



**Peri-urbanisation and
cross- border cooperation
in southern Malaysia, Riau
Islands and Singapore**

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INTRODUCTION






- **Peri-urbanisation: developers'/businesses' solution to the congestion in the fast expanding cities in Asia.**
- **urban residents' chance to get away from crowded conditions, heat, traffic jams and poor housing in the city centres**
- **entire peri-urban zones developed to accommodate businesses seeking similar escape from congestion and high densities in city cores.**

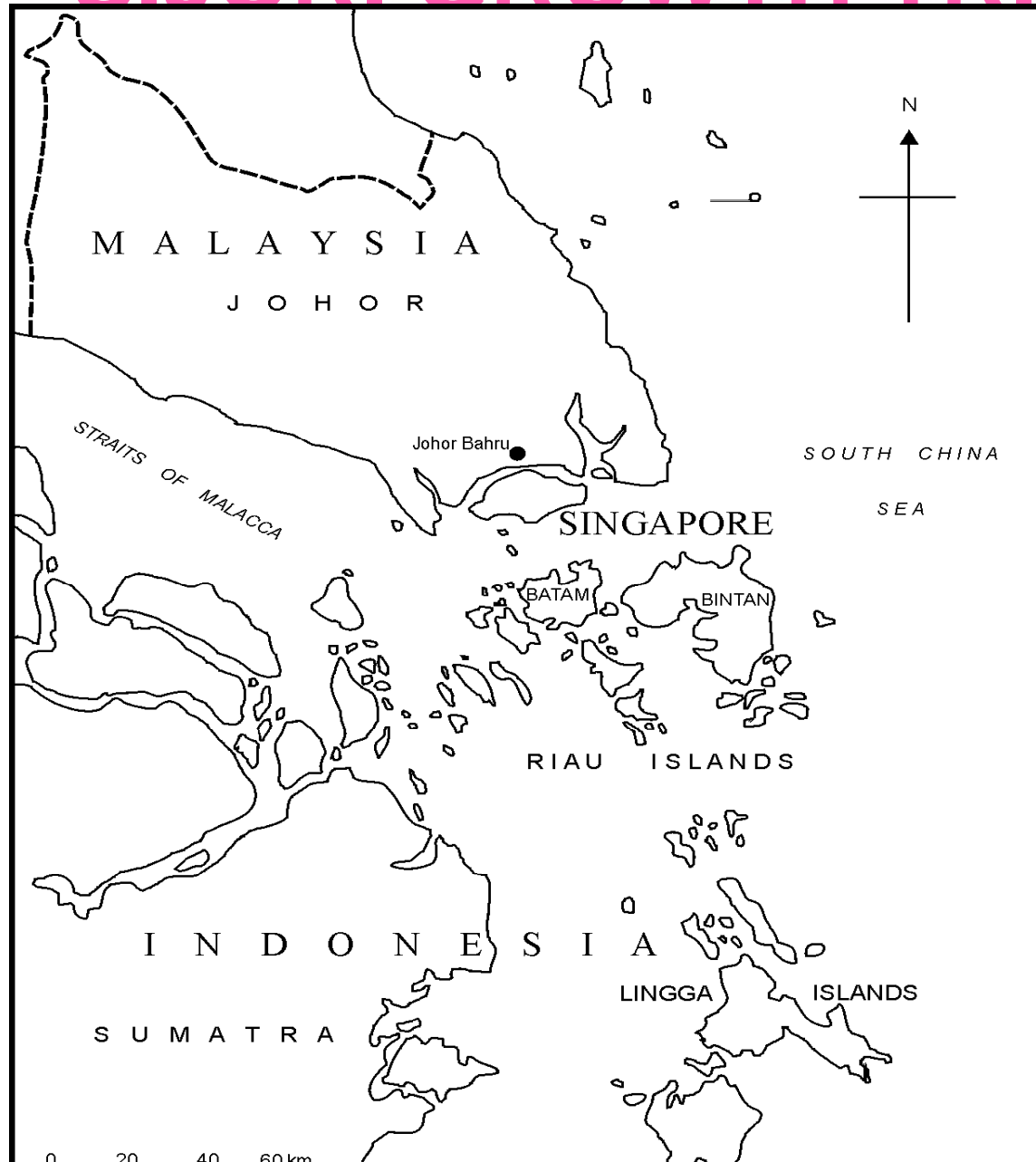




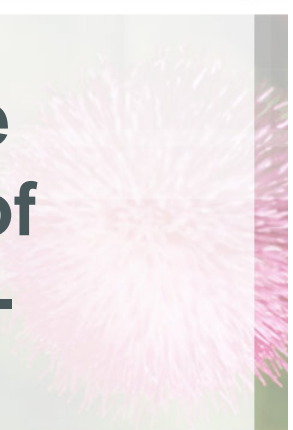
INTRODUCTION

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- **case-study of peri-urbanisation initiated by cross-border cooperation between the Riau Islands, Johor and Singapore, i.e. Indonesia-Malaysia-Singapore growth triangle of the 1990s.**
 - **Unilateral project by the Malaysian government- the Iskandar Development Project (IDR) in 2006**
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SIJORI GROWTH TRIANGLE



