



S U R U H A N J A Y A  
P E N G A N G K U T A N A W A M D A R A T

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L A N D P U B L I C T R A N S P O R T  
C O M M I S S I O N

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# *Vision*

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To lead the transformation of land public transport to become the rakyat's mode of choice

# *Mission*

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Ensuring a safe, reliable, responsive, accessible, efficient, planned, integrated, affordable, and sustainable land public transport system to enhance economic growth and quality of life





# OUR JOURNEY

## 2010

- **3 June**  
Establishment of S.P.A.D.
- **23 July**  
Appointment of Members of Commission
- **December**  
Definition of S.P.A.D. Vision, Mission & House

## 2011

- **31 January**  
S.P.A.D. began operations
- **1 April**  
Start of the re-registration period for public service, goods & tourism vehicles
- **8 July**  
Ground-breaking ceremony for KVMRT Sungai Buloh – Kajang Project by our Prime Minister
- **7 November**  
Publishing of Draft Greater KL / Klang Valley Land Public Transport Master plan on S.P.A.D. website
- **9 December**  
First Annual S.P.A.D. Strategic Retreat held

## 2012

- **31 January**  
Issuance of first Operator License
- **29 February**  
Opening of S.P.A.D.'s Enforcement office at Persada Plus
- **29 February**  
Signing of the first Interim Stage Bus Support Fund (ISBSF) Agreement
- **9 June**  
Inauguration of BRT Sunway by our Prime Minister
- **24 June**  
Launch of the Tyre Replacement Voucher for Taxi Drivers
- **1 July**  
Commencement of MRT Lines 2 & 3 alignment identification



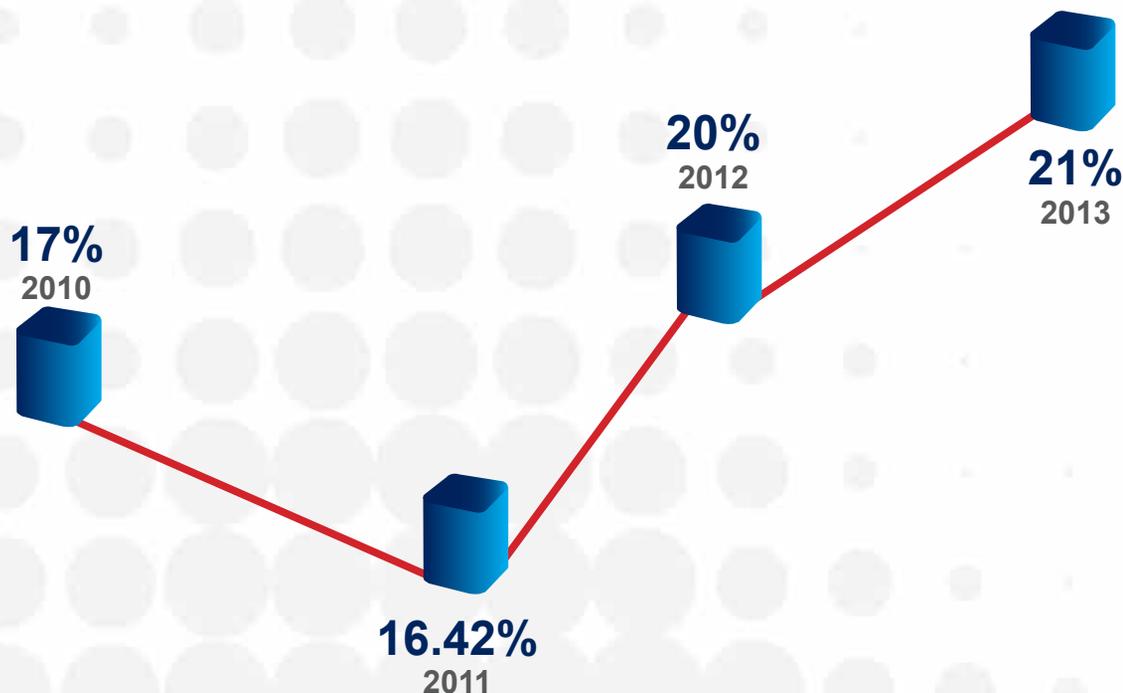
## 2013

- **11 & 12 July**  
S.P.A.D. hosted the Inaugural Land Public Transport Forum
- **31 August**  
Launch of GO-KL City Bus
- **August**  
Enforcement strength has grown to 315 officers
- **9 November**  
Launch of S.P.A.D.'s hotline number and vehicle sticker
- **24 November**  
Second Annual S.P.A.D. Strategic Retreat held
- **21 February**  
Launch of S.P.A.D.'s office in Penang
- **19 March**  
Launch of S.P.A.D.'s office in Langkawi
- **22 March**  
Signing of MOU between S.P.A.D. and MIROS
- **24 March**  
Janji Ditepati - Award of Individual Taxi License by our Prime Minister
- **6 April**  
Launch of School Children Insurance Scheme
- **16 April**  
Taxi Industry Appreciation Dinner
- **18 April**  
Launch of 1Malaysia Taxi (TEKS1M) Vehicle
- **30 April**  
S.P.A.D. Academy organises The Sustainable Urban Transport Seminar
- **18 July**  
Janji Ditepati – Award of Individual Taxi License by our Prime Minister
- **27 August**  
Launch of S.P.A.D.'s office in Malacca
- **11 October**  
Launch of the 1Malaysia Taxi (TEKS1M) service
- **18 October**  
Taxi Fare Review Interaction Program
- **1-3 December**  
S.P.A.D. Academy organises the Land Public Transport Symposium 2013

# URBAN PUBLIC TRANSPORT NATIONAL KEY RESULT AREAS (UPT NKRA)

UPTNKRA aims to create an integrated Urban Public Transport System, which will encourage a greater number of public transport commuters, raising the modal share to 40% by the year 2030.

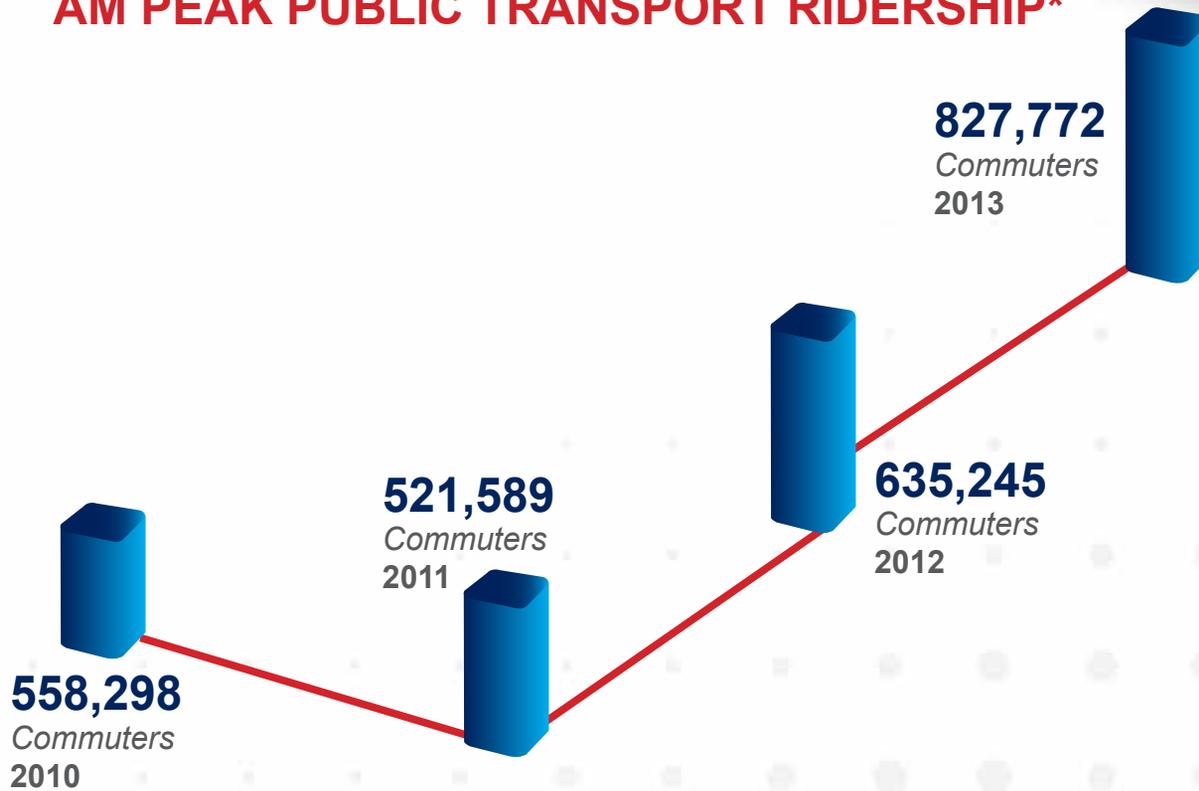
## URBAN PUBLIC TRANSPORT MODAL SHARE\*



\* A modal share is the percentage of travelers using a particular type of transportation. In the context of the public transport, it refers to the percentage of public transport users against that of private vehicle users.



## AM PEAK PUBLIC TRANSPORT RIDERSHIP\*



\* In public transport, ridership refers to the number of passengers carried per certain time in a mode of public transit system. AM refers to the morning rush hours from 6am to 10am.

# KEYNOTE MESSAGE FROM THE CHAIRMAN





## Growing From Strength to Strength in 2013

S.P.A.D. has been assigned the ambitious target of raising urban public transport modal share to 40% by 2030. The number presently stands at 21%, which means that we are slightly more than halfway there. The achievements of 2013 are strong testaments that we are on track to achieve our goal, but I would like to take this opportunity to remind everyone that we still have a long way to go.

In this past year, S.P.A.D. focused on working to improve safety on land public transport as the public's safety remains the first and foremost priority of the Commission. The decision was made to introduce new structures for the public transport system and a new code of safety practices, but some time will be required before the impact of these initiatives can be fully felt. We have, for example, suspended several bus operators upon conducting post-crash audits, which revealed that the operators did not meet our minimum standards of operation.

In the meantime, S.P.A.D. has also started introducing initiatives to further strengthen the various modes of public transport in the country. From this standpoint, the Commission's ambition is not only to improve public transport, but to ensure that the public transport system grows ever more accessible and efficient

for the benefit of all Malaysians. To achieve this ambition, S.P.A.D. needs to not only adopt international best practices, but also to constantly innovate to keep up with the ever evolving demands of our public transport commuters. While an honest assessment of our achievements will indicate that we have yet to reach that level, I am firmly convinced that our efforts so far has set us on the right path towards that goal.



Even as we continue to build and grow public transport infrastructure, we must address other factors that will contribute to the overall success of Malaysia's public transport network. For example, the launch of the 1Malaysia Taxi (TEKS1M) scheme by our Prime Minister on 24th March 2013, is a good illustration of the holistic nature of what we are doing at the Commission.

The TEKS1M scheme is essentially a catalyst that migrates Malaysia's existing taxi system into a new paradigm that will place Malaysia's taxi service on par with the best in the world. In doing so, the taxi migration process takes into consideration a number of factors including fares charged, passenger comfort and safety considerations as well as service accessibility and reliability. We are facilitating the transformation with the introduction of a Centralised Taxi Service System (CTSS) to ensure smooth and timely transition.

S.P.A.D. has also continued working on improving the safety record of Malaysia's public transport service, particularly express and tour bus operators through the continued implementation of our Industry Code of Practice (ICOP) safety programme. The S.P.A.D. ICOP

programme ensures that bus operators, at all levels of operation from the highest levels of management to the drivers on the ground, meet our minimum safety standards. We have expanded the programme to encapsulate freight operators in 2013 and plan to further expand the programme to all public transport operators in the longterm. S.P.A.D. is committed to championing safety as a culture for all, be it the operators or users of public transport.



In yet another example of our work to strengthen the delivery of public transport services, in April 2013, S.P.A.D. launched the insurance scheme for school children who commute on school buses. As per the announcement made by our Prime Minister, YAB Dato' Seri Najib Tun Razak in his Budget 2013 speech, the insurance scheme is automatically provided for all school bus operators registered with S.P.A.D. The

scheme is designed to function as an incentive to parents and guardians of school children to use only legitimate bus operators recognised by S.P.A.D. It also serves as a 'soft sell', together with various other initiatives such as the School Bus Replacement Programme, for unlicensed bus operators to register before the Commission starts taking enforcement action beginning 2015.



