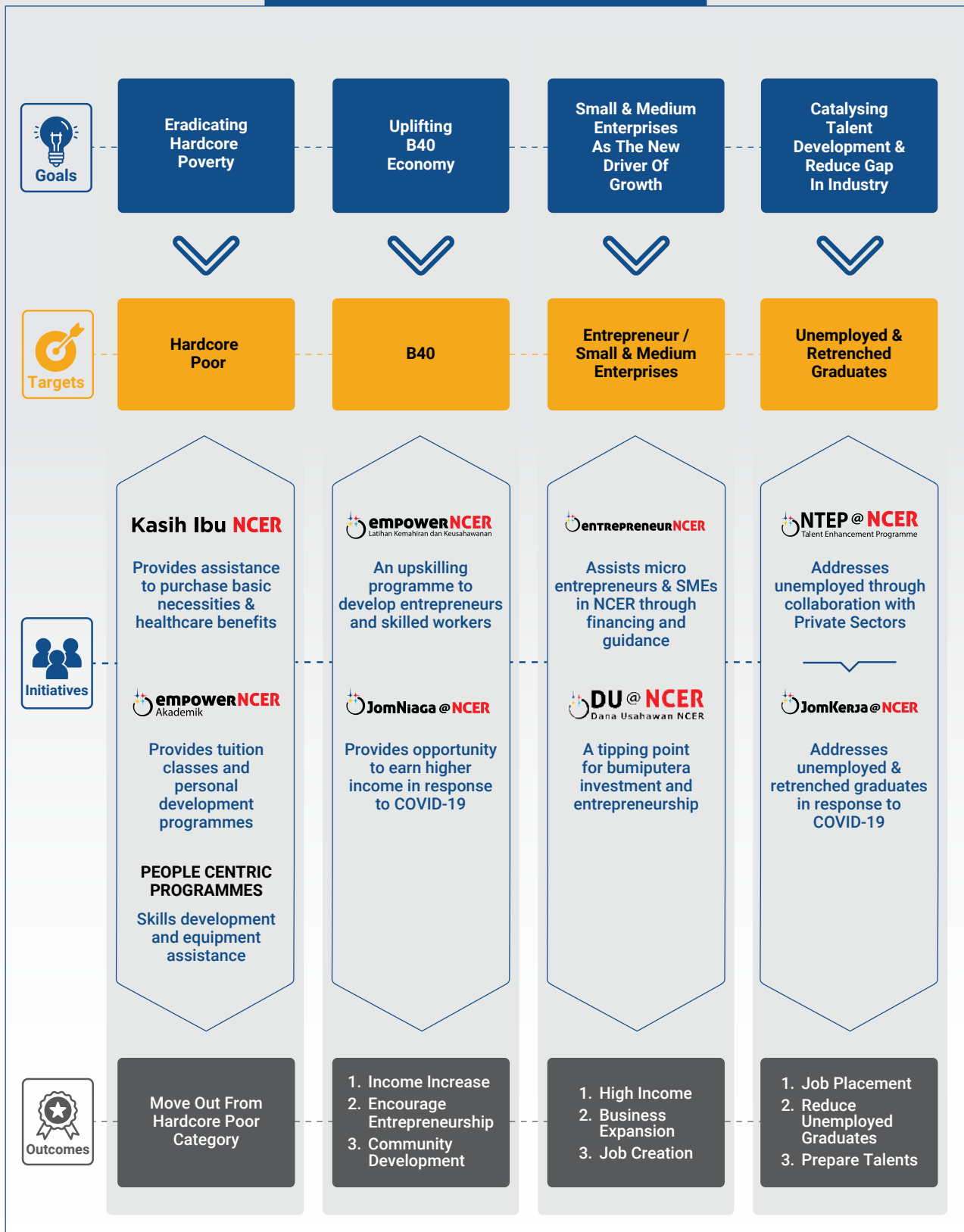
STRENGTHENING
SMALL & MEDIUM
ENTERPRISES AS
THE NEW DRIVER OF
GROWTH



CATALYSING TALENT
DEVELOPMENT AND
REDUCING GAPS IN
INDUSTRY NEEDS
















NCER's HUMAN CAPITAL VALUE CHAIN



NCER HUMAN CAPITAL PROGRAMMES SCORECARD

RAKYAT & BUSINESS COMMUNITY (2019 - 30 JUNE 2022)

