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PROTECTING STATE ECONOMY FROM SHOCKS, REDUCING POVERTY

Negeri Sembilan Development Plan to boost economic diversity within five years

A FIVE-YEAR ambitious plan put in place by the Negeri Sembilan government to steer it out of the Covid-19-induced rut is already showing glimpses of success and once fully executed, is set to be a "game changer" to propel the state to even greater heights.

Things are certainly looking up for the state which secured investments totalling RM5.8bil in 2021 amid the Covid-19 pandemic and which was one of only seven which managed to register a higher gross domestic product growth than the national level in the same year.

Even Menteri Besar Datuk Seri Aminuddin Harun is confident of a turnaround having repeatedly stated in recent months that the state is aiming to register RM10bil in new investments this year.

The thoroughly planned targets set under the Negeri Sembilan Development Plan 2021-2025 (RPNS) are certainly achievable, what more with the worst of the pandemic now behind us.

Strong economic growth

Forming the core of the plan is to attract strategic and high valued investments and encourage economic diversity.

This initiative is already yielding results and the finest example was when Samsung SDI Energy Malaysia (SDIEM) agreed to invest some RM7bil in July to build a state-of-the-art facility to manufacture batteries for electric vehicles (EV) at the Taman Tuanku Ja'afar Industrial Area near here.

The new facility, which is expected to begin operations in 2025, will see the production of some 800mil battery cells a year.

The state administration also wants to enhance the competitiveness of micro, small and medium (PMKS) as the catalyst for growth.

It plans to generate new economic resources based on environmental sustainability and improve rural income distribution by transforming and modernising the agriculture sector to increase productivity.

The use of information and communication as well as biotechnology will be crucial in achieving these.

And finally, it wants to further build on its human capital and talent which will be able to support and help realise the state's economic growth and improve household income via the implementation of various programmes.

The state wants to focus on these areas to boost economic growth and development till 2025 and even better the record RM7.93bil in new investments it received in 2020.

The state's GDP is also forecast to grow at an average of 4.5% per annum in the coming years as against the average 2.6% from 2016 to 2020 if these initiatives are met.

Per capita income will also increase to RM46,534 in 2025 as against RM41,087 in 2020.

With the economic growth in full swing, the state government also expects its revenue to increase by 3.4% per annum, putting it on the cusp of becoming a high income developed state.

Under the five-year-plan, the state administration, through its economic planning unit and the Statistics Department, will come up with the Negeri Sembilan Input Output Schedule to keep tabs on its progress.

This is important to allow the state authorities to ensure the spillover effects of the economy can be felt throughout the state and not only in certain districts.

Negeri Sembilan had recorded a GDP growth of 3% for 2021 against a deep contraction of 3.6% in 2020.

This was aided by the increased demand for electric and electronics and petroleum, chemicals, rubber and plastic-related products, which helped the manufacturing sector to register a growth of 7.2% as against a contraction of 4.9% the year before.

The services sector also saw an improvement, registering a 2% growth following improvements in the wholesale, retail, food and hotel sectors.

Things have also been looking up for the agriculture sector which saw a contraction of 0.4% as against -6.7% in 2020 and the mining and quarrying which improved to -3.4% as against -15.3%.

The construction sector, which saw a contraction of 25.6% in 2020 also saw a vast improvement to a -0.3% growth.

But an efficient Covid19 immunisation programme, the withdrawal of lockdown restrictions, gradual reopening of international borders since April has helped boost tourism and investments and this has been positive.

The fact that the national GDP grew to 5% in the first quarter of 2022 as against a contraction of 0.5% in the same period last year is testament that things are certainly looking better for the state as well as the country transitions towards endemicity.

Promoting ecology

The comprehensive RPNS will also cover other aspects which include the development of the Malaysian Vision Valley 2.0 initiative (MVV2.0), which will among others focus on the high value sector and opening up of new industrial areas, strengthening the SME chain, wellness tourism, skill-based education and research and specialised services.

This will also attract skilled and knowledgeable workers, further lending support to its aim of becoming a high-income state.