I would like to stress that these activities mentioned above are being conducted even as we continue to monitor core expansion projects, such as the KL Monorail fleet expansion, extension of the Light Rail Transit (LRT) lines as well as the continued development of the Klang Valley Mass Rapid Transit (KVMRT) system. I am pleased to announce that these projects remain on track and on schedule for delivery, which places additional onus on the Commission to ensure that the supporting infrastructure is similarly completed on time.

Meanwhile, I am pleased to mention a few other milestones achieved namely the Government's approval of the National and the Greater Kuala Lumpur / Klang Valley Master Plans and the ISO 9001: 2008 Re-Certification of our Rail Division. These milestones stand as testaments to the Commission's continuous efforts and vigilance.

**Acknowledgements**

On behalf of the Members of Commission, I wish to thank all our stakeholders including public transport operators as well as related government and enforcement agencies. The setting up of a transport network cannot occur in isolation, and I am deeply grateful for the cooperation and advice provided by all

involved in helping us push forward in meeting our national goals and ambitions.

My heartfelt gratitude also goes to S.P.A.D.'s management and staff for their hard work and dedication over the past year, as well as to the

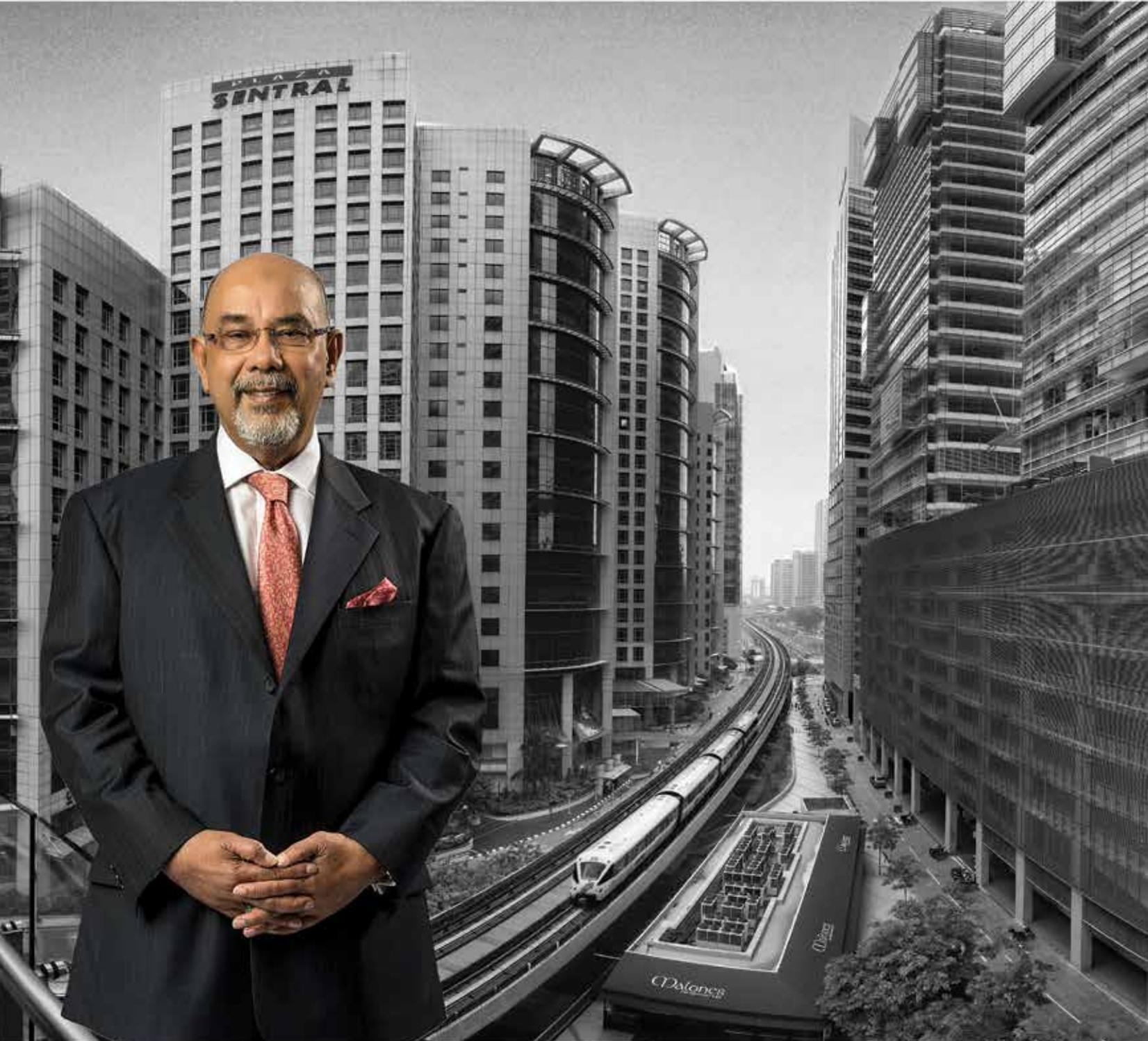
Members of Commission for their invaluable insight and counsel. I believe that we all recognise that the breadth and scope of our work with public transport is immense and incredibly demanding, but it is important that we maintain the momentum that we have created.

Malaysia's land public transport is growing steadily and I encourage all commuters to familiarise themselves with our present services as I do believe that public transport will soon become the mode of transport of choice for all Malaysians.

Thank you.

**TAN SRI DATO' SERI SYED HAMID SYED JAAFAR ALBAR**  
Chairman  
Suruhanjaya Pengangkutan Awam Darat

# MEMBERS OF COMMISSION



**TAN SRI DATO' SERI SYED HAMID SYED JAAFAR ALBAR**  
*Chairman*



**Mohd Nur Ismal Mohamed Kamal**  
*Chief Executive Officer*



**Tan Sri Dr. Mohd Irwan Serigar Abdullah**  
*(Until 23 July 2013)*



**Datuk Himmat Singh Ralla Singh**



**Datuk Wan Ahmad Shihab Ismail  
Wan Ismail**



**Prof. Dr. Ahmad Farhan  
Mohd Sadullah**



**Dato' Izudin Ishak**  
*(joined 1 September 2013)*



**Dato' Siow Kim Lun**



**Dato' Khalid Ahmad**  
*(until 23 July 2013)*



**Dato' Dr Mahani Zainal Abidin**  
*(until 29 June 2013)*

# MEMBERS OF COMMISSION MEETINGS

During the financial year ended 31 December 2013, eight (8) Members of Commission Meetings, five (5) Members of Commission Special Meetings, and three (3) Audit Committee Meetings were held.

No.	Date	Sessions
1	22 January 2013	MOC Meeting – No. 24/2013
2	7 February 2013	MOC Special Meeting on High Speed Rail
3	28 February 2013	MOC Meeting – No. 25/2013
4	7 March 2013	MOC Special Meeting on Terminal Licensing Blue Print and Terminal Licensing Implementation Roadmap
5	4 April 2013	MOC Meeting – No. 26/2013
6	11 April 2013	Audit Committee Meeting - 1/2013
7	9 May 2013	MOC Meeting – No. 27/2013
8	21 May 2013	MOC Special Meeting on Amendments of Land Public Transport (LPT) Act 2010
9	9 July 2013	MOC Meeting – No. 28/2013
10	17 July 2013	MOC Special Meeting on Long Term Solution for Stage Bus Services
11	5 August 2013	Audit Committee Meeting - 2/2013
12	6 September 2013	MOC Meeting – No. 29/2013
13	1 November 2013	MOC Meeting – No.30 /2013
14	26 November 2013	MOC Special Meeting on Land Public Transport (Amendment) Act 2013
15	11 December 2013	Audit Committee Meeting - 3/2013
16	19 December 2013	MOC Meeting – No. 31/2013





**S.P.A.D.**

# **MANAGEMENT**



**MOHD NUR ISMAL MOHAMED KAMAL**

*Chief Executive Officer*



**AZMI ABDUL AZIZ**

*Chief Development Officer*

**A. HALIM HUSAIN**

*Head, Operations Group*

**FAUZI CHE RUS**

*Head, Organisation Support Division*

**DR. PRODYUT DUTT**

*Head, Policy, Planning & Research Division*

**MAJ. GEN (R) DATO' PADUKA CHE HASNI CHE AHMAD**

*Head, Enforcement Division*

**FARIZUL HAZLI BAHAROM**

*Head, Legal & Secretarial Division*

**TONNY YEAP**

*Head, Special Projects & Technology Division*

**ZAMRI MAHMUD**

*Head, Road Public Transport Division*

**YUSLIZAR DAUD**

*Head, Rail Division*

**AZLAN SHAH AL BAKRI**

*Head, State Ops & Terminal Licensing Division*

**ANNAFI ZULKIFLI**

*Head, Ops Special Projects*





# COMMISSION REPORT

## GROWING STRONGER

S.P.A.D.'s work in 2013 was focused on enhancing the Commission's capacity to improve land public transport offerings for the commuting rakyat. Building on the solid foundation established during S.P.A.D.'s formative years, the initiatives of 2013 was meant to enhance all aspects of the land public transport industry.

While S.P.A.D. continues to upgrade and build new infrastructure throughout the nation, the Commission recognises that these activities alone are insufficient to create and maintain a smooth-running network. Accordingly other important issues, such as public transport safety, regulation and adequate human capital have also been addressed in our activities over the past year.

S.P.A.D. recognises that its role is an ongoing one and the public should look forward to greater improvements in the years to come. The following sections detail the Commission's key accomplishments in 2013, which have strengthened the land public transport network system.

### Strengthening Rail Services in Malaysia

Over the past two years, S.P.A.D. oversaw initiatives to increase capacity through projects such as the

introduction of the new six-car sets Komuter by Keretapi Tanah Melayu Bhd (KTMB), which has significantly increased the morning peak capacity for the KTM Komuter service. The Commission has continued to oversee initiatives designed to improve the KTM service in 2013 through the implementation of two new projects:

- i. Electric Train Service (ETS) fleet expansion
- ii. Construction of the Skypark Link

In terms of achievements, of particular note is the completion of KTMB's Electrified Double Track Project from Seremban to Gemas in Negeri Sembilan. The project enhances the service quality, frequency and journey time of KTMB Express, Intercity and possibly future commuter service along the region which will contribute to increased public transport usage.

Meanwhile, plans to develop the SkyPark Link, a rail line connecting KTMB's station in Subang Jaya to the Skypark Terminal at the Sultan Abdul Aziz Shah Airport saw significant progress in 2013. Our Prime Minister YAB Dato' Sri Mohd Najib Tun Razak granted conditional approval to the railway scheme in November and public inspection of the project commenced in December.

S.P.A.D. also oversaw rail projects undertaken by Prasarana Malaysia Berhad, formerly known as Syarikat Prasarana Negara Berhad (Prasarana), such as the LRT Line Extension Project - Kelana Jaya and Ampang (50% completion in 2013), and the expansion of Kuala Lumpur monorail and LRT fleets (60% and 18% completion respectively). The table below details projects undertaken by KTMB and Prasarana with S.P.A.D. as the supervising agency :

No.	Rail Projects	Start Date	End (Target) Date	Status (%)
1	Electrified Double Track Project (Seremban – Gemas)	2010	COMPLETED (Pending full opening)	100
2	LRT Line Extension Project (KLJ & AMG Lines)	2011	2016	50
3	KL Monorail Fleet Expansion	2011	2014	60
4	LRT Fleet Expansion (AMG)	2012	2015	18
5	LRT Refurbishment (KLJ) ( MLR & KL AV )	2013	2015	22 & 8
6	ETS Fleet Expansion	2013	2015	23
7	Skypark Link	2013	2016	6

### Keeping the KVMRT on Track

The Klang Valley Mass Rapid Transit (KVMRT) System is the largest public transport infrastructure project in Malaysia to date. Its impact on accessibility and efficiency of public transport in Klang Valley cannot be overestimated. Identified as an Entry Point Project (EPP) under the Economic Transformation Programme's Greater Kuala Lumpur/Klang Valley National Key Economic Area (NKEA), the success of the KVMRT is of paramount importance where this project will increase the efficiency of public transport in the Klang Valley area.

As the supervising agency for the KVMRT project, S.P.A.D. is responsible in ensuring that construction meets all its headline targets. The first phase of the KVMRT, the Sungai Buloh—Kajang Line (SBK) has a targeted completion date of 2017. By the end of 2013, construction was 35% complete.

