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THEMATIC REPORT

Exploring Opportunities in the Golden State of Malaysia

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KEY HIGHLIGHTS

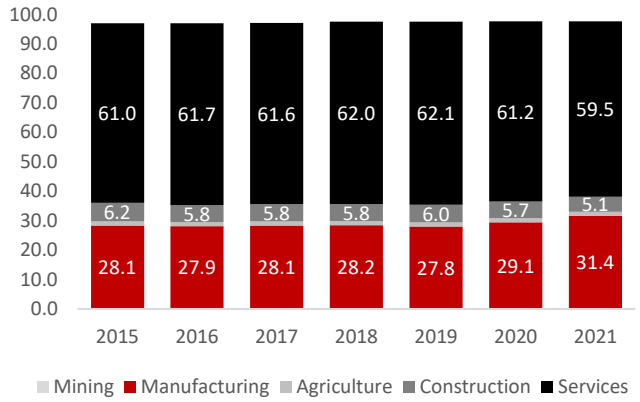
- **Selangor held the largest share in Malaysian economy. In 2015, Selangor contributed 22.8% to national GDP. After half of decade, the contribution rate has increased to 24.8% by 2021. This surpassed the 12th Malaysia Plan (12MP) target rate of 23.6% by 2025.**
- **Selangor top in construction, manufacturing and services sectors. The uptick of Selangor economic contribution to Malaysia is in line with its strong key sectors. Selangor's construction, manufacturing and services sectors are the largest contributor to Malaysia economy in accordance to each sector.**
- **One fifth of Malaysia's population resides in Selangor. Ascending from 19.8% in 2015 to 21.5% in 2021 of Malaysia's population, Selangor saw +2.3% population growth per annum against Malaysia's +0.7%. Faster population growth pace in Selangor is attributed by the steady expansion of state economy.**
- **Rancangan Selangor 1 (RS-1): Envisioning a smart, liveable and prosperous state by 2025. RS-1 is a development plan for the state of Selangor to chart its path towards achieving a smart, liveable and prosperous state for the next five years from 2021. The blueprint has four strategic themes (1) Economy, (2) Social, (3) Sustainability and (4) Governance with 261 initiatives.**
- **Selangor GDP set to expand by +6.5~7% per annum in 2021-2025. Under the RS-1, the state government of Selangor predict average annual growth rate for the period of 2021-2025 is +6.5~7% per annum. The forecast rate is much higher than 12MP's forecast rate of +4.7%).**

ECONOMICS & POLICY

Selangor held the largest share in Malaysian economy. In 2015, Selangor contributed 22.8% to national GDP. After half of decade, the contribution rate has increased to 24.8% by 2021. This surpassed the 12th Malaysia Plan (12MP) target rate of 23.6% by 2025. Steady economic expansion in Selangor while other states grow at relatively slower pace are the factors contributing to the GDP ratio surge. Since 2016, GDP growth in Selangor outperformed national economic growth. Using CAGR measurement, the golden state of Malaysia grew by +4.6% per annum against Malaysia's +3% per annum for the period 2016-2021. Prior to Covid-19 pandemic crisis, the annual average growth rate of 2016-2019 for Selangor was +6.4% (11MP target rate: +6.9%) while Malaysia registered +4.9% (11MP target range +5~6%). The state economy contracted by -5.2% in 2020 and recovered strongly by +5% in the following year. We opine resiliency of the state economy lies on the strength of its diversified manufacturing sector and huge consumer demand.

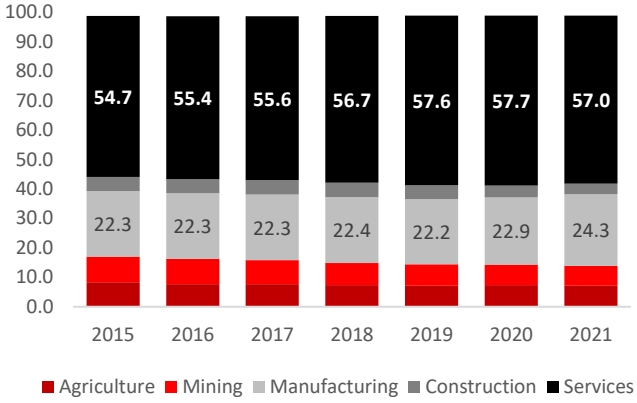
Services and manufacturing are the main anchor. Services sector supported more than 50% of the state economy since 2015. Growing population growth and high-skilled employment are among key fundamentals supporting the services sector as well as overall economy in Selangor. Manufacturing is the second key sector in the state, sponsoring more than one-third of the economy. Construction sectoral share stood at 5.1% while agriculture and mining sectors scored 1.4% and 0.2% respectively in 2021. By sector, three sectors outperformed 11MP's target while other two underperformed. Excluding Covid-19 pandemic crisis, agriculture sector increased by +3.8% per annum (11MP: +3.6%), mining by +14.9% (11MP: -1.2%) and manufacturing by +6.4% (11MP: +5.4%). The underperforming sectors such as services grew by +6.9% (11MP: +7.1%) and construction by +5.6% (11MP: +12.9%).

Chart 1: Selangor GDP Structure by Sector (% of State GDP)



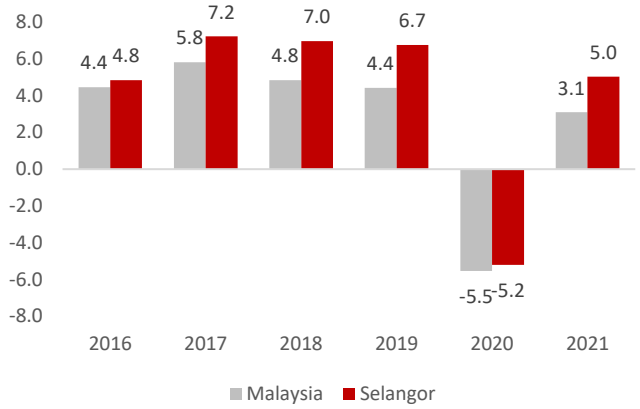
Source: DOSM, MIDFR

Chart 2: Malaysia GDP Structure by Sector (% GDP)