•Johor-Singapore-Riau Growth Triangle, officially announced on 20 December 1989 by the then DPM of Singapore - Goh CT



SIJORI GROWTH TRIANGLE



	Singapore	Johor	Riau islands
Area (km ²)	700	18,914	251,811- Batam (415); Bintan (1,100)
Population (2007)	4.8 mil	3.2 mil	0.7 mil
Per capita GDP US\$ (2007)	36,000	10,757	4,090
Mthly wage (unskilled)	US\$350	US\$150	US\$90
Infrastructure	well developed	fairly good	lacking



SIJORI GROWTH TRIANGLE

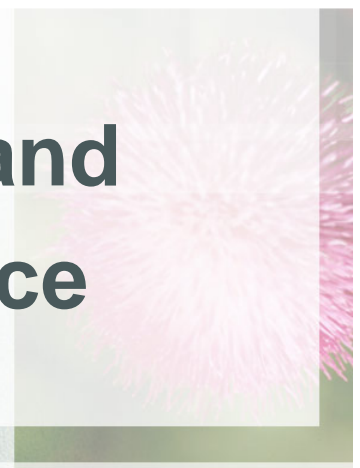
- Since the eighties, Singapore-Johor side of the triangle existed because business cost in Singapore rose sharply.
- Singapore-Riau side began in October 1989 when Soeharto and PM Lee Kuan Yew met.
- Habibie visited Johor in February 1991 and PM Mahathir visited Batam in March 1991.





SIJORI GROWTH TRIANGLE

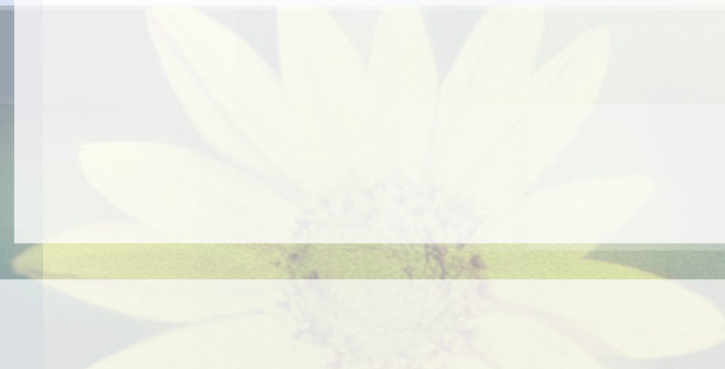
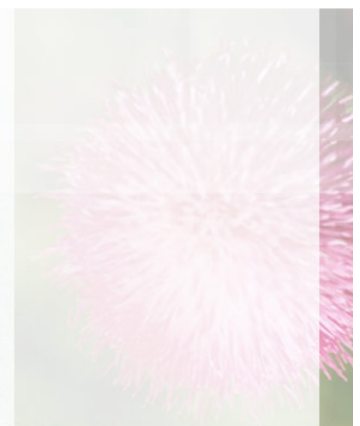
- **Economic motivations - first primary reason for the formation of the Triangle**
- **Business cost rose sharply in Singapore**
- **Rapid economic growth**
- **Strengthening S\$**
- **Constraints of limited labour and land**
- **Foreign labour expensive and scarce because of levies and quotas**





SIJORI GROWTH TRIANGLE

- **Second primary reason for the formation of the Triangle was political will**
- **S\$400 m Batam Industrial Park by GLCs**
- **GLCs took property rights risk; reduce uncertainties of investment**