The headline achievements for the SBK Line are as follows:

EPP # 4: Mass Rapid Transit		2013 Target %	2013 Achievement %
1.	Completion of Elevated Guide way Foundation	72	78
2.	Tunnel Boring Machine delivered to site	100	100
3.	Seven Underground Station Excavation	50	53
4.	MRT Line 2 & Line 3 Completion of Final Implementation Plan after agreement with the relevant stakeholders for EC/Cabinet decision	100	100

At the same time, work commenced on the other two KVMRT lines, namely KVMRT Line 2 (North—South Line) and the KVMRT Line 3 (Circle Line). The North—South Line is designed to cater to the Northwest Corridor, which is expected to see heavy traffic in the coming years. Areas such as Kampung Baru will benefit from the line as it will alleviate the overloading of KTM Komuter and monorail services that presently serve the district.

The feasibility study of the KVMRT Line 2 was completed in December 2012. The milestones achieved in 2013 include:

	Milestone	Date
1	Engagement with Key Stakeholders on the Preferred Route Alignment and Implementation Plan	March 2013
2	Feasibility Study Final Report issued	April 2013
3	The KVMRT Line 2 and Line 3 was presented to the Economic Council chaired by our Prime Minister	July 2013

### Certifying Our Railways

In line with S.P.A.D.'s goal of ensuring that our rail services are aligned with best international practices, the Commission sought and received ISO9001:2008 Re-certification in accordance with both Malaysian standards and with the United Kingdom's accreditation service. The certificate was awarded on 14th November 2013.

The Management of Railways Operation Certification, is awarded in recognition of proper system monitoring of railways in operation and under construction.



## COMMISSION REPORT (cont'd)

### Expediting Bus Travel with the Bus Rapid Transit

Bus travel remains the most economical mode of transport for majority of Malaysian commuters. Improving the bus service has been designated a national goal under the Urban Public Transport National Key Result Area (UPT NKRA), which is a key component of the National Transformation Programme (NTP).

The Bus Rapid Transit (BRT) is an initiative designed to expedite travel time by creating an exclusive corridor for stage buses on major highways. Twelve BRT corridors have been identified within the overall BRT plan, and work has commenced on two: BRT Kuala Lumpur - Klang and BRT Sunway.

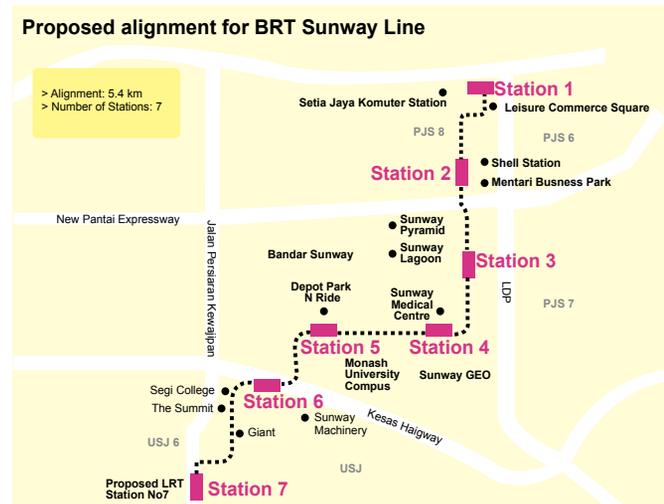
#### *BRT Kuala Lumpur - Klang (BRT KL- Klang)*

This corridor, which will run parallel to the Federal Highway, is an ambitious project requiring the agreement of numerous key stakeholders along the entire route. The majority of work done in 2013 was to seek stakeholder agreement through extensive engagement sections to eventually obtain approval from the Delivery Task Force (DTF), a task force under the NTP. The DTF granted its approval of the corridor on 23rd June 2013.

The Public Works Department (PWD) was appointed in 2012 as the implementing agency and project management consultant for BRT KL—Klang. The BRT KL—Klang will be constructed on the median of the Federal Highway between the rival lanes.

### BRT Sunway

BRT Sunway will be the first elevated BRT in Malaysia. The corridor is expected to provide service through a large section of Bandar Sunway and eventually intersecting with the Federal Highway where commuters can then switch on to the BRT KL—Klang. Work on the elevated BRT began in early 2013.



### Strengthening Connections with the Malaysia-Singapore Rapid Transit System

The Malaysia-Singapore Rapid Transit System (RTS) is a 4km shuttle system between Johor Bahru in Malaysia and Woodlands in Singapore. When completed, the RTS will function as a convenient and cost-effective shuttle system integrated with other public transport systems on both sides of the border. The project also calls for the development of a Customs, Immigration and Quarantine facility in both countries.

First conceived in 2010 and announced in 2011 as part of an agreement between the two countries, the first phase of the plan called for the execution of a Joint Engineering Study. Phase 1 of the study, conducted by a consortium comprising Aecom Perunding Sdn Bhd, Aecom Singapore Pte Ltd and SA Architects Sdn Bhd, and was completed in 2013.

Phase 2 is expected to begin at the end of 2014.



## High Speed Rail Facilitates Greater Connectivity with Singapore

The Southern Corridor High Speed Rail (HSR) project is an EPP under the Greater Kuala Lumpur/Klang Valley NKEA under the ETP, which connects Kuala Lumpur with Singapore. Kuala Lumpur and Singapore are both truly global cities, and the proposed deployment of a HSR system which will connect Southeast Asia's two largest economic agglomerations will unlock economic growth in intermediate Malaysian cities.

The primary objective for the construction of the HSR is to reduce the travel time between Kuala Lumpur and Singapore to 90 minutes by strengthening the link between two of Southeast Asia's most vibrant and fast-growing economic engines. In addition, the HSR presents an opportunity to enhance growth and development in the smaller cities along the HSR corridor in Peninsular Malaysia in tandem with the two major metropolises.

The Southern Corridor HSR connection will service high-growth routes, which saw significant expansion in terms of passenger per km of travel. The total travel market on these routes grew from 5.47 million passenger-km in 2005 to 7.45 million passenger-km in 2011.

Passenger demand is expected to grow further over the coming decades due to increasing trade and commercial integration between Kuala Lumpur and Singapore. Based on current growth trends, passenger demand could grow to 125 million trips per year by 2020 and 150 million trips a year by 2030. This will undoubtedly strain infrastructure and the creation of a dedicated HSR link will provide a welcome rail alternative to present air and road services.

One of the key advantages of the HSR is the reduction of travel time for overland travel to Singapore, which presently takes about four hours by road and 3.5 hours by rail. The HSR is expected to only take 90 minutes to commute from either embarkation points to their final destination.

The HSR aims to be operational by 2020, and will connect five cities along its coastal route. In 2013, a feasibility study conducted under Phase 1B looking at the strategic, economic and technical aspects of project was completed and submitted to the Economic Council, which approved the project. The results of the feasibility study took into consideration local condition and needs, and was tested against international benchmarks and verified by international experts.

## Supporting Buses with the Interim Stage Bus Support Fund (ISBSF)

The Interim Stage Bus Support Fund (ISBSF) addresses the present shortfall in the daily stage bus operators to ensure the continuity of stage bus services. The fund will be deployed to:

- i. Encourage bus operators to reactivate terminated routes
- ii. Improve service quality by increasing the frequency of trips and improving the conditions of their buses

As at the end of December 2013, ISBSF had funded 151 stage bus operators in the country.

## COMMISSION REPORT (cont'd)



Keselamatan Kanak-kanak 1Malaysia  
Diutamakan SPAD

### Protecting Our Children *School Children Insurance Coverage Scheme*

As per the Prime Minister's 2013 Budget Speech, the Government will provide insurance coverage to all school children who travel on school buses with permits. The insurance scheme covers accidental death, and total and permanent disability. S.P.A.D. has been designated the regulator of the scheme, which will benefit some two million students who will receive maximum coverage of RM100,000.

This insurance programme is part of a multi-pronged approach to address issues related to the school bus industry as a whole. In addition to student safety, the programme will also address bus safety, focusing on the age and lifespan of the vehicles.

It will also directly address the problem of illegal school buses by encouraging them to register and become legal operators. The programme also acts as an incentive to encourage parents to use licensed bus operators and create greater awareness about the risk of using non-licensed services.

Formally launched on 6th April 2013 by S.P.A.D. chairman, YBhg Tan Sri Dato' Seri Syed Hamid Syed Jaafar Albar, the programme has paid out five insurance claims totalling RM111,100.70. Of that sum, RM8,600.70 was distributed to two students from SK Bukit Berunting, Rawang on 13th March 2013, one student from SMK Batu Kawa, Kuching on 2nd August 2013, and one student from Tadika Sri Camar, Masai on 20th September 2013. The remaining RM102,500 was awarded to the family of the late Eddy Wallfired Eleazer

Benjasor from SMK Segaliud in Sandakan on 4th September 2013.

<b>Scheme</b>	Takaful based Group Personal Accident	
<b>Period of Insurance</b>	2nd January 2014 (1st Year)	
<b>Scope of Insurance</b>	Death or bodily injury of school children who attend schools registered with the Ministry of Education (MoE), caused by accidental means while travelling by school buses licenced by S.P.A.D or Commercial Vehicle Licensing Board (CVLB) for Sabah and Sarawak	
<b>Insured Person</b>	Estimated 1,500,000 school children (up to and including from 6) who attend schools registered with Ministry of Education (MoE)	
<b>Territorial Limit</b>	Malaysia, Singapore, Thailand, Indonesia & Brunei	
<b>Insurance Coverage</b>	<ol style="list-style-type: none"> <li>1. Accidental Death</li> <li>2. Permanent Total or Partial Disablement (PPD) Please refer to PPD/PTD table</li> <li>3. Medical Expenses</li> <li>4. Hospitalization Benefits (up to 30 days)</li> <li>5. Bereavement Benefits</li> </ol>	<p>RM 100,000.00 up to RM 100,000.00</p> <p>RM 5,000.00 RM 150.00/day RM2,500.00</p>
<b>Disbursement Period</b>	Maximum of 14 working days upon date of claims submission with full documentations	

To ensure that all relevant stakeholders, including officers from the Ministry of Education, are fully aware of the provisions of the insurance scheme, S.P.A.D. has conducted a number of briefing sessions with both state and regional Departments of Education. The briefing sessions were conducted at the following locations:

Area	Date and Location
Peninsular Malaysia	10-11 April 2013, Kuala Lumpur
Sarawak	16-17 April 2013, Kuching
Sabah	23-24 April 2013, Kota Kinabalu

S.P.A.D. also conducted roadshows throughout the nation between May and August 2013, and developed



the School Bus Checker System (SCBS), available at <http://www.spad.gov.my/sbcs/> to allow users to confirm their bus operator's licensing status.

### ***School Bus Replacement Scheme***

The School Bus Replacement Scheme was introduced to ensure that all students commute on safe and reliable buses, and is part of the overall goal to raise school bus safety standards. The scheme is open to all operators with school buses that are more than 25 years old.

Successful applicants will be given an incentive of RM10,000 cash rebate and a fixed interest rate of 2% per annum on the loans.

Only operators licensed with S.P.A.D or Commercial Vehicle Licensing Board (CVLB) in Sabah and Sarawak operating buses with a seating capacity of 12 to 44 and older than 25 years are eligible to apply for the scheme.

The scheme runs until end of 2015, and by which time, all school buses in service will be less than 25 years of age.

### ***Legalising Unregistered School Buses***

To encourage unlicensed school bus operators to register with S.P.A.D, the Commission has streamlined the application process and offer automatic insurance coverage under the School Children Protection Scheme. The aim of this program is to increase the level of safety by ensuring that all school bus operators meet safety and service standards set by S.P.A.D.

Unlicensed school bus operators are advised to take advantage of the program before it expires at the end of 2014. Bus operators who remain unlicensed after the program ends will face enforcement action.

### **Expanding Bus Reach: Feeder Bus To SkyPark**

The feeder bus program provides public transport services to the working population at the SkyPark Terminal in Sultan Abdul Aziz Shah Airport and to commuters in Subang Jaya. The service, operated by Konsortium Transnasional Bhd (KTB), will pick up passengers from the Pekeliling bus terminal and several other stopping points including Plaza Damas, eCurve Mutiara Damansara and Kelana Jaya LRT station.

The routes are served by 20 buses and more pick-up points will be introduced in the future. All buses are disabled-friendly.

### ***Enhancing Taxi Services at KLIA***

Kuala Lumpur International Airport (KLIA) has been outfitted with a 2-Tier Taxi System. This new system aims to solve the problem of a taxi shortage at the terminals, which was a regular problem prior to the new system's implementation. Part of the problem previously was due to restrictions that forbade metered taxis from picking up passengers from airports.

The new system establishes new guidelines for metered taxis specifying the vehicle specification conditions and responsibilities of the taxi drivers. Airport taxi services provided by Airport Limo Malaysia (ALM) will operate as usual.

