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Sarawak allocates RM4.5b for infrastructure projects

Three development agencies to receive RM1.5bil each

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KUCHING: The Sarawak government has allocated RM4.5bil to fund infrastructure development and amenity projects under three development agencies created with the expansion of the Sarawak Corridor of Renewable Energy (Score) area into the interiors.

The agencies namely Upper Rejang Development Authority (URDA), Highland Development Authority (HDA) and Northern Regional Development Authority (NRDA) have been allocated RM1.5bil each, said Deputy Chief Minister Datuk Amar Awang Tengah Ali Hasan.

Score's boundary has been extended to cover some 100,000 sq km from 77,000 sq km when it was launched in 2008.

Under URDA, 34 infrastructure projects, mainly roads, have been identified, with contracts for six of them with a combined value of RM138mil awarded recently.

Economic activities identified in areas under the three agencies include large-scale agriculture and aquaculture, tourism and forestry projects.

Awang Tengah, also Minister for International Trade and Industry, Industrial Terminal and Entrepreneur Development and Second Minister for Urban Development and Natural Resources, said the funds for the three agencies were part of the RM21.67bil state fund set aside for the implementation of various mega infrastructure projects.

The bulk of the allocation goes to the Sarawak Second Trunk Road project (RM6bil), upgrading of Sarawak coastal roads (RM5bil), Sarawak Water Grid Programme (RM2.8bil), rural electrification projects (RM2.37bil) and the construction of 300 telecommunication towers (RM1bil).

The other mega project, the Pan Borneo Highway, is funded by the federal government at a cost of RM16.48bil.

"All these funds are vital to ensure Sarawak has the necessary infrastructure and connectivity for us to move into the digital economy besides reskilling and upskilling of our workforce," said Awang Tengah while officiating at the opening of the 2019 Sarawak Investment and Business Summit



Big projects: Awang Tengah (second from right) greeting a participant at the event in Kuching. He says the funds for the three agencies are part of the RM21.67bil state fund set aside for the implementation of various mega infrastructure projects.

here yesterday.

The event on theme "Sarawak - Gearing up for future growth and shared prosperity" is organised by Kingsley Strategic Institute for Asia Pacific.

Updating on Score, he said the economic corridor had attracted total investments of RM39.9bil, excluding the RM17bil steel project in Samalaju Industrial Park.

The steel manufacturing plant project, which involves Chinese investors, will have a production capacity of 10 million tonnes a year. It is billed as the region's biggest steel plant and its construction work is expected to start next year.

The major energy-intensive industries currently in operation in Samalaju include aluminium smelting and those producing ferrosilicon and manganese alloys and polycrystalline.

Awang Tengah said the Sarawak government had decided recently that for any new findings of gas resources in Sarawak, 40% to 50% must be retained as feedstock for value-adding downstream activities in the state.

"I am optimistic that this new policy will enable Sarawak to become a regional petro-

chemical hub."

Sarawak holds 54% of national natural gas reserves and 29% of national oil reserves.

He said as Sarawak has planted some 1.5 million hectares of oil palm, there is a need for the oleochemical industry to be set up in the state.

Awang Tengah said besides modern infrastructure as well as competitive power and water tariffs that attract investments into Sarawak, the state is able to provide land for industrial and large-scale agriculture with attractive premiums and flexible terms of payment.

"Investors are also entitled to 30% rebates on the land premium if their factories are completed and in operation within three years (of granting of land)," he added.

He said the Sarawak government's budget had recorded surpluses for many years and was always development-biased, adding that the Auditor-General has accorded Sarawak with a "clean bill of financial health" for 17 consecutive years.

Sarawak, he said, is one of the top three preferred investment destinations in Malaysia.