



**SABAH: INVESTMENT OPPORTUNITIES IN THE MANUFACTURING SECTOR
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**MIDA INVEST SERIES:
UNFOLDING STATES' BUSINESS POTENTIAL
16 OCT 2018**



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Introduction

Targeted Sectors

Advantages Possessed by Sabah

Department of Industrial Development And Research Sabah (DIDR)

- ❖ **DIDR was formed in 1977, one of the 6 agencies under the Ministry of Trade & Industry, Sabah (MTI).**
- ❖ **DIDR is entrusted with the responsibility of promoting and coordinating industrial development in Sabah.**
- ❖ **The mission of the department is to promote development through planning and research, investment promotion and provision of industry services.**

Main functions of DIDR:

- **Investment promotion**
- **Development of SMI**
- **Investment facilitation**





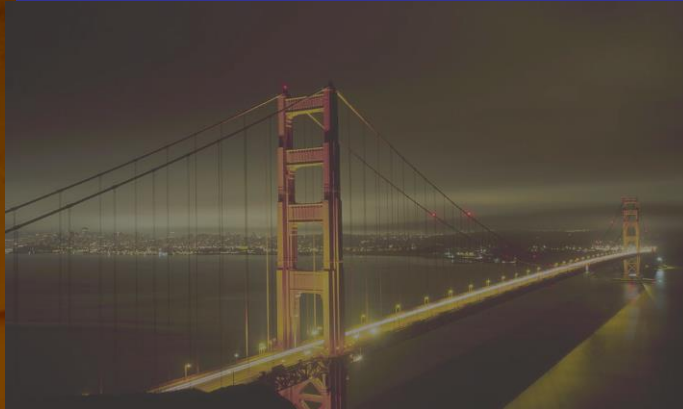
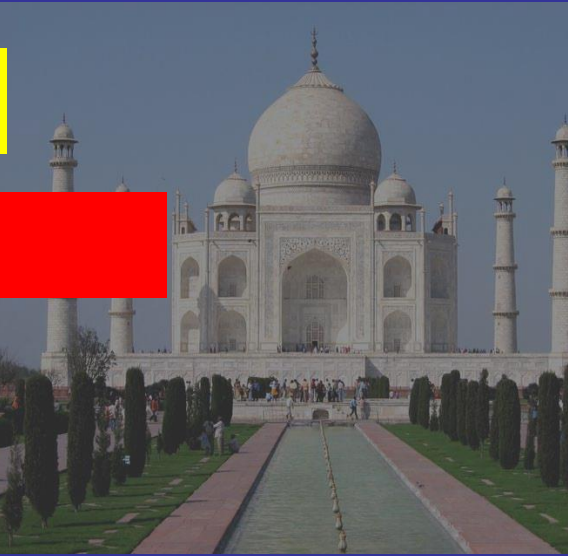
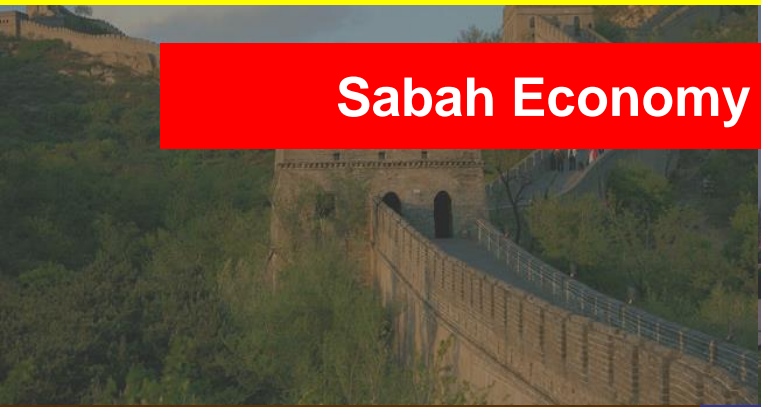




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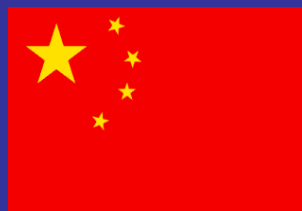
Sabah Economy