Under a decision by the Economic Council (EC), metered taxis are now allowed to pick up passengers from KLIA to address the issue of long passenger waiting times due to a shortage of ALM taxis. A pilot for the new system was launched on 15th May 2013. The benchmark to be met by the new system is a service level of less than 10-minute passenger wait time per coupon holder.

Moving forward, the 2-Tier Taxi System will also be implemented at KLIA2 in 2014.



## COMMISSION REPORT (cont'd)

### Improving Taxi Standards with TEKS1M (1Malaysia Taxi)

S.P.A.D. continues to improve taxi standards via the TEKS1M programme, which introduces a new class of taxi that will serve as a catalyst to elevate the industry's vehicle standards, driver quality and operating principles.

New Industry Standards Set by TEKS1M		
Vehicles Standard	Driver Quality	Operating Principles
Greater headroom and legroom in the vehicle	Must have no outstanding summons of more than 1 year from S.P.A.D., JPJ & PDRM. *	Taxi operators must use meters
Enhanced safety and security features, i.e. airbags, anti-lock braking systems, electronic brake distribution systems	Has no criminal record with PDRM	Must not cherry-pick passengers
Bigger cabin and luggage space	Must pass required health checks	Must be able to send passengers in Peninsular Malaysia
Improved ingress, outgress and loading	Must attend S.P.A.D. training sessions & future accreditation programs	Allowed to pick up passengers at KLIA
Factory fitted NGV system	Must always behave in a civil and orderly manner	Must have comprehensive motor insurance
Equipped with credit/debit card machine		Must have P.A. insurance that also covers the passengers

\* From 2014 onwards to have no outstanding summons from S.P.A.D.

The Prime Minister launched the TEKS1M program along with the 'Program Pelancaran Perdana' on 24th March 2013. One thousand TEKS1M licenses were distributed to 1,000 eligible individuals, who received special funding from Bank Simpanan Nasional (2% fixed interest rate per annum and a loan tenure of up to 7 years) and a RM5,000 cash rebate from Yayasan 1Malaysia. The programs were first launched in the Klang Valley, Johor Bahru and Penang. Licenses are recycled from existing ones within the industry.

Eligible licensees also received special discounts from national carmaker Proton, and are exempted from sales tax and excise duty. Licensees must use the Proton Exora model owing to its safety features, greater luggage space, headroom and legroom as well as other features required by the TEKS1M program.





## BUILDING CAPACITY

### Employee Growth

S.P.A.D. is cognisant of the need to continuously grow and align the vision of all its employees in pursuit of its mission and vision as the nation's public transport regulatory agency. In 2013, S.P.A.D. launched its S.P.I.R.I.T. programme, which embodies the core values to help align, rally, motivate, and inspire all staff to perform and deliver to the highest level possible.

S.P.I.R.I.T. is an acronym that stands for:

- Service Excellence
- Passion
- Integrity
- Respect
- Innovation
- Teamwork

Together, these values aim to impart meaning and purpose to S.P.A.D.'s work, which is informed by the following goals:

- Vision: To lead the transformation of public transport into becoming the rakyat's travel mode of choice
- Mission: Ensuring a safe, reliable, responsive, accessible, planned integrated, affordable and sustainable land public transport system to enhance economic growth and quality of life
- Values: Guiding behaviours of S.P.A.D. employees towards its customers, partners and stakeholders, enabling S.P.A.D. to achieve all key elements stated in its mission statement

The clear vision and mission statement is meant to help S.P.A.D. employees focus consistently on targets that need to be achieved and the way in which to achieve those outcomes.

### Activities by State Operations & Terminal Licensing (SOTL)

Enhance Regional Teamwork through Customised Teambuilding

- The SOTL department organised a customised teambuilding sessions with all staff as part of its initiative to inject positive change and improve staff performance.
- The objectives of the teambuilding session were:
  - to introduce S.P.A.D.'s 2013 direction, key initiatives and KPIs.
  - to introduce S.P.A.D.'s S.P.I.R.I.T. values to all staff to be inculcated in their work performance.
  - to create a platform to strengthen bonds and instil teamwork
- The teambuilding sessions introduced new performance management tools comprising Customers, Community, Operations, People and Finance, as well as the S.P.A.D. S.P.I.R.I.T. values.
- A total of 203 participants attended the regional teambuilding program. The three-day two-night teambuilding sessions were conducted in several locations.

## COMMISSION REPORT (cont'd)

### Enhance Customer Delivery through Customised Training Targeting Regional Frontliners

- The SOTL department implemented a customised training program for frontline staff in view of the expansion of its offices. The programme focuses on achieving the following objectives:
  - i. To increase customer satisfaction and experience in dealing with S.P.A.D.
  - ii. To inculcate S.P.A.D. S.P.I.R.I.T. core values in delivering services to customer.
  - iii. To provide a platform to share ideas on effective customer management.
  - iv. To ensure continuous injection of motivation for front liners to improved them selves and their quality of service.
- A total of 12 sessions were conducted.

### Enhance Customer Delivery through Improvement in Internal Standard Operating Procedures (SOPs)

- A number of engagements had been initiated by S.P.A.D.'s State Operations team with the licensing division (Freight and Road Public Transport) to work on the standardisation of licensing processes for all regions.
- All current licensing procedures were compiled and recorded in a guidebook, which will serve as the point of reference for regional team in performing licensing processing tasks.
- Eight regional briefings on licensing applications SOPs and guidelines were conducted in 2013.





## PLANNING

Planning is a key component of all public transport networks and has been a critical priority for S.P.A.D. since the Commission's inception. While efforts are being made to streamline and enhance the current land public transport network, S.P.A.D. is also putting similar work into ensuring that the network is supportive of future expansion and greater innovations in the future. This applies not only to the land public transport network but to individual modes of transport as well.

The planning component will also look at ways in which the public transport experience can be made smoother and easier for commuters, operators and enforcement agents. A key focus service area in 2013 was the taxi industry where S.P.A.D. sought to establish the foundations to improve the overall level of quality and reliability. Details of S.P.A.D.'s efforts are provided in this section.

### NATIONAL AND REGIONAL LAND PUBLIC TRANSPORT MASTER PLAN

The National Land Public Transport Master Plan (NLPTMP) will be the guiding document detailing the country's long term objectives for land public transport. Under the Land Public Transport Commission Act 2010, the Commission has been commissioned to develop Land Public Transport Master Plans (LPTMP) for all states in Peninsular Malaysia. The Greater Kuala Lumpur/Klang Valley LPTMP is the first regional master plan to be developed by the Commission.

Both the NLPTMP and Greater Kuala Lumpur/Klang Valley LPTMP were approved by the Cabinet on 16th October 2013.

## STAGE BUS SERVICE TRANSFORMATION

The Stage Bus Service Transformation (SBST) project aims to improve the stage bus services to rectify and transform the stage bus industry to higher standards. S.P.A.D. is working together with each respective states' Economic Planning Unit (UPEN) to implement the transformation project.

Technical Committees have been established in each state, comprising local authorities and state agencies such as the Federal Department of Town and Country Planning (JPBD), Public Works Department (JKR) and Road Safety Department of Malaysia (JKJR). The Committee meets periodically to discuss the implementation and operational issues pertaining to the project. The SBST project was approved by the Economic Council on 16th December 2013 with implementation commencing in 2014. The work will start on the revised network and operation plan for selected districts.

## TAXI TRANSFORMATION PLAN

The Taxi Transformation Plan (TTP) aims to improve the taxi industry by increasing the overall level of service in the country. The TTP was established in response to issues raised by taxi consumers, drivers and operators. The plan is divided into four components:

- i. Improving the livelihood of taxi drivers
- ii. Reducing taxi operating costs
- iii. Strengthening regulatory structures and improving industry collaboration
- iv. Developing a world-class taxi system



## COMMISSION REPORT (cont'd)

Fifty-five initiatives have been identified for the TTP. The initiatives are the result of extensive engagement conducted with operators, drivers, associations and the general public. The initiatives are detailed below according to their goals:

Assist Industry to Reduce Cost	Improve Taxi Drivers' Livelihood	Strengthen Regulatory Structure & Industry Collaboration	Develop World Class Taxi System
<b>Taxi Rent</b> <ul style="list-style-type: none"> <li>Individual taxi license Issuance (as long as Pajak is excessive)</li> <li>Cost guidelines</li> <li>Affordable access to cars via new model</li> </ul> <b>Operational Expense</b> <ul style="list-style-type: none"> <li>Road tax exemption</li> <li>NGV &amp; petrol subsidy</li> <li>Toll subsidy</li> <li>Tyre Replacement assistance</li> <li>Affordable car insurance</li> <li>PSV renewal free</li> <li>PUSPAKOM fee</li> <li>Affordable maintenance cost via new model</li> </ul> <b>Car Purchase &amp; After Sales</b> <ul style="list-style-type: none"> <li>Excise duty &amp; sale tax exemption</li> <li>Car loan interest subsidy</li> <li>Car replacement assistance</li> <li>24 hour road side assist</li> <li>Workshop network</li> </ul>	<b>Benefits</b> <ul style="list-style-type: none"> <li>SOCOSO</li> <li>PA insurance</li> <li>Rent free days</li> <li>Personal loan facility</li> </ul> <b>Easier Transaction with S.P.A.D. &amp; Other Authorities</b> <ul style="list-style-type: none"> <li>More S.P.A.D. office(s)</li> <li>Process simplification and streamlining</li> <li>Multiple access channels e.g. post office online</li> </ul> <b>Other Income</b> <ul style="list-style-type: none"> <li>MoTour's Tourism Taxi Ambassadors</li> <li>Advertising</li> </ul> <b>Fare Revenue</b> <ul style="list-style-type: none"> <li>Fare review mechanism</li> <li>Mechanism(s) to increase paid mileage</li> </ul> <b>Car Operations</b> <ul style="list-style-type: none"> <li>CAMPRO-NGV compatibility</li> <li>Better NGV fuelling</li> <li>Workshop &amp; road side assist</li> </ul>	<b>Policy &amp; Regulation</b> <ul style="list-style-type: none"> <li>No haggling as a license condition</li> <li>Regulated coupon system</li> <li>Fare structure</li> <li>Taxi service rationalisation</li> </ul> <b>Enforcement</b> <ul style="list-style-type: none"> <li>Merit demerit system</li> <li>Drivers information system</li> <li>Effective enforcement</li> <li>Joint enforcement operations</li> <li>Eradication of illegal taxi base</li> <li>Broadcast or errant drivers</li> <li>Driver card enhancement</li> <li>Simple &amp; responsive complaints mechanism</li> </ul> <b>Collaboration</b> <ul style="list-style-type: none"> <li>Scheduled sessions amongst authorities and industry players</li> </ul>	<b>Driver Screening &amp; Accreditation</b> <ul style="list-style-type: none"> <li>Profile check</li> <li>Behavioural assessment</li> <li>English &amp; other language class</li> <li>Customer Service</li> <li>Safety &amp; security</li> <li>Road &amp; tourist attraction briefing</li> </ul> <b>Purpose Built Vehicles</b> <ul style="list-style-type: none"> <li>Improved ingress, outgress &amp; loading</li> <li>Enhance safety security feature</li> <li>Bigger cabin &amp; luggage space</li> </ul> <b>Quality Service Through Technology</b> <ul style="list-style-type: none"> <li>Demand based taxi dispatch system</li> <li>Cashless payment</li> <li>Tracking &amp; monitoring</li> <li>Navigation system</li> <li>KLIA 2-Tier System</li> </ul>

## Greater Kuala Lumpur/Klang Valley Land Public Transport Survey 2013

Two surveys under the Greater Kuala Lumpur/Klang Valley Land Public Transport Survey were conducted in 2013: a Traffic Survey and a Customer Satisfaction Survey. The Traffic Survey aimed to collate recent information and data to measure against benchmark urban public transport key performance indicators such as public transport modal share, bus load factor, and the ratio of travel time between private and public transport time during the morning peak period in the GKL/KV area.

