



# ISKANDAR MALAYSIA UPDATES

Iskandar Regional Development Authority (IRDA)

**Engku Ahmad Kamel**  
Director, Economic Prosperity

24 August 2020



GOVERNMENT OF MALAYSIA

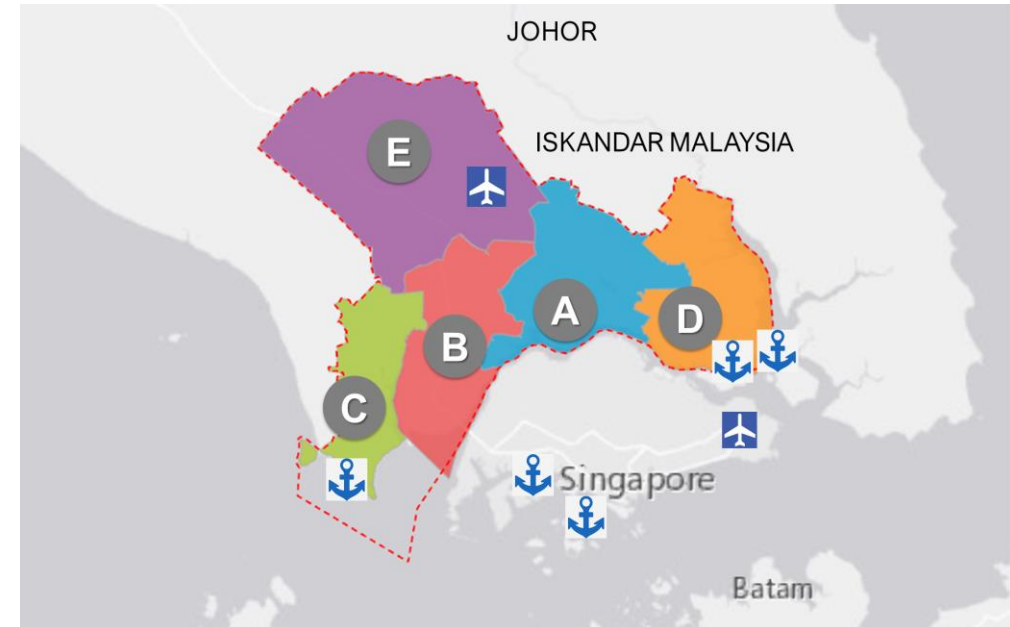


# Introduction



# Iskandar Malaysia - The Potential & Opportunity

- Iskandar Malaysia is **located** at the southernmost tip of the Asian continent.
- Located near **international centres** and major cities such as Singapore, Jakarta, Shanghai and New Delhi with a combined population of 4.64 billion (Asian)
- Iskandar Malaysia's **population** is 2.23 million (2019). Dynamic, young and multilingual.
- Excellent **connectivity** by road, rail and easy access to two international airports of Senai and Changi, and the three seaports in Iskandar Malaysia and two in Singapore. Centre of East and West Bound Trade Shipping Lane





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# Developing A Sustainable Iskandar Malaysia



## Supply Side Planning and Regulatory

## The Business Plan

Comprehensive Development Plan

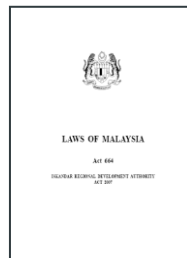


Nine Focus Sectors



+

## The Principal Coordinator – IRDA



IRDA ACT 664



- ✓ Plan
- ✓ Promote
- ✓ Facilitate

## Demand Side Commercial Development

## The Prime Movers



A member of UEM Group



United Malaysian Land Bhd



NATURE'S CAPITAL CITY™



## Catalysts & Drivers



**ENABLERS**  
 Government funding on important infrastructure (roads, access etc)  
 Government support to improve ease doing business (regulatory processes)



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# Comprehensive Development Plan (CDP : 2006 - 2025)



The CDP formulates the overall development framework, vision and key directions in order to strengthen the physical, economic and social development of Iskandar Malaysia



## Under Planning

- Review of Iskandar Malaysia's boundary.
- Drive economic growth beyond Iskandar Malaysia.
- Recalibrate future investment post Covid 19.



### Circle of Sustainability

Adoption of a holistic and resilient ecosystem

## 5 Big Moves

Bold, tangible and result-oriented plans that are intended to drive new agendas and transformation





