

**SPECIAL LUNCHEON ADDRESS BY YAB CHOW KON YEOW,
CHIEF MINISTER OF PENANG AT PENANG FUTURE FORWARD SUMMIT 2023
“FUTURE PROOF PENANG FOR THE NEW GLOBAL ECONOMY”**

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Grand Ballroom, G Hotel Gurney, Penang

**PENANG VISION 2030 – PARTNERSHIP FOR VISION BETWEEN THE PUBLIC, PRIVATE
AND PEOPLE SECTORS**

Datuk Seri Mohd Iqbal Rawther

Deputy Chairman, KSI Strategic Institute for Asia Pacific & Chairman, Economic Club of Kuala Lumpur (ECKL)

Tan Sri Michael Yeoh

President, KSI Strategic Institute for Asia Pacific

Excellencies

Distinguished Speakers & Moderators

Honoured Guests

Members of the media

Ladies and gentlemen

It is my pleasure to be here today at the Penang Future Forward Summit 2023. I want to congratulate the organisers, KSI Strategic Institute for Asia Pacific and the Malaysia International Chamber of Commerce and Industry (MICCI) Penang Branch. Thank you for inviting me to this Summit.

I am delighted this Summit is being organised because it is timely and apt because we are entering a new chapter of our economic development with the new Unity Government. I believe the theme of "Future Proof Penang for the New Global Economy" is also apt and relevant as Penang businesses chart their trajectories in the next decade. Through this Summit, we can bring Penang to the world and the world to Penang!

Public Private Partnerships and People Sectors

Governments face an ever-increasing need to find sufficient financing to develop and maintain infrastructure required to support growing populations. Governments are challenged by the demands of increasing urbanisation, the rehabilitation requirements of aging infrastructure, the need to expand networks, and the goal of reaching previously unserved or underserved areas.

Furthermore, with the climate change, there's a greater need to combined governments' limited financial capacity and efforts , to mobilise private sector capital for infrastructure investment. Structured correctly, a PPP may be able to mobilise previously untapped

resources from the local, regional, or international private sector which is seeking investment opportunities.

Penang serves as a main northern transport hub in Malaysia and has a long history as a trading route that attracts many trading partners from all over the world. Today, Penang stands tall as the Silicon Valley of the East, and home to many MNC E&E semiconductor giants, including several European MNCs.

Penang2030 was launched in 2018 as a policy framework for Penang to be a family focused, green and smart state that not only leads the nation but inspires it through its ambitious projects and development agenda. Operationalising the vision comes through Penang2030's four themes, sixteen strategic initiatives and several catalytic projects.

Each initiative has a series of targets which are being tracked via this dashboard, with overall progress for each is indicated by a percentage chart in the top right. We are now 5 years into the 12-year Penang2030 programme with the overall progress approximately 45%. In many areas progress is well beyond that with targets likely to be exceeded before 2030.

Slide 2: Penang 2021 Economic Data

Penang's economy on track post Covid-19 recovery recorded 6.8% GDP for 2021 build on the strength of twin engines growth of manufacturing and services and digital economy Penang recorded highest investment from 2019-2021 total of RM107.2 billion and supported by 51,000 jobs created.

Penang2030 vision is to develop an equitable society with economic resilience and creates quality jobs and talent growth, and we can achieve it with public ,private and NGOs support.

Slide 3: Phase 2 of Penang2030

Placemaking Initiatives-in the state are being identified as focal points for positive efforts to develop Penang , CD2 (Creative Digital District) , Upgrade of Esplanade and Penang's waterfront Marine Sanctuary Middle Bank.

Community-building Initiatives aimed at engaging and empowering the population as a whole and post pandemic recovery Safe Family, Penang State Family Day, launched "Love Penang Campaign", call to action, to come together, rebuild and move forward for a brighter Penang.

Industry Engagement Initiatives and focus on talent development and future of E&E semiconductor industry and private digital district in Penang.

Penang2030 Dashboard launched in June 2022, accessible to public for tracking Penang2030's progress.