Meanwhile, the Customer Satisfaction Survey gauged public transport satisfaction levels of both public transport users and non-users to obtain a general overview of the current perception of land public transport. The survey also sought feedback on how public transport services could be further improved. The surveys were completed in November 2013 and the results are as follows :

No	Item	2012	2013
1	PT Modal Share - AM peak period*	19.6%	20.8%
2	PT Ridership - AM peak period*	635,245 pax	827,772 pax
3	Population living along/within 400m of public transport route	72%	71%
4	KTM Komuter peak load factor- AM peak period*	53%	72%
5	Rapid KL Bus peak load factor- AM peak period*	83%	70%
6	Bus peak load factor -AM peak period*	87%	73%
7	Weighted average ratio of public journey time to private journey time	1.43:1	1.32:1

\* AM peak period refers to the morning rush hours from 6am to 10am

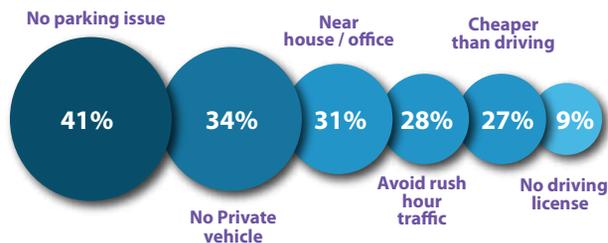
Although no major expansion public transport initiatives were undertaken in 2013, unlike 2012 when new buses and coaches were put into service, the results of the 2013 survey remain encouraging.

### Findings of the Customer Satisfaction Survey

Overall Satisfaction with Public Transport in GKL/KL



The survey reported that 71% of survey participants were satisfied with the current public transport network, while 9% reported they were dissatisfied with the lack of punctuality and cost of public transport. Meanwhile, 41% of respondents reported that the key factor influencing public transport use was the lack of parking in the Greater Kuala Lumpur/ Klang Valley area.



### Klang Valley Taxi Demand Survey

S.P.A.D. conducted a survey on taxi service demand and supply as part of the bigger transformation programme to establish a sound and updated regulatory system of public transport services in Malaysia, particularly in Kuala Lumpur and the Greater Klang Valley. The objectives of the survey are as follows:

- To assess the current demand, demand profile and latent demand for taxi services;
- To assess the general condition of Klang Valley's taxi population (including accessibility requirements of disabled passengers);
- To assess the effectiveness of existing taxi services and the suitability of additional rank locations;
- To assess the viability of the current taxi fare structure; and
- To determine the quality of taxi services rendered.

Survey fieldwork commenced on 13th May 2013 and finished on 12th June 2013. The first draft of the report was published on 24th June 2013. Information from this study will be used to shape the objectives of all upcoming taxi projects such as the Centralised Taxi Service System (CTSS), Industry Migration and Driver Information System.

### Klang Valley Taxi Demand Survey Findings

The Klang Valley Taxi Demand Survey 2013 revealed some key statistics about public transport habits of Klang Valley residents. For instance, the study showed that:

- 20.8% of adult residents in the KL/GKV have never used public transport
- Of the remaining 79.2%, 67% used public transport at least five times each week in the past month
- 69% of adult residents have tried using taxis
- Budget taxis are the third most common main form of public transport with buses being the most common choice followed by LRT

The survey showed that 78% of taxi users only take the taxi one day in a week, and the remaining 22% between two to six days. A total of 535 taxi trips (one third were regular trips, the rest were one-off) were made in the past seven days, and the number one reason for taxi use is because of its relative speed compared to other public transport options.

High percentages (68%) of all taxis were hailed from the street, which was deemed faster, cheaper and more readily available. Budget taxis made up 98.7% of the total number of taxi classes used of the 535 trips in the past seven days. Peak hours of taxi usage started at 7am and peaked between 9am and 11am. Passengers reported that adopting taxis as the preferred choice of public transport would depend on the cost, reliability and comfort of the service.

Nonetheless, passenger perception of the taxi service is rather poor, with only 62.3% of respondents saying that they could rely on taxis to be punctual and to get them to the destination on time. Moreover, only 2.1% of respondents agreed that they could hail/get a taxi during bad weather.

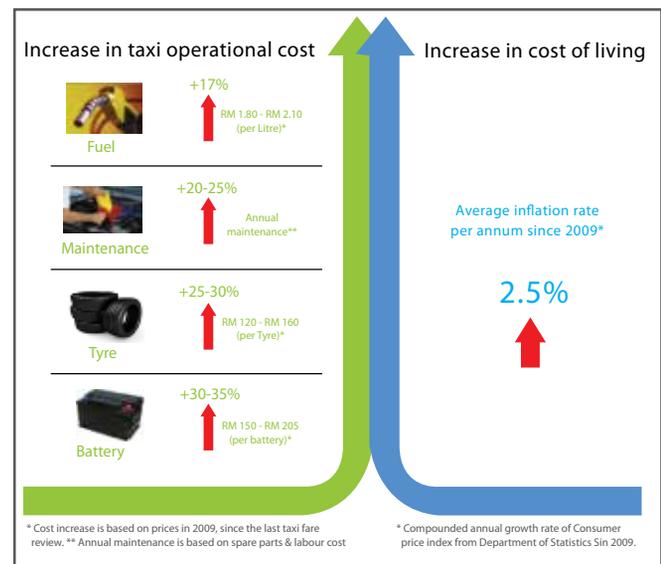


## COMMISSION REPORT (cont'd)

The survey reveals that the taxi service is, for the most part, an alternative mode of public transport to mass transit modes with about a third of all trips deemed routine trips. Adult residents in KL/GKV typically have a negative perception about the taxi service, primarily due to cost factor and poor operator behaviour such as the practice of not using meters and cherry-picking fares. On a positive note, regular taxi users said they were open to paying a higher fare including surcharges if there were greater ease of accessibility during peak hours and bad weather.

The survey shows that there is much room for improvement of the KL/GKV taxi service. The advantage of holding the survey is that there is now a clearer perception of the areas that needs to be addressed if the taxi service is to become a more popular public transport mode of choice.

The findings of a recent survey held with independent taxi workshops indicate that the operating costs of taxis have risen since the last review was conducted in 2009. The difference is illustrated in the figure below.



### Taxi Fare Rationalisation Study

The Taxi Fare Rationalisation Study was undertaken to ensure that taxi fares are set at appropriate levels for both passengers and drivers. There are two key criteria for determining fares :

- i. That the fare reflects the actual cost incurred and provides a fair return to both drivers and passengers.
- ii. That the fare provides appropriate 'motivation handles' to influence driver, passenger and stakeholder behaviour. Examples include a minimum distance charge, peak/zonal surcharges, booking fees and maintenance incentives.

S.P.A.D. also conducted nationwide engagement sessions with taxi driver associations, operators, student groups and consumer groups to obtain feedback on the formula and approach. Information on the Taxi Fare Rationalisation exercise was also made available at key locations via public display galleries and online at <http://www.spad.gov.my/tfr2013>.

### Integrated Cashless Payment System (ICPS)

The Integrated Cashless Payment System (ICPS) is a national project under the National Key Result Areas (NKRA). The goal of the ICPS is to integrate the automated fare collection systems of all urban rail



in Kuala Lumpur, i.e. the Light Rail Transit (LRT) and monorail systems, the KTM Komuter Rail, the Express Rail Link (ERL) system from KLIA to the city centre, the upcoming Mass Rapid Transit (MRT) system and, eventually stage bus services.

The ICPS, which utilises a single card issuer and processor, will significantly benefit the commuting public by creating a convenient and time saving ticket purchase and payment process. In addition, the ICPS will also facilitate greater data collection, which in turn will improve capacity planning and resource utilisation for transit operators. The Economic Council approved the implementation of ICPS on 4<sup>th</sup> February 2013.

### **Developing Policy Guidelines for the Advancement of Public Transport**

S.P.A.D. is responsible for developing policy guidelines to advance and improve the state of public transport in the country. These guidelines will be used to assist decision and policy-makers at both national and regional levels. Three policy guidelines were drafted in 2013.

#### *Policy Guideline on Accessibility Infrastructure Measures*

This guideline specifies the design of infrastructure such as bus stops, bus terminals, terminal, transport information and directions for the benefit of all passengers, especially persons with disabilities.

#### *Policy Guideline on Land Public Transport (LPT) Terminal*

This guideline establishes the standards for the improvement and maintenance of public transport terminals.

#### *Policy Guideline on Transit-Oriented Development (TOD)*

This guideline specifies how land is to be developed and integrated with other modes of transport for public transport system.





## COMMISSION REPORT (cont'd)

### REGULATIONS

A key element of S.P.A.D.'s mandate is to develop and maintain regulations governing the operation and performance of land public transport across Peninsular Malaysia. These regulations cover areas including licensing, the handling of cargo, the operations of commercial vehicles and safety standards among other issues. This area of the Annual Report details the regulations undertaken by S.P.A.D. in 2013.

#### GAZETTING NEW REGULATIONS

Two regulations were gazetted in 2013:

- 1) The Land Public Transport (Compounding of Offences) (Amendment) Regulations 2013 [P.U. (A) 49/2013]: The amendment added 23 new compoundable offences under the Land Public Transport Act 2010 bringing the total number of compoundable offences to 46. With this new regulation, S.P.A.D. now has the option to compound offenders as opposed to charging them in court.
- 2) The Land Public Transport (Motor Vehicles (Commercial Transport) (Amendment) Rules 2013 / Regulations 2013) [P.U. (A) 299/2013]: The amendment liberalises the freight rate for goods vehicles. Under the new regulations, operators and customers can mutually agree on the rates to be charged for the carriage of goods for hire and reward.

### S.P.A.D INDUSTRIAL CODE OF SAFETY PRACTISE (S.P.A.D. ICOP) – INITIATIVES AND IMPLEMENTATIONS PROGRESS

In 2013, S.P.A.D. continued implementation of the Industrial Code of Practice (ICOP) programme which commenced in 2012 for bus operators and freight operators to ensure that best practices in safety are adhered to. The long-term aim of the S.P.A.D. ICOP programme is to reduce the number of accidents involving public transport vehicles by fostering a culture of road safety.

The S.P.A.D. ICOP Safety programme aims to improve public perception of the safety of Malaysian buses and freight vehicles, which are currently viewed negatively. In 2013, S.P.A.D. conducted the following S.P.A.D. ICOP Safety-related activities:

Date	Activity
April 2013	Commenced distribution of S.P.A.D. ICOP Safety guidebook to Bus Operators
May 2013	Commencement of training for Freight Operators
August 2013	Issued Circular 6/2013 S.P.A.D. ICOP Safety, enforcing safety as operator license condition for Bus Operators
September 2013	Issued Circular 9/2013 S.P.A.D. ICOP Safety, with stringent safety guideline for Highland Bus Operators
October 2013	Issued Circular 11/2013 S.P.A.D. ICOP Safety enforcing safety as a license condition for Freight Operators
October 2013	Distribution S.P.A.D. ICOP Safety guidebooks for Freight Operators
October 2013	Commencement of S.P.A.D. ICOP Safety post-crash audits
November 2013	Briefings on Circular 9/2013 for Highland Bus Operators

Training of Public Transport Operators			
Type of Operators	No. of Operators Trained	No. of Sessions Conducted	No. of Pax Trained
Express, Excursion, Stage, Employee Bus	245	20	394
Freight	959	42	1,238
School Bus	1,942	20	1,890
Total	3,146	82	3,522



## Improving bus safety

The bus industry in Malaysia is facing a number of challenges including questions over the safety and comfort of the passengers. This has created a negative perception of the service, particularly in view of a number of accidents that have resulted in fatalities. Recent examples of major bus crashes include:

- PLUS E1, Bukit Gantang, Perak (22 deaths, 2007),
- KM 146.8 PLUS E2 near Muar (10 deaths, 2008),
- PLUS E1 near Ipoh (10 deaths, 2009) and
- 1140 Jln Simpang Pulai - Cameron Highland (28 deaths, 2010).

To minimise bus crashes, the S.P.A.D. ICOP Safety programme (S.P.A.D. ICOP) was introduced in 2012 with both short and long-term objectives. The short-term objective of SPAD ICOP is to inculcate road safety amongst bus operators while the long-term goal is to inculcate road safety as industry culture and operating norm.

Several dialogue sessions were held with bus operators with the aim of getting their consensus to implement the S.P.A.D. ICOP Safety Initiative. The S.P.A.D. ICOP programme received unanimous support by the Operators who had attended the dialogue sessions.

The S.P.A.D. ICOP Safety programme comprises the following components:

- Training programmes for the management and operations officers;
- The issuance of safety guideline manuals;
- Making S.P.A.D. ICOP's Safety programme as operators licensing condition; and
- External audits by S.P.A.D. on operators in line with the issuance of circular 6/2013 and 11/2013 S.P.A.D. ICOP Safety.