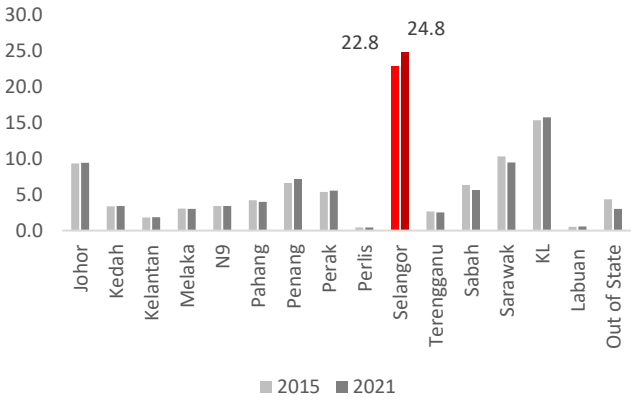
Source: DOSM, MIDFR

Chart 3: Selangor vs. Malaysia GDP (YoY%)



Source: DOSM, MIDFR

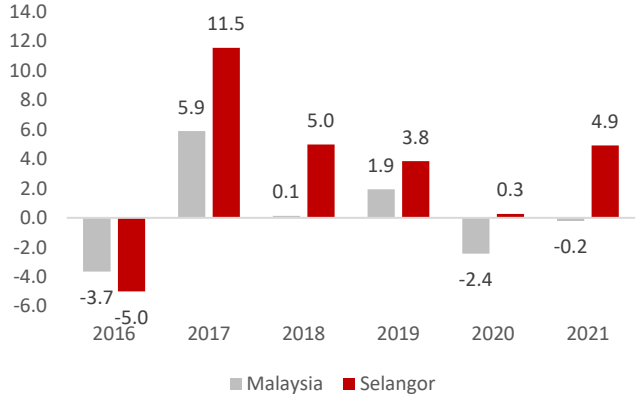
Chart 4: National GDP Contribution by State (% of GDP)



Source: DOSM, MIDFR

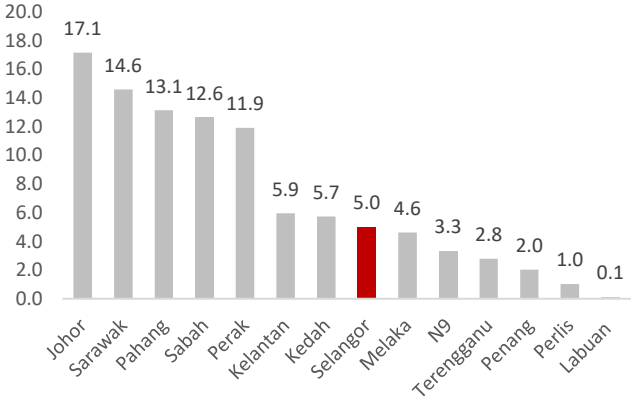
Selangor top in construction, manufacturing and services sectors. The uptick of Selangor economic contribution to Malaysia is in line with its strong key sectors. Selangor's construction, manufacturing and services sectors are the largest contributor to Malaysia economy in accordance to each sector. Selangor's manufacturing constituted about 32% in 2021 (2015: 28.8%) of national factory output, the highest ever recorded. Construction in the state represented 34.3% in 2021 (2015: 30.1%). Selangor's services sector contributed 25.9% in 2021 (2015: 25.5%). Selangor ranked 8th with 5% national contribution in agriculture sector, improved from 4.2% in 2015. As for mining sector, more than 95% of national output produced in Sabah, Sarawak and out-of-state areas.

Chart 5: Selangor vs. Malaysia Agriculture GDP (YoY%)



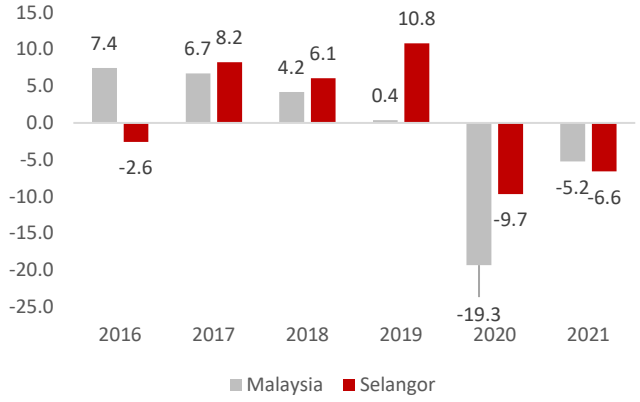
Source: DOSM, MIDFR

Chart 6: Contribution by State (% of Agriculture GDP)



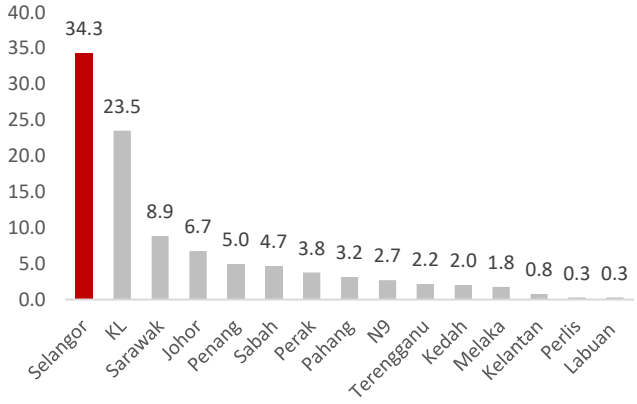
Source: DOSM, MIDFR

Chart 7: Selangor vs. Malaysia Construction GDP (YoY%)



