



## CONSIDERATION TO INVEST IN SABAH

*.Political and social stability / Business friendly Government / Young, Educated and Trainable Human Resource / Modern Infrastructure and Industrial Facilities / Strategic Location / Information Technology / High quality of life*



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### **Political and social stability**

Firstly, being part of the Malaysian framework, Sabah enjoys political and social stability, providing an environment conducive for business. Relating to this, Government's investment policies have remained fairly stable, especially in the emphasis on promoting private sector investment and in encouraging foreign investment into the country. Employee-employer relationship in the country is also excellent, with major employment disputes unheard of.

### **Business friendly Government**

The Malaysian Government is business-friendly, adopting a liberal policy on foreign equity ownership. Following in the footsteps of the national government, the State Government of Sabah is business-friendly and welcomes foreign investment. Sabah allows foreign companies to own land.

Land ownership is on a leasehold basis. Industrial land could be held up to a maximum of 99 years. Even "Native Lands", that is land that can only be owned by the indigenous people of Sabah, can be leased for up to 60 years from their owners to undertake an investment project.

### **Young, Educated and Trainable Human Resource**



Sabah has a young population, providing a vibrant workforce for its industries. More than 57% of its 3.2 million people in 2011 is between the age range of 15 - 44 years. The state also has a readily available educated and trainable human resource. She produces about 20,000 school leavers with O-Levels education annually. She also produces about 600 graduates of various disciplines annually. Besides academic education, the government also places great emphasis on skills training and had accordingly attracted various industrial and skills training institutions to be established in the state.



## Modern Infrastructure and Industrial Facilities

Sabah has modern airports and seaports in its major towns. A network of all-weather road links the major towns in the state, enabling an efficient distribution of goods within Sabah. These are continually being maintained and upgraded. All main towns are supplied with treated water and electricity, the latter being generated by diesel, gas and hydro. Telecommunication facilities are excellent, with numerous services including International Direct Dial, Integrated Services Digital Network and Leased Circuit, to name a few.

Sabah also offers a modern industrial park, viz., the Kota Kinabalu Industrial Park (KKIP).

Located just 25 km away from the state capital and 5 km from the Sepang Bay port, the 3,679 ha. KKIP provides for a self-contained industrial township that is modern and environment-friendly. Other industrial facilities that are being established in Sabah include palm oil industrial clusters and Sipitang Oil and Gas Industrial Park.

### Strategic Location

Kota Kinabalu, Sabah's capital, is within only about three hours' flight to major Asian cities, including, Seoul, Taipei, Shenzhen, Hong Kong, Manila, Kuala Lumpur, Singapore, Tarakan and Bandar Seri Begawan. The availability of direct flights from Kota Kinabalu to these cities makes Sabah easily accessible.

Besides this, Sabah is also strategically located in the centre of the BIMP-EAGA. The BIMP-EAGA (or simply EAGA) stands for the Brunei Darussalam Indonesia Malaysia the Philippines - East ASEAN Growth Area. It is Asia's largest regional grouping, spanning territories of four ASEAN countries. EAGA comprises the entire sultanate of Brunei Darussalam; 10 provinces in the Indonesian islands of Kalimantan, Sulawesi, Maluku, and Irian Jaya; Sabah, Sarawak, and Labuan in Malaysia; and Mindanao and Palawan in the Philippines. Its land area of roughly 1.54 million square kilometres is home to more than 60 million people.



### High quality of life

Sabah also offers a high quality of life. Good basic infrastructure and supporting facilities await the investor. Stressful traffic jams, a common experience of a modern metropolis, is less heard of in Sabah. A clean and refreshing atmosphere coupled with scenic beaches and islands, golf courses and parks and a highland resort provide a weekend breakaway for the businessman and his family.

### Information Technology

In this era of globalisation, information technology (IT) has become a prime source and force used by successful economies to sharpen their competitive edge. Cognizant of this, the state government had initiated the move towards an electronic

government. The business community in Sabah is also becoming increasingly aware of the importance of IT not only in gaining access to information on business potential but also in enhancing productivity.