The S.P.A.D. ICOP – Safety programme contains five critical components. They are:

1. Management Responsibilities
  - Establishment of SHE policy and committee
  - Establishment of monthly meetings of the Safety Committee
  - Continuous monitoring of the safety
  - Ensuring that the S.P.A.D. ICOP Safety critical components are implemented properly
  - Overseeing both internal and external audits
2. Driver Management comprising:
  - Recruitment, training, rotation, discipline, remuneration, welfare and driving hours.
3. Vehicle Management comprising:
  - Maintenance, inspection, safety equipment, vehicle examination prior to travel and adherence to technical specifications
  - Pre, during and post journey checks.
4. Risk Management comprising:
  - Emergency Response Plan (ERP)
  - Safety plan for each trip based on identified risks (HIRARC)
  - Monitoring of journey using GPS
5. Records Management comprising:
  - Accidents, complaints, training, vehicle management, driver management, travel risk management, audit and safety reports

S.P.A.D. believes that the implementation of S.P.A.D. ICOP – Safety will raise public confidence over the safety of bus travel and help establish it as the travel mode of choice for Malaysians. Accidents involving Bus and Freight operators are also expected to decline via the SPAD ICOP programme.



## COMMISSION REPORT (cont'd)

### Performance Monitoring Hub System (PMhS)

The Performance Monitoring Hub System (PMhS) is designed to monitor the performance of land public transport operators in the Klang Valley and Selangor. First implemented in 2011, a Control and Command Centre was established by the end of 2012, with work on the PMhS continuing in 2013.

Over the past year, S.P.A.D. implemented a number of additional requirements for Stage Bus operators within Klang Valley and Selangor to obtain an Operator's License. Based on these new requirements, operators are now required to install the following devices on their fleet of stage buses:

- On-board Unit (OBU)
- Global System for Mobile Communication (GSM)
- Global Positioning System (GPS)

All operators were required to install these on-board devices by the end of 2013.

### Issuance of circulars

The Commission issued two circulars in 2013 relating to airport taxis. These circulars were:

- i. Circular on permission to operate in KLIA and KLIA2 for metered taxis
- ii. Circular on establishment of vehicle age limit on airport taxis

### *Circular on Permission to Operate in KLIA and KLIA2 for Metered Taxis*

S.P.A.D issued a circular on 15th May 2013 on the permission for metered taxis to operate in KLIA and KLIA2. Previously, only taxis operated by Airport Limo Malaysia were allowed to pick up passengers from the airport terminals. Taxi classes granted permission include:

- Budget taxis
- Premier taxis
- Executive taxis
- TEKS1M taxis

This circular and the accompanying regulatory change served to inform all taxi drivers and operators regarding the granting of permission, inform passengers on the options of taxi classes they can choose from, and to reduce passengers' waiting time for taxi services at the airport.

### *Circular on Establishment of Vehicle Age Limit on Airport Taxi*

This circular notified all stakeholders that taxis operating at the airport should not be more than 10 years of age from the manufacturing date. This age limitation ensures that the vehicles used to transport passengers are in good condition to create a positive image about taxi services to the tourists.



## ENFORCEMENT

Year	Number of Enforcement Officers
2011	157
2012	307
2013	407

S.P.A.D., as both the supervisory and regulatory agency overseeing land public transport, also plays a key role in enforcing governing regulations in Peninsular Malaysia. From ensuring that public transport operators adhere to safety stipulations to licensing requirements, S.P.A.D. is responsible for the entire enforcement process: from investigating complaints to prosecuting offenders.

S.P.A.D. continued to build its enforcement capacity in 2013, adding another 100 officers to its Enforcement Department. All officers have undergone the S.P.A.D. Core Training and Enforcement Officer Induction programmes, which were held between August and September 2013.

Territory	Total Personnel
HQ/Central	226
North	62
South	62
East	57
Total	407

The officers were deployed throughout the Peninsular based on the amount of enforcement activity that was required, with the highest number of officers deployed in the Central area.

The increased number of officers meant that S.P.A.D. was able to undertake more enforcement action in 2013, some 6,976 activities as compared to 5,302 in 2012. The breakdown of the enforcement activities are as follows:

- i. Enforcement and surveillance: 6,046
- ii. Integrated enforcement: 262
- iii. Special operations: 668
  - a. Ops Tegas (Taxis) : 152
  - b. Ops Hippo (Lorries) : 232
  - c. Ops Serkap (Buses/Road blocks) : 215
  - d. Ops Alien/Parasit (Ticket touts) : 69

Year	Total Number of Offences/Cases
2011	2,004
2012	3,907
2013	6,769

In 2013, S.P.A.D.'s Enforcement Department identified 6,769 offences, which is a 42% increase compared to 2012. The additional personnel and logistic support contributed to the increase in identified offences.

The breakdown for offences committed in 2013 are as follows:

- i. Taxi
  - a. No driver's license (951 cases)
  - b. Failure to present vehicle permit/ operator's license (499 cases)
  - c. Failure to use the meter (295 cases)

## COMMISSION REPORT (cont'd)

### ii. Bus

- d. Failure to present vehicle permit/operator's license (913 cases)
- e. Picking up/dropping off passengers at unauthorised areas (507 cases)
- f. Issuance of non-standard tickets (161 cases)

### iii. Lorry

- g. Overloading (756 cases)
- h. Failure to present vehicle permit/operator's license (499 cases)
- i. Failure to observe set safety procedures (457 cases)

### iv. Ticket touts (64 cases)

### v. Unlicensed vehicles (89 cases)

## Prosecuting Offenders

S.P.A.D.'s Prosecution Department successfully convicted 396 offenders. In some cases, S.P.A.D.'s prosecutors have sought for deterrent sentences from the courts, which typically result in imprisonment for the offending party. S.P.A.D. recognises that it is important to seek harsh punishment for first-time offenders to set the tone for its enforcement action.

For example, in 2013, S.P.A.D. sought and obtained prison sentences from the Johor Bahru Magistrate Court for directors of two companies that committed overcharging and overloading offences. In another case, a taxi driver was found guilty and fined RM1,500 for overcharging an extra 40 cents.

	Total
Prosecution cases initiated	570
<b>Case closed</b> Includes:	406
1) Plead guilty	
Dismissal not amounting to Acquittal (DNAA)	
2) Withdrawal	
<b>Pending Court</b>	164

## S.P.A.D. ICOP Safety Audits

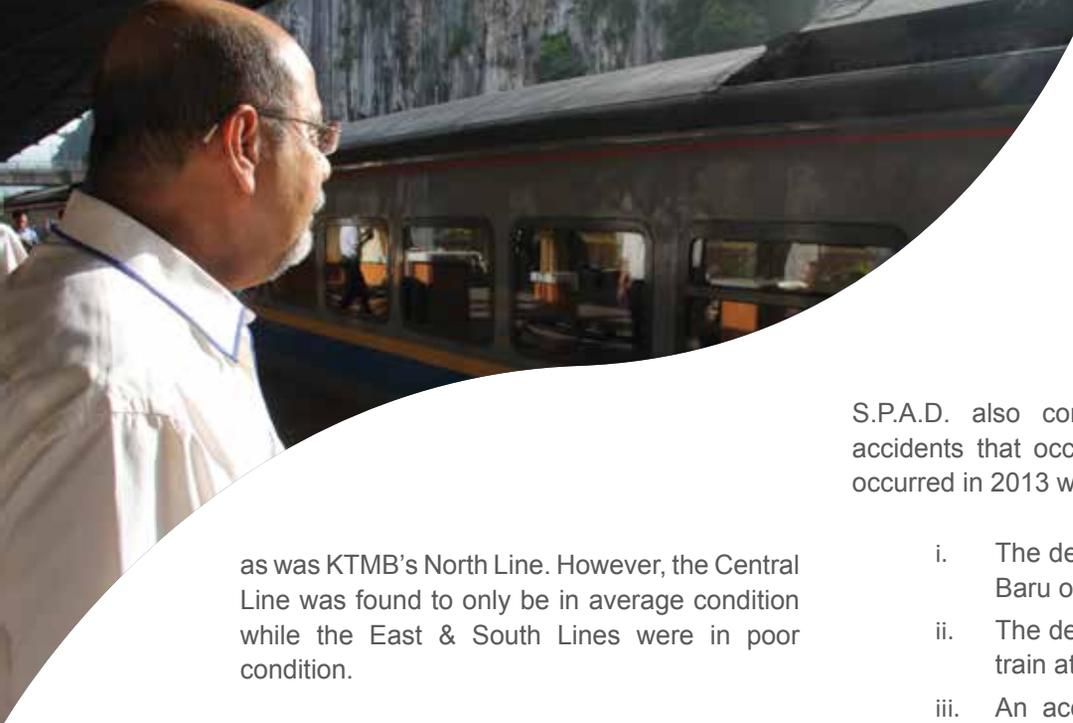
S.P.A.D. started conducting ICOP (Industrial Code of Practice) Safety post-crash audits in October 2013. By the end of December 2013, six operators involved in fatal accidents were audited and suspended.

The aim of these audits are to help ensure that operators adhere to the best industrial practices and to bring them up to speed with the practices. S.P.A.D. places special focus on post-crash audits to determine if the crash was caused by the operator's negligence or other unrelated circumstances.

## Railway Inspections

S.P.A.D. is also mandated to ensure that railway operators operate in line with the stipulated procedures and regulations under the Land Public Transport Act 2010. The results of the railway inspections and enforcement action are as follows:

1. The track and corridor conditions of the various rail lines across the nation were generally good. However, a number of KTMB lines required more work because of failure by the operator to monitor the maintenance plan. The conditions of both LRT lines, the monorail, ERL and Aerotrain were found to be in good condition,



as was KTMB's North Line. However, the Central Line was found to only be in average condition while the East & South Lines were in poor condition.

2. The conditions of KTMB's level crossings revealed that public level crossings were in good condition but private level crossings were in poor condition. This was due to inadequate maintenance of the private level crossings.
3. As with the track and corridor conditions of the various rail lines, station conditions were generally good across all rail modes except for the KTMB East & South Lines, which were found to be in average condition. However, this should be remedied soon as the upgrades of building facilities were in progress.
4. Genset conditions across the various rail lines were again generally in good condition, except for KTMB's gensets, which were in average condition (Central & North Lines) or poor condition (East & South Lines). Several uninterruptable power supplies (UPS) to the KTMB lines were found to have malfunctioned thus affecting the quality of the gensets. Further, several of their gensets were found to be unable to start automatically.
5. Depot conditions were generally good across the board, except for KTMB's East & South Lines, which were in poor condition. Moreover, most of KTMB's depots did not meet cleanliness requirement, and some of them failed to meet Department of the Environment and Department of Occupational Safety and Health standards.

S.P.A.D. also conducted investigations on railway accidents that occurred in 2013. Six major accidents occurred in 2013 were:

- i. The derailment of a KTMB train at Kempas Baru on 26th January 2013
- ii. The derailment and fire incident of a KTMB train at Bukit Mertajam on 2nd March 2013
- iii. An accident at a Prasarana construction site in Subang Jaya on 22nd March 2013
- iv. A collision between a ERL train and a worker at Bandar Tasik Selatan on 14th March 2013
- v. The derailment of a KTMB SCS train in Shah Alam on 14th February 2013
- vi. An accident at a Prasarana construction site in USJ on 17th August 2013

Of the six accidents, one is now ready to move ahead with prosecution. As of November 2013, two investigation papers involving the Kempas Baru accident have been approved for the prosecution process by Johor's Deputy Public Prosecutor.

Meanwhile, S.P.A.D.'s legal department is reviewing the investigation papers for the Bukit Mertajam and Subang Jaya accidents, while the Bandar Tasik Selatan and Shah Alam accidents were scheduled for review in 2014. The investigation paper for the USJ accident is still being prepared by S.P.A.D.'s legal and enforcement divisions.





## COMMISSION REPORT (cont'd)

### REACHING OUT

S.P.A.D. conducts numerous outreach programmes every year. The aim of the programmes is to raise awareness, network and share best practices with all stakeholders including operators, other enforcement agencies and the general public. S.P.A.D. takes every opportunity to spread the word about its work in both local and international forums, as well as through public days.

This section of the annual report details S.P.A.D.'s outreach activities in 2013.

### KNOWLEDGE SHARING

#### *Rail Business Asia 2013*

S.P.A.D. co-hosted Rail Business Asia 2013 (RBA 2013) with the Construction Industry Development Board (CIDB) to reach out to rail industry players and stakeholders from within the region. Held from 10th to 12th September, with the theme "Towards Excellence in Rail Innovation, Sustainability and Mobility" the conference brings together industry experts to share practical experiences and knowledge gained in their respective fields. The topics range broadly and cover interests in project planning, updates, high speed rail, service optimisation and safety, human capital development, rail infrastructure and sustainability, investment and financing, which are of international interest, highly stimulating, and thought-provoking.

