

Overview of the Northern Corridor Economic Region (NCER)

October 2022

THE NORTHERN CORRIDOR ECONOMIC REGION (NCER)

4 STATES

NORTHERN CORRIDOR ECONOMIC REGION

Total Land Area
32,404 km²

Population (2021)
6.7 mil.

GDP as at 2020
(at 2015 constant price)
RM218.7 bil.

Mean Household
Income (2020)
RM5,477

Total Employment
(Q2 2021)
3.1 mil.



ABOUT NCIA

Northern Corridor Implementation Authority (NCIA) was established under the Northern Corridor Implementation Authority Act 2008 (Act 687) to **promote and accelerate the development of the NCER (Perlis, Kedah, Pulau Pinang and Perak)** into a world-class economic region, technology hub and a choice destination for investment, work and living.

KEY FUNCTIONS OF NCIA

- To **coordinate the performance** of the activities carried out by Government Entities in NCER
- To **promote, stimulate, facilitate and enhance the international competitiveness** of NCER
- To **promote, stimulate, facilitate, coordinate, undertake economic and social development** in NCER
- To **establish direction, policies and strategies** in relation to development within NCER

OBJECTIVES OF NCER

- 
Accelerate the **socioeconomic recovery** of rakyat and businesses post COVID-19
- 
Boost economic potential through catalytic projects and high-impact programmes
- 
Address **uneven development and regional imbalances**
- 
Promote **equitable economic growth**

NCIA INTEGRATED OPERATING MODEL

Key Outcomes



Job Creation



Encourage
Entrepreneurship

Empower Human Capital and Community

NCER's human capital development programmes would bring about **positive spillover effects** for the community which will promote **high household income, increase high-skilled workers** and **productivity while reducing unemployment**

Key Outcomes



High Income



Increase Private
Investment

Infrastructure
development
creates jobs
for talent

Provides talent pool to fill
jobs created

Support private sector
investment growth by
providing talent to
service the industry

Creates jobs for
talent and
entrepreneurship
opportunities

Implement Key Strategic Projects

Development of high-impact projects in the region, e.g. **industrial parks, strategic infrastructure and initiatives to spur R&D in the region** to cater the private sector needs

3- Pronged Strategic Approach

Supports strategic
infrastructure
development via **PPPs**

Supports private
investment growth
by providing **strategic infrastructure** to enhance
connectivity and mobility

Facilitate Private Sector Investment

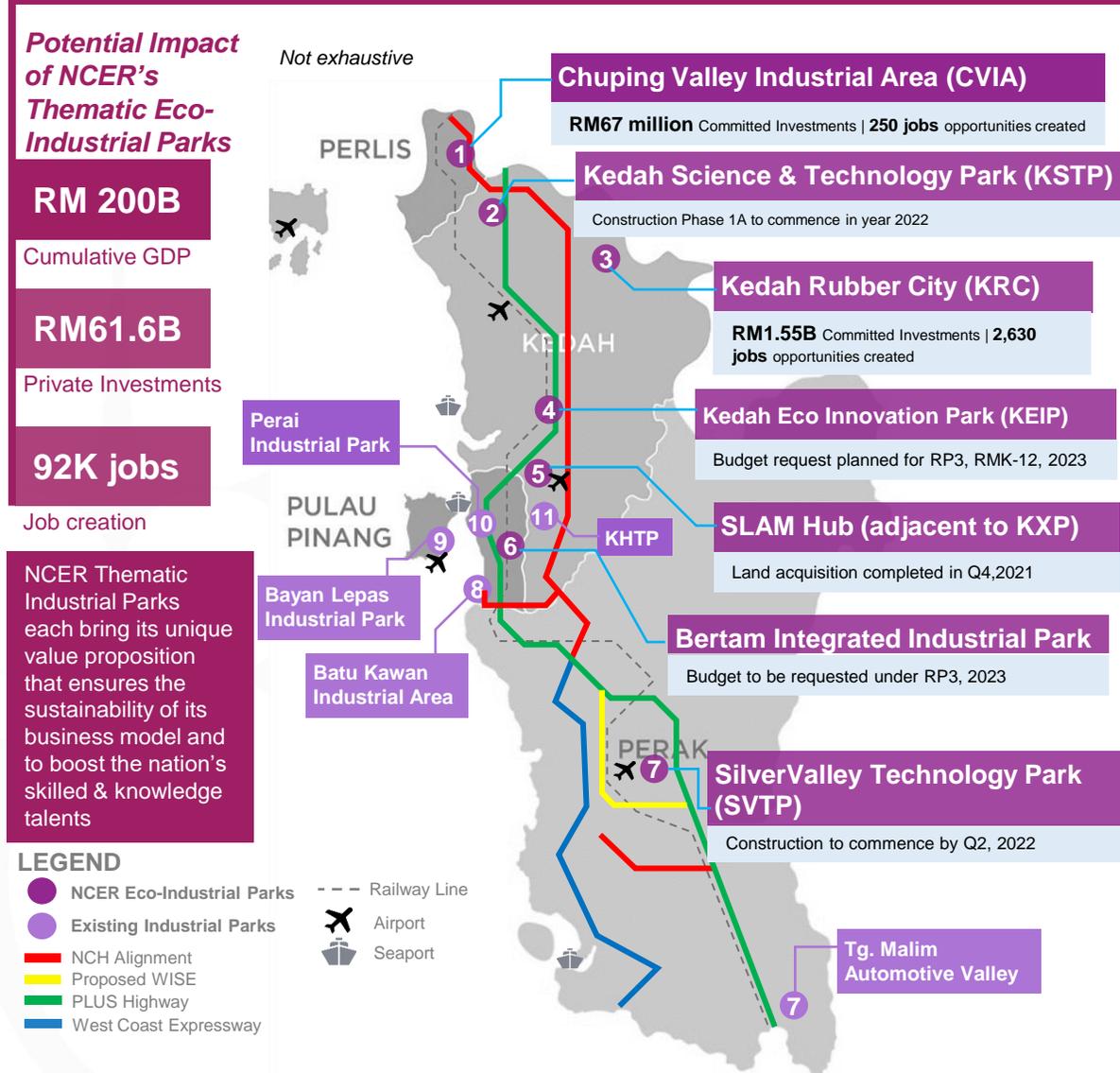
Promote and facilitate potential investors to establish their presence in the region, **offering incentives package** for investors to further encourage investments in the region