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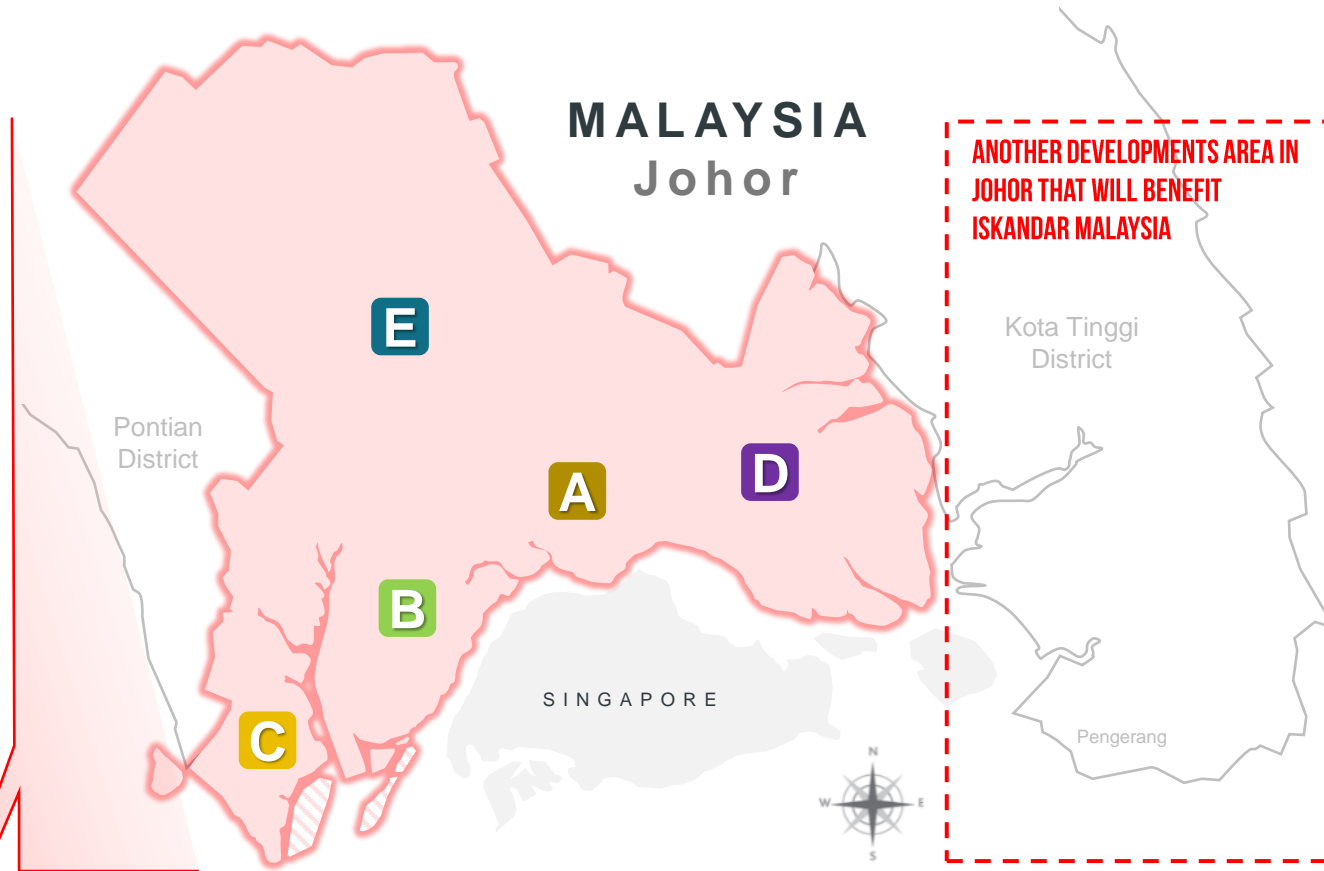
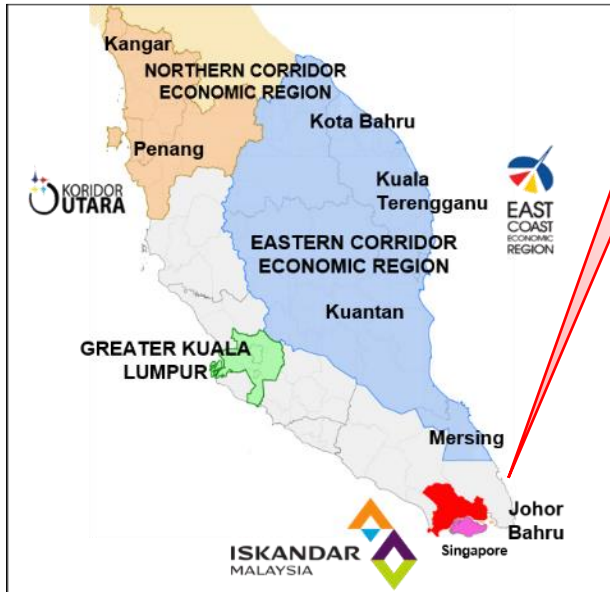
# Invest and grow your business in Iskandar Malaysia



**667.3** mil.  
ASEAN inhabitants [June 2020]

**2,217** km<sup>2</sup> - area

**2.23** mil. - population [2019]



A	Johor Bahru City Centre
<ul style="list-style-type: none"> <li>Tourism</li> <li>Financial &amp; Business Services</li> <li>Education</li> <li>Healthcare</li> <li>Creative</li> </ul>	

B	Iskandar Puteri
<ul style="list-style-type: none"> <li>Tourism</li> <li>Healthcare</li> <li>Education</li> <li>Creative</li> <li>Financial &amp; Business Services</li> </ul>	

C	Western Gate Development.
<ul style="list-style-type: none"> <li>Transportation</li> <li>Distribution &amp; Logistics</li> <li>Petrochemical, Oil &amp; Gas</li> </ul>	

D	Eastern Gate Development
<ul style="list-style-type: none"> <li>Electrical &amp; Electronics</li> <li>Transportation, Distribution &amp; Logistics</li> <li>Petrochemical, Oil &amp; Gas</li> <li>Food &amp; Agro-processing</li> </ul>	

	New Developments
	<ul style="list-style-type: none"> <li>Pengerang Integrated Petroleum Complex</li> <li>Desaru Coast</li> <li>BioDesaru – Johor Food Valley</li> <li>Agro &amp; Historical Tourism</li> </ul>

E	Senai - Skudai
<ul style="list-style-type: none"> <li>Electrical &amp; Electronics</li> <li>Transportation, Distribution &amp; Logistics</li> <li>Education</li> <li>Creative</li> </ul>	