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Sabah Economy



Sabah Export Destination

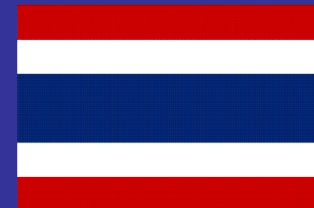
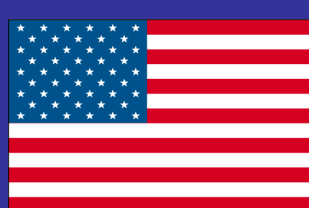
5 largest export market in 2017

-India, Australia, China, Singapore, European Union (EU)

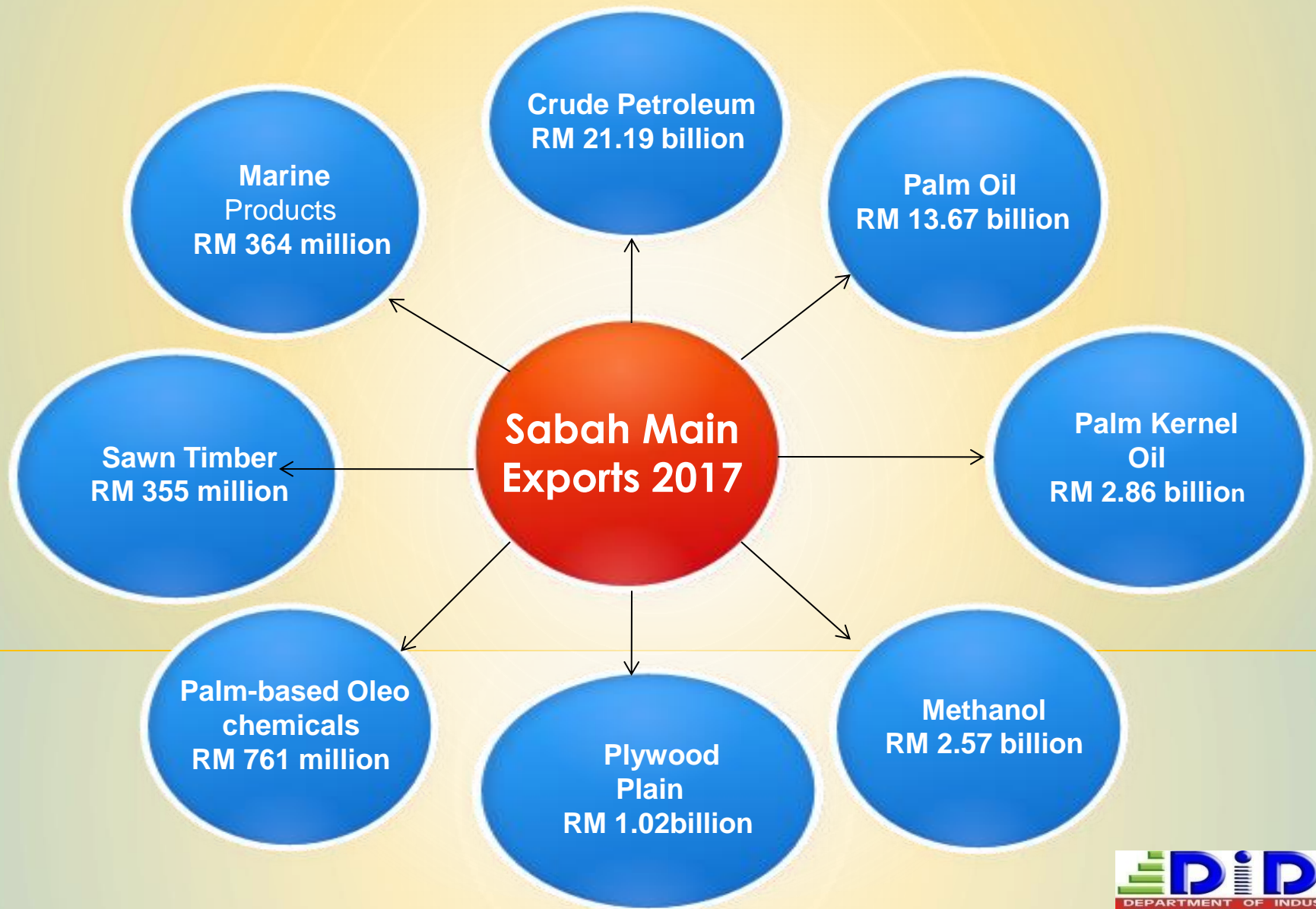
5 largest import sources in 2017

-China, USA, European Union (EU), Singapore, Thailand

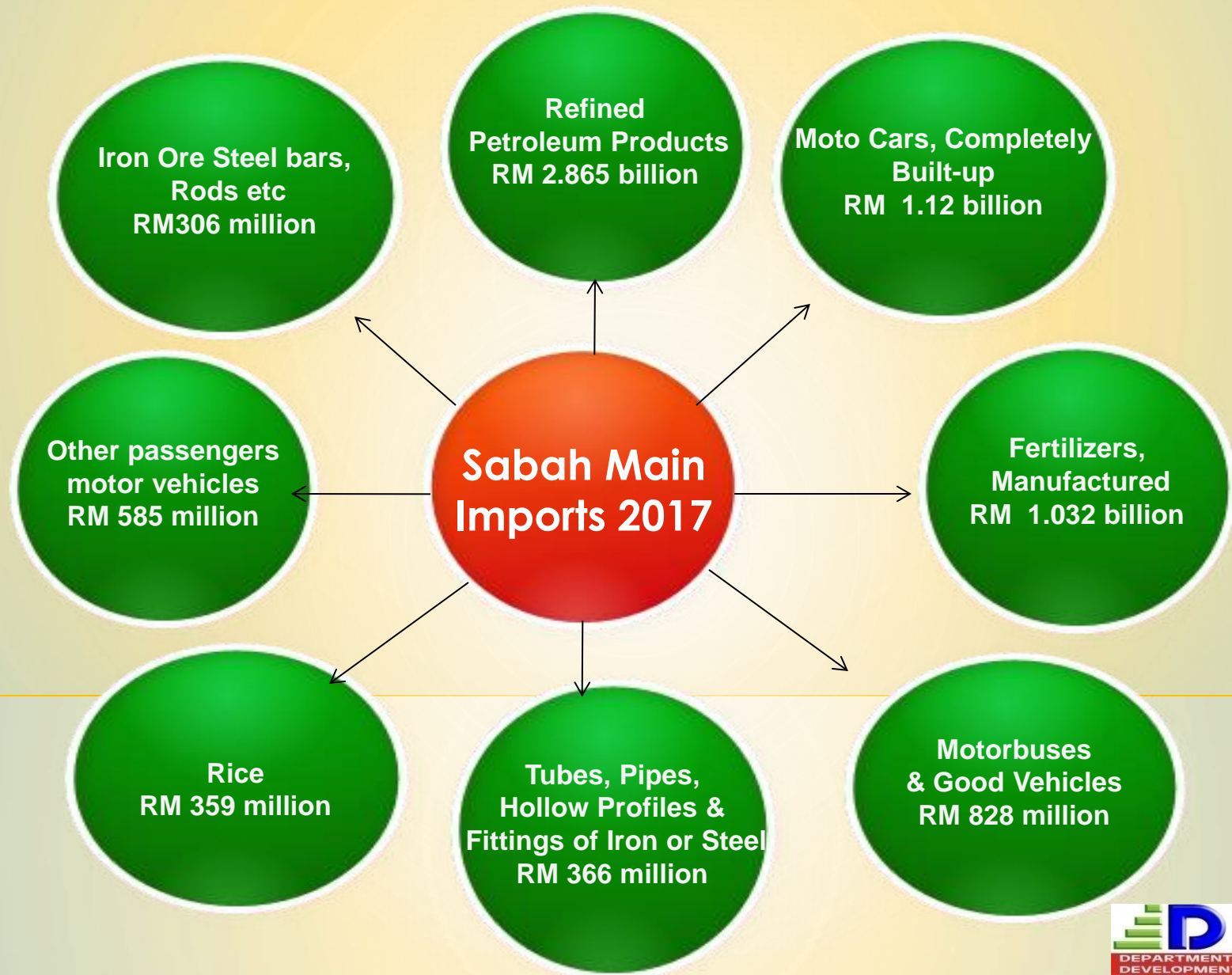
Sabah Sources of Import



