

# Plans, initiatives to attract investors to Sabah – CM

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*Finance Minister Datuk Seri Panglima Masidi Manjun conversing with the participants of the Sabah Investors Forum at SICC.*

KOTA KINABALU (May 20): The State Government has set various plans in motion and implemented initiatives, particularly through the Hala Tuju Sabah Maju Jaya (SMJ) development plan to make Sabah more attractive for investors, said Chief Minister Datuk Seri Panglima Haji Hajii Haji Noor.

Speaking at the Sabah Investors Forum at the Sabah International Convention Centre (SICC) here on Monday, he said the State Government's commitment to address various challenges including infrastructure and basic amenities in order to

spur economic growth was evident by the substantial allocation of RM2.63 billion for infrastructure development programmes and public amenities in the State Budget this year.

The forum, organised by the Sabah Development Bank Berhad (SDBank) with investors-coordination support from the RHB Investment Bank was timely as it would provide the platform for investors to engage the State Government on key recent and upcoming developments that will spur the growth of the State, and how the State Government will facilitate and support these developments.

The Chief Minister's speech was delivered by Finance Minister Datuk Seri Panglima Masidi Manjun.

He added RM679.85 million was allocated to manage and address the critical issue of clean water supply whilst RM430.84 million was channelled to infrastructure maintenance.

Another significant action plan, he said, was enhancing the road connectivity and the State Government is committed to completing the Pan Borneo Highway Project as well as adding other road linkages outside the project, some of which are in the construction phase.

To help transition the State's dependence on non-renewable energy sources to renewable energy, Hajiji said Sabah had launched the Sabah Energy Roadmap and Master Plan 2040.

"To improve hydro capacity, we launched the Ulu Padas hydroelectric project last December which can contribute some 187.5MW and also has the potential to supply some 6,000 million litres daily (MLD) of water. The capacity of existing water treatment plants has also been increased," he said

The State Government had also assumed regulatory control over electricity supply from the Federal Government by establishing the Sabah Energy Commission (ECoS) as the regulatory authority power for gas supply and energy is one of the State's

urgent approaches to resolving energy woes, he said.

As waterways logistics play an important role in industrial development in Sabah, Hajiji said the State Government had given the green light for Sabah Ports Sdn Bhd to ink an agreement with a multinational logistics company to jointly manage the Sapangar Bay Container Port, along with investment in logistics and supply chain infrastructure in Sabah.

The State Government has also undertaken various efforts and planned, implemented and intensified improvements to ensure the State's revenue, which is largely dependent on the volatile crude oil and crude palm oil commodities, remained sustainable, he added.

Among the steps was the setting up of the SMJ Energy Sdn Bhd (SMJE), a company wholly owned by Chief Minister Incorporated of Sabah which last year successfully priced its inaugural RM900 million Islamic Medium Term Notes, issued out of SMJE's sukuk wakalah programme of up to RM10 billion in nominal value.

"These cash flows enable the State Government to diversify its funding sources, optimise the capital structure and support the State's growth strategy. Hence, SMJE will continue to acquire profitable and productive oil and gas assets," he said.

Hajiji said Sabah is also moving forward to explore the potential of the Blue Economy that involves sustainable exploration of marine and coastal resources.

To this end, he said the Sabah State Legislative Assembly approved the new Ocean Thermal Energy Conversion (OTEC) Enactment 2024 last month to pave the way for the development of OTEC as a new source of renewable energy and as one of the initiatives under the Blue Economy.

On SDBank's role, the Chief Minister said it is now undergoing a transformation journey to finetune its alignment with the State's current direction. The bank's corporate governance has been enhanced and improvements made to better

emulate best practices. I am pleased to say that the projects that are in the pipeline, are those that will benefit the State.

"I wish to stress that the State Government is pursuing developments and investments critical to support the State's economic growth. It is for this reason that SDBank has been mandated to pursue development projects that are economically and socially meaningful and environmentally responsible in Sabah," he said.