# Performance, Progress And Outcome

	Where are We Now?	Next 5 Years	2025 Target
Wealth Generation	<p><b>RM316 bil</b> @ Dec 2019</p> <p><b>6.5%</b> GDP growth 2011 - 2018</p>	<p><b>Resilient Economy</b></p> <p>Promoted Sectors</p> <ul style="list-style-type: none"> <li>Biotechnology</li> <li>Halal</li> <li>Digital and Smart Economy</li> <li>Green Growth</li> </ul> <p>Sedenak Iskandar Data Hub Managed Parks Medini Smart City</p> <p><b>Supporting Entrepreneurship (SMEs)</b> TERAJU TEKUN TERAS</p> <p><b>Increasing Connectivity &amp; Accessibility</b></p> <ul style="list-style-type: none"> <li>Bus Rapid Transit</li> <li>RTS &amp; ETS</li> <li>ASEAN</li> <li>Ports &amp; Airports</li> </ul> <p>CDPii Roll-out &amp; Alignment</p> <p>5 Big Moves &amp; Programs</p>	<p><b>RM383 bil</b> Investments</p> <p><b>7-8% GDP</b> Growth Rate</p>
Wealth Sharing & Inclusiveness	<p><b>798,848</b> Jobs creation @ Dec 2019</p> <p><b>Avg. household income</b></p> <p>2012 : RM4,463 2016 : RM7,959*</p> <p>Iskandar Malaysia Socio Economic Survey 2012</p>	<p><i>Human Capital / Talent Development Programs</i></p> <p><i>Community Cohesion Programs</i></p> <p>IM Employment Grant TVET Affordable Housing h<i>ab</i> Youth Development</p> <p><b>Wealth Sharing &amp; Inclusiveness</b></p> <p>Village Enhancement Program Kawan Iskandar Malaysia</p>	<p><b>1.31 mil</b> Employment</p> <p>Avg household income <b>RM10,000</b></p>
Resource Optimisation	<p><b>12.9%%</b> GHG emissions reduction in 2017 (vs 2010)</p>	<p>LCS Blueprint Action Plans</p> <p>CASBEE ISKANDAR</p> <p>Low Carbon Lifestyles</p> <p>Balancing Conservation &amp; Development</p> <p>Water Mgmt</p> <p>RAMSAR</p> <p>Renewable Energy &amp; Energy Efficiency</p> <p>Smart City Initiatives</p> <p>Futuristic Iskandar Malaysia Advisory Council</p> <p>IMUO</p> <p>IM3 i</p>	<p><b>50%</b> Reduction in GHG emissions</p>



# Promoted sectors and investment performance





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# Promoted Economic Sectors



## 9 ECONOMIC SECTORS

### SERVICES



Financial



Logistics



Education



Tourism



Creative



Healthcare

### MANUFACTURING



Electrical & Electronics



Petrochem & Oil & Gas



Food & Agro Processing

### EMERGING TECHNOLOGY

Green Technology

Biotechnology

Halal Economy



Property is not a promoted sector in IM

Shift Towards Service-based Economy To Help Propel Malaysia Towards Becoming A High-income Developed Nation



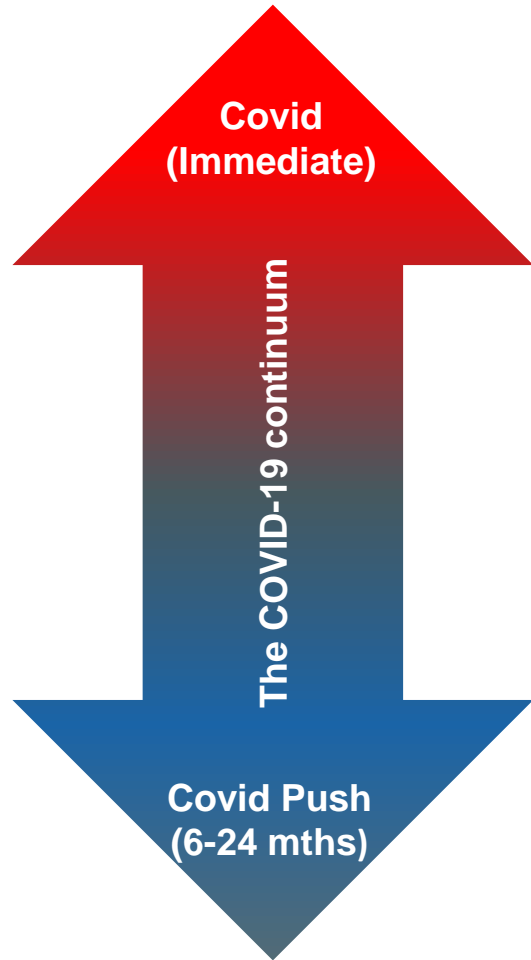
# Opportunities & Intervention Required

## Major Impacted Sectors during Pandemic in Iskandar Malaysia

- Tourism (Hotels, Theme Parks)
- ± Healthcare (Medical tourists)
- Education (Students, Teachers)
- Creative (Cast, crews, SMEs)
- Business Services (FKW)
- Logistics (Workers & Cargoes Malaysia/Singapore)
- Malaysians working in Singapore

## Opportunities (Covid-Push)

- Enhanced (customised) incentives<sup>1</sup>
- Malaysia-Other Key Countries<sup>2</sup> travel bubble
- Need for Speed: Decentralize investment approval process to Regional Agencies
- MRO @ Senai (e.g. Relocating from Singapore)



<sup>1</sup> e.g. Corporate tax breaks for hotels/Theme parks, Airline incentives, FIMI, Retuning skilled Malaysians from Singapore, Relocation of Industries from China, etc