### KTech and ITS Asia 2013

S.P.A.D. collaborated with the Korean Trade Invest Promotion Agency (KOTRA) to hold an exhibition and seminar on 10th September 2013. The aim of the exhibition was to encourage greater ties between South Korea and Malaysia's transport industry players. The event was attended by 150 participants. A face-to-face networking session was organised for businessmen and entrepreneurs to discuss business opportunities within each nation. S.P.A.D.'s representative delivered a talk on the Intelligent Transport System (ITS) to be implemented in Malaysia's upcoming BRT project.

### The Land Public Transport Symposium 2013

S.P.A.D. hosted the Land Public Transport Symposium 2013 (LPTS 2013) from 1st to 3rd December 2013 in Kuala Lumpur. The Symposium attracted more than 500 participants from the government, the private sector, as well as academics and students. The Symposium's theme was 'Integrated Transport and Sustainable Urbanism in Asia'.

Featuring the 2nd New Urbanism and Smart Transport Conference, roundtable sessions and a Gala Dinner, the LPTS 2013 proved to be an invaluable networking tool where industry players and officers from government agencies could share ideas. S.P.A.D. also conferred nine industry awards to exemplary industry players for the first time during the Gala Dinner whereas the conference was attended by 420 international delegates

with 20 international speakers from Malaysia, Japan, Australia, New Zealand, Singapore, the UK, Taiwan, Iran, and Hong Kong.

The LPTS 2013 closed the three day event with an exclusive invite only roundtable session focusing on exploring innovative and creative ways of funding public transport infrastructure. Four international panellists presented their views to more than 50 senior government officials. New urbanism concepts were also discussed, as well as how these concepts could benefit the way the Malaysian public transport system is conceived and implemented.

### **Knowledge Sharing with Internationally Recognised Bodies**

S.P.A.D. signed a Memorandum of Understanding with the Institution of Railway Signal Engineers (IRSE) to boost S.P.A.D.'s relationship with local rail industry players. The signing, witnessed by our Prime Minister, YAB Dato' Sri Mohd Najib Tun Razak at the Rail Business Asia 2013 Opening Ceremony, is a historical milestone for S.P.A.D. The agreement marks S.P.A.D.'s foray into strategic partnerships with international bodies that can provide extensive professional expertise to assist in improving and advancing the local rail industry.



### **REACHING OUT TO STAKEHOLDERS**

Operators are at the frontlines of the public transport delivery business, and thus bear heavy responsibility to ensure high service levels in line with the national vision to raise the overall standard of the public transport network. Operator outreach is therefore a similarly important priority for S.P.A.D., which undertakes regular and thorough communication with respective operators through their various divisions.

### ***Outreach by the Enforcement Division***

In 2013, the Enforcement Division held engagement sessions with its stakeholders:

1. On 29<sup>th</sup> September 2013, the Commission met with Majlis Daerah Raub to discuss the issue of overloaded vehicles traversing across Raub
2. On 23<sup>rd</sup> October 2013, the Commission met with the Padang Jawa Road Transport Department to hold a question and answer session with lorry operators
3. On 9<sup>th</sup> December 2013, the Commission met with the Perak State Office of Land and Mines to discuss overcome the problem of illegal sand mining in the state
4. On 12<sup>th</sup> December 2013, the Commission met with taxi association representatives and taxi operators to discuss the enforcement and prosecution of cases involving taxis.

### ***Outreach by the Freight Unit***

S.P.A.D.'s freight unit made continuous effort to address stakeholders' concerns and perceptions about recent changes to freight regulations. In discussing the proposal of a Shared Service Centre, S.P.A.D. communicated with an operators'/drivers' focus group to better understand the current issues faced by them. S.P.A.D. also engaged with the Pan Malaysian Lorry Association to discuss current issues facing freight hauliers, including fuel quality, compounds and fare liberalisation.

The freight unit also held engagement sessions with the Office of Land and Mines to discuss the process of hauliers carrying minerals and soils in Johor and the process of permit issuances. It also held periodic engagements with the Road Transport Department to discuss current issues with freight transport.

The freight unit regularly holds engagement sessions with the Ministry of International Trade and Industry on the same issue. It also works towards integrating and harmonising the Malaysian transit transport system, trade and customs regulations in accordance with the ASEAN Framework Agreement of the facilitation of goods in transit.

# COMMISSION REPORT (cont'd)

## ***Outreach by the State Operations and Terminal Licensing (SOTL) Division***

### **Relocation of Northern Express Buses to Terminal Bersepadu Selatan (TBS)**

S.P.A.D.'s SOTL Division sought feedback from northern express bus operators on the relocation of their operations to the Terminal Bersepadu Selatan. Sixty-three operators were polled for this one day session. The majority of the bus operators agreed that the relocation to TBS was positive for them. S.P.A.D. also needed to reconsider the relocation approach to TBS in taking into consideration the financial cost to terminal operators, bus operators and passengers.

### **Terminal Licensing Rollout**

S.P.A.D. is responsible for licensing terminals under Section 6(1) of the LPT Act 2010 which states that "... no person shall operate any terminal unless he holds a licence issued under this section...". Section 6(2) further states that "... an application for a licence under this section shall be made to the Commission in the form and manner as determined by the Commission...". To fulfil its mandate, S.P.A.D.'s SOTL Division held engagement sessions with the economic planning units and local authorities in Melaka, Negeri Sembilan, Perak, Kedah, Pulau Pinang, Terengganu, Kelantan, Johor and Perlis.

### **Stakeholder Engagement - Visit and Meeting with Various Stakeholders**

All S.P.A.D. state office has organised regular visits, dialogues and meetings with various stakeholders including state and local government, public transport associations, NGOs throughout the country to discuss on issues related to public transport. The stakeholders were invited to share ideas and recommendations to improve public transport services at those meetings.

S.P.A.D. also organised 'Hari Bertemu Pelanggan' at various locations that are not served by our offices and it has provided a platform for the public to get to know S.P.A.D. and understand S.P.A.D.'s vision and mission. We also open-up our counter during the event to enable the public to transact with us directly.

## ***Engagement with the Taxi Industry***

S.P.A.D. held a 'Ramah Mesra' event with some 600 taxi drivers on 21st January 2013. The event was held to foster better working relationship between S.P.A.D. and taxi drivers in the Klang Valley. S.P.A.D. also took the opportunity to raise awareness about its plan to transform the taxi industry and services, and to seek feedback from drivers on their main concerns and issues they face on a day-to-day basis.

S.P.A.D. also conducted a dialogue session with the key taxi associations and operators at S.P.A.D. headquarters to discuss the overall taxi transformation plan designed to improve the industry. Sixty drivers participated in the session.

To help taxi drivers to provide better services, S.P.A.D. held a knowledge sharing session in collaboration with other agencies to educate new drivers on issues such as licensing conditions, policies and guidelines for operators. A seminar entitled 'Seminar Motivasi dan Pembangunan Sahsiah Diri Asnaf Baitulmal (MAIWP)' and a talk entitled 'Pembentangan Kepada Maktab Koperasi Malaysia – Keperluan Pelesenan Untuk Kenderaan Barangan dan Kenderaan Penumpang' was held.

Finally, S.P.A.D. organised focus group on the subject of taxi fare rationalization in Klang Valley, Penang, Johor Bahru and Kuala Terengganu. The objective of the discussion was to gather input and feedback from stakeholders on the current and proposed taxi fares. The focus group engaged some 240 stakeholders including operators, individual licensees, consumer groups, students, professional groups and tourism agencies.

## ***Outreach by the Policy, Planning and Research Division (PPRD)***

The Policy, Planning and Research Division (PPRD) held a number of engagement sessions with state economic planning units and local authorities to gain input and secure the necessary decisions and agreements from all stakeholders to develop the contents of the Regional Public Transport Master Plan and the SBST Project. The Division held 50 meetings with local authorities and 44 meetings with State Economic Planning Units in 2013.

**HOTLINE SPAD**  
**1 800 88 7723**

# **DON'T LET** One **Bad Apple** spoil the whole bunch

## **Public Outreach**

### **Public Awareness Campaign – “Don’t Let One Bad Apple Spoil the Whole Bunch”**

S.P.A.D. launched a Public Awareness Campaign entitled “Don’t Let One Bad Apple Spoil the Whole Bunch” or “Jangan biarkan nila setitik rosakkan susu sebelanga” in May 2013 for a period of three months. The aim of the campaign was to:

- Champion the rakyat’s cause in providing safe, reliable, efficient, integrated and affordable LPT services;
- Drive the message of working together (with operators, with the public, with other government agencies and the media) in transforming Malaysia’s land public transport industry; and
- Promote S.P.A.D.’s new hotline number, email and twitter accounts which provide members of the public a direct link to S.P.A.D. where they are able to provide feedback, complaints and comments on all matters relating to land public transport.

The “Bad Apple” Public Awareness Campaign was advertised through newspaper and transit advertising which includes public transport terminals, taxis, buses as well as trains and train stations.

Meanwhile, S.P.A.D. took the opportunity to expand the public awareness campaign to include war against touts, overcharging and illegal school buses through roadshows across peninsular Malaysia.

S.P.A.D. also leveraged on various public avenues including an education booth at Carnival Jom Heboh hosted by TV3, media insertions for broadcast on radio and television, and press releases to newspaper editors. Media interviews and visits with key broadcasters including Astro Awani, Bernama 24, RTM, Media Prima and ‘Hello on 2’ were also conducted.

Spokespeople were appointed to deliver key messages that were tied to the approved core messages in a bid to raise greater public awareness about the problems related to the use of illegal school buses, touts and the practice of overcharging. S.P.A.D.’s enforcement division also discussed the potential consequences for offenders and took the opportunity to warn operators who failed to comply with S.P.A.D.’s regulations.

Thanks to these plans, there has been an improvement in operators’ compliance to the Standards & Regulations – Service Quality, better public perception of land public transport, better promotion of the need for self-regulation in the area of safety. The Commission has also seen an increase in the recognition of S.P.A.D.’S initiatives to improve service quality.

## COMMISSION REPORT (cont'd)

### mySPAD

The official app from S.P.A.D. was launched on 12th September 2013. mySPAD was offered under the myGov Mobile initiative by MAMPU (Malaysian Administrative Modernisation & Management Planning Unit) to place government's services on mobile platforms for quick and easy access anywhere.

mySPAD provides instant and accurate information on public transport terminals, routes, schedules and fare on your smart device, which thus offers a convenient and hassle-free way of journey planning. The offerings of mySPAD include:

- Rapid public bus routes (includes Penang & Kuantan)
- Dial a Taxi (list of licensed taxi operators)
- Light Rail Transit (LRT) information and routes
- KTM Commuter service – schedule and fare
- Go-KL City bus routes
- KL Monorail: routes & schedule
- Includes a School Bus Checker on registered school buses for parents' ease of mind.

### Expanding S.P.A.D.'s Physical Presence

S.P.A.D. recognises that it needs to establish physical offices in seeking greater engagement with its stakeholders. S.P.A.D.'s expansion plans are as follows:

### *Opening of New State offices and Service Counters*

To establish an office in each state to improve accessibility to our stakeholders and to portray S.P.A.D.'s new image via its new office concept, S.P.A.D. opened two new state offices in Penang and Melaka. S.P.A.D. also established service counters in Langkawi and three One-Stop-Centres in Kota Bahru, Seremban and Temerloh.

### *Opening of S.P.A.D. offices at UTC*

The urban Transformation Centre (UTC) is an initiative by the Ministry of Finance under the National Blue Ocean Strategy, aimed to boost public access in urban areas to various government and private sector services. The UTC plans to be a one-stop centre for all public and private services to tackle the problems and issues faced by the community. S.P.A.D. aims to be a participant in the UTC project. S.P.A.D. opened three new offices in UTC Perak, UTC Pahang and UTC Kedah.

At the end of December 2013, S.P.A.D. has 12 offices and 2 customer service centers throughout Peninsular Malaysia.

### Aduan/Complaints

The Complaint Management Department handled 10,583 cases in 2013 which is an increase of 29% of cases from 8,206 cases in 2012. The Department managed to close 97% of all complaints filed, which is above the industry standard.

The Call Centre managed to pick up 99% of all calls within 7 seconds, which is also above the industry standard.

The average pick up time posted for the Department was seven seconds, thanks to the enhanced interactive voice response (IVR) system, which helped ensure that calls were immediately attended to. S.P.A.D. received 150,269 calls in 2013 which is an increase of 36% 2012. This increase suggests that the public is growing confident in S.P.A.D.'s ability to manage and handle public transport related issues or grouses.