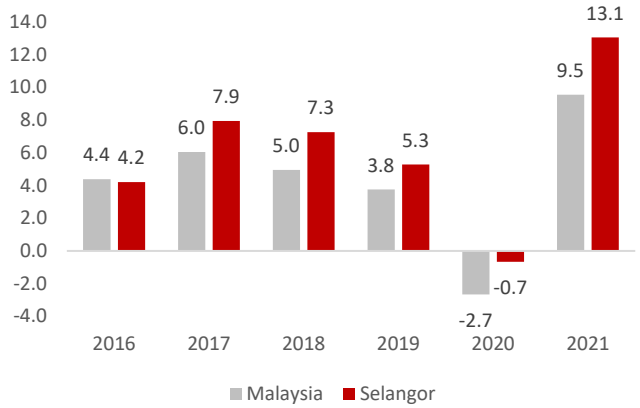
Source: DOSM, MIDFR

Chart 8: Contribution by State (% of Construction GDP)



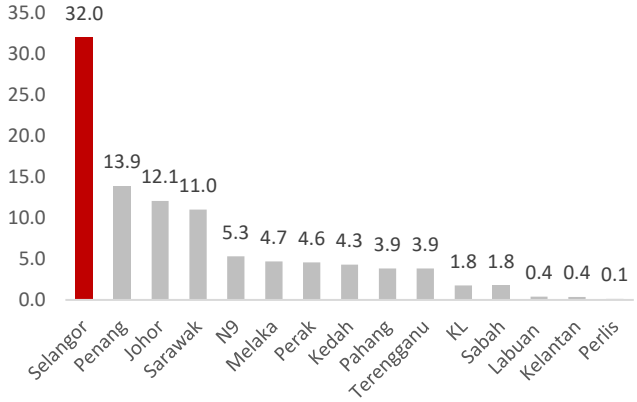
Source: DOSM, MIDFR

Chart 9: Selangor vs. Malaysia Manufacturing GDP (YoY%)



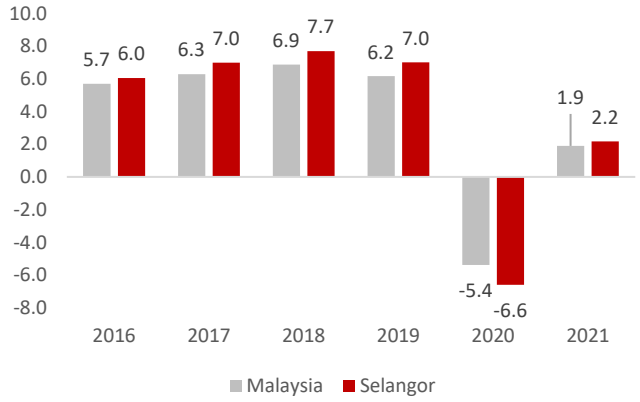
Source: DOSM, MIDFR

Chart 10: Contribution by State (% of Manufacturing GDP)



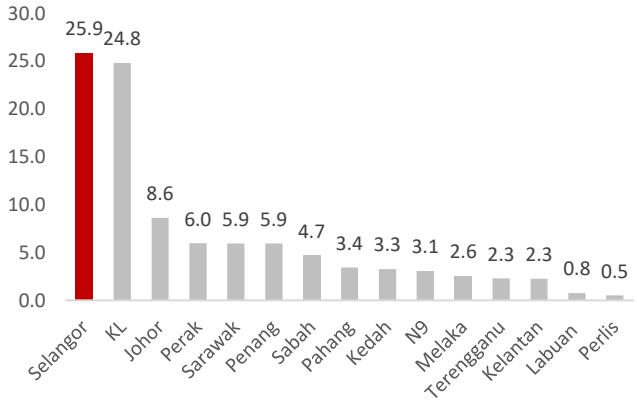
Source: DOSM, MIDFR

Chart 11: Selangor vs. Malaysia Services GDP (YoY%)



Source: DOSM, MIDFR

Chart 12: Contribution by State (% of Services GDP)



Source: DOSM, MIDFR

One fifth of Malaysia's population resides in Selangor. Ascending from 19.8% in 2015 to 21.5% in 2021 of Malaysia's population, Selangor saw +2.3% population growth per annum against Malaysia's +0.7%. Faster population growth pace in Selangor is attributed by the steady expansion of state economy. Excluding mining, all sectors in Selangor expanded firmly especially with construction, manufacturing and services sectors are the largest in Malaysia. Better employment opportunities and supportive state policies & incentives for women, family and community are among key attractive factors.

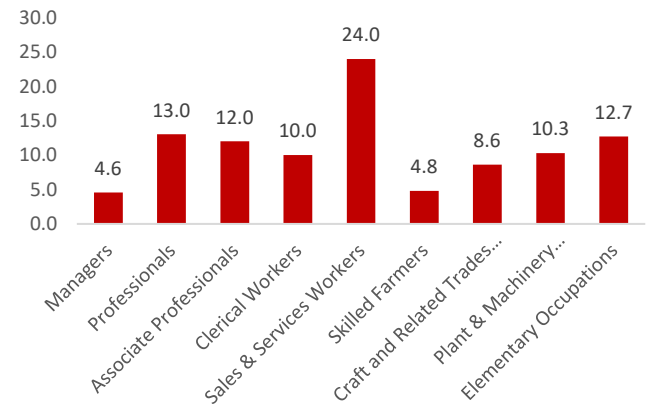
Table 1: Malaysian Population by State

	% of Total Population			YoY%		
	2019	2020	2021	2019	2020	2021
Malaysia	-	-	-	0.4	(0.2)	0.4
Johor	11.6	12.4	12.3	0.3	6.6	0.3
Kedah	6.7	6.6	6.6	0.5	(1.9)	1.0
Kelantan	5.8	5.5	5.6	1.3	(4.8)	1.1
Melaka	2.9	3.1	3.1	0.7	7.5	0.6
Negeri Sembilan	3.5	3.7	3.7	0.3	6.6	0.4
Pahang	5.1	4.9	4.9	0.4	(4.8)	0.6
Pulau Pinang	5.4	5.4	5.3	0.3	(1.6)	(0.0)
Perak	7.7	7.7	7.7	0.2	(0.5)	0.8
Perlis	0.8	0.9	0.9	0.2	12.2	0.9
Selangor	**20.0**	**21.6**	**21.5**	**0.5**	**7.5**	**0.3**
Terengganu	3.8	3.5	3.6	1.3	(7.6)	1.9
Sabah	12.0	10.5	10.5	0.2	(12.4)	(0.2)
Sarawak	8.6	7.6	7.6	0.5	(12.6)	0.5
Kuala Lumpur	5.5	6.1	6.0	(0.4)	11.2	(0.9)