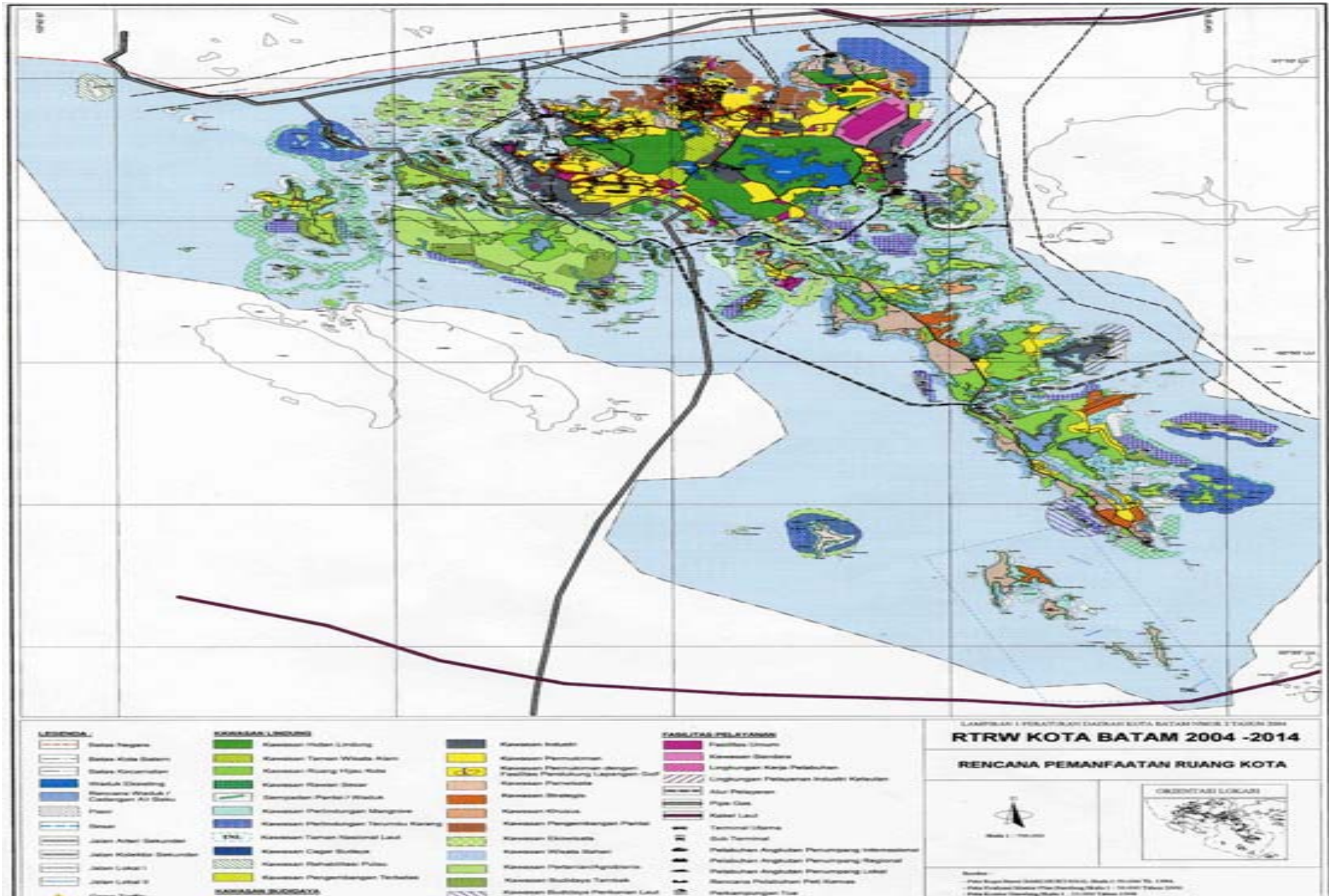


BATAM ECONOMIC ZONE

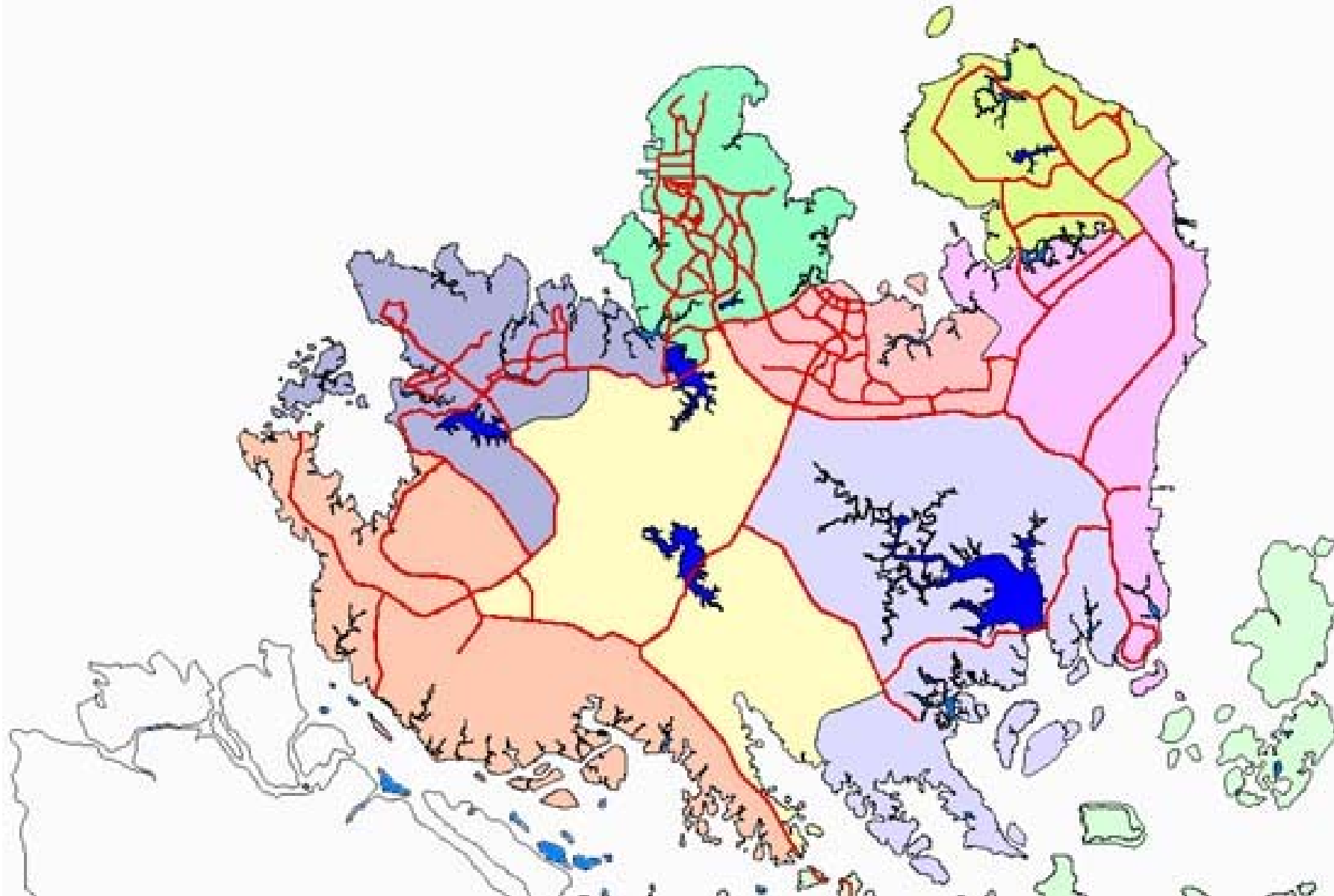


Period	Development Phase
1971 – 1976	Oil Based Period
1976 – 1978	Consolidation
1978 - July 1998	Infrastructure and Capital Investment Development
July 1998 - April 2005	Focus on Social Development and Investment Climate Improvement
April 2005 – Now	Emphasizing on the Improvement of Infrastructures, Investment Climate and Environmental Quality

BATAM ECONOMIC ZONE



BATAM ECONOMIC ZONE





BATAM ECONOMIC ZONE

Indicators	2002	2007
Investment (US\$ Billion)	9.46	13.08
Economic growth rate (%)	7.01	7.16
Regional GDP (US\$ Billion)	0.84	2.92
Population	533,521	724,315
Indonesia work force	170,192	240,509

ISKANDAR MALAYSIA





ISKANDAR MALAYSIA

Area	2,200 km²
Population	1.35 million
Regional GDP	US\$ 20 billion (2005)
Per capita GDP	US \$14,790
Inflation rate	3.5%
Unemployment rate	3-4%
Economic growth rate	7-8%

