

NCER REMAINS ATTRACTIVE TO INVESTORS DESPITE PANDEMIC

Secured RM15.5 Billion in Investments and Created More Than 23,000 Job Opportunities in 2020

16 November 2020 – Through strong business stimulus incentives and attractive tax structures, the Northern Corridor Implementation Authority (NCIA) has exceeded its 2020 investment target of RM7 billion by more than 120% to RM15.5 billion. The approved job creation in 2020 is more than 23,000 jobs as compared to the original target of 5,900 jobs.

Despite the Region's GDP is forecasted to contract by 4% this year due to the on-going pandemic, NCIA has regained the momentum and will continue implementing strategic projects and initiatives as approved in the Northern Corridor Economic Region (NCER) Strategic Development Plan (SDP) 2021-2025 to mitigate the socioeconomic impact of the outbreak on the Rakyat. NCER should be back on track to pre-COVID-19 levels in 2021.

The success of NCER in attracting investments during this challenging period is testament to the country's economic resilience. Coupled with a strong focus in R&D, Digitalisation and the establishment of Integrated Economic and Community Centres, the Rakyat can look forward to socioeconomic recovery next year, whilst NCIA's Human Capital Programmes (HCP) continue to help sustain the livelihood of the Rakyat.

YAB Prime Minister, Tan Sri Dato' Haji Muhyiddin bin Haji Mohd Yassin chaired the 24th NCIA Council Meeting held earlier today. At the meeting, the status and progress of the various projects and human capital programmes being implemented in Perlis, Kedah, Penang and Perak were updated.

Sixteen Bumiputera companies have committed to invest almost RM500 million and close to 750 jobs have been created under the Dana Usahawan Bumiputera (DUB) programme up to the end of October. Supporting this, NCER Talent Enhancement Programme (NTEP) has successfully matched over 1,200 unemployed graduates with prospective employers.

Following this, more than 12,000 entrepreneurs have benefitted under the entrepreneurNCER and empowerNCER programmes that provides assistance to ensure the sustainability and growth of small and medium businesses.

Through the integrated Human Capital programme approach, the Kasih Ibu Darul Aman (KIDA) programme in Kedah has helped almost 4,500 households address the cost of living especially during the on-going pandemic through a cashless card to purchase essential household items from panel merchants and healthcare treatment at private panel clinics.

Fast-track programmes JomKerja@NCER and JomNiaga@NCER have been implemented since August focusing on reskilling and upskilling followed by soft skills training to enhance participants competitiveness in the job market, directly providing employment opportunities to unemployed graduates and retrenched workers. To date, JomKerja@NCER and JomNiaga@NCER programmes have created over 3,800 jobs and 1,300 entrepreneurs.

On strategic and high-impact projects, Chuping Valley Industrial Area (CVIA) in Perlis has been able to attract investments of over RM460 million despite the challenging economic environment. CVIA has the potential to boost the socioeconomic development of the State of Perlis through various commercial activities that are innovation-based and knowledge-intensive within the high-growth and high-value sectors of green manufacturing, renewable energy and halal industries.

Kedah Rubber City (KRC) has tremendous potential in tandem with the increase in global demand for rubber products. Phase One of this project kicked-off last year and KRC will be ready to receive investors by the end of this year. To date, KRC has attracted potential investments of over RM2.1 billion and over 2,000 jobs created from local rubber industry players that have committed to be a part of KRC when operations start in Q1 2022.

The Sidam Logistics, Aerospace and Manufacturing Hub (SLAM) in Sidam is a new industrial park capitalising on the E&E and M&E in Kulim and Penang to move higher up the value chain focusing on aerospace and high-value manufacturing. The commencement of the project in 2021 will result in a cumulative investment potential of RM18 billion and close to 25,000 new jobs in Kedah. Land acquisition and preliminary work on basic infrastructure is expected to begin in 2021.

Leveraging on the strength of Penang as a Technological Hub, the NCER Technology Innovation Centre (NTIC) in Bayan Lepas will be implemented under RMK-12. NTIC will encourage high value-added technology industries in E&E and M&E, Aerospace and Medical Device ecosystem in the region for development of thematic industrial parks in other states across NCER. Two key sub-programmes in the form of technical talent development and

incentives for technology and innovation will complement NTIC. NTIC will capitalise on the special incentive package of RM1 billion that was announced in the 2021 National Budget.

Silver Valley Technology Park (SVTP) in Perak will catalyse the development of the digital economy ecosystem in Perak and attract core technology clusters that are driving changes to markets worldwide. Once fully operational, SVTP has a potential return on GDP of RM41 billion and creation of over 13,000 new job opportunities in the state. SVTP will provide industrial infrastructure to four sectors; manufacturing of Medical Devices, Electrical & Electronics, Smart Agricultural Technology, Unmanned Aerial Vehicle (UAV) and Digital Economy.

“NCIA’s foremost priority in 2021 under RMK-12 is to expedite the implementation of the SDP and ensure a quick and visible impact on the ground for the Rakyat. The success of NCIA’s strategic and high impact projects, as well as human capital programmes are catalysts for NCER to be a World Class Economic Region and Technology Hub,” said Datuk Seri Jebasingam Issace John, Chief Executive, NCIA.

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NOTE TO EDITORS:

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 Datuk Seri Jebasingam Issace John.

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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NCIA 2020 Key Result Indicators (KRIs) as of 16 November 2020

Attracting & Realising Private Investments in NCER, 2020

| | | |
|--|---|---|
| RM15.5 b <small>(RM9.2b approved, RM 6.3b in progress)</small> | RM2.7 b | 7,422 |
| Approved investment Target: RM7 Billion | Realised investment Target: RM3 Billion | Realised job creation Target: 3000 |
| Committed job creation Target: 5,900 | 23,540 <small>(9,732 committed, 13,808 in progress)</small> | |

Key Projects In NCER

| | |
|--------------|---|
| Perlis | Chuping Valley Industrial Area (CVIA) |
| Kedah | Kedah Rubber City (KRC) |
| Kedah | Sidam Logistics, Aerospace & Manufacturing Hub (SLAM) |
| Pulau Pinang | NCER Technology Innovation Center (NTIC) |
| Perak | Silver Valley Technology Park (SVTP) |

Developing Human Capital & Entrepreneurs

| | | | | | |
|--|--|----------------------------------|---|--|-----------------------------------|
| 2,250 | 8,866 | 16 | 4,469 | 2,200 | 1,239 |
| No of participants Target:2,900 | No of participants Target:1,200 | Investment RM 454m | No of beneficiaries Target:4,000 | No of participants Target:2,200 | Target: 1,250 Job Creation |
| | | No of companies Target:20 | | | Investment RM 8.56b |
| | | | | | 2,495 Job Creation |
| | | | | | JomKerja @ NCER |
| | | | | | 3,388 |
| | | | | | Target: 3,500 |
| | | | | | Job Creation 10,980 |

| | | | | |
|--------------------------------|--|-------------------------------------|---|--|
| empowerNCER Akademik | empowerNCER Latihan Kemahiran dan Keusahawanan | KKIA KASHI IBU DARUL AMAN | DUB @ NCER Dana Usahawan Bumiputera | empowerNCER Talent Enhancement Programme |
| JomNiaga @ NCER | JomKerja @ NCER | | | |

Legend: Achieved/ Exceeded target