Slide 4: Penang2030 vision and 4 key themes

The Penang2030 vision was first launched in May 2018 - ' A Family-focused Green, Smart State that Inspires the Nation' with 4 Strategic Themes:-

- A) Increase Liveability to enhance quality of life
- B) Upgrade the Economy to raise household incomes
- C) Empower People to strengthen civic participation
- D) Invest in the Built Environment to improve resilience

Slide 5: Theme A Increase Liveability to enhance quality of life

- 1) Address housing affordability and diversity
- 2) Continue to improve public safety and cleanliness
- 3) Enhance welfare and care systems
- 4) Diversify recreation, sports, arts and culture facilities

Slide 6: Strategic Initiatives for Theme A

- Build quality affordable homes and address housing affordability and diversity
- Improve public safety and cleanliness and promote Cleaner Greener Penang
- Enhance welfare and care systems with active ageing policy and promote healthy living
- Diversify recreation, sports, arts and culture facilities with target to build more parks, and recreational sports facilities

Slide 7: Strategic Initiatives for Theme A

- There is a greater need to revitalise the George Town historic waterfronts and George Town Heritage area and State Government welcomes the additional funding from Federal Government to preserve and maintain the UNESCO heritage site.
- Improve and activate public open spaces with cultural activities and programming
- Create continuous blue and green corridor from Batu Feringghi to Batu Maung supported by green corridors to Penang Hill

Slide 8: Theme B Upgrade the Economy to raise household incomes

- 1) Advance readiness of local manufacturing industries for the digital age and the green economy
- 2) Modernise and diversify sustainable agriculture
- 3) Create a variety of quality tourism products across island and mainland
- 4) Foster an ecosystem that nurtures creative industries and niche business services

Slide 9: Theme B Upgrade the Economy to raise household incomes

- Focusing on fostering and attracting investment from manufacturing E&E semiconductors to meet global demand.
- Increasing global value chain participation through industry clusters enhancement, and to grow local SMEs and LLCs
- Encourage adoption of ESG and advocate for 5G infrastructure to support the adoption of Industry 4.0
- TVET vocational programmes to train talents to cater for industries needs by 2030
- Promote Digital Economy and I-seed Start up RM 5mil, with the recent launched of Creative Digital District to attract digital investment
- Global Business Services (GBS) buildings with total net lettable area of 300,000 sq ft

Slide 10: Theme B Digital Economy will provide future growth

Apart from Manufacturing and Services Industries, Digital economy will be the key economic driver for Penang's future growth. With Digital Penang and Digital Masterplan, Penang State Government will continue to encourage industries to embrace digitalisation to move up the

value chain and boost operational efficiency through programmes and platform #dahdigital and, founder's grit, to further provide support to tech communities.

Slide 11: Strengthen Penang's Economic Competitiveness as a regional hub

Penang topped the nation's list in 2021 with an all-time high export value of RM354 billion, with electrical and electronics products and medical devices making up about 80% of the state's total exports. From January to August 2022, Penang's export value climbed 30% year-on-year to RM291 billion, representing 29% of the country's total.

Penang was among the top contributors to the country from January to June 2022, with RM7.9 billion in approved manufacturing investments.

The recent recognition of concept of Penang Bay as UN-Habitat SDG Cities Zone, is another testament that we are on track to make Penang a sustainable city. Penang Bay project will require Public Private and People's partnership to develop further.

Slide 12: Modernise Agriculture and diversify agriculture

- The State recognised the need to modernise agriculture sector, and also to address food insecurity
- Aquaculture sector and a greater collaboration with fishermen and ensure sustainability of the industry.
- Modernise Agriculture with high yield paddy production, and also promote urban farming and 'farmer to farmer' programme.

Slide 13: Penang Tourism

- Enhance tourist spots to create impactful experience and capture high-end tourists and more direct flights to Penang, especially with recent return of direct flights to Guangzhou, Bali, Phnom Penh Chennai will further boost tourism
- Create unique and prestigious tourism products for both Penang Island and Seberang Perai (MICE and Medical tourism)
- Promote sustainable tourism industry to continually reinvent itself in order to be more sustainable and resilient in facing future challenges.

