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KBIP to shift Sabah towards value-added industries

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Jenne Lajjun

KOTA BELUD: The development of new industrial locations such as Kota Belud signals Sabah's commitment to strengthening its industrial capacity, said Universiti Malaysia Sabah (UMS) deputy vice chancellor (Research and Innovation) Professor Dr Rosalam Sarbatly.

He said that as Malaysia advances high-technology industries in regions like Penang and Johor, Kota Belud is well-positioned to anchor Sabah's next phase of industrial growth.

Citing the state government's plan to develop the Kota Belud Industrial Park (KBIP), Dr Rosalam described the move as timely and aligned with national development priorities.

He stressed that the focus should now shift from increasing production to capturing greater value from existing resources.

The opportunity is not just to produce more, but to move beyond raw outputs, he said, noting that Sabah's economy remains largely resource-based, driven by agriculture, marine resources and biodiversity.

He said KBIP should adopt a practical, phased approach, beginning with an agro-marine industrial cluster focused on high-value aquaculture and



Professor
Dr Rosalam
Sarbatly

food processing, supported by integrated production systems, processing facilities and cold chain infrastructure.

Such an approach, he said, would enable early commercial validation, reduce investment risk and ensure development is guided by real market demand.

He added that KBIP would complement existing industrial hubs such as the Kota Kinabalu Industrial Park (KKIP) and Palm Oil Industrial Clusters (POIC) in Sandakan and Lahad Datu, forming a stronger overall industrial ecosystem.

He highlighted strong potential in high value sectors, including premium seafood, halal-certified products and bio-based industries derived from Sabah's biodiversity, such as herbal extracts and plant-based compounds.

"These products have growing demand in global markets, including Asean and the Middle

East," he said, adding that Sabah must move from exporting raw materials to producing value-added goods.

"Instead of exporting raw products, Sabah can produce and export higher-value processed goods, and this is where long-term economic value, resilience and competitiveness will be built," he said.

Dr Rosalam also stressed that reliable infrastructure—including energy, water supply, transport connectivity and digital systems – would be critical to support industrial stability and Industry 4.0 adoption.

He also underscored the importance of involving local communities through cooperatives and industry-linked production models to ensure inclusive growth.

"Ultimately, the development of KBIP is not about competing with other industrial centres in Malaysia, but about complementing them," he said.

"What is needed now is not a new idea, but disciplined execution of a clear direction."

Dr Rosalam concluded by reaffirming UMS' commitment to support the initiative through feasibility studies, technology deployment, investor engagement, and by strengthening linkages with regional and international markets.



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SUMMARIES

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