ISKANDAR MALAYSIA



Committed Development Within IFDA

BMC

- Tg Bin
- Port City (Proposed)
- Johor Port
- PTP
- Senai Airport

JOHOR CORP

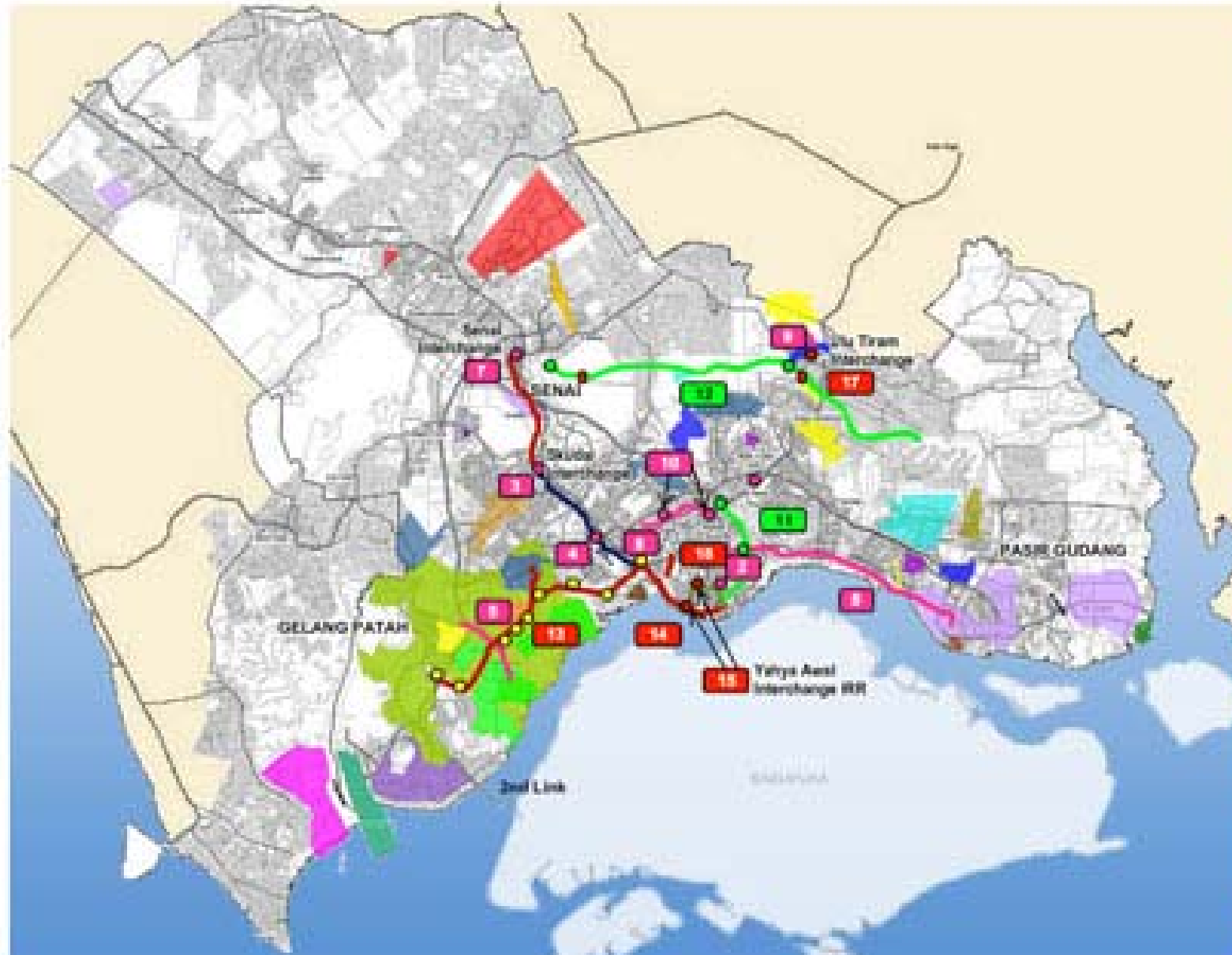
- Johor Land Berhad
- Tanjung Lingsat Port
- TFM Technopark SD

- UEM Land
- Crescendo
- LUC
- Horizon Hills
- Malena Hill (Southeast Holdings Berhad)
- IDI Properties
- Msh Sinc
- SP Setia
- UEM Land
- MPC
- CMP
- Donga Bay Holdings

Legend

- JCR Projects
- LLM Projects
- IFDA Project

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ISKANDAR MALAYSIA

JB City Centre-New Financial District

- **Danga Bay (1,800 acres) is an urban integrated waterfront city**



ISKANDAR MALAYSIA

JB City Centre-New Financial District

- **Transportation infrastructures include a marina, a multimodal transportation terminal where rail, tram and water taxi system meet.**



ISKANDAR MALAYSIA

Nusajaya

- Nusajaya (24,000 acres) is a fully integrated urban development and is the flagship zone of Iskandar Development Region