<sup>2</sup> e.g. Singapore, China, Japan & Korea



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# Investment Update 2019



## RM316.09b

Total Cumulative Investment  
2006 to 2019

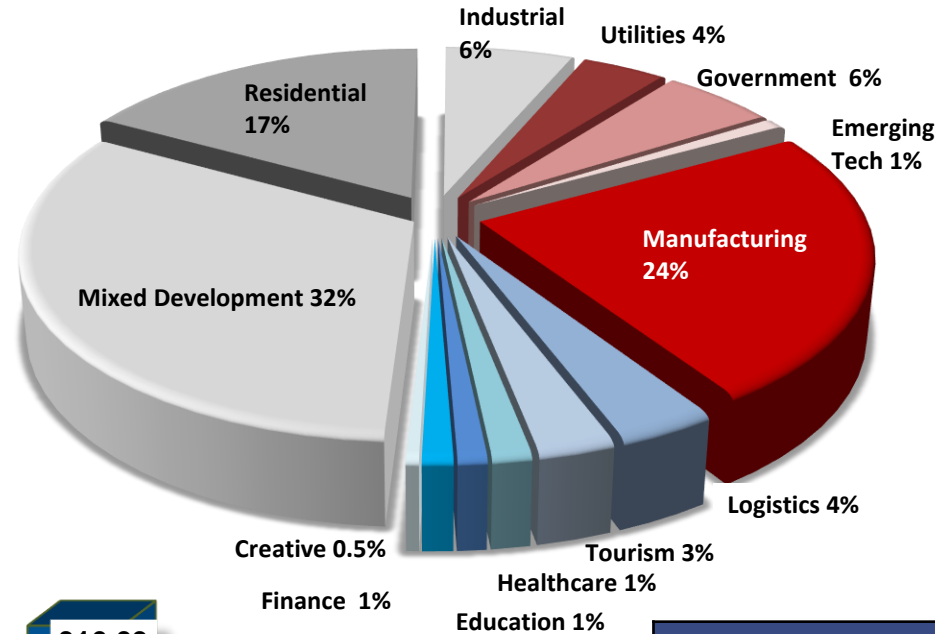
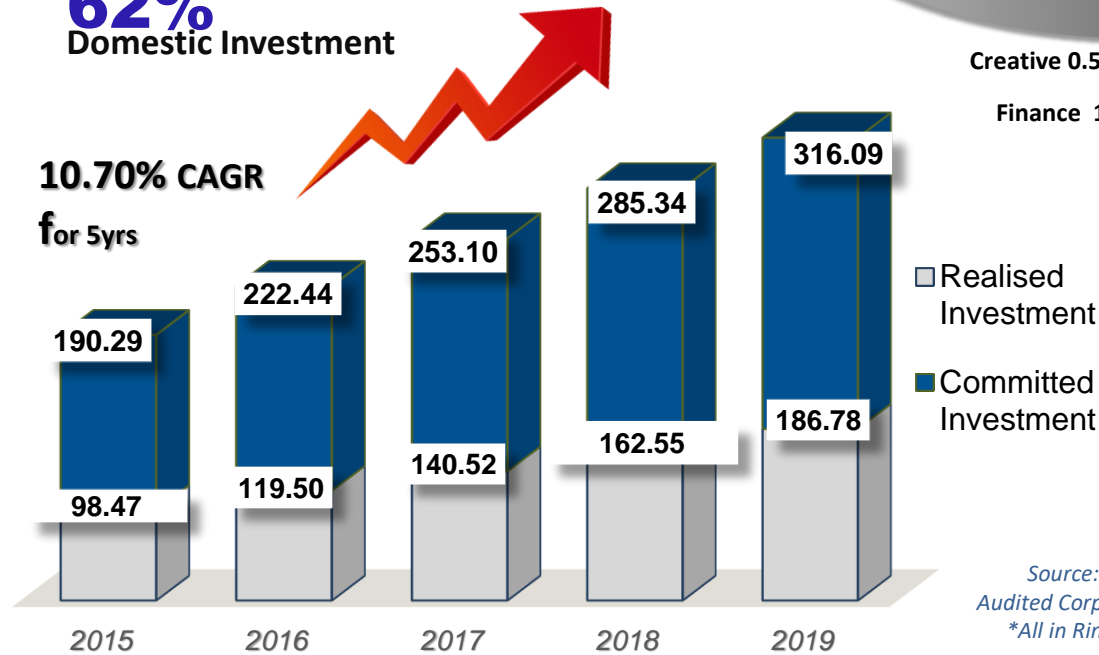
## 59%

Total Cumulative RI/CI

## 62%

Domestic Investment

**10.70% CAGR**  
for 5yrs



## RM30.75b

Committed Investment  
Jan-Dec 2019

Promoted Sector	RM'bil	Other Sector	RM'bil
Manufacturing	75.10	Mixed Development	101.53
Logistics	11.06	Residential Properties	54.14
Tourism	8.59	Industrial Properties	19.84
Healthcare	4.41	Government	17.53
Finance	3.45	Utilities	12.97
Education	3.29	Emerging Technologies	2.74
Creative	1.45		
	<b>34%</b>	<b>66%</b>	
	<b>107.34</b>	<b>208.74</b>	