Source: DOSM, MIDFR

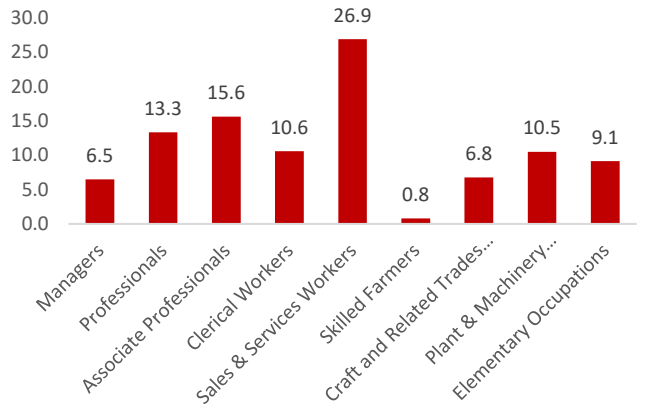
High-skilled occupation dominant. By occupation, high-skilled jobs dominate in Selangor, 35.4% in 2021 vs 29.6% in Malaysia. High-skilled jobs such as managers, professionals and associate professionals are relatively higher compared to overall Malaysian occupations. Sales & services workers constituted about 26.9%, thanks to strong retail trade and other services sub-sectors. Skilled farmers only 0.8% in Selangor, in line with its agriculture sector significance. 10.5% of employment is plant & machinery workers which meant to support the diversified manufacturing sector.

Chart 13: Malaysia's Employment by Occupation (Share %)



Source: DOSM, MIDFR

Chart 14: Selangor's Employment by Occupation (Share %)



Source: DOSM, MIDFR

More than 20% national employment in Selangor. In line with population trend, Selangor is the first in terms of the national employment pool. In 2021, 23.4% of national employment located in the state. More than half of the state workforce is in services sector which among others work in distributive trade and food & beverages activities. Selangor holds the largest services, manufacturing, construction and mining employment in Malaysia. Selangor ranked 3rd for agriculture employment. Moving into 2023, we believe better employment growth in the state particularly with expansion of construction, manufacturing and services sectors. Construction of railway works, roads, residential and non-residential buildings to support employment in the sector. We believe the reopening of China effects and ratification of CPTPP and RCEP will prop-up external trade activities and creating employment opportunities in the state among others.

Table 2: Sectoral Employment Share by State in 2021 (%)

	Total	Agriculture	Mining	Construction	Manufacturing	Services
Malaysia ('000)	**15,064**	**1,550**	**82**	**1,160**	**2,501**	**9,771**
Johor	11.7	10.4	12.0	9.5	17.0	10.8
Kedah	6.2	6.4	1.6	6.4	6.9	6.0
Kelantan	4.6	4.7	3.1	7.0	2.6	4.8
Melaka	2.9	0.8	3.2	2.7	3.8	3.0
Negeri Sembilan	3.1	1.6	4.6	3.7	3.0	3.3
Pahang	4.7	8.7	6.0	4.3	2.6	4.6
Pulau Pinang	5.7	1.1	1.7	4.8	12.0	4.9
Perak	6.9	5.5	9.0	6.4	7.7	7.0
Perlis	0.7	0.8	0.2	0.8	0.3	0.8
Selangor	**23.4**	**12.1**	**18.3**	**20.7**	**23.0**	**25.6**
Terengganu	3.1	2.1	8.3	6.0	2.2	3.1
Sabah	12.3	31.1	11.2	9.9	9.3	10.4
Sarawak	8.5	13.8	14.2	11.9	6.7	7.7
Kuala Lumpur	5.7	0.8	1.1	5.5	2.7	7.3

Source: DOSM, MIDFR

Selangor's jobless rate always lower than national average. Unemployment rate in Selangor recorded lower than national average since 2015. Thanks to diversified economic sectors, we opine this buffer the state economy from global market uncertainties. The state has minimal exposure to prices fluctuations particularly crude oil and CPO prices. The state also benefits from construction activities and growing population strengthen services sector, keeping employment opportunities high. Steady pick-up in domestic economic activities, expansionary external trade flows and improving tourism are predicted to drive up employment and lower jobless rate in the state.

Table 3: Unemployment Rate by State (%)

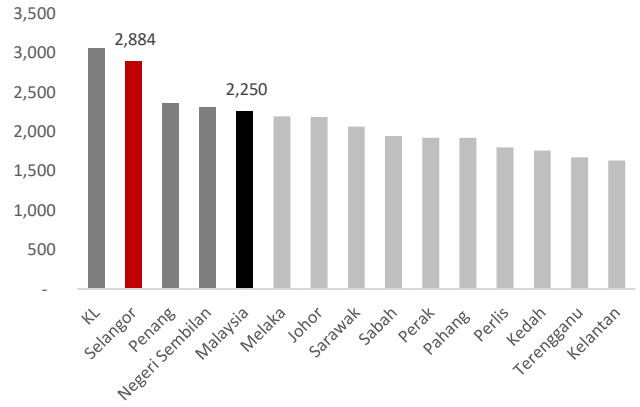
	2015	2016	2017	2018	2019	2020	2021
Malaysia	**3.1**	**3.4**	**3.4**	**3.3**	**3.3**	**4.5**	**4.6**
Johor	3.1	3.6	3.4	3.0	2.7	3.5	3.8
Kedah	2.6	2.9	2.8	2.9	2.8	4.2	3.9
Kelantan	3.6	3.8	3.6	4.0	4.0	4.3	4.2
Melaka	1.0	0.9	1.0	1.1	1.1	2.2	2.0
Negeri Sembilan	3.1	2.7	2.8	3.0	3.1	3.8	4.2
Pahang	2.9	2.6	2.9	2.6	2.9	3.1	3.3
Pulau Pinang	1.6	2.1	2.1	2.2	2.0	3.5	3.6
Perak	3.2	3.4	3.7	3.3	3.4	4.8	5.3
Perlis	2.9	2.9	3.4	3.4	3.3	4.3	4.3
Selangor	**2.4**	**3.2**	**2.8**	**2.8**	**2.9**	**4.3**	**4.3**
Terengganu	4.0	4.2	4.5	4.8	3.5	4.1	4.0
Sabah	5.0	5.4	5.6	5.8	5.8	8.0	8.2
Sarawak	3.5	3.3	3.0	3.2	3.1	4.3	4.5
Kuala Lumpur	3.3	3.3	3.1	2.4	2.6	4.0	4.2

