

An aerial, isometric illustration of a modern coastal city. The foreground is dominated by a bright blue body of water with a textured, scale-like pattern. A prominent feature is a long, curved pier extending into the water, which serves as a marina with several boats docked. To the left of the pier, a red and white striped lighthouse stands on a small island. The city itself is a dense cluster of modern buildings, including high-rise skyscrapers and lower-rise residential or commercial structures. The architecture is contemporary, with many buildings featuring glass facades. The city is interspersed with green spaces, parks, and roads. In the lower right, a beach area is visible with people, palm trees, and a small red airplane flying over the water. The overall scene depicts a vibrant, well-developed coastal urban environment.

# Setting the standard for world class industrial parks in Malaysia

Professor Dr. Ong Kian Ming

Pro Vice Chancellor for External Engagement

Taylor's University

4th September 2024

# Overview

- 1 **Current challenges facing industrial parks in Malaysia**
- 2 **Good examples to follow**
- 3 **Characteristics of world class industrial parks**
- 4 **Strategic partnerships for world class industrial parks**
- 5 **Classifications / Measurement of industrial parks in Malaysia**
- 6 **Using the JSSEZ as a catalyst**

# Current challenges for industrial parks in Malaysia

- Many of the older industrial parks have very poor infrastructure (roads, drainage) which have not been properly maintained
- Management Committees (MCs) of some industrial parks not functioning well
- Some industrial parks have not yet been properly “legalised”
- The Industrial Park Management Committee (IPMC) at the PBT and state levels have insufficient power and resources. Funding from the federal government via MITI for development expenditure is also limited.
- No proper classification framework for industrial parks at the federal level

# I-Park Senai by AME is one of the best in class integrated industrial parks in Malaysia (I)



# I-Park Senai by AME is one of the best in class integrated industrial parks in Malaysia (II)



Infrastructure is well developed and well-maintained



Shared facilities and recreational common areas are provided. Retention pond is part of the public landscaping



Workers' accommodation is part of the integrated industrial park



AME still runs and owns the management committee (MC) for the industrial park and the workers' accommodation



Suitable for smaller factory floor space (manufacturing, logistics, mixed use)



Expanding land bank for future projects in Johor and expanding into Penang in 2H 2024 via Northern TechValley Industrial Park

(Source: [here](#))

# Characteristics of World Class Industrial Parks

✓ Transparent and detailed overall masterplan

♻️ Energy & Environmental sustainability (Solar RE on rooftops, Centralized District Cooling and Heat Recovery systems, waste management plan including recycling of waste-water)

👷 Workers' accommodation, welfare, and safety (especially for foreign workers)

🏠 Risk and safety management (safety of processes and for people, managing accidents, real time activities monitoring)

🏢 Management of common property and infrastructure (usually, by the developer)

📶 Internet and Mobile connectivity (Broadband, 4G & 5G)

🏛️ Alignment with government policies (tax incentives, customs clearance, special economic zones)

🏘️ Integrated with nearby townships (commercial & residential)



# Examples of Industrial, Environmental & Social Infrastructure Consideration

Source: [UNIDO](#)