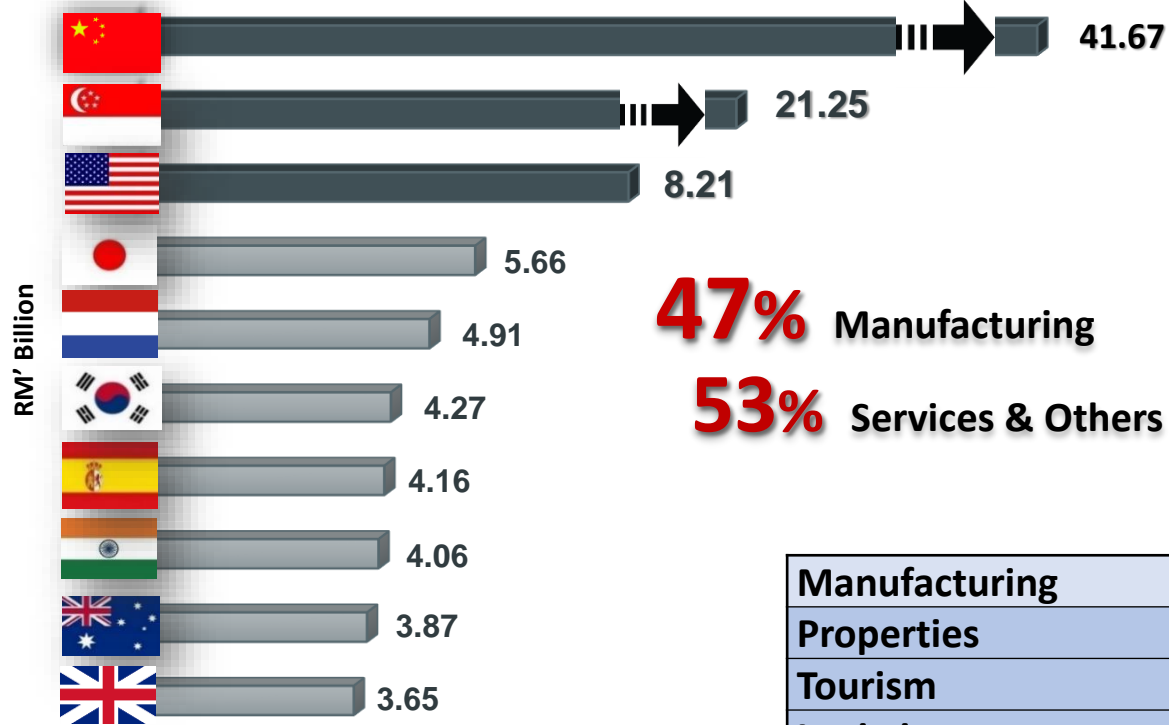
Source: MIDA Q2'2019 & Audited Corporate Announcements  
\*All in Ringgit Malaysia (RM)



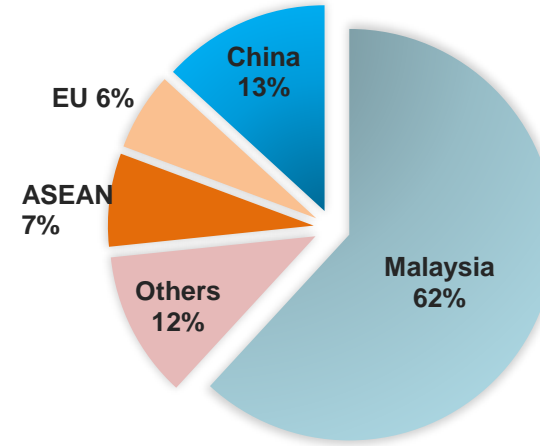
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# Foreign Investments in Iskandar Malaysia

Manufacturing, Services, Properties & Others (2006- Dec'19)



**47%** Manufacturing  
**53%** Services & Others



**RM120.64b**  
 Foreign Investments (2006-2019)

Manufacturing	56.68bil
Properties	49.39bil
Tourism	2.44bil
Logistics	2.17bil
Education	2.11bil
Finance & Biz Services	2.04bil
Healthcare	1.99bil
Creative	837.52mil
Others	3.00mil



**ASEAN 23.18b**

- Singapore 21.25bil
- Indonesia 1.86 bil
- Myanmar 22.39mil
- Thailand 14.27mil
- Philippines 3.65 mil



