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# RM112b investment till 2020 to spur growth

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**KUALA LUMPUR:** A massive RM112 billion is expected to be invested until 2020 on developing the East Coast Economic Region (ECER), scheduled to be launched by Prime Minister Datuk Seri Abdullah Ahmad Badawi on Oct 30.

Petronas president Tan Sri Mohd Hassan Marican said some RM44 billion, or 39 per cent of the total investment, would go to towards transport infrastructure, including building and upgrading roads, and airport expansion across the ECER comprising Kelantan, Terengganu, Pahang and Mersing in Johor.

"Part of the funds are coming from the Ninth Malaysia Plan (2006-2010), while some RM23 billion will come from private investment generated by the government-linked companies and private-funded initiatives," he told a media briefing on the ECER here yesterday.

He said Petronas' role in the ECER was to develop a master-plan for the region.

"We are already in the final stages of the draft of the master plan which will be handed over to the prime minister soon."

Hassan, who is also Petronas chief executive officer, said an ECER Development Council would be formed, comprising the prime minister, Deputy Prime Minister Datuk Seri Najib Razak, the four menteri besar, two federal ministers, chief secretary to the government, three federal government representatives, two from the private sector and a chief executive

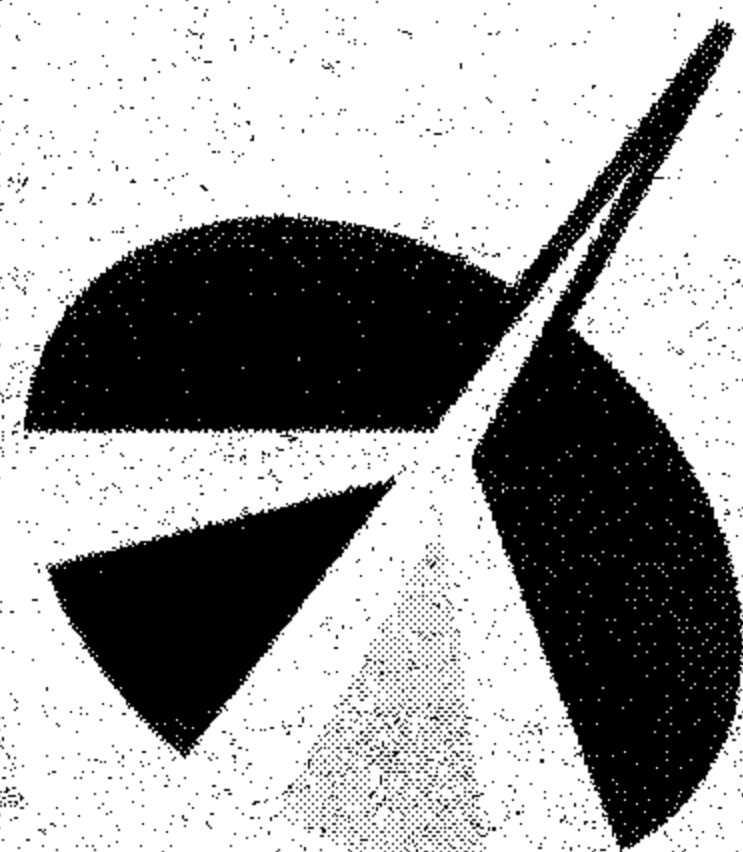
officer.

"The presence of representatives from the private sector is to ensure that the council will not be constrained by the government. Basically, what we are proposing is similar to corporatising the region and running it as a corporate entity."