The MVV2.0 development which spans across 153,411ha



Negeri Sembilan Menteri Besar Datuk Seri Aminuddin Harun and members of his state administration wave miniature sized Jalur Gemilang during the Book Fair held at Mydin Mall, Seremban 2.

from Seremban to Port Dickson, is envisioned to be a world class metropolis that was competitive, inclusive and clean.

It will be divided into several parcels which include a Tech Park (1,135ha), Smart County (3,518ha), Negeri Sembilan Aerospace Valley (6,149ha) and an integrated maritime hub and waterfront corridor (2,488ha).

There is also a proposed maintenance, repair and overhaul (MRO), final assembly lines (FAL) facility for the aviation sector and a shipbuilding and ship repairing (SBSR) and a terminal harbour for the maritime industry.

There will also be an agropolis region created covering districts such as Kuala Pilah, Rembau, Tampin and Jempol to boost food agriculture.

The state wants to enhance crop yield via the use of modern technology, a move which will also produce high-income agricultural entrepreneurs.

Then there is this initiative to promote biodiversity attractions in the state which is a repository of tropical forests with unique flora and fauna.

This will be centered in Jebebu which has more than half its area still covered in forest.

The state government will embark on an extensive tourism and ecotourism promotion to turn Jebebu into an international tourism destination and prepare adequate facilities to promote natural attractions such as the state Wildlife Park which will also have the country's first National Tapir Conservation Centre, Lembah Jemaloi and the Kenaboi World Biodiversity Centre.

There will also be a Halal Industry Park, a Permanent Food Production Park, and Jelabu Best Food Spot or J-Best to promote economic growth.

In fact, the state Forestry Department and the Forest Research Institute of Malaysia had recently signed an agreement to carry out research work at the 1,800ha Pasoh Forest Reserve located in Jebebu.

The plan is to have an international research centre there which will carry out studies on the biodiversity, the rich flora and fauna, the wildlife, soils and other aspects of the lowland tropical forest.

It will be a centre of excellence with the participation of academics from various universities as well as those pursuing post-graduate and doctorate studies.

FRIM has also set aside RM5mil for the purpose.

The centre will also be located near Gua Pelangi where an excavation team had previously found artifacts such as stone tools, food remains and evidence of human occupation has been found.

The state government plans to turn the area into a tourist attraction one day with plans to have the Kenaboi World Biodiversity Centre nearby.

All these initiatives will be completed by efforts to promote rural development, human capital, sustaining natural resources, improving the quality of public infrastructure and amenities and public delivery system.

The state government is also well on track to lure more investors following special incentives announced under the Invest Negeri Sembilan 2021 programme.

The authorities will among others, help promote products by local producers and create a business friendly environment to help them expand by among others, provide end-to-end hand-holding.

To attract more investors, special green lanes have been set up at one stop centres to grant approvals to expedite and promote development.

Those in decision making positions will sit in these committees to ensure approvals were promptly given.

To further promote growth, the state government had also agreed to extend the rebate on land premiums who pay up the entire sum within a stipulated period of getting the approval for development.

This initiative was first introduced in January last year for a six-month period and then extended for the second half

of the year.

In January this year, the state exco decided to extend the incentive for one year to ensure efforts to revitalise its economy was not in any way hampered.

Under the rebate programme, those who pay up their land premiums within 30 days of receiving the Notis 5A or Notis 7G from the land administrator will enjoy a 25% discount while those who settle it within 60 days, will enjoy a 15% cut.

All these additional initiatives were proactive measures by the state government to attract more investors as well as allow existing ones to expand operations in the state.

Various measures have also been taken to promote the

tourism sector by carrying out more promotions of local products such as beach tourism, eco-tourism and cultural and heritage tourism.

Digital promotions and campaigns were also carried out through social media such as Facebook, Instagram and Twitter to reach a wider audience and to create an awareness of the places of interest in the state.

This was necessary as the closure of national and state borders as well as other travel restrictions had adversely affected other tourism-related industries such as food, beverage and accommodation service industries, travel agency services, transportation, conference organisation, recreational and sports.