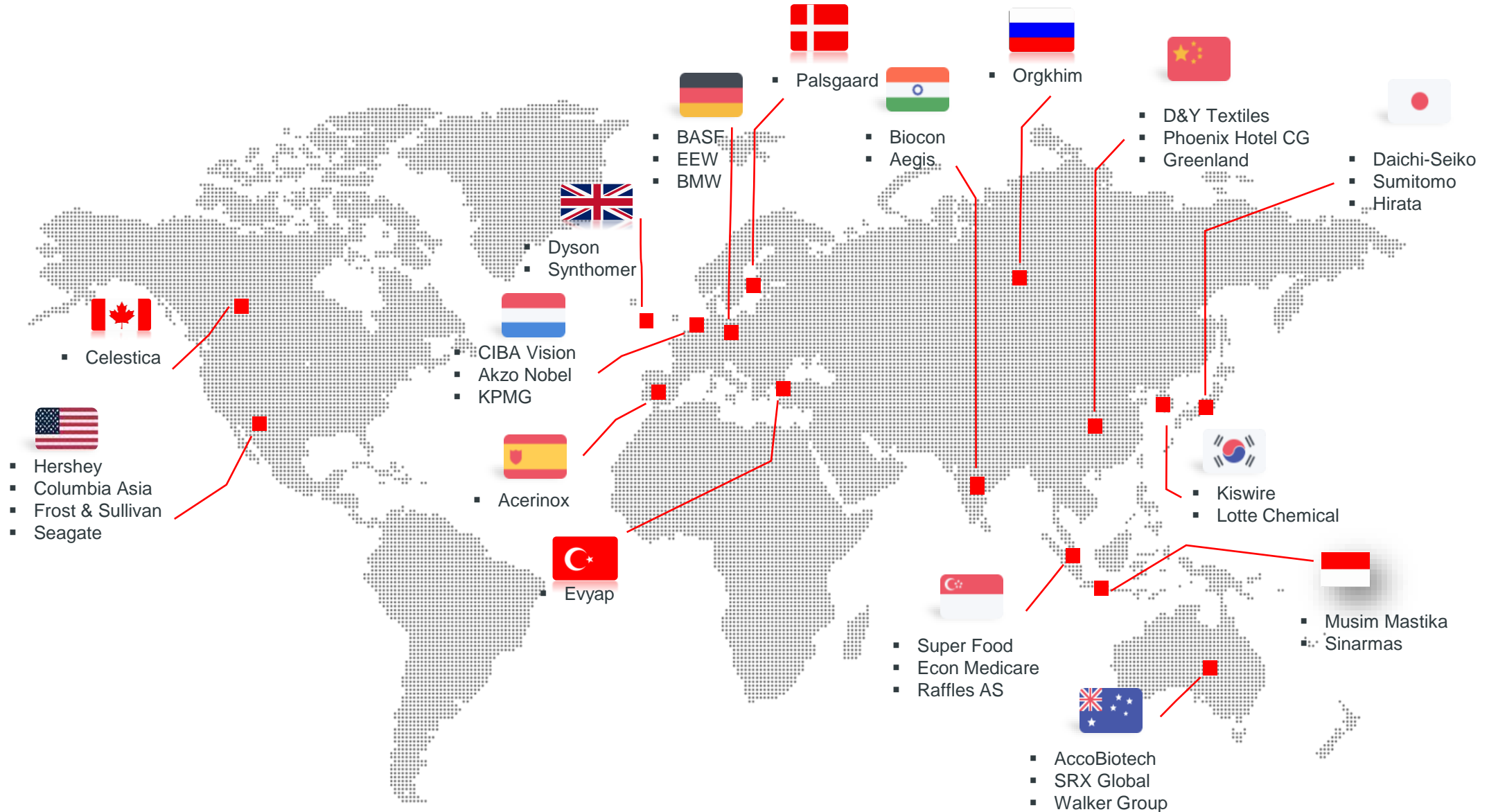
**EU 19.39b**

- Netherlands 4.90b
- Spain 4.16b
- United Kingdom 3.65b
- Germany 2.41b
- Sweden 1.65b
- France 1.01b
- Others 1.60b

Source: MIDA Q2'2019 & Audited Corporate Announcements  
 \*All in Ringgit Malaysia (RM)



# Investment from all over the globe





Creating a sustainable environment



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# Enablers - Hard and soft infrastructures



## Hard Infrastructure



High Speed Rail (HSR)



Bus Rapid Transit (BRT)

2022(f)

## Soft Infrastructure



Electric Train Service (ETS)

2023(f)



