



STRATEGIC INFRASTRUCTURE AND HIGH-IMPACT PROJECTS TO DRIVE ECER GROWTH IN THE 12TH MALAYSIA PLAN

KUALA LUMPUR, 20 NOVEMBER 2019: The East Coast Economic Region (ECER) has seen commendable socio-economic growth following the Federal Government's efforts to deliver high-impact and *Rakyat*-focused projects and programmes in the region, through the East Coast Economic Region Development Council (ECERDC). These projects and programmes are closely aligned with the Shared Prosperity Vision 2030 (SPV 2030), which seeks to enable equitable, inclusive and sustainable growth across Malaysia. ECER is now in its next leap of growth with the implementation of the ECER Master Plan 2.0 (2018 – 2025), which aims to transform the region into a productivity-driven, high value-added economy by year 2025 with the adoption of Industry 4.0 as a key pillar. This is also consonant with the 12th Malaysia Plan which is founded on the pillars of economic empowerment, environmental sustainability and social re-engineering.

"The creation of jobs and entrepreneurial opportunities in the ECER are a result of the implementation of inclusive socio-economic projects and programmes. We will continue to enhance the delivery of our high-impact projects and programmes to take ECER on the next leap of growth," said Encik Baidzawi Che Mat, Chief Executive Officer of ECERDC, following the ECERDC Council meeting chaired by the Prime Minister, YAB Tun Dr Mahathir Mohamad. Other Council members present at the meeting included Deputy Prime Minister, YAB Dato' Seri Dr Wan Azizah Binti Wan Ismail, Minister of Finance YB Lim Guan Eng, Minister of Economic Affairs YB Dato' Seri Mohamed Azmin Bin Ali and the Menteri Besar of Kelantan, Terengganu, Pahang and Johor.

PRIVATE INVESTMENT

Despite some challenges in 2019, ECER maintained good momentum in attracting investments towards meeting ECERDC's 2025 cumulative target of RM70 billion. During the year, ECERDC secured RM7 billion in committed investments from 36 new projects, which will create over 5,700 job opportunities. Of this total, RM4.3 billion will be realised in ECER's existing industrial parks, largely concentrated in areas with integrated infrastructure and utilities. Foreign direct investment represents 73% of the committed investments; Manufacturing is the dominant sector, making up 39% of new projects, followed by Tourism and Agribusiness at 25% each.

Based on previous investment commitments, the total value of investments realised in 2019 was RM8.8 billion from 72 projects, with the Manufacturing and Tourism sectors securing 60% and 21% respectively. These investments will create more than 3,700 job opportunities.

The Anchor Company business model which forms the basis of ECERDC's agribusiness projects, has proven to be a successful private-public cooperation resulting in increased agriculture production for local consumption and for export, as well as providing employment opportunities to rural and Orang Asli communities. A total of RM156.2 million worth of private investment was realised with 643 jobs and 214 Agropreneurs created across the three key subsectors of livestock, crops and fisheries.

A key strategy for the ECER's Agribusiness cluster in the 12th Malaysia Plan (12MP) will be the consolidation of small farms in the region. ECERDC will facilitate the provision of basic infrastructure whilst qualified anchor companies will bring investments in technology and know-how that will benefit nearly 6,000 farmers.

In the effort to close the rural-urban divide, improve the income of B40 households, as well as to address the need for a sustainable pool of skilled workers and entrepreneurs in the region, ECERDC continues to implement its human capital development programmes.

To date, more than 100,000 locals have participated in various ECERDC's human capital development programmes. Almost 95% of them are from the B40 communities, of which 70% are youth and 70% are female participants, reflecting ECERDC's inclusive approach towards empowering the Rakyat. The programmes include academic enrichment programmes for underprivileged and underperforming students, industry-driven up-skilling programmes for unemployed youths, as well as comprehensive up-skilling courses to transform the unproductive and B40 communities including disabled persons and the Orang Asli to become independent income-earners.

These human capital development programmes namely the **empower ECER**, **entrepreneur ECER** and the **ECER Talent Enhancement Programme (ETEP)** will continue to be prioritised in EMP2.0, in light of the impact that they have had.

2019 has seen the successful completion and "creation" of new tourist destinations for the ECER region. The majestic Kuala Terengganu City Centre (KTCC) Drawbridge is an award-winning landmark, making it a must-visit icon of the East Coast. Other new tourist destinations implemented include the 180m tall Menara Teruntum which provides captivating views of the surrounding city and coastline of the Kuantan area, the interactive Rainforest Discovery Center at Taman Negeri Endau-Rompin which will enhance the ecotourism experience for visitors, and the Temerloh Titik Tengah Semenanjung (TTTS) site which provides a destination of interest for tourists by virtue of its geographical positioning in Peninsular Malaysia. All these destinations will in turn benefit businesses and create jobs in the surrounding areas.

For the 12th Malaysia Plan, the ECER Tourism sector will continue to focus on "creating" destinations for ecotourism, island tourism, arts, culture and heritage, as well as urban and coastal tourism, supported by physical development, customised incentives and human capital development programmes. ECERDC'S tourism strategy will focus on balanced development and inclusive growth while conserving the Region's natural and cultural assets.

The integrated ecosystem of public-private investment, strategic infrastructure projects and human capital programmes has resulted in the ECER's rapid growth thus far. To sustain this pace for the

next leap under EMP2.0, ECERDC will continue to implement high impact projects under the 12th Malaysia Plan, with special focus on strategic infrastructure projects to attract private investment into the manufacturing, agricultural and tourism sectors. Continued implementation of human capital development programmes will also be key to enabling equitable and sustainable growth for the region.

“The projects and programmes outlined in the EMP2.0 seeks to shift the Region’s economic landscape in order to attract quality private investments, create industrious entrepreneurs and high income job opportunities. This will enable the *Rakyat* to participate in and contribute to ECER’s sustainable socio-economic growth and transformation, in line with the aspirations of Shared Prosperity Vision 2030,” concluded En Baidzawi.

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About ECER and ECERDC

The East Coast Economic Region Development Council (ECERDC) is a statutory body established to spearhead the execution and implementation of the East Coast Economic Region (ECER) Master Plan. ECERDC plays a lead role in setting the directions, policies and strategies for the socio-economic development of ECER by promoting and facilitating investments into the region.

ECER, which covers the states of Kelantan, Terengganu, Pahang and the district of Mersing in Johor, is a rapidly transforming region that is steadily positioning itself as a distinctive, dynamic and competitive destination for investments.

Geographically, it covers a total area of over 66,000 sq km or 51% of Peninsular Malaysia. It is home to some 4.3 million people, or about 15% of the total national population. The economic growth in the Region is driven by five key economic clusters, namely Tourism, Oil, Gas & Petrochemical, Manufacturing, Agribusiness and Human Capital and Entrepreneurship Development. These clusters are supported by developments in Transportation, Infrastructure, Property and Environment to make the Region an ideal destination for business, investments and quality living.

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