Integration of projects and programmes with collaborative Public-Private Partnership will be essential to the success of achieving the intended outcomes

NCER Thematic Eco-industrial Parks As Anchors To Investment Attraction

Integrated approach in developing thematic eco-industrial parks as catalyst for investment and job creation.

Potential Impact & Current Progress of NCER Thematic Eco-Industrial Parks



Potential Impact of NCER's Thematic Eco-Industrial Parks

- RM 200B** Cumulative GDP
- RM61.6B** Private Investments
- 92K jobs** Job creation

NCER Thematic Industrial Parks each bring its unique value proposition that ensures the sustainability of its business model and to boost the nation's skilled & knowledge talents

Eco-Industrial Park Model Adaptation



NCER Facilitation Programmes



The Thematic Industrial Parks are inline with The Twelfth Malaysia Plan (RMK-12)

Chapter 03
Propelling Growth of Strategic and High Impact Industries as well as Micro, Small and Medium Enterprises

Chapter 06
Improving Regional Balance and Inclusion Strategy



NCER Incentive Package and Programs

1

NCER Tax Incentive Package (Post COVID-19 Stimulus Incentive Package)



10+5 years
100%
+ 5 years
50%
income tax
exemption

100% ITA
up to
15 years

Import Duty
Exemption

Stamp Duty
Exemption

Merits for consideration:

1. High value strategic investment;
2. High spill-over effect:
 - a. Vendor Development Program;
 - b. Job creation;
 - c. Local materials/ inputs;
 - d. Import substitute; and
 - e. Eco-system development

2

NCER Tax Incentive Package (Broad-based)

		Income Tax Exemption	Investment Tax Allowance	Import Duty Exemption	Stamp Duty Reduction
N1	KEDAH	100% income tax exemption up to 15 years	100% allowance up to 10 years	Exempted	50% reduction on transfer or lease of land
	PERLIS				Not Applicable
N2	PENANG	70% income tax exemption up to 10 years	70% allowance up to 10 years	Exempted	Not Applicable
	PERAK				Not Applicable
SPECIAL PROMOTED AREA	Seberang Prai Utara, Seberang Prai Selatan, Seberang Prai Tengah, Barat Daya Pulau Pinang, Selama, Kerian, Hulu Perak, Perak Tengah, Kuala Kangsar, Bagan Datuk, Hilir Perak, Kampar, Batang Padang and Larut& Matang	Up to 100% income tax exemption up to 15 years	Up to 100% allowance up to 10 years	Not Applicable	Not Applicable

NTEP@NCER
Talent Enhancement Programme

NTIC
NCER TECHNOLOGY INNOVATION CENTRE

DU@NCER
Dana Usahawan NCER

ENTREPRENEUR NCER

1

Enhances employability and provides job opportunities to unemployed graduates via private sector partners

2

Talent Ecosystem Development: led by industry, endorsed by academia to meet the industry demand through ATMP

- Platform for local companies to carry out high-value technology activities through CoE
- Local companies' development through R&D&T&I&C and adoption of digitalization/automation to move up value chain in NCER High Impact Strategic Projects through T&I

3

Provision of financial assistance to Bumiputera companies through provision of grants covering 15% or max of RM2 mil from total qualifying project cost

4

Assists micro entrepreneurs and SMEs in NCER through financing and guidance in business expansion

FISCAL

NON FISCAL

NTIC Components

Physical

NTIC in Bayan Lepas FTZ, Penang as a **catalytic hub** for R&D, Technology Innovation and Ecosystem Development in NCER. Expected ready by Q1 2024.



Non – Physical (NTIC Programs)



Centre of Excellence (CoE) Development



Technology & Innovation (T&I)



Advanced Technology Meister Program (ATMP)



Supporting Services



One Stop Solution database



Linkages with Local/International Expert



Design & Consultancy



THANK YOU

 www.ncer.com.my

   [ncermalaysia](https://www.facebook.com/ncermalaysia)

 [Northern Corridor Economic Region \(NCER\)](https://www.linkedin.com/company/northern-corridor-economic-region)

 [NCER Malaysia](https://www.youtube.com/NCERMALAYSIA)