River Cleaning

Sg Segget



Affordable Housing

PRISMA

## Safety & Security



Human Capital & R&D



Road Connectivity

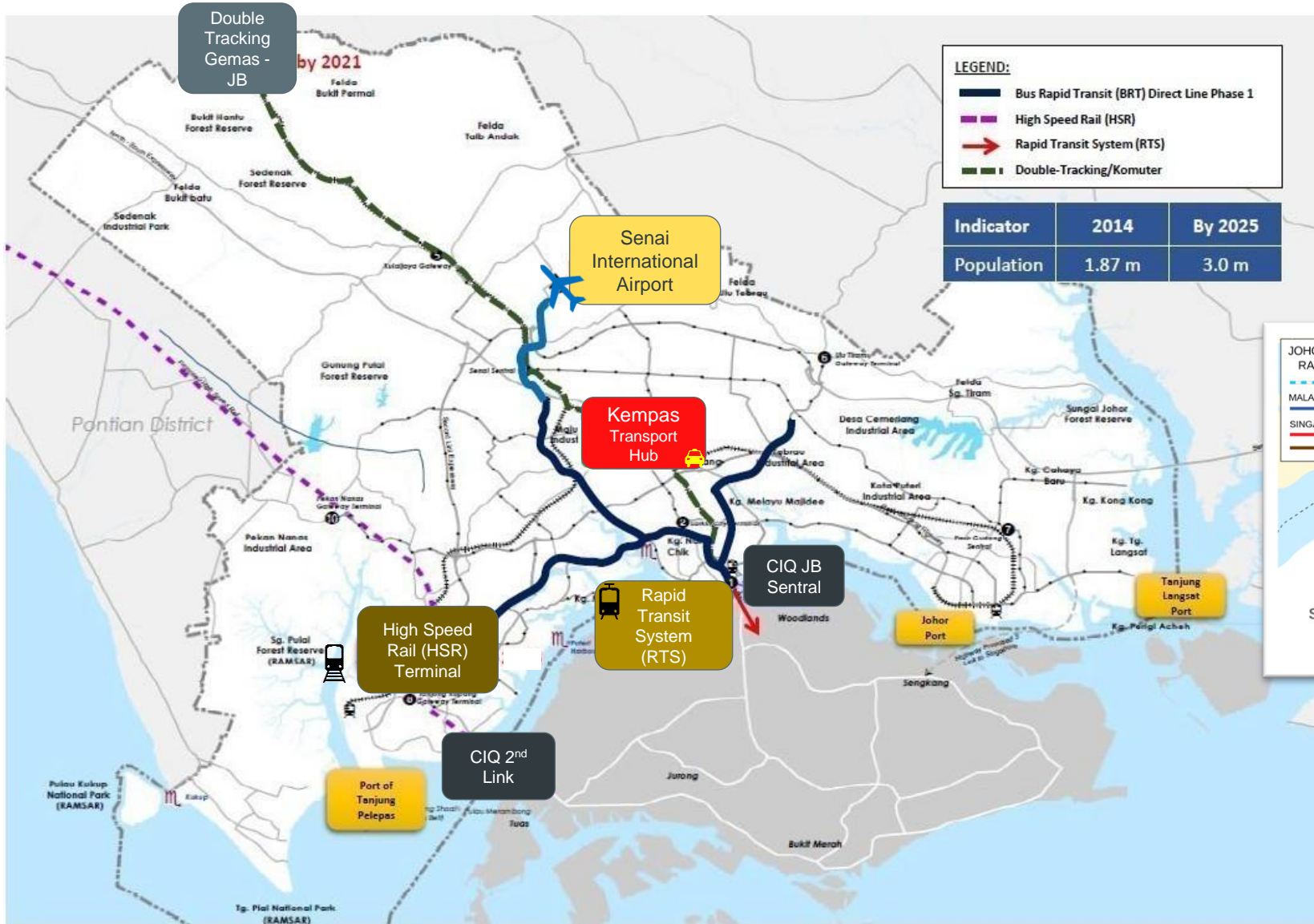


Safety & Security

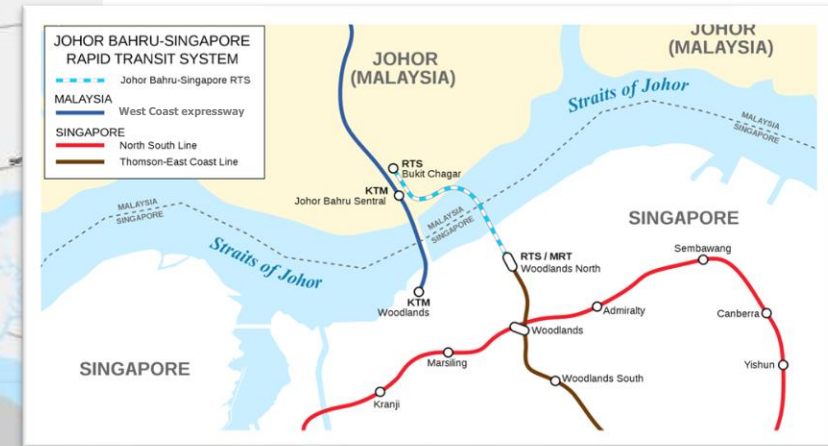


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# Improving the Connectivity & Mobility



Proposed RTS route

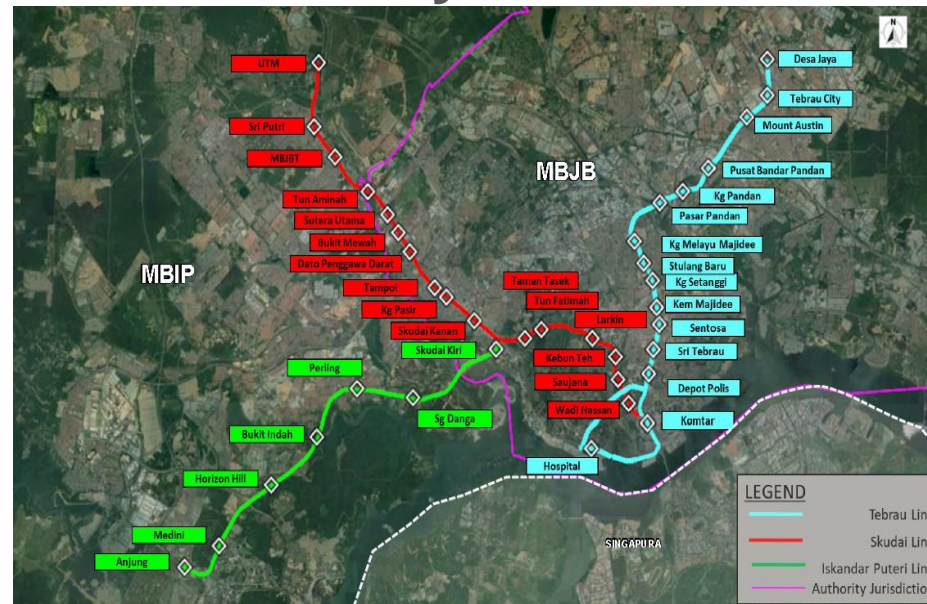
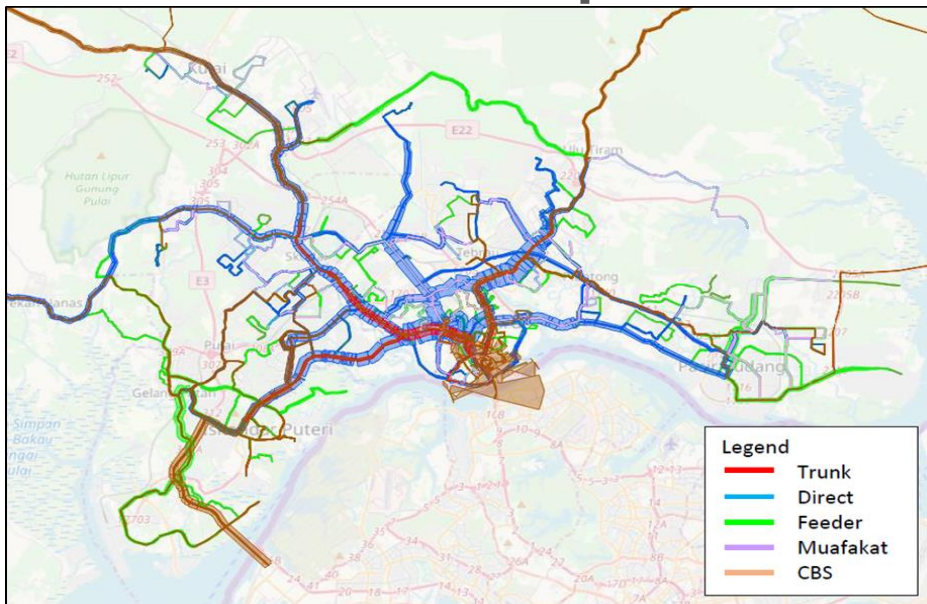






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# IMBRT will be the backbone of public transportation in Iskandar Malaysia