Slide 14: Theme C Empower People to strengthen civic participation

- Uplift vulnerable communities and reduce inequalities
- Boost participation of youth, women and seniors in community life
- Develop more platforms for public involvement in decision-making
- Accelerate programme delivery and institutional reform

Slide 15: Theme C Empower People to strengthen civic participation

- Reduce inequalities through social welfare program and Boost participation of women and seniors in community life
- Equip the youths with practical skills and digital literacy training program, and youth leadership program.
- Promote Harmony through active dialogues Harmonico
- Empower and strengthen gender equality budgeting PWDC

- Institutional reforms include stakeholders engagement, digitization of government and uphold integrity

Slide 16: Continue Empower People to strengthen civic participation

- Instill sense of social responsibility to youth by assisting others through **Penang Youth Volunteers**
- Provide a space for youth to carry out community activities by setting up **Youth Centers** that are equipped with facilities such as digital learning.
- Encourage and appreciate youths who have enhanced the name of Penang in any academic or co-curricular field of tournaments through scheme **BEST! Anak Penang**

Slide 17: Theme D Invest in the Built Environment to improve resilience

- Balance development through effective spatial planning
- Strengthen mobility, connectivity, and digital infrastructure
- Integrate municipal services with smart technologies
- Implement climate change adaptation plans

Slide 18: Invest in the Built Environment to improve resilience

- Balance Spatial Development for Penang and Seberang Perai the future of Penang's growth
- Address traffic congestion by upgrade roads infrastructure for balance spatial development in Penang Island and Mainland Butterworth and towards a sustainable growth SDGs cities
- Adopt low carbon cities framework in transport and mobility, and future ready to facilitate EV facilities, and adopt smart technologies

Slide 19: Invest in the Built Environment to improve resilience

- Implement Malaysia's first Nature Based Solutions Climate Adaptation Programme from the Adaptation Fund
- Improve Penang Hill biodiversity as a UNESCO Biosphere Reserve

Slide 20: Invest in Built Environment to Improve Resilience and align with SDGs

We must be ready to address impact of climate change , apart from flood mitigation to address flash floods and strategic initiatives includes :-

- Ensure the use of Additional Rating Certificates for Green Buildings for Local Authorities (PBT) for all new developments starting in 2022
- 30% of infrastructure construction materials recycled by 2030
- 80% of hotels in Penang adopt green practices for the 3 star hotel category and above by 2030
- 20% reduction in domestic water consumption per capita per day by 2030
- 100% led street lights without smart pole functions by 2030
- 500,000 additional trees planted in Penang by 2030
- and #trashfree by Penang Green Council

Final Slide: Accelerating Penang2030 and Concluding remarks

As Penang recovers from the Covid-19 pandemic health crisis, the State is cautiously optimistic that a gradual economic recovery is on the cards thanks to sound economic fundamentals and a robust manufacturing sector and supported by a recovering services sector. With these factors in mind, Penang aims to meet GDP forecast growth of 5.4% by 2025.

As we continue to pursue the goals of Penang2030 we should not lose sight of the fact that the most important metric is the well-being of the people of Penang. This can be measured through various indices, but ultimately it is about how daily life is experienced and the questions families and individuals have.

Questions such as what my job prospects as a youth are, do I have adequate housing options, is the environment clean, are there education opportunities for my children, can I choose affordable leisure and recreational activities, is my cultural life rich and fulfilling, and are the special qualities of place that make Penang what it is maintained and enhanced.

In conclusion, Penang Vision 2030 is a comprehensive development plan that aims to transform Penang into a smart, green, and inclusive state by the year 2030. The vision is based on four pillars, which are people-focused, green, inclusive, and smart. To achieve the vision of Penang 2030, the state government has emphasized the importance of partnerships between the public, private and people sectors.

The partnership between the public, private and people sectors is crucial to the success of Penang Vision 2030.