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Resource-Based Industries



Oil and Gas Industries

Oil Palm / Palm Oil Industries



Targeted Sectors

Oil Palm / Palm Oil Industries

Government initiatives to drive the oil palm / palm oil development in Sabah





Oil and Gas Industries



Other promoted industries



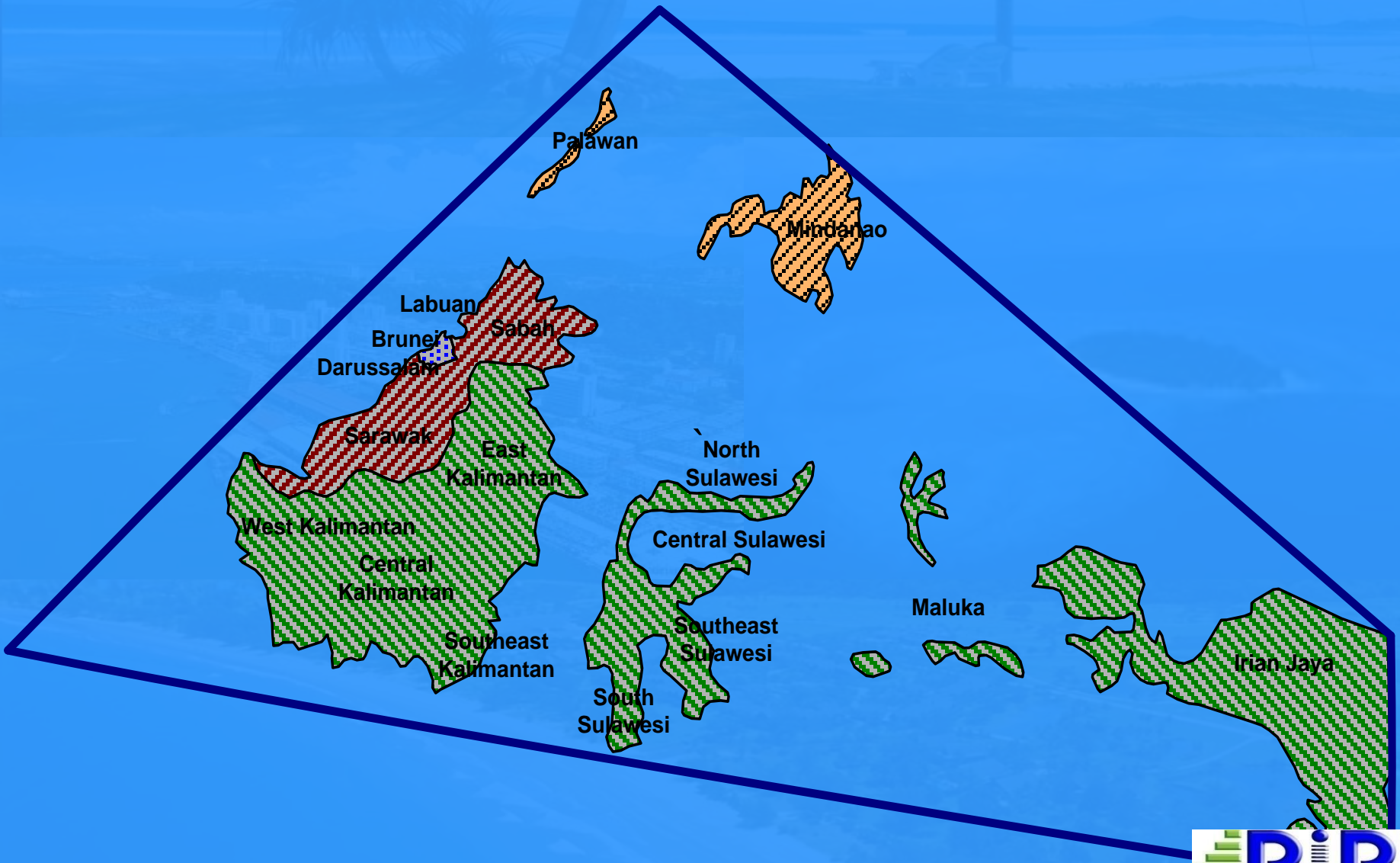


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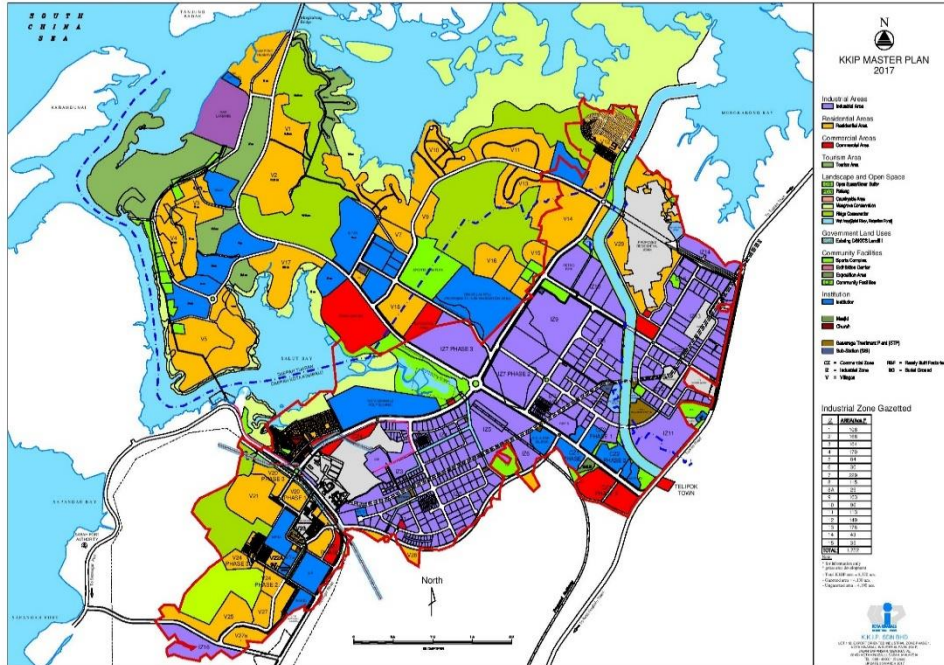