 B40 (inc. poor & hardcore poor) 60,093	 NEW ENTREPRENEURS 10,878	 LLC / MNC 127
 YOUTH (18-45) 32,576	 E-COMMERCE 7,714	 SME 1,069
 WOMEN 50,744	 JOB CREATION & PLACEMENT 201,888	 MICRO ENT. 20,537
 ORANG ASLI 4,477	 SSM REGISTRATION 2,973	

PROGRAMMES					TOTAL
Kasih Ibu NCER	9,905	17,139	6,992	N/A	34,036
 empowerNCER Akademik	6,450	4,450	350	1,900	13,150
 empowerNCER Latihan Kemahiran dan Keusahawanan	2,800	3,800	400	1,200	8,200
 JomNiaga@NCER	1,447	3,153	680	1,663	6,943
 JomKerja@NCER	1,513	572	197	4,362	6,644
 NTEP@NCER Talent Enhancement Programme	376	552	55	2,067	3,050
 entREpreneurNCER	3,924	9,847	3,140	1,563	18,474
 DU@NCER Dana Usahawan NCER	15 Companies Job Creation: 602	10 Companies Job Creation: 205	1 Company Job Creation: 345	5 Companies Job Creation: 378	31 Companies Job Creation: 1,530
TOTAL	26,430	39,523	11,815	12,760	90,528

NCER Human Capital Programmes have significantly benefitted **90,528 rakyat** since 2019 - 30 June 2022



COFFEE TABLE BOOK *MENYEMAI KEAZAMAN, MENUAI KEJAYAAN*

The narrative on the success and transformation of the *rakyat* (people) in the Northern Corridor Economic Region (NCER) is a manifestation of continuous efforts to reach out and touch the hearts and minds of the people, as the key step in the empowerment of individuals and companies who will then be the catalysts for the transformation of communities and the nation.

Human capital programmes, developed and implemented by the Northern Corridor Implementation Authority (NCIA) is the foundation for these efforts.

These people-centric human capital programmes are curated for the *rakyat* in a holistic and sustainable manner via strategic and comprehensive developments, which will help to spur the creation of more employment prospects and entrepreneurial opportunities, whilst increasing household incomes. All of these will directly benefit the people in the NCER states. Human capital development initiatives at NCER are one of NCIA's key priorities, especially in improving the socio-economic status of the target group which is mostly comprised of the B40 group.

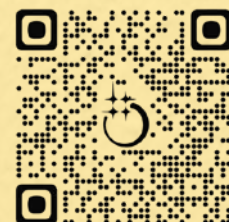
NCIA has produced a coffee table book, which highlights the success stories of our human capital participants and companies from all 7 Human capital programmes that are; empowerNCER Latihan Kemahiran dan Keusahawanan, empowerNCER Akademik, entrepreneurNCER, JomNiaga@NCER, JomKerja@NCER, NCER Talent Enhancement Program (NTEP@NCER) and Dana Usahawan NCER (DU@NCER)



Human Capital Programme Champions



You can access the book here:



HUMAN CAPITAL PROGRAMMES SUCCESS STORIES

**MUHAMMAD MIZAL AIMAN SULAIMAN**

Seberang Perai Utara, Pulau Pinang

Muhammad Mizal Aiman Sulaiman is a young man that started his business career as a *pasar malam* hawker selling toys. After deciding to join empowerNCER Skills and Entrepreneurship Programme in a Mobile Phone Repair course, his decision paid off when his business received an overwhelming response

during the COVID-19 outbreak. This hardworking and positive chap is now a proud employer of 7 full-time employees. "I hope to open more job opportunities for youth," he said. Looking ahead into his future, he plans to spread his wings by opening a few branches throughout Malaysia.

**RAHMAN BAH SOK**

Batang Padang, Perak

I have been in this grocery store business for a few years. However, the income earned is small due to lack of experience about managing the business and knowledge of the industry. I joined this programme because I was interested in the benefits that I could gain through the programme such as I learned about

customer service, how to create market expansion, stock management and a lot more. I was also given a business starter kit which I am thankful because the starter kit can be used to improve my business.

**NURHAMIRAH ROSLAN**

Batang Padang, Perak



As of result of participating in a Culinary and Frozen Food Processing course under empowerNCER Skills and Entrepreneurship Development Programme, Nurhamirah Roslan, an Orang Asli from Lata Kinjang began to produce and sell her homemade ice cream. She is now capable of increasing

her family's income and has opened a business opportunity to 3 agents outside Lata Kinjang area. Through her dedication, Nurhamirah not only is able to improve her family quality of lives but is also able to enrich other Orang Asli's lives outside her community.