44 Direct Lines and 55 Feeder Lines connected to 3 Trunk Lines with 3 Hubs and 38 Stations



IMBRT Fleet

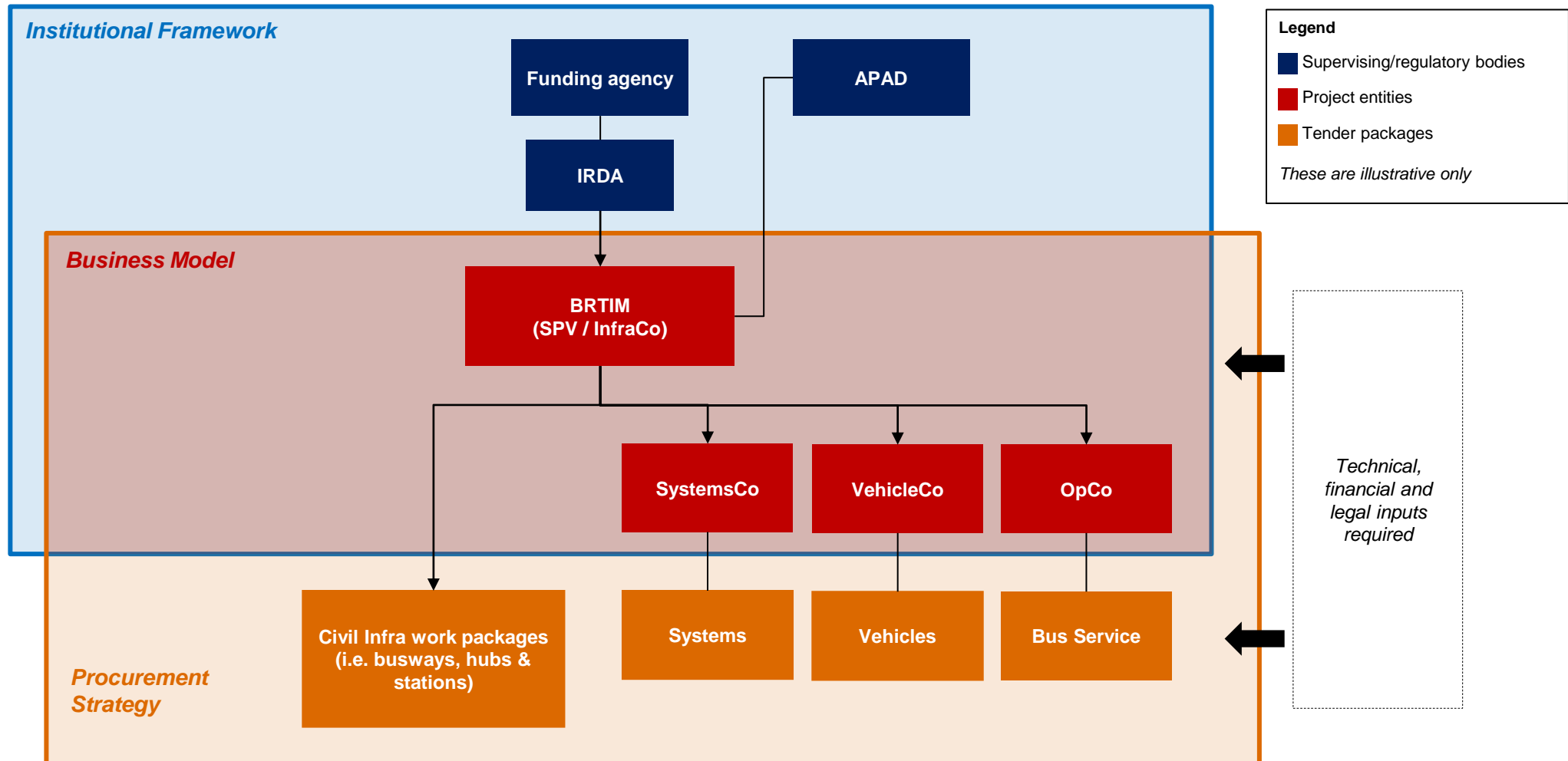


BRT Operation and Management System



# The IMBRT Structure sets out the rules governing the Network

IMBRT Structure encompasses the institutional framework, business model and procurement strategy with all 3 elements interdependent on each other.





Iskandar Malaysia  
moving forward



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## Year 2025 Targets

**RM 383 bil**

Investments

**RM 10,000**

Avg. household income

**1.31 mil**

Employment

**58%** Reduction in GHG emission intensity

## Where are we now?

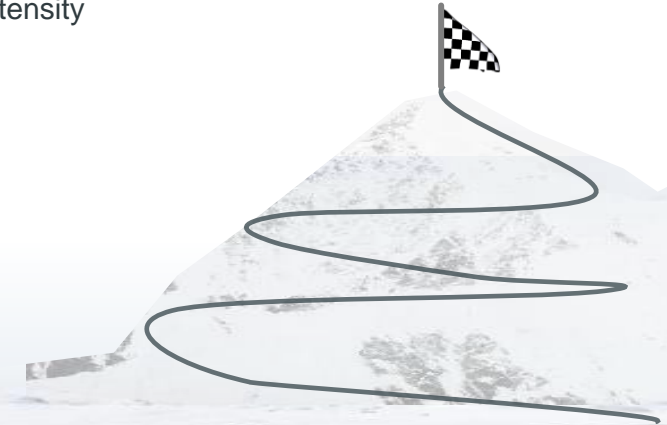
**RM 316.09 bil**  
@ 2019

**RM 7,959**  
Avg. household income

**0.8 mil**  
Jobs creation

**16.5%** GHG emission intensity reduction (2019)

## The next 5 years





Thank you