

TARIKH : 8 FEBRUARI 2022
 AKHBAR : NEW STRAITS TIMES
 MUKA SURAT : 4

Kedah Rubber City Project Takes Off

4 | NEWS / Nation

ECONOMIC SPILLOVER

KEDAH RUBBER CITY PROJECT TAKES OFF

Malaysia's first dedicated rubber eco industrial park to create 15,000 jobs by 2025

ADIE ZULKIFLI
 PADANG TERAP
 news@nst.com.my

PRIME Minister Datuk Seri Ismail Sabri Yaakob yesterday launched Malaysia's first dedicated rubber eco industrial park, Kedah Rubber City (KRC), which has the potential to create 15,000 jobs by 2025 through RM10 billion projected investments.

Ismail Sabri said the national strategic project, located on a 500-hectare piece of land here, would see an economic spillover besides boosting the rubber smallholders' income through consistent demand for natural rubbers.

"KRC is set to attract potential investment valued at RM10 billion and creating 15,000 jobs by 2025, thus creating various spillover for the local community."

"Although it is only launched today (yesterday), KRC has to date drawn RM4 billion investment pledges, which is set to create close to 7,000 jobs," he said at the launch here.

Present were Kedah Menteri Besar Datuk Seri Muhammad Sanusi Md Nor, Minister in the Prime Minister's Department

(Economy) Datuk Seri Mustapa Mohamed, Rural Development Minister Datuk Seri Mahdzir Khalid and Northern Corridor Implementation Authority (NCIA) chief executive Datuk Seri Jebasingam Issac John.

Earlier, Ismail Sabri chaired the NCIA 28th Council Meeting, which was also attended by Sanusi, Perlis Menteri Besar Datuk Seri Azlan Man, Perak Menteri Besar Datuk Seri Saarani Mohamad and Penang Chief Minister Chow Kon Yeow.

Ismail Sabri said he was delighted that the project would directly benefit rubber smallholders in Kedah, most of whom were still living in poverty.

"Although Kedah is one of the key rubber producers in the country, our rubber industry is mostly still focusing on low value-added activities with limited marketing channels.

"This has led to many rubber smallholders still being low-income earners and living in poverty," he said.

Ismail Sabri said KRC would improve their income by ensuring a consistent demand for natural rubbers while stabilising the market price through optimising value-added by products.

He added that NCIA would be



Prime Minister Datuk Seri Ismail Sabri Yaakob (centre) witnessing the exchange of documents between Mitsui & Co (Malaysia) managing director Daiji Kojima (second from left) and Hong Seng Industries Consolidated Bhd managing director Datuk Seri Teoh Hai Hin (fourth from left) in Padang Terap yesterday. With them are Northern Corridor Implementation Authority chief executive Datuk Seri Jebasingam Issac John (left) and Minister in the Prime Minister's Department (Economy) Datuk Seri Mustapa Mohamed. PIX BY LUGMAN HAKIM ZUBIR

collaborating with the Rubber Industry Smallholders Development Authority to nurture and develop local rubber smallholders under the KRC project, which would potentially benefit 73,642 rubber smallholders in Kedah, including 11,190 from here.

KRC is one of the federal government's national strategic projects implemented via NCIA with the aim of making it a leader in the development of Malaysia's rubber industry, as well as a global hub for high-value rubber industry.

Phase 1 of the project comprising 200ha was completed at a cost of RM417.5 million funded by the federal government, and KRC is ready to welcome the arrival of investors.

Pioneering the investment in KRC are Hong Seng Industries Sdn Bhd, which plans to build one of the world's largest nitrile butadiene latex plants in the industrial park starting this year, and LTS Logistics Sdn Bhd, which would establish an integrated logistics ecosystem in KRC comprising a logistics hub, container depot and warehouse.

Ismail Sabri said Phase 2 of the project was set to start next year.



A display of Kedah Rubber City at its launch in Padang Terap yesterday.

He added that KRC would also leverage on its strategic location along the "Rubber Belt" area of the Malaysia-Thailand border and within the Indonesia-Malaysia-Thailand Growth Triangle, and serve as a rubber product innovation centre to support downstream and upstream activities for the sector.

He said the Finance Ministry was offering a special incentive package for KRC to attract more

investments into the high-impact project.

"The strong cooperation between the federal and the state government in undertaking high-impact projects, such as KRC, will help to maintain the recovery and economic growth momentum in Kedah and the northern corridor at large, in line with the 'Keluarga Malaysia' vision for prosperity, inclusiveness and sustainability."