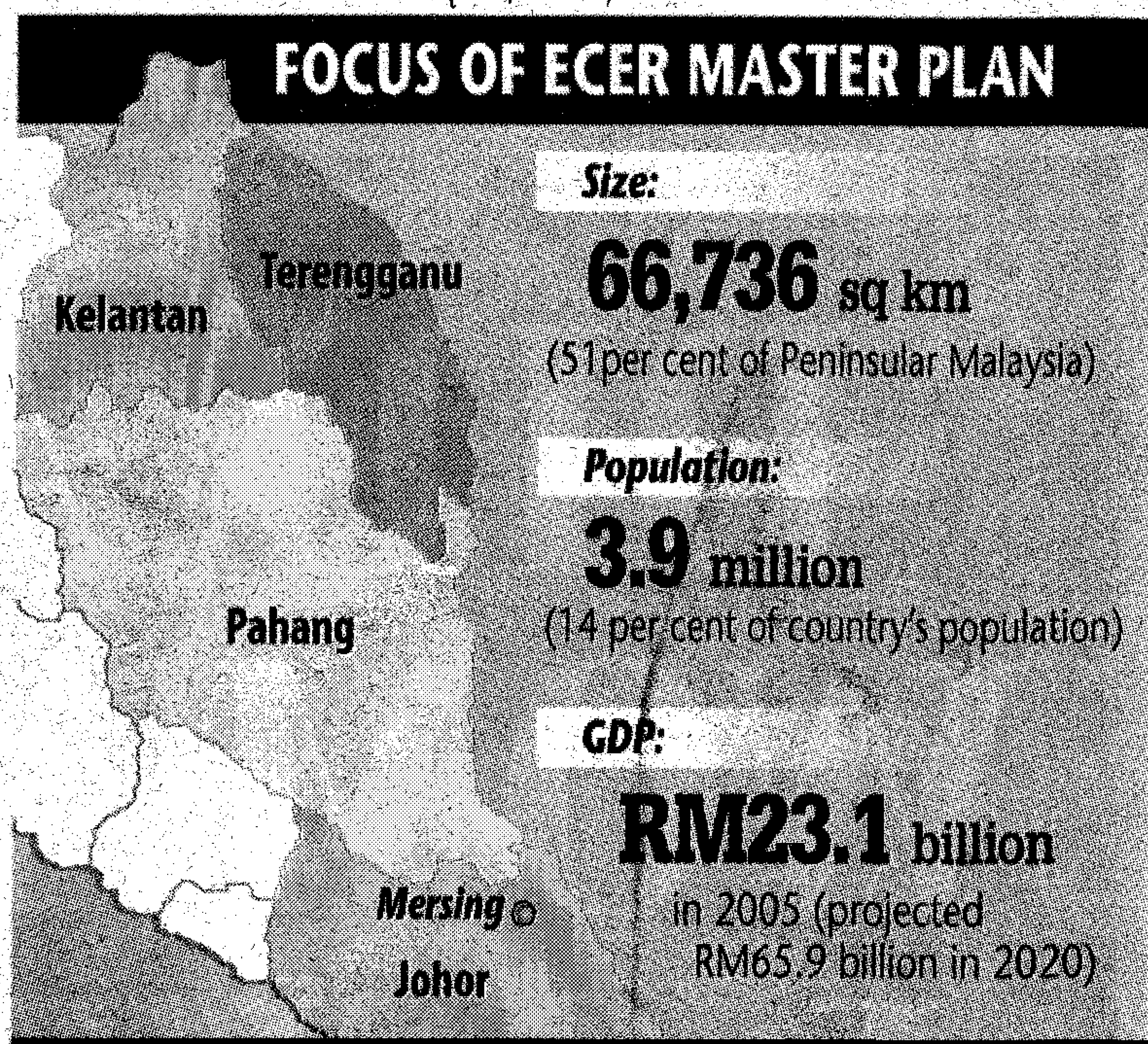
Hassan said the prime minister will meet with the four menteri besar today to go through the draft of the ECER masterplan.

"A bill will be tabled in December for the ECER," he said.

The ECER will be launched in Kuala Terengganu and Kota Baru on Oct 30, followed by Kuantan the next day.



## EAST COAST ECONOMIC REGION



The ECER covers an area of 66,736 sq km, accounting for 51 per cent of Peninsular Malaysia. It has a population of 3.9 million as surveyed in 2005, representing 14.5 per cent of the country's population. Of the 3.9 million, 87 per cent are Bumiputera.

By 2020, the gross domestic product (GDP) growth rate in ECER is expected to increase to 7.2 per cent to RM65.9 billion from RM23.1 billion registered in 2005.

Hassan said the GDP growth rate in ECER had to be higher than the national growth rate to correct the regional imbalance and income inequalities.

Malaysia's GDP growth rate is expected to rise to RM659 billion in 2020 from RM262 billion in 2005.

He said the main objective behind the ECER Development Plan was the acceleration of the growth of the region in a viable, equitable and sustainable manner.

This will be undertaken through the development of programmes to raise the introduction of high impact, catalytic projects to spur development in the region.

Hassan said the development plan focused on key initiatives derived from tourism, oil and gas, manufacturing, agriculture and education.