

# BIMP EAGA Business Council to Initiate and Establish Program with Sabah Maju Jaya (SMJ), MITI and MIDA to address Energy and Socio-economic Development in Sabah under the BIMP EAGA Program.

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## Sabah needs additional extra energy sources.

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**KUALA LUMPUR:** Sabah needs to develop additional energy sources to meet industry needs which require a dependable and high supply of electricity, said Deputy Investment, Trade and Industry Minister Liew Chin Tong. He said currently, 89 per cent of

Sabah's power generation is based on natural gas, noting that the State's energy reserve margin is currently only at 11 per cent, way below the ideal reserve margin of 30 per cent.

Liew said the power shortage issue in Sabah is actually an opportunity to strengthen and expand energy sector investments in the State. "Since coal-based power plants are currently not an option to meet Sabah's power needs, new power sources or technology, including green power, must be explored and considered to be the top choices as a long-term solution.

"Renewable energy (RE) sources that are being explored include hydroelectric, wind, solar and Ocean Thermal Energy Conversion," he said when winding up the Dewan Negara special meeting to debate on the motion of the 12th Malaysia Plan Mid-Term Review, Monday.

Liew said based on current plans outlined in the Sabah Energy Roadmap and Master Plan 2040 launched on Sept 19, RE generation in Sabah's power grid is expected to increase to 1,000 megawatts (MW), or 50 per cent of total generation capacity, by 2030.

"This would be a good thing to accomplish, given that the dependency on fossil energy sources is currently at 90 per cent," he said. Meanwhile, Liew said Sabah has great potential in the development of the downstream palm oil, biomass and biogas industries, considering that Sabah is the largest palm oil-producing territory in Malaysia.

"The State has numerous advantages, especially in terms of manpower, location and factory costs. "With the addition of the new power generation, Sabah can become a new investment destination in the country, and this will change the economic landscape, thus ensuring the well-being of Sabahans," he said.

He said the Ministry of Investment, Trade and Industry (Miti) and the Malaysian Investment Development Authority (Mida) will continue to attract investments to the country, including to Sabah, based on the respective strength and suitability of each locality.

Based on the information gathered by BIMP EAGA Business Council (Malaysia, Sabah), where sampling was made in Kg. Koromoko, Kg Kinangkaban and Kg Tanjung Batu Darat (Kota Marudu District), **almost 85% of the area is not covered by electricity network and internet facility.**

The population of these three villagers is estimated about 1,600 to 1,800 people. The above information was gathered during the community mapping exercise including through several processes which include.

- (i) Secondary information from the relevant study
- (ii) Communicating with the nearby head of villages.
- (iii) Interview with the local communities.

Through the interview session with the local communities in these three villagers (Kg. Koromoko, Kg Kinangkaban and Kg Tanjung Batu Darat, located in Kota Marudu District), the average monthly income (mostly from agricultural products) is less than RM500. BIMP EAGA should focus in developing the poor community in Kota Marudu and Pitas (including other poor districts in the West and East Economic Corridor of BIMP EAGA, such as Kota Belud, Tongod and etc).

Internet connection in this area is also very poor. More than 88% of the interviewed community claimed that there are no internet services available in their area, due to poor electric services. Energy is the key growth for economic growth and suitable agriculture and aquaculture program should be established based on proper technical feasibility study.



Community Mapping carried out to identify key problem in accelerating the socio-economic program in Kota Marudu.

Brief data collection was carried out in Pitas District, where at least 9 villages, 2 unit of schools and 1 unit of Clinic is not covered by electricity network and facility. The 9 villages include Kg Sorupil, Kg Maringgal, Kg. Suang Duyung, 4. Kg. Layak layak, Kg Naruntung, Kg Mangkubau laut, Kg.

Mangkubau darat, Kg. Mantaya and Kg. Tanggui. The estimated affected population in Pitas District is about 2,000 people.

According to Dr Raymond Alfred (The Project Manager of this initiative and also the Chairman of the BIMP EAGA Business Council, Malaysia, Sabah), he is working with several investors to look into this matter (identification of new energy sources or technology, including strategic socio-economic development plan) in several districts that is located within the West and East Economic Corridor of BIMP EAGA. Potential area for developing SMART Farming (Aquaculture and Agricultural activities) will be determined, with the support of new energy sources or technology development in Kota Marudu, Pitas, Kota Belud, Tamparuli and Kudat.

Future trading and economic development plan will be explored between these five districts (Kota Marudu, Pitas, Kota Belud, Tamparuli and Kudat) to establish the SMART Food Security Industrial Park in each district. Dr Alfred added.

BIMP EAGA Business Council plans to develop strategic project to determine actions in order to address the lack of electricity facilities in Kudat, Kota Marudu and Pitas Districts including socio economic development.