Source: DOSM, MIDFR

Selangor median wage almost returned to 2019's level. Median wage & salary for Selangor rebounded to RM2,884 per month in 2021 (2020: RM2,725), only slightly lower or -2.4% less than pre-pandemic level of RM2,956 in 2019. As comparison, although national median wage & salary improved and rose to RM2,250 (2020: RM2,062), it was still -7.9% lower than RM2,442 in 2019. As inflation rate in Selangor higher than national average, real wage growth rate hit +3.1% as

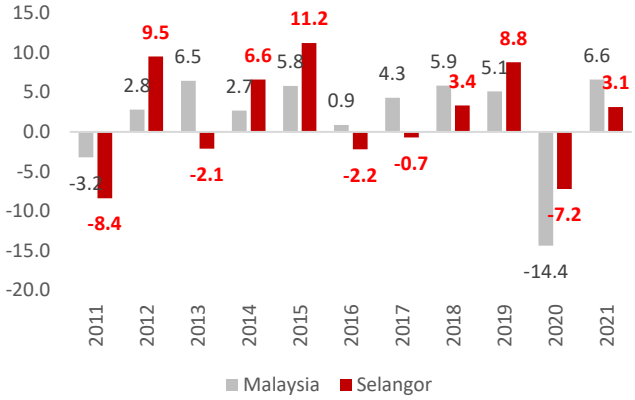
compared to +6.6% for Malaysia in 2021. High inflation poses downside risk to Selangor's wage growth, particularly reducing real wage growth, disposable income and purchasing power.

Chart 15: Median Salary by State in 2021 (RM per month)



Source: DOSM, MIDFR

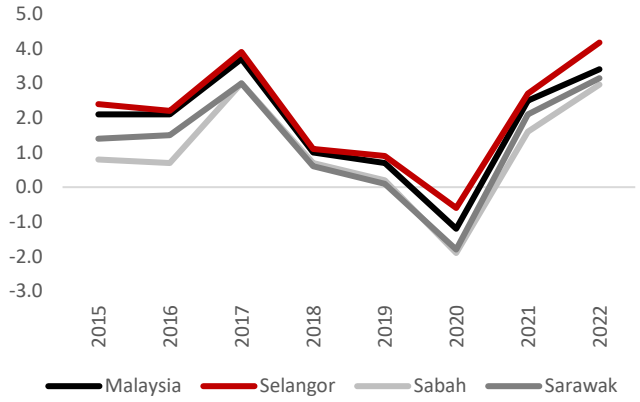
Chart 16: Real Wage Growth Selangor vs. Malaysia (YoY%)



Source: DOSM, MIDFR

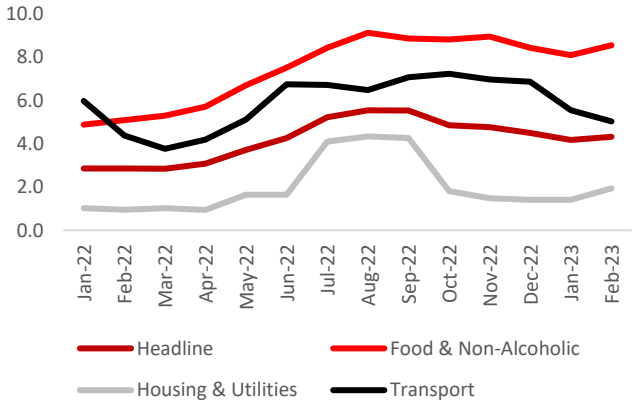
State economic structure and environment among contributors to elevated inflation. In comparison to Sarawak and Sabah, inflationary pressure in Selangor is relatively higher. Average annual inflation rate for the period of 2015-2022 for Selangor is +2.1% against Malaysia (+1.8%), Sarawak (+1.3%) and Sabah (+1%). From GDP standpoint, agriculture sector exposure to the state economy is trivial, approximately 5%. Increasing population size and density also contribute to the high inflation rate, especially food prices. In comparison, Sabah's food inflation in particular is not as high as in other areas, thanks to better food supply. Agriculture sector covers a larger share in Sabah's economy at 15.9% of its GDP, 11% in Sarawak and 7.1% of Malaysia's national GDP in 2021.

Chart 17: Selangor vs. Malaysia CPI (YoY%)



Source: DOSM, MIDFR

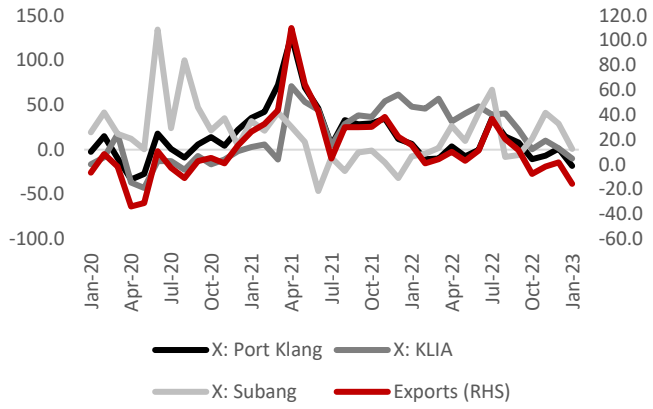
Chart 18: Key CPI Components in Selangor (YoY%)



