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Johor's Forest City accorded duty-free status, says Najib

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PM says that sustainable developments like the Forest City project will be developments of the future

THE Forest City development is accorded a duty-free status, to spur business activities and tourism on its four islands, Datuk Seri Mohd Najib Razak said.

The granting of the status is one of four incentive packages announced by the prime minister (PM) at the official launch of the development yesterday. The Sultan Johor Sultan Ibrahim Almarhum Sultan Iskandar was also present.

The three other packages are corporate tax incentive for green developers and green development managers; corporate tax incentive for qualified service-sector employers, or Iskandar Development Region (IDR) class companies in tourism, health and education sectors; and no restriction/equity conditions for foreign shareholders in companies that are eligible for the corporate tax incentives introduced.

"These packages are designed to ensure the success of the Forest City project based

on its masterplan and target of becoming a smart and green city," Najib, who is also on his working visit to Johor, said.

The PM said the Forest City project is one of large-scale development projects which use the concept of environmental and sustainable development approach.

Hence, the importance and abundance of the environment for the local community and people of Johor will be given priority as it transforms into an environmentally friendly and smart city of the 21st century, he said.

The PM said that sustainable developments like the Forest City project will be developments of the future.

"We need to prove that we are serious in developing the country according to our own development model and mould," he said.

The PM said although the country is facing global economic challenges, the Forest City project has the potential to be a gem for Iskandar Malaysia and to raise Malaysia's and Johor's stature.

"From the economic aspect, I am pleased to share with you that this project could attract foreign direct investment worth RM175 billion.

"Moreover, for the next 20 years, that is by 2035, the project

is expected to create as many as 220,000 jobs for Malaysians working in high value-added sectors such as finance and e-commerce," he said.

The PM said the development would give a positive value to the people by creating more jobs and enhancing value chain in the country.

"The spillover from this investment will certainly benefit local industries, as well as create business opportunities for them at international level," he said.

The PM said the Forest City project, developed by Country Garden Pacificview Sdn Bhd, is in line with the Six Strategic Thrusts under the 11th Malaysia Plan (11MP).

The green and smart city concept is in line with one of the thrusts of the 11MP, namely "Pursuing Green Growth for Sustainability and Resilience".

This is because the development strategy of green city or town enhances the quality of growth, strengthens food security, water and energy, and reduces the risks of environmental and ecological destruction, as well as improves the quality of life and welfare of the people, he said.

"It will also reduce greenhouse gas emissions significantly and conserve ecosystems in 'terrestrial' areas and inland

and coastal waters to ensure better marine life," he added.

Najib, who is also the finance minister, said the development of the Forest City is also in line with the "Low Carbon Society Blueprint for Iskandar Malaysia 2025" which was jointly launched by Johor Menteri Besar Datuk Mohamed Khaled and him in December.

The plan involves five local authorities under Iskandar Regional Development Authority (IRDA) in Iskandar Malaysia.

This is towards realising Iskandar Malaysia's goal in reducing greenhouse gas emissions by 50% by 2025 as outlined in the Iskandar Malaysia

The PM also recommended that main developers and urban planners for Forest City to embed sustainability elements and inclusive policies in social and physical planning of the new eco city.

With a target population of 700,000 by 2035, Najib said green city initiative should be pursued horizontally and vertically, through coastal protection activities, seaweed conservation programmes, Industrialised Building System in the construction of residential buildings and physical planning.

Their implementation should be monitored on a long-term basis. — Bernama