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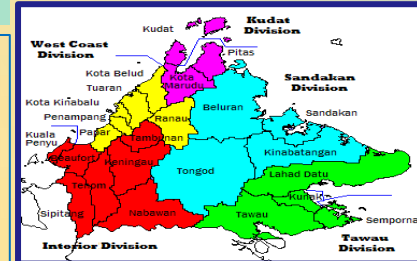
Kota Kinabalu Industrial Park (KKIP)

Kota Kinabalu Industrial Park (KKIP) is one of the State Government's initiatives to develop the industrial and manufacturing sector in Sabah. Developed and managed by K.K.I.P. Sdn. Bhd., Kota Kinabalu Industrial Park is designed to be a modern integrated self-contained township that offers a comprehensive mix of investment, commerce, residential, and leisure opportunities.



Strategic Location

Located north of Kota Kinabalu, 20km to the capital of Sabah, 7km to Sepanggar Bay Container Port, KKIP is also strategically positioned within BIMP-EAGA area.



REGION	TOTAL POPULATION	FLIGHT HOURS
ASEAN / AUSTRALIA	300 Million	Est. 6-Hours Flight
BORNEO	20 Million	Est. 2-Hours Flight
BIMP-EAGA	60 Million	Est. 3-Hours Flight

TOTAL DEVELOPMENT

663 buildings constructed (factories, utilities, shops & houses)

Total investment of RM3.048 billion; Job creation of 9,478.