Source: DOSM, MIDFR

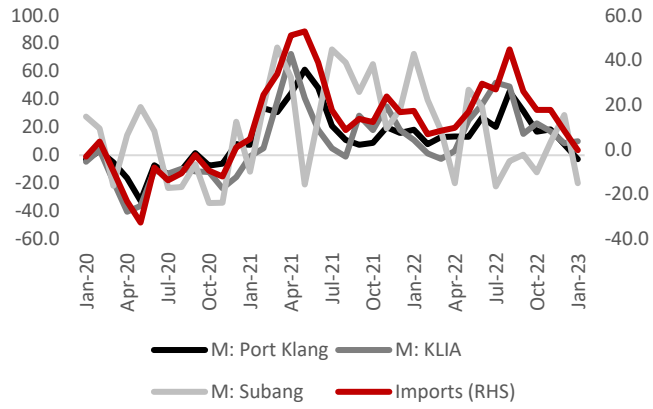
Less busy in Port Klang and KLIA. In terms of total trade, Selangor contributes 28.3% to Malaysia's total trade flows. It is the second contributor after Johor. However, the contribution rate has fallen to record low. Same goes to Port Klang at 19.9% (2015: 21.8%) and KLIA at 7.8% (2015: 9.9%). Total trade growth in Selangor touched double-digit rate +13.8% in 2021. We opine the slight reduction of Selangor's total trade share is mainly due to faster expansion rate in other states especially those associated with primary sectors namely mining and agriculture. The skyrocketed global commodity prices benefited robust outbound shipments of primary products last year. Of all gateway points, Selangor run a trade deficit where imports are higher than exports. This is because imports are supporting the manufacturing and construction sectors in the state through the imports of intermediate and capital goods.

Chart 19: Exports by Selangor's Trade Point (YoY%)



Source: DOSM, MIDFR

Chart 20: Imports by Selangor's Trade Point (YoY%)



Source: DOSM, MIDFR

Table 4: Total Trade Performances by State

	% Total Trade			YoY%		
	2020	2021	2022	2020	2021	2022
Johor	25.4	26.0	28.4	(4.9)	27.4	41.0
Kedah	1.8	2.0	1.6	(13.5)	40.0	0.5
Kelantan	0.1	0.1	0.2	(30.2)	16.4	149.9
Melaka	1.2	0.9	1.2	(5.7)	(11.1)	83.6
Negeri Sembilan	0.5	0.6	0.8	(30.6)	60.9	67.6
Pahang	2.1	2.1	1.9	30.6	25.3	15.3
Perak	0.6	0.8	0.8	(17.7)	61.2	27.3
Perlis	0.3	0.4	0.3	(28.6)	45.7	16.6
Penang	28.5	27.3	27.4	7.6	19.3	28.0
Sabah	2.8	2.2	2.3	4.6	1.6	28.2
Sarawak	4.8	4.9	5.8	(15.5)	27.7	52.6
Selangor	30.5	31.7	28.3	(7.6)	29.5	13.8
Terengganu	0.9	1.1	0.9	(26.0)	52.6	7.9

Source: DOSM, MIDFR

Rancangan Selangor 1 (RS-1): Envisioning a smart, liveable and prosperous state by 2025. RS-1 is a development plan for the state of Selangor to chart its path towards achieving a smart, liveable and prosperous state for the next five years from 2021. The blueprint has four strategic themes (1) Economy, (2) Social, (3) Sustainability and (4) Governance with 261 initiatives. Under Theme-1 Economy, there are nine focus sectors including ports & logistics and aerospace. Carey Island development and Selangor International Aero Park in Subang are among gamechangers set in the development plan under the first theme. Under Theme-2 Social, there are six focus areas including affordable housing. Rumah Selangorku Program: Rumah Idaman & Harapan to be included. Under Theme-3 Sustainability, there are five focus areas among others low carbon state, water management and resilience & disaster management. Among strategies under sustainability is to develop GHG inventory & low carbon cities capacity building for every local authority and integrated solid-waste management center with a waste-to-energy treatment plant.

Table 5: Rancangan Selangor 1 – Framework

Theme 1: Economy	Theme 2: Social	Theme 3: Sustainability	Theme 4: Governance
9 Focus Sectors	**6 Focus Areas**	**5 Focus Areas**	**5 Focus Areas**
• Ports & Logistics • Tourism • Digital Economy • Aerospace • Automotive • Electrical & Electronics and Machinery & Engineering • Halal Industry • Life Sciences • Agrotechnology	• Income Generation and Social Welfare • Special Focus on Target Groups • Women, Family and Community • Affordable Housing • Public Health • Education	• Resilience and Disaster Management • Water Management • Low Carbon State • Waste Management • Biodiversity and Natural Resources	• Strategic Alignment of Goals and Policies • Managing Performance and Accountability • Agile Public Workforce • Revenue Sustainability • Technological Transformation

Source: UPEN Selangor, MIDFR

Selangor GDP set to expand by +6.5~7% per annum in 2021-2025. Under the RS-1, the state government of Selangor predict average annual growth rate for the period of 2021-2025 is +6.5~7% per annum. The forecast rate is much higher than 12MP's forecast rate of +4.7%. If Selangor economy were to grow at above +6.5%, we believe the state economic contribution to national GDP to breach 25% level, against 23.8% in 2025 target under 12MP. RS-1 also set a target for household median income in Selangor to reach RM9,290 per month by 2025 (2019: RM8,210). Under sustainability 2025 target, the state is set reach reduction in Greenhouse Gas (GHG) emission intensity to GDP at 35% and 15% water recycling rate. We opine the RS-1 targets are crucial for the state as well as Malaysia due to the golden state economic size. The themes, strategies and targets will shape the new landscape for the state economy and beneficial for Malaysia's macroeconomic performances and financial market.

