

**MEDIA STATEMENT**  
**For immediate release**

**JPDC WELCOMES DECISION FOR PENGERANG  
BEING GIVEN SPECIAL STATUS AND INCENTIVES  
FOR CHEMICAL AND PETROCHEMICAL ACTIVITIES**

**7 October 2022, Kuala Lumpur – Johor Petroleum Development Corporation Berhad (JPDC)** welcomes the announcement by the Minister of Finance of Malaysia during the tabling of the 2023 Budget in Parliament today that Pengerang is given special status and incentives for chemical and petrochemical activities.

**Izhar Hifnei Ismail, Acting Chief Executive of JPDC**, says that such status will boost the appeal of **Pengerang Integrated Petroleum Complex (PIPC)**, a 22,904-acre (9,269 hectares / 92.69 square km) area planned for downstream oil and gas and petrochemical industries in Pengerang, Johor, as an investment destination for chemical and petrochemical activities.

JPDC is a subsidiary of Malaysia Petroleum Resources Corporation (MPRC), and both agencies ultimately report to the Economic Planning Unit of the Prime Minister's Department. JPDC's mandates include being the lead agency for the planning and co-ordination of the downstream oil and gas industry development in PIPC, promotion and facilitation of inward-bound investments in downstream oil and gas and petrochemicals into PIPC, development of industry-ready manpower as well as facilitation of participation by local workers and business people in the PIPC economic growth.

Izhar says that the development planning for PIPC spans a 25-year period from 2013 to 2037, divided into four phases. In Phase 1 (2013-2019), PIPC saw the development of two catalytic projects, namely the development of **Pengerang Deepwater Terminals (PDT)**, an oil and petroleum-product storage facility with capacity of up to 5 million cubic metres, supported by deep water jetties, developed by **DIALOG Group Berhad** with investments of RM14.71 billion, and **Pengerang Integrated Complex (PIC)**, comprising refinery and petrochemical facilities and supporting facilities, developed by **PETRONAS** with investments of USD27 billion. The Federal and Johor State Governments have also developed critical infrastructure and social amenities in PIPC worth more than RM3 billion to support industry growth.

Izhar says that at present, PIPC is in Phase 2 (2020-2026) of its development, and has received further committed investments of almost RM10 billion, including the development of **Pengerang Industrial Park (PIP)** by **Johor Corporation**.

“JPDC is currently facilitating and assisting three prospective investors in their feasibility studies towards establishing their downstream oil and gas and petrochemical businesses in PIPC,” Izhar adds. “We hope the special status would be a significant factor to help them choose PIPC and Pengerang as the location.”

Izhar also welcomes the budget allocation for the construction of overtaking lanes at the Senai-Desaru Expressway which links Pengerang to key economic areas such as Johor Bahru city, Iskandar Puteri city, Pasir Gudang ports and industrial areas, Senai International Airport and Tanjung Pelepas Port. “It would help address the challenges

posed by increasing traffic volume plying Senai-Desaru Expressway with the operations of PIPC and resorts in Desaru.”

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