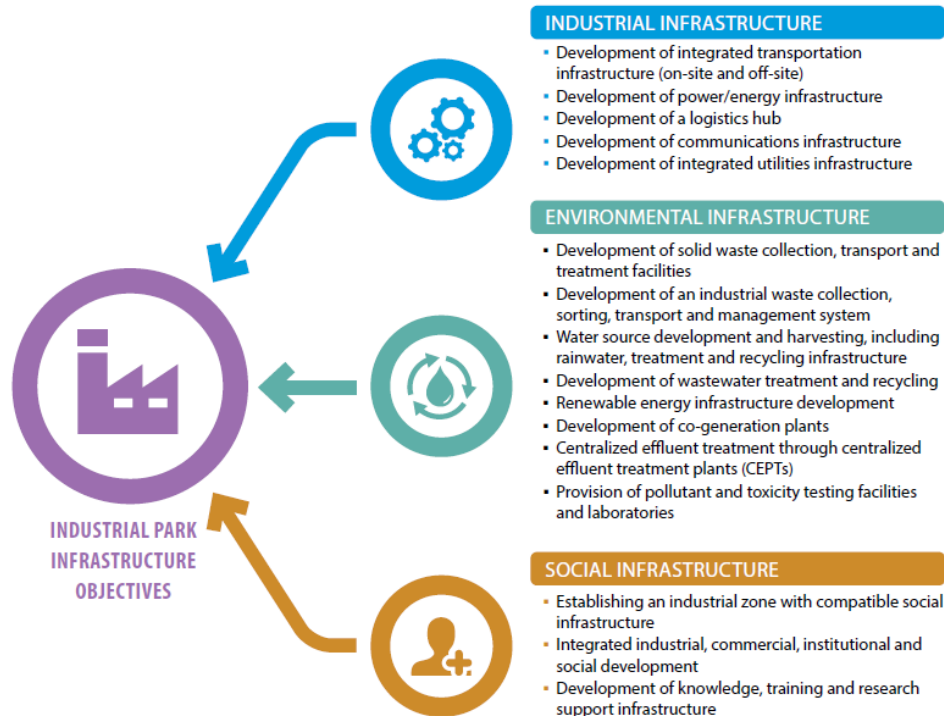
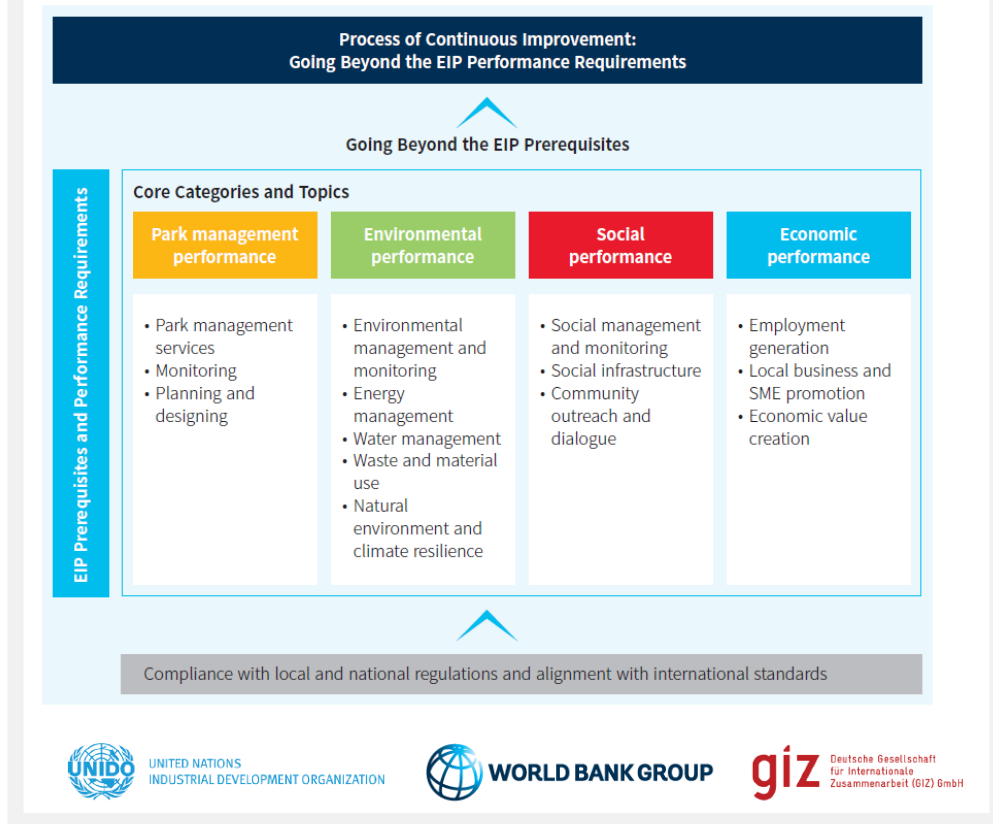


Figure 3: Illustration of Industrial Park Infrastructure Objectives

# Eco-Industrial Parks as a subset of World Class Industrial Parks


Source: [UNIDO](#)

Figure 3: Overall Framework for Describing Eco-Industrial Parks





# Strategic Partnerships for World Class Industrial Parks



---

Bringing in energy and waste management players in the planning and marketing phase of industrial park development

---

Partner with foreign players if they can bring in technologies that are not available locally and if their presence can help increase the “branding” for industrial parks

---

Come up with models of rehabilitating “brownfield” industrial park sites into eco-industrial parks with support from local, state and federal governments, with the possible assistance of international organizations such as the ADB and the World Bank

---

Consider Malaysia-China, Malaysia-Japan, Malaysia-Korea, Malaysia-EU branded industrial parks with infrastructure players from partner countries to anchor these developments