Appendix 1: 9 Focus Sectors under Theme 1: Economy

Key Projects, Programs, Initiatives		
Sector: Port & Logistics		
Carey Selangor	West Port 2 Expansion	Pulau Indah Free Trade Zone
Maritime and High-Tech Industry Parks	Port Klang Cruise Terminal	Selangor Digital Port Initiative
Serendah Logistics Hub	Klang: The Prime Port City	Selangor Maritime University
Sector: Tourism		
Go Selangor App	Selangor Tourism PPP Program	Campaign Pusing Selangor
Selangor Tourism E-Voucher	Selangor Tourism Reemployment Program	Selangor Ecotourism Master Plan
Selangor Community Host	Selangor Tourism Cluster	Digital Tourism Selangor - Training
Digital Tourism Selangor - Connectivity		
Sector: Digital Economy		
Jalur Lebar Industri Selangor (Jalin)	Selangor e-Commerce Education	Selangor e-Commerce Onboarding Program
Malaysia Top E-Commerce Merchant Awards	Selangor SME Digitalisation Matching Grant	Jelajah Usahawan Digital Selangor
Selangor Accelerator Program and Pitch@Selangor	Selangor Logistics e-Fulfillment Centre	Amazon Web Services Smart Selangor Cloud Accelerator Learning Program (SCALE)
Smart Selangor SME Platform	Rakan Digital Selangor / Platform Selangor – PLATS	Establishment of Cybersecurity Unit
Wi-Fi Smart Selangor	5G Network Facilitation in Selangor	Selangor International Business Summit (SIBS)
Selangor Innovation Fund	Smart Selangor Centre of Excellence (CoE)	Selangor Digital School
Perbadanan Perpustakaan Awam Selangor (PPAS) Network System		
Sector: Aerospace		
Selangor International Aero Park (SAP)	Selangor Drone Centre of Excellence (SDCOE)	Bernam River Airfield
Selangor Skills Framework Platform	Positioning Selangor as the First Drone Port and Airwaze Friendly State In Malaysia	Selangor Aviation Show
Apprenticeship 4.0: World-call Engineering Workforce and Aerospace Training for SMEs		
Sector: Automotive		
EV Infrastructure development	Malaysian Smart Factory 4.0 -Expansion for Centre of Emerging Technologies (MSF4,0 - CET)	Bridging loans for SME development
IKTISASS - Pembangunan Kurikulum TVET Industri	IKTISASS - Penawaran Persijilan Profesional yang Diiktiraf oleh Industri	
Sector: Electrical & Electronics and Machinery & Engineering		
Malaysian Smart Factory 4.0 - Expansion for Centre of Emerging Technologies (MSF4.0 - CET)	Solar PV Centre of Excellence (CoE)	Selangor Government Incentive (SGI)
Bridging loans for SME development	Buy local program	IKTISASS - Pembangunan Kurikulum TVET Industri
IKTISASS - Penawaran Persijilan Profesional yang Diiktiraf oleh Industri	Jalur Lebar Industri Selangor	
Sector: Halal Industry		
Central Information Platform	Selangor Halal Economic Zone	Authorised Halal Operator
Selangor Halal Cooperative	Selangor Halal Funding Program	Halal Ingredients Database
Halal Selangor Promotion	Selangor Halal SME Development Program	Selangor Halal Business Hub
Selangor Halal Capacity Development		
Sector: Life Sciences		
S-BIOCO establishment	SELBIO Accelerate	Online Biotech networking and promotion portal

Selangor Biotechnology Funding Program (Matching grant)	Trainings for bridging University-Industry-Government and strengthening talents	Special Incentive Allowance (SIA)
Soft Landing Centre	Lab partnership programs with IHLs and RIs	
Sector: Agrotechnology		
Selangor Agriculture Modernisation Program - Phase 1	Selangor Agriculture Modernisation Program - Phase 2	Selangor High Value Agriculture Program
Smart Selangor Agro Park and Smart Selangor Agro Farm	Selangor Agri-Tech Accelerator Program	Development of Digital and Connectivity Infrastructure

Source: UPEN SELANGOR, MIDFR

Appendix 2: 6 Focus Areas under Theme 2: Social

Key Projects, Programmes, Initiatives		
Focus Area: Enhancing Social Inclusivity and Well being		
Iltizam Selangor Penyayang	Skim Hijrah Selangor	Dana Usahawan Mikro Selangor
A new wellbeing index for the state of Selangor	Pusat Wanita Berdaya (PWB)	Program Blueprint Pembasmian Kemiskinan Micro-grant scheme
Indian Selangor Empowerment and Entrepreneurs Development (I-SEED)	Selangor Freelance Job Matching Platform	Incentives and promotions for professional certifications
Skim Mesra Usia Emas	Implement a monitoring framework for all social welfare programmes	Increase promotion and outreach for social welfare programmes and collaboration with NGOs for implementation
Focus Area: Special Focus on Target Groups		
Selangor Silver Workforce Employment Platform	Implementation of Dasar Belia Selangor	Penggerak Belia Selangor (PeBS)
Selangor Youth Community (SAY) Volunteer Programme	Selangor Keriaya (MBI) Job Matching Platform	JelaJah Selangor Bekerja Mega Job Fair
Selangor Youth Excel Programme	Selangor Active Ageing Programme	Establish retirement facilties and provision of caretaker training for senior citizens
Implementation of Dasar Mesra OKU Selangor	SAY LEAD	Expansion of sheltered workshops, and independent learning centers (ILC)
Focus Area: Women, Family and Community		
Ensuring Safe and Reliable Childcare and Support Services	Implement Dasar Wanita Selangor initiatives and programmes	Kursus Intensif Perkembangan Kanak-Kanak (KIPK)
ASUH Pintar Cash Assistance programme	TUNAS Cash Assistance Programme	Anak Istimewa Selangor Programmes (ANIS) for Special Needs Children
Encouraging private preschool operators to set up in underserved areas	Advocacy of positive family practices and working arrangements	Implementation of Dasar Pembangunan Kanak- Kanak Selangor
Implementation of smart city solutions for crime preventions by Smart Selangor Delivery Unit (SSDU)		
Focus Area: Affordable Housing		
Rumah Selangorku Programmes; Rumah IDAMAN, and Harapan	Skim Smart Sewa and SkimSmart Sewa to Ownership (2STAY)	Post-COVID-19 Affordable Home Construction Incentives
Skim Ceria Home Repair Programme	Program Bina Baru dan Baikpulih Rumah Kerajaan Prihatin	Repair of homes in Orang Asli villages
Focus Area: Public Health		
Iltizam Selangor Sihat	Enhancement of Program Nutrisi Kanak-Kanak /Program Anak Selangor Anak Sihat	Bantuan Sihat Selangor Aid Programme
SELCAN Selangor Cancer Screening Programme	Advocacy campaigns for M40 and T20 to take-up private health insurance	Program Slim Selangor to encourage healthy lifestyle
Program Kawalan dan Pencegahan Denggi to reduce dengue prevalence	Program Selangor Saring Health Screening	Prevention of Outbreak at Ignition Sites (POIS)
Preparing for ageing healthcare	Program Mental Sihat Selangor	Consolidation and digitalisation of all state healthcare programmes on SELangkah app
Focus Area: Education		
Pusat Tuisyen Rakyat Selangor (PTRS)	Inisiatif Kemahiran Teknikal Ikhtisas Smart	Selangor (IKTISASS)
Selangor Bitara (BPSM)	BITARA Programme (Yayasan Selangor)	Convertible Loans (Yayasan Selangor)