**SHAHRULNIZAM AWANG ABDULLAH**

Sik, Kedah

Shahrulnizam Bin Awang Abdullah, Founder of MNS Smart Speed Enterprise is a participant of entrepreneurNCER-Maybank Programme. His 4-year-old business as a vehicle lubricant supplier in 3 states; Kedah, Perlis and Pulau Pinang are sustained due

to the support provided by the fund provided by Maybank and 50% top up of the interest rate by NCIA. Not only that he has managed to improve his cash flow and working capital, but the fund has also assisted in his business continuity.





ZURAINA TALIB

Langkawi, Kedah

Zuraina Talib is one of numerous Kasih Ibu Darul Aman (KIDA) beneficiaries who formerly belonged to the hardcore poor category (PGK 2019), where she and her family had to survive on food they would scavenge.

She decided to involve in the agricultural industry after signing up for the empowerNCER Skills & Entrepreneurship Development Programme (Quick Win). She rented three parcels of land and began planting vegetables such as

sugarcane, sweet potatoes, watermelon, and several other crops.

Her perseverance, continuous family support and knowledge gained from the programme had benefited her business whereby she is also capable of providing job opportunities to the villagers. Currently, Zurina is supplying vegetables to two Langkawi eateries while expanding her own Ruang Niaga to produce sugar cane beverages.



MUSLIHA KHALID

Baling, Kedah

She has proven that the daughter of a rubber tapper and a full-time housewife in a small village in Baling, is also capable to achieve excellent results in the recent SPM 2021. According to her mother, Musliha is a very diligent student, consistently doing homework, never skip classes in school and any of the activities; tuition and motivational talks conducted through empowerNCER

Akademik Programme. Both of her parents were surprised and did not expect that Musliha was able to achieve 8As in her SPM because her grade in Form 4 were not that good. Musliha hopes that her ambition to become a doctor one day will change her family's way of lives and bring them out from the poverty circle.



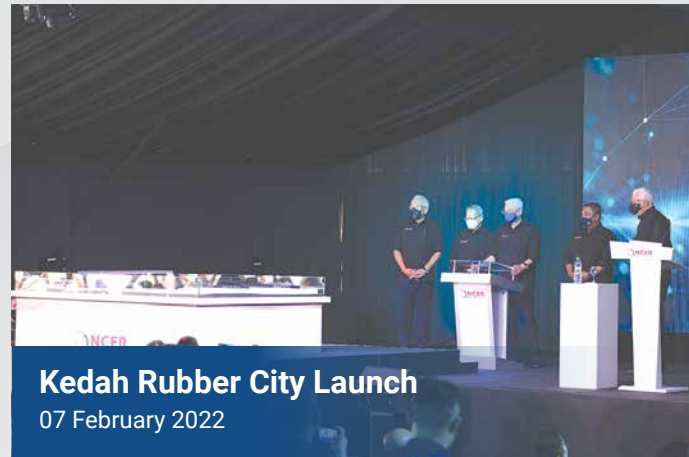
SAMSUDDIN NAZERI

Kampar Perak

Samsuddin Bin Nazeri from Kampar, Perak started his business by selling grass jelly drink on a small-scale basis in 2013 under ADYN brand. Shortly afterwards, he managed to obtain a financing assistance from AGROBANK Entrepreneur Scheme and NCIA's 50% top up rate of the interest to expand his business and became one of the main suppliers of grass jelly drinks in Perak. His signature products 'Cincau Herba' and 'Susu Kambing Kurma' are the most

popular among his customers. This proud participant of entrepreneurNCER-Agrobank Programme mentioned that his business has also provided entrepreneurship opportunities for other people who become his agents and stockist. Samsudin was also given the opportunity by NCIA to promote his product in the Jelajah Aspirasi Keluarga Malaysia in Pasir Salak, Perak recently.

PICTORIAL MEDIA AND EVENT DIARY 2022 KEY EVENTS UP TO Q3





**Majlis Berbuka Puasa
empowerNCER Kuala Muda**
18 April 2022



**NCIA & Yayasan PETRONAS Continued
Collaboration Commitment Ceremony**
25 April 2022



Ipoh Heritage Tourism Launch Ceremony
14 May 2022



**YB Minister in Prime Minister Office
(Economy) Working Visit**
26 May 2022



NCER Hari Raya Open House
27 May 2022



**Coffee Table Book
Launch Ceremony**
16 June 2022



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NORTHERN CORRIDOR IMPLEMENTATION AUTHORITY (NCIA)
PULAU PINANG, MALAYSIA