

Pahang expects RM20bil investments over next three years

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KUANTAN: The Pahang state government expects RM20bil worth of investments to flow into the state over the next three years (from now to 2015) as part of its transformation to further spur economic activities and create thousands of new jobs.

It had identified 72 projects, of which 34 are currently under various stages of implementation and there are 38 new ones.

Besides expansion of the Kuantan port and the construction of highways, several local and foreign investors have committed to set up a stainless steel plant, an aluminium plant, a palm oil refinery, a cement plant and also several hotels and resorts in the state over the next three years.

Last year it managed to lock in RM6.34bil worth of investments and over the next three years, the trend will continue as they are aiming for RM5bil-RM6bil to flow in every year.

"The flow of foreign and domestic investments into the state has been steady. On average we used to receive RM2bil worth of investments a year in the past, but last year we saw a significant jump to RM6.34bil.

"The setting up of the Malaysia-China Kuantan Industrial Park (MCKIP) and several other economic zones is attracting investors, including from China, who are coming with billions of ringgit of investments," Pahang Menteri Besar Datuk Seri Adnan Yaakob (pic inset) said in an interview with StarBiz.

The MCKIP is a partnership between the state and federal government and the Chinese government and the initial commitment in investment is RM10.5bil and it will create 8,500 jobs. The MCKIP will be sited on a 1,639-acre site in Gebeng Industrial Park.

"They (the parties involved in MCKIP) are involved in other related businesses and they want to participate in other projects. (Basically), what we have they want to participate in," Adnan said.

Besides the local investors, those from United States, Germany and Australia have invested in the state. Australia's Lynas Advanced Materials has a rare earth plant in Gebeng which employs over 515 people currently.

"To us what is important is that Pahang continues to remain attractive to (local and) foreign investors and we are very fast in facilitation and delivery processes," he said. He added: "We are resource rich, business friendly and Pahang is a great place to live in." Pahang is the biggest state in the peninsula in terms of land mass with about 3.6 million ha, but only 8.5% or 305,828ha can be developed because of the requirement for wild life reserve, natural parks, water catchment areas and highlands.

The main driver of the economy is the services and manufacturing sectors, and there is a visible shift to focus on higher value economic activities and new emerging sectors such as biotechnology and renewable energy to accelerate socio-economic development by generating job opportunities and income.

Other than MCKIP, Adnan said the state continued to receive proposals to develop certain areas including for tourism activities.

Up to last year the workforce in the state was 721,600 people, and by 2015 it would go up to 800,000.

On infrastructure development, Adnan said "it is satisfactory but we are enhancing connectivity."

This will help improve the time of moving of goods and services in the state faster. Apart from the Kuantan Port expansion, the major infrastructure projects under way include the four-lane dual carriageway Central Spine Road (CSR) connecting Lipis, Raub and Bentong, while the Pekan-Nenasi-Endau Rompin one would improve linkages between east Pahang and Johor.

"We have to see that the CSR is implemented faster. With that, and the others, the connectivity in Pahang will be very effective," Adnan said.