INDUSTRIAL SECTOR CONTRIBUTION

229 factories, Total investment of RM1.443 billion, Job creation of 7,420

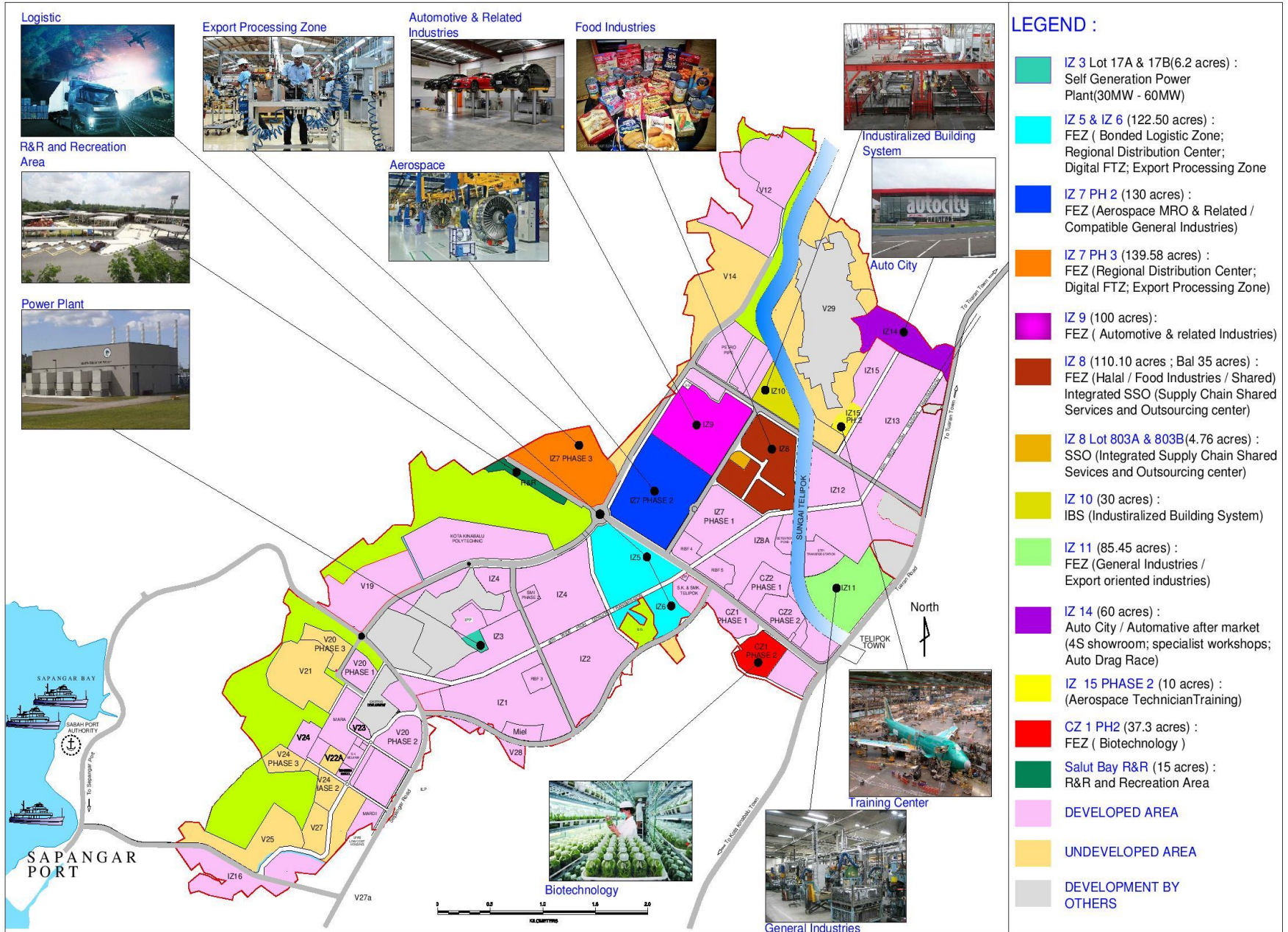
The balance of KKIP industrial land is 650 acres and the balance industrial area shall be developed as a **Free Economic Zone (FEZ)**.