# Some examples of strategic partners (domestic & foreign)

- PANTAS Climate Solutions for Carbon & ESG Measurement and Management (<https://pantas.com/>)
- Ihandal Heating & Energy solutions (<https://www.ihandal.com/>)
- KJTS District Cooling Systems & Facilities Management (<https://www.kjts.com.my/>)
- Solarvest RE solutions (<https://solarvest.com/>)
- UEM Lestra ([https://www.uem.com.my/ourbusiness\\_green.aspx](https://www.uem.com.my/ourbusiness_green.aspx))
- Keppel Infrastructure (<https://www.keppel.com/infrastructure/>)
- Capital Land (<https://www.capitaland.com/sites/nusajayatechpark/index.html>)
- IHI Asia Pacific (<https://ihiap.com/>)

# Classification / Measurement of our Industrial Parks is needed



Provide incentives for industrial park developers to provide better infrastructure and to incorporate more sustainability features.



Slowly upgrade / uplift the capability of industrial park developers in the country



Get the private sector more used to paying for quality infrastructure and investing in the long-term



Create business opportunities for the service sector involved in building better quality industrial parks



Allow local councils to collect more local taxes because of the higher valuation of property in higher quality industrial parks

# An example of the parameters for measurement for industrial parks

Source: [UNIDO](#)



## **Economic performance indicators relating to the ISID pillar “Advancing Economic Competitiveness”:**

- Good economic governance;
- Economically enabling site & infrastructure ‘hardware’;
- Economically enabling services ‘software’; and
- Economically impactful nature (not applicable to new sites that are not yet fully operational).



## **Social performance indicators relating to the ISID pillar “Creating Shared Prosperity:”**

- Socially appropriate site & social infrastructure;
- Social inclusiveness;
- Quality social management system & social services (not applicable to new sites that are not yet fully operational);
- Occupational health & safety (not applicable to new sites that are not yet fully operational); and
- Good labour relations & welfare (not applicable to new sites that are not yet fully operational).



## **Environmental performance indicators relating to the ISID pillar “Safeguarding the Environment”:**

- Environmentally appropriate site;
- Green infrastructure;
- Green systems (not applicable to new sites that are not yet fully operational); and
- Efficient & clean production, emissions & waste management (not applicable to new sites that are not yet fully operational).

# More coordinated marketing of our industrial parks can increase their value especially among international companies & investors

**WELCOME TO MALAYSIA SITE SELECTION (MYSITE) PORTAL**

MIDA MALAYSIAN INVESTMENT DEVELOPMENT AUTHORITY

About MYSite Selection | Manufacturing Sector | Services Sector | Industrial Estates | Demographics | Login/Register | Home

Type to search industrial estate | All States | All Industries

Region	Industrial Estate Count
Hat Yai	19
Kota Bharu	8
George Town	41
Ipoh	19
Kuala Lumpur	3
Malacca City	15
Singapore	71
Malacca City	26
Singapore	23
Kuching	6
Sarawak	3
Sarawak	6
Brunei	3
Brunei	3
Kota Bharu	3
Sabah	3
Sabah	3
Tawau	3
Tarakan	3

<https://mysite.mida.gov.my/>



## **The JSSEZ can be used as a catalyst to build more world class industrial parks**

- Increase investments from Singaporean GLCs and real estate players which already have exposure to Johor
- Attract the interest of Singaporean GLCs which currently have limited exposure to the Johor ecosystem
- Bring in industrial park developers from other countries in the region (China, Japan, Korea, Taiwan)
- Increase opportunities for companies involved in the services sector for the industrial park ecosystem (including RE players, health and financial services for foreign workers, logistics players)
- Provide opportunities to integrate data centers into world class industrial parks (to save energy and water, for example)

# Thank you and please keep in touch!

- Professor Dr. ONG Kian-Ming / 王建民博士
- Pro Vice-Chancellor for External Engagement at Taylor's University, Malaysia. (<https://university.taylors.edu.my/en.html>)
- Senior Adviser, Global Counsel (<https://www.global-counsel.com/about-us/team/kian-ming-ong>)  
Former Member of Parliament for P102 Bangi  
Former Deputy Minister of International Trade & Industry (MITI), Malaysia
- PhD (Duke), MPhil (Cantab), BSc (LSE)
- Mobile Phone: +60162381432
- Twitter: @imokman
- Instagram: @im.ok.man
- LinkedIn: <https://www.linkedin.com/in/imokman/>
- Email: [im.ok.man@gmail.com](mailto:im.ok.man@gmail.com) / [kianming.ong@taylors.edu.my](mailto:kianming.ong@taylors.edu.my)