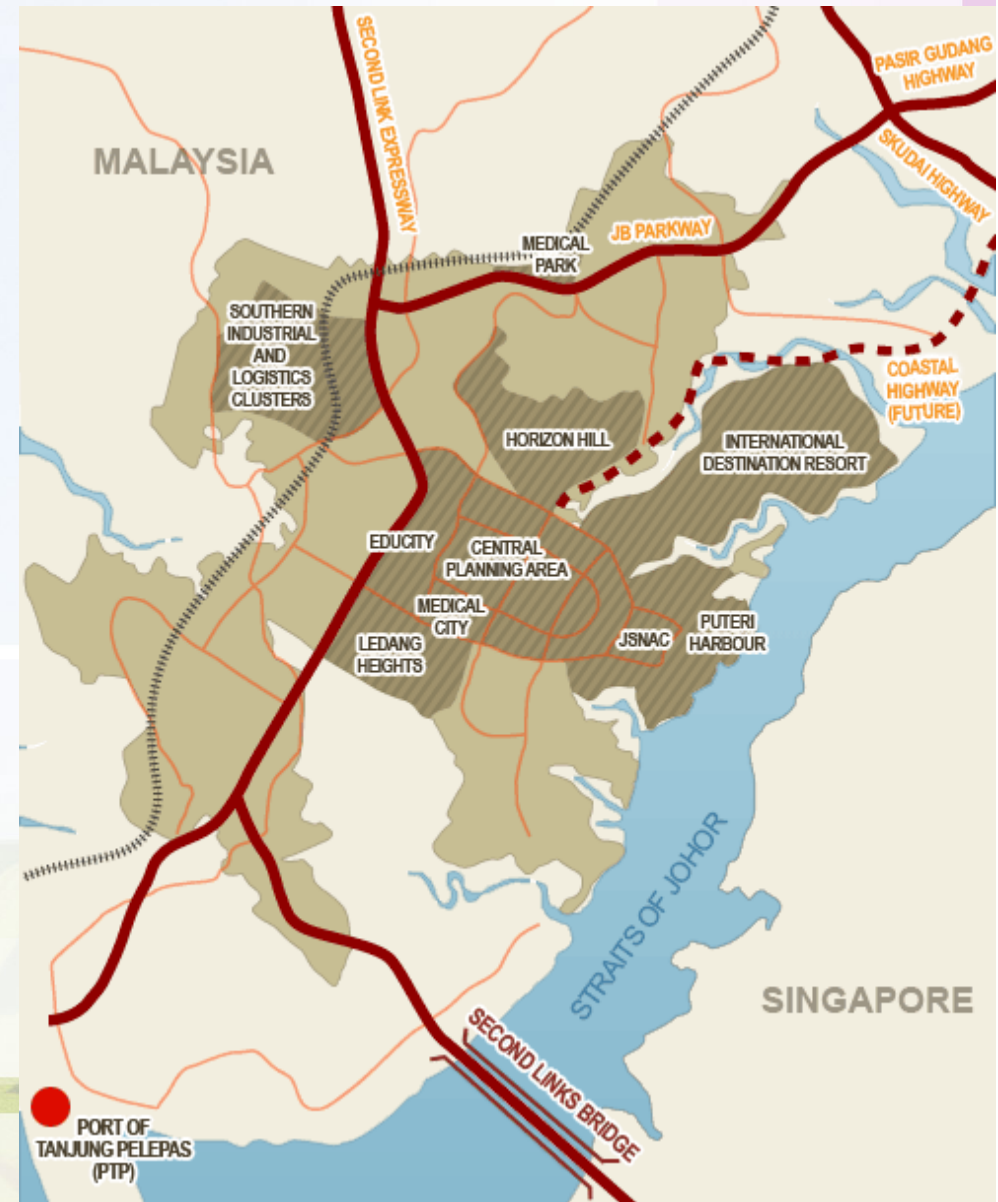


ISKANDAR MALAYSIA



Nusajaya

- There are seven signature developments:
**EduCity (123 ha),
International Destination
Resort, Johor State New
Administrative Centre,
Medical City, Puteri
Harbour, Residential
Developments and
Southern Industrial and
Logistics Clusters**



ISKANDAR MALAYSIA



Western Gate Development



- Port of Tanjung Pelepas (PTP) is Malaysia's biggest transshipment centre
- Commercial Free Zone 400 (acres)- distribution, logistics, and warehousing activities ideal for consolidation, International Procurement Centres, regional distribution centers, and distribution services.
- Industrial Free Zone (600 acres) - light, medium and heavy manufacturing industries



ISKANDAR MALAYSIA

Eastern Gate Development



- Main anchor is Pasir Gudang Port and Tanjung Langsat Port
- Tanjung Langsat Port-a sheltered deep sea port with ample sea frontage. 4,000 acres land is behind the port area.
- The existing Pasir Gudang Industrial Estate and the new Tanjung Langsat Industrial Estate are the main catalyst for sustainable growth.



ISKANDAR MALAYSIA

Senai-Skudai



- Bandar MSC Cyberport (150 acres) is a mixed development project to be developed in 3 phases starting from 2008.
- A 1,000 acres park dedicated for extensive digital content industry.



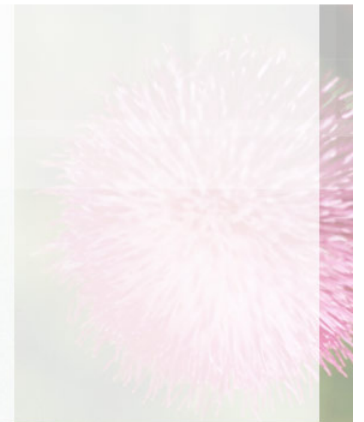
ISKANDAR MALAYSIA

- **aim for annual gross domestic product growth of 8% till 2025**
- **attracted a total investment of US\$ 11.3 billion since its inception in 2006**
- **growth of 7.1% and 6.3% in the first and second quarters of 2008 respectively**