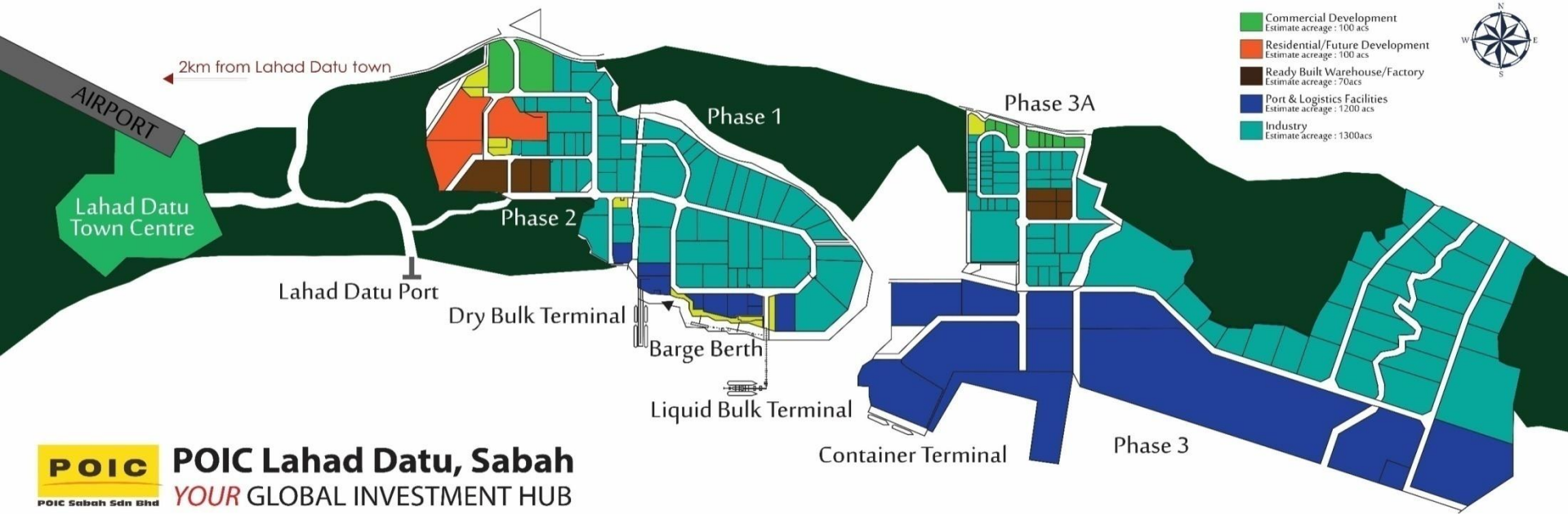
NEW INITIATIVES

Automotive & related industries; Halal & Food products; Aerospace MRO and components manufacturing; Biotechnology related products; Logistics; and other high value added products and/or export oriented products



NEW INITIATIVES





- A wholly-owned entity by the Sabah state government, was set up in January 2005 to develop POIC Lahad Datu to spearhead the State industrialization efforts starting with PO Industry, to create jobs and investment opportunities.
- 4,252 acres of integrated industrial complex designed to cater to light, medium and heavy industries beyond oil palm industry such as oil & gas, port & logistics, bio-refinery, halal clusters, aquaculture & agriculture sector.
- POIC Lahad Datu is the first comprehensive industrial cluster in this region of port development plus industrial land.
- Total of 1,700 acres are fully developed to-date.
- POIC Lahad Datu has created 2,386 employment with investment value of RM3,448.6 Billion thus far.



POIC Ports – Managed by subsidiary POIC Logistic Sdn. Bhd.



- Can cater up to 100,000 dwt
- 20m draft
- 7 berths



- Can cater up to 30,000 dwt
- 12.8m draft
- 4 berths



- Can cater up to 65,000 dwt
- 15m draft

- Strategic shipping route and close to resource rich countries, making it an ideal transshipment hub.
- Strategically located with the proximity to the South East Asian and BIMP-EAGA markets.
- Market access- Centre of South East Asia market and beyond.
- Natural deep water seaport with 20 meter depth of sheltered Harbour.
- Surrounded by existing cluster of POM & key PO industrial players
- Home to the Largest Fertilizer Cluster with 1.3 million MT combined capacity at POIC Lahad Datu.