Hadiah Institut Pengajian Tinggi (HPIPT)	Program Sekolah Angkat Zakat Selangor (PROSAZ)	Form Six Sponsorship Programme (PTEYS)
Convertible Loans (BPSM)	HIPERS Programme	Covering education gaps from the lost generation
Language Discovery Programme @ Selangor Public Library	Program Pembangunan Kemahiran STEM	Program Pembangunan Remaja
Program Pemerkasaan Mahasiswa Selangor	Program Pembangunan Gugusan	Majlis Konsultasi Akademia-Industri Selangor
Program Pembangunan and Penyelidikan Selangor	Pemerkasaan Institusi Pengajian Tinggi di bawah Kerajaan Negeri	

Source: UPEN SELANGOR, MIDFR

Appendix 3: 6 Focus Areas under Theme 3: Sustainability

Key Projects, Programmes, Initiatives		
Focus Area: Resilience and Disaster Management		
Smart Selangor C5i Operations Centre (SSOC)	Disaster Management Action Plan development	Implementing flood mitigation infrastructure projects immediately
Adopting nature-based solution projects for disaster mitigation	Skuad Pantas Selangor	Reassessment of existing drainage systems and catchment areas
Disaster Preparedness and Awareness Programme		
Focus Area: Water Management		
Selangor Maritime Gateway (SMG) - Klang river cleaning and rehabilitation	Digitalisation of Water Resource Monitoring	Development of new water supply schemes and water treatment plants
Enhancements of regulation and enforcement capacity	Friends of River Selangor	Implementation of Polluter Pay Principle and Zero Discharge Policy
Non-Revenue Water (NRW) reduction programme	Promote water efficiency programme at residential, industrial, and commercial premises	Holistic integrated water resource management study for long-term water security with regards to climate change
Focus Area: Low Carbon State		
Developing GHG inventory and low carbon cities capacity building for every local authority	Net-zero cities Selangor 2050	Adoption of the national Low Carbon Mobility Blueprint for statewide implementation
Focus Area: Waste Management		
Development of Integrated Solid Waste Management Centre (ISWMC) with a Waste-to- Energy (WTE) treatment plant	Developing Materials Recovery Facilities (MRF) in every district	Developing a waste management blueprint for Selangor
Prioritise efforts on separation at source and 3R (reduce, reuse, recycle) programmes	Centralise and coordinate scheduled, industrial, and commercial waste collection	
Focus Area: Biodiversity and Natural Resources		
Leveraging on existing voluntary carbon market standards for Selangor's natural resources	Gazettement of environmentally sensitive areas for government land according to its type	Control development on peatlands subject to its terms and conditions set by State and local authorities
Prevent intrusive activities in water catchment forest areas	Maintenance of at least 30% permanent forest reserve areas of total State land	Selangor Central Forest Spine (CFS) Management Plan 2020 -2029
Selangor State Park Development Master Plan	Emphasise sustainable development principles through a green technology approach	Enhancing urban biodiversity through the development of urban green spaces

Source: UPEN SELANGOR, MIDFR

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STOCK RECOMMENDATIONS	
BUY	Total return is expected to be >10% over the next 12 months.
TRADING BUY	Stock price is expected to *rise* by >10% within 3-months after a Trading Buy rating has been assigned due to positive newsflow.
NEUTRAL	Total return is expected to be between -10% and +10% over the next 12 months.
SELL	Total return is expected to be <-10% over the next 12 months.
TRADING SELL	Stock price is expected to *fall* by >10% within 3-months after a Trading Sell rating has been assigned due to negative newsflow.
SECTOR RECOMMENDATIONS	
POSITIVE	The sector is expected to outperform the overall market over the next 12 months.
NEUTRAL	The sector is to perform in line with the overall market over the next 12 months.
NEGATIVE	The sector is expected to underperform the overall market over the next 12 months.
ESG RECOMMENDATIONS* - source Bursa Malaysia and FTSE Russell	
☆☆☆☆	Top 25% by ESG Ratings amongst PLCs in FBM EMAS that have been assessed by FTSE Russell
☆☆☆	Top 26-50% by ESG Ratings amongst PLCs in FBM EMAS that have been assessed by FTSE Russell
☆☆	Top 51%- 75% by ESG Ratings amongst PLCs in FBM EMAS that have been assessed by FTSE Russell
☆	Bottom 25% by ESG Ratings amongst PLCs in FBM EMAS that have been assessed by FTSE Russell

* ESG Ratings of PLCs in FBM EMAS that have been assessed by FTSE Russell in accordance with FTSE Russell ESG Ratings Methodology