ISKANDAR MALAYSIA


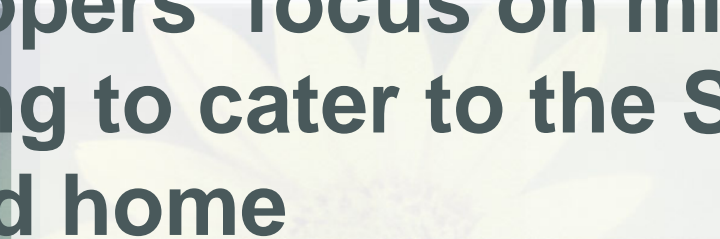



- **success has been limited as investors remain cautious because of the country's political uncertainty and the global financial crisis**





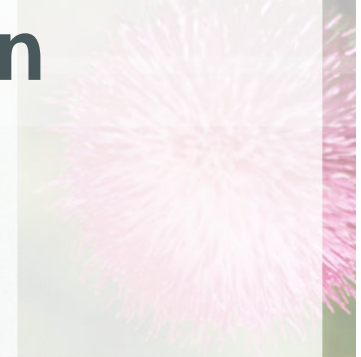
SOCIAL AND ENVIRONMENTAL ISSUES OF AN INTEGRATED DEVELOPMENT

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- **Johor-the rising cost of living because of Singapore tourists shopping in Johor and inflow of investments**
 - **pressure on existing infrastructure e.g. lack of affordable and adequate housing in and around industrial townships**
 - **Developers' focus on middle income housing to cater to the Singapore market for second home**
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SOCIAL AND ENVIRONMENTAL ISSUES OF AN INTEGRATED DEVELOPMENT



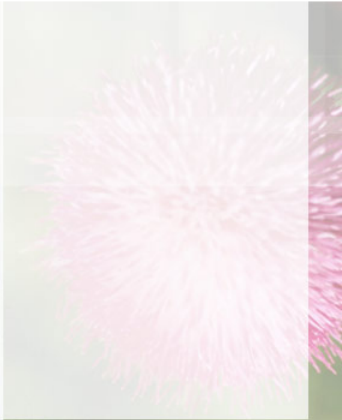


- **concern that Malay will be selling substantial pieces of land to Singaporean Chinese**
- **forging of business alliances between Johorean and Singaporean Chinese would lead to increased perception of inequities of distribution between ethnic groups in Malaysia**