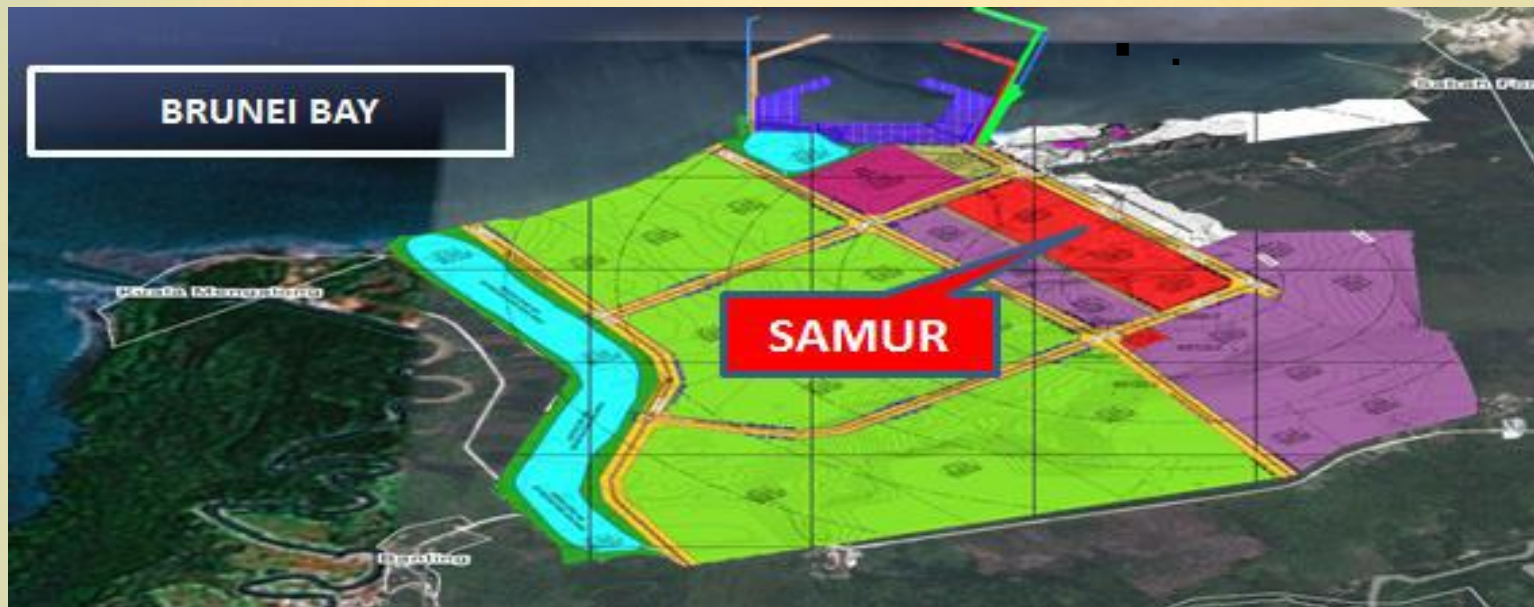
SAWIT PALM OIL INDUSTRIAL CLUSTER, SANDAKAN



- Sawit Palm Oil Industrial Cluster is a fully integrated industrial park dedicated for palm oil downstream activities.
- Strategically located in Sandakan in north-east Sabah, a major export outlet for palm oil.
- A two-phased development of industrial land for oil palm downstream.
- 442 acres of phase 1 is now available for investment.
- Fully equipped with modern infrastructure, essential utilities and a dedicated liquid jetty.
- A bulking installation connected to internal pipeline and the jetty.
- Closed to Sandakan Port which can handle containerized cargo.
- Existing businesses in both phases; 4 oil palm refineries and 3 palm kernel crushing plants.



* SIPITANG OIL & GAS INDUSTRIAL PARK (SOGIP)



- Own, manage and market by Sabah Oil & Gas Development Corporation Sdn Bhd (SOGDC).
- With an area of 4,065 acres, SOGIP is a first of its kind and marks a new venture for Sabah in the Oil & Gas related activities and heavy industry.
- Located approximately 144km from Kota Kinabalu City.
- The RM 4.5 billion Sabah Ammonia Urea project by Petronas Chemicals Fertiliser Sabah Sdn Bhd (PCGB) has started operation in May 2017.
- This project will jump start the petrochemical industry in SOGIP.