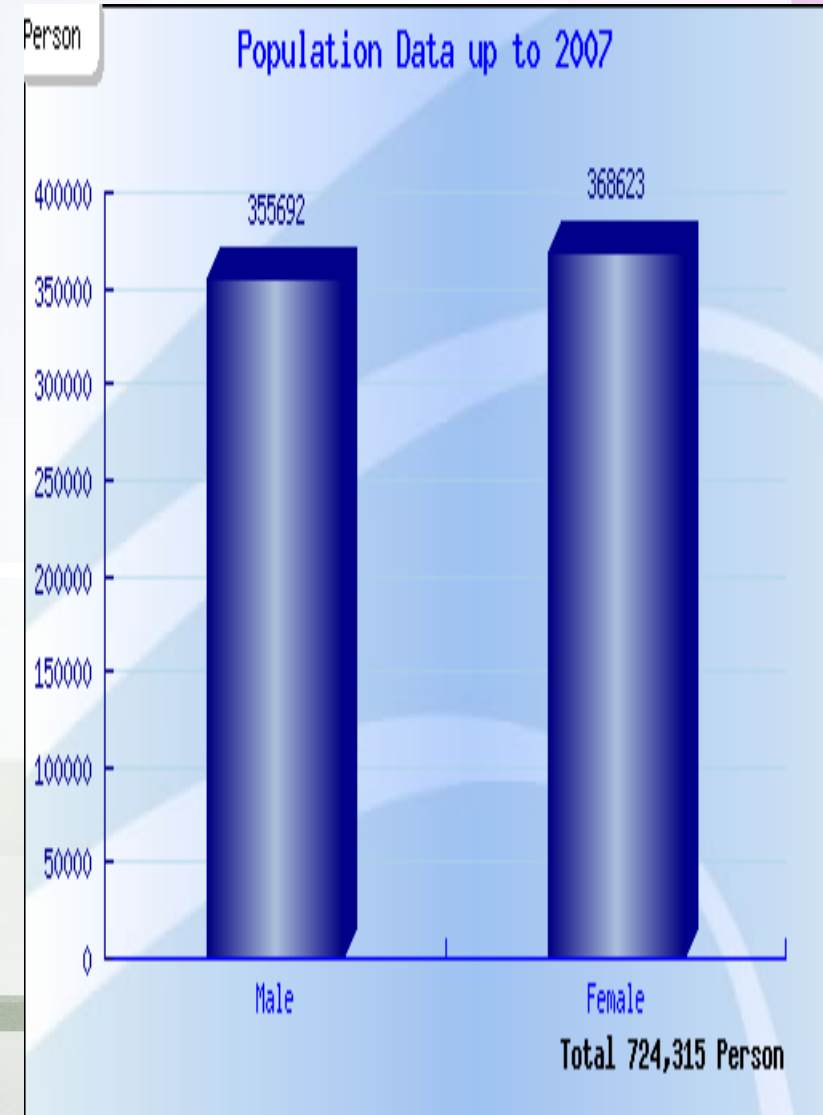
SOCIAL AND ENVIRONMENTAL ISSUES OF AN INTEGRATED DEVELOPMENT

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- **Singapore is encouraging the more labour-intensive, pollutive and 'sunset' industries to move to Johor and Batam**
 - **Batam-same sort of pressures wrt process and infrastructure exist, although not as serious as those in Johor**
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SOCIAL AND ENVIRONMENTAL ISSUES OF AN INTEGRATED DEVELOPMENT



- immigration of workers into Batam bringing in large numbers of young female workers resulting in a pronounced sex imbalance on the island



SOCIAL AND ENVIRONMENTAL ISSUES OF AN INTEGRATED DEVELOPMENT



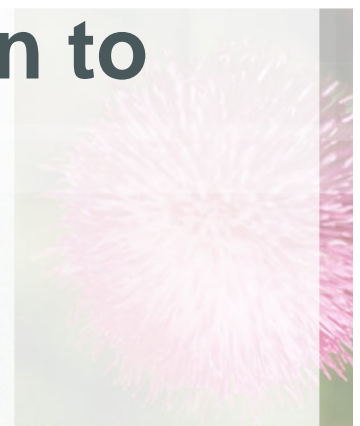
- inflow of workers from various ethnic backgrounds from all over Indonesia. If not properly managed, this could lead to the emergence of a shanty economy on the fringes of the industrial townships
- Batam has many areas of so-called *rumah liar*
- striking juxtapositions proliferate of *rumah liar* with smart (but half-empty) new housing for Singapore market.



CONCLUSION



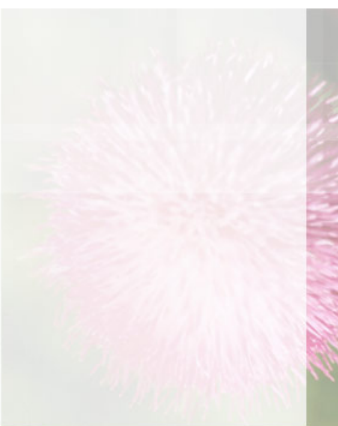
- **Peri-urban growth has been stimulated by first the trilateral growth triangle and now the more unilateral initiatives like IDR, highlight tensions that have grown alongside the economic development that the respective governments of Singapore, Malaysia and Indonesia have striven to push.**





CONCLUSION

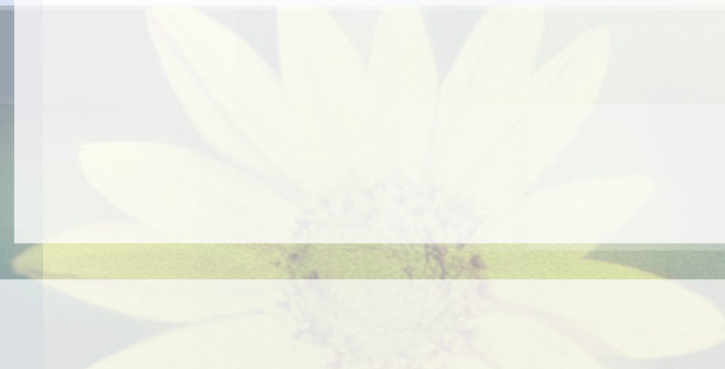
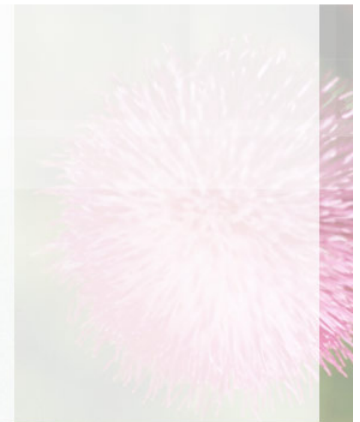
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- A variety of divides and disjunctures involving illegal immigration, prostitution, HIV, crime, water, sand dredging and land reclamation





CONCLUSION

- **These tensions underline the characteristic of peri-urban areas in that they are not necessarily outside the jurisdiction or administration of state authorities of the respective parties behind the growth triangle and IDR.**



The background features a collage of images: a pink flower in the top right, red berries on the left, a yellow flower at the bottom, and a pink spiky flower in the bottom right. A light blue and white grid pattern is overlaid on the entire page.

CONCLUSION

- **their development have gone beyond not only infrastructural provision but also the institutions and processes that are needed to address the contestation and social issues arising from rapid urbanization and urban expansion.**