The Department also engaged actively with the Public Complaint Bureau to solve complaints pertaining to public transport received by government agencies. In collaboration with other government agencies, S.P.A.D. participated in various Hari Bertemu Pelanggan (Meet the Customer Day) to engage the commuting public.

Moving forward, the Complaints Management Department will be further expanding its call handling and management capacity in anticipation of even higher call volume due to S.P.A.D.'s communication exercises.



## MOVING FORWARD

S.P.A.D. is constantly looking for ways to further develop its capacity as a regulator, public transport supervisory agency and as an advocate for public transport. Although S.P.A.D. has accomplished much in its three initial years, the Commission recognises that it cannot rest on its laurels yet as much remains to be done.

The Commission has identified new and ongoing initiatives for 2014 and the years to come as it moves forward in pursuit of its vision of developing a world class public transport network.

## High Speed Rail Network with Singapore

In 2014, Malaysia and Singapore will hold discussions to ensure that the various implementation aspects of the project—such as the project's design, financing, governance, operations, security requirements, immigration requirements, and legal arrangements—are thoroughly covered and are arranged in a mutually beneficial manner.

At the same time, the project team will also look at potential socio-economic development along the rail alignment to maximise the benefits of the HSR to all stakeholders. This phase of the project requires ongoing engagement with all relevant authorities on matters such as the finalisation of alignment, technical specifications and the regulatory framework.

## Bus Rapid Transit

### BRT KL - Klang

The KL - Klang Bus Rapid Transit's (BRT) Pre-Engineering and Detailed Conceptual Plan is expected to be finalised by the end of May 2014. The tendering process for a 'Design and Build' contract for the first phase of the BRT Kuala Lumpur – Klang is expected to commence in July 2014. Construction is subsequently expected to start by the end of 2014. Meanwhile, the project team is aiming to raise public awareness about the project and to develop further support for the BRT corridor.

### BRT Iskandar Malaysia

Working together with the Iskandar Regional Development Authority (IRDA), S.P.A.D. is looking at the possibility of implementing a BRT system in Johor. As part of Iskandar Malaysia Blueprint is for the improvement of Public Transport in Iskandar Malaysia Region, S.P.A.D. and IRDA are planning for a 50km BRT system to help ease congestion in the region.



## Taxi Industry Migration

S.P.A.D. continues to work on migrating the country's taxi industry into world class standard by adopting best international practices already in place around the world. In an annual survey online, London, New York, Tokyo and Singapore were voted as having the best taxi services in the world. Qualities assessed during the survey were:

- i. Safety
- ii. Value for money
- iii. Service availability
- iv. Driver knowledge of area
- v. Driver quality of driving
- vi. Driver friendliness; and
- vii. Vehicle Cleanliness

The taxis in these cities were designed to complement their public transport network, and served as the first and last mile transfer to and from rail or bus nodes. They also provided premium door-to-door service within the city centre.

A common characteristic in all these cities is the presence of a higher public transport to private transport modal share. London, for example, has a public transport modal share of 54%; New York at 67% and Singapore at 63%.

In Malaysia, taxis presently play a more primary transit role for a select segment of the population and tourists. While S.P.A.D. continues to improve the public transport network, it has set a urban public transport modal share of 40% by 2030, it is also making preparations to migrate the taxi from its primary role as a transit service into a feeder service to service the first and last mile travel to and from public transport nodes.

TEKS1M has been designated as the new taxi platform to herald the change. 2014 will see the start of the migration of all existing budget, premier and executive taxis once their vehicles have reached the mandatory retirement age.

## The Way Forward

2014 will see S.P.A.D. developing national land public transport policies and master plans, forward looking strategies for the development of national and urban public transport, at the same time focusing on effective enforcement, industry excellence and safety on public transport. This is to achieve public confidence in public transport by gaining the public's trust that S.P.A.D. is addressing the critical areas and is actively pursuing a better quality of life for all Malaysians.

# FINANCIAL STATEMENTS

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**REPORT OF THE AUDITOR GENERAL  
ON THE FINANCIAL STATEMENTS OF  
SURUHANJAYA PENGANGKUTAN AWAM DARAT  
FOR THE YEAR ENDED 31 DECEMBER 2013**

**Report on the Financial Statements**

The financial statements of Suruhanjaya Pengangkutan Awam Darat have been audited by my representative which comprise the Balance Sheet as at 31 December 2013 and Income Statement, Statement of Changes In Equity and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

*Members of the Commission's Responsibility for the Financial Statements*

The Members of the Commission are responsible for the preparation and fair presentation of these financial statements in accordance with the approved financial reporting standards in Malaysia and the Suruhanjaya Pengangkutan Awam Darat Act 2010 (Act 714). The Members of the Commission are also responsible for such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

*Auditor's Responsibility*

My responsibility is to express an opinion on these financial statements based on the audit. The audit has been carried out in accordance with the Audit Act 1957 and in conformity with the approved standards on auditing in Malaysia. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance, whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence that I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

#### Opinion

In my opinion, the financial statements give the true and fair view of the financial position of Suruhanjaya Pengangkutan Awam Darat as at 31 December 2013 and their financial performance and cash flows for the year then ended in accordance with the approved financial reporting standards in Malaysia.



(ONG SWEE LENG)  
ON BEHALF OF AUDITOR GENERAL MALAYSIA

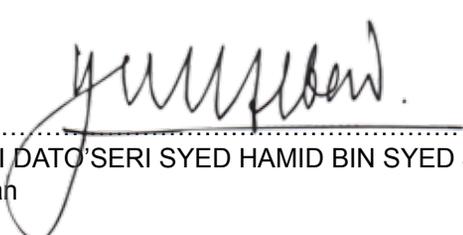
PUTRAJAYA  
9 JULY 2014



## STATEMENT BY THE CHAIRMAN AND A COMMISSION MEMBER

We, Tan Sri Dato' Seri Syed Hamid bin Syed Jaafar Albar and Mohd Nur Ismal bin Mohamed Kamal, being the Chairman and a member of the SURUHANJAYA PENGANGKUTAN AWAM DARAT do, hereby state that, in the opinion of the Members of Commission, the accompanying Financial Statements which includes the Balance Sheet, Income Statement, Statement of Changes in Equity and Statement of Cash Flow with the notes to the Financial Statements, have been prepared to reflect a true and fair view of the state of affairs of the Suruhanjaya Pengangkutan Awam Darat as at 31 December 2013 and of the result of its operations and changes in financial position for the year ended on that date.

On behalf of the Suruhanjaya Pengangkutan Awam Darat:



.....  
TAN SRI DATO' SERI SYED HAMID BIN SYED JAAFAR ALBAR  
Chairman

Date : 22 APR 2014



.....  
MOHD NUR ISMAL BIN MOHAMED KAMAL  
Chief Executive Officer

Date: 22 APR 2014

**STATUTORY DECLARATION BY THE OFFICER PRIMARILY RESPONSIBLE FOR THE FINANCIAL MANAGEMENT OF THE SURUHANJAYA PENGANGKUTAN AWAM DARAT**

I, Faizatul Akmar binti Abu Bakar, the officer primarily responsible for the financial management and accounting records of SURUHANJAYA PENGANGKUTAN AWAM DARAT, do solemnly and sincerely declare that the Balance Sheet, Income Statement, Statement of Changes in Equity and Statement of Cash Flow in the following financial state of affairs with notes to the Financial Statements therein, are to the best of my knowledge and belief to be correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declaration Act, 1960.

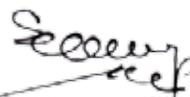
Subscribed and solemnly )  
declared by the above named )  
in Kuala Lumpur on )

22 APR 2014



.....  
FAIZATUL AKMAR BINTI ABU BAKAR

Before me:



.....  
COMMISSIONER FOR OATHS



5B, JALAN TRAVERS  
( BRICKFIELDS )  
50470 KUALA LUMPUR

# BALANCE SHEET

AS AT 31 DECEMBER 2013

	Note	2013 RM	2012 RM
<b>PROPERTY, FITTINGS AND EQUIPMENT</b>	<b>3</b>	<b>18,189,138</b>	<b>14,169,010</b>
<b>CURRENT ASSETS</b>			
Other receivables	4	21,275,549	3,801,316
Accrued interest	5	427,402	904,040
Deposit with financial institutions	6	435,725,225	525,658,445
Cash and bank balances	7	4,401,100	1,676,838
<b>Total current assets</b>		<b>461,829,276</b>	<b>532,040,639</b>
<b>CURRENT LIABILITIES</b>			
Other payables	8	7,943,883	4,578,396
Bank borrowings	9	962,947	-
<b>Total current liabilities</b>		<b>8,906,830</b>	<b>4,578,396</b>
<b>NET CURRENT ASSETS</b>		<b>452,922,446</b>	<b>527,462,243</b>
		<b>471,111,584</b>	<b>541,631,253</b>
<b>FINANCED BY:</b>			
Government funds	10,11,12	339,241,595	222,720,043
Fund for MRT land acquisition	13	96,796,028	277,892,957
Fund for ISBSF	14	31,548,108	41,018,253
		<b>467,585,731</b>	<b>541,631,253</b>
<b>LONG TERM LIABILITY</b>			
Bank borrowings	9	3,525,853	-
<b>Total long term liability</b>		<b>3,525,853</b>	<b>-</b>
		<b>471,111,584</b>	<b>541,631,253</b>

The accompanying notes form an integral part of these financial statements.

# INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	2013 RM	2012 RM
<b>INCOME</b>			
Realisation of developmental grants	10,14	90,997,291	47,607,906
Amortisation of transferred assets	11	164,028	828,265
Operational expenditure grant	12	75,000,000	70,000,000
Fees and compounds	15	19,910,766	11,695,668
Interest income		17,476,490	18,332,205
Other income		254,898	47,889
		<b>203,803,473</b>	<b>148,511,933</b>
<b>EXPENDITURES</b>			
Developmental expenditure	10,14	90,997,291	47,607,906
Assets expenditure	11	164,028	828,265
Operational expenditure	16	102,745,409	66,700,156
<b>TOTAL EXPENDITURES</b>		<b>193,906,728</b>	<b>115,136,327</b>
<b>OPERATING SURPLUS BEFORE TAXATION</b>		<b>9,896,745</b>	<b>33,375,606</b>
Taxation	17	-	-
<b>NET OPERATING SURPLUS AFTER TAXATION</b>		<b>9,896,745</b>	<b>33,375,606</b>

The accompanying notes form an integral part of these financial statements.

# STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	Operational Expenditure Fund	Developmental Expenditure Fund	Transferred Assets	MRT Land Acquisition Fund	ISBSF Fund	Total
		RM	RM	RM	RM	RM	RM
<b>2013</b>							
<b>As at 1 January 2013</b>		73,736,896	148,644,498	338,649	277,892,957	41,018,253	541,631,253
Net operating surplus / (deficit) for the year	<b>10,11,12, 13,14</b>	9,896,745	106,788,835	(164,028)	(181,096,929)	(9,470,145)	(74,045,522)
<b>As at 31 December 2013</b>		<b>83,633,641</b>	<b>255,433,333</b>	<b>174,621</b>	<b>96,796,028</b>	<b>31,548,108</b>	<b>467,585,731</b>
<b>2012</b>							
<b>As at 1 January 2012</b>		40,361,290	144,985,729	-	601,196,147	-	786,543,166
Net operating surplus / (deficit) for the year	<b>10,11,12, 13,14</b>	33,375,606	3,658,769	338,649	(323,303,190)	41,018,253	(244,911,913)
<b>As at 31 December 2012</b>		<b>73,736,896</b>	<b>148,644,498</b>	<b>338,649</b>	<b>277,892,957</b>	<b>41,018,253</b>	<b>541,631,253</b>

The accompanying notes form an integral part of these financial statements.

# STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	2013 RM	2012 RM
<b>Cash flow from operating activities</b>			
<b>Operating surplus before taxation</b>		<b>9,896,745</b>	<b>33,375,606</b>
Adjustments for:			
Interest income		(17,476,490)	(18,332,205)
Depreciation	3	2,058,728	1,185,903
Unrealised development expenditure grant		106,788,835	3,658,769
Unamortised transferred assets		(164,028)	338,649
<b>Operating surplus before changes in working capital</b>		<b>101,103,790</b>	<b>20,226,722</b>
<b>Additions / (Reductions) in working capital</b>			
Other receivables		(17,474,233)	(2,997,180)
Accrued interest		476,635	787,568
Other payables		3,281,650	1,197,605
Fund for MRT land acquisition		(181,096,929)	(323,303,191)
Fund for ISBSF fund		(9,470,145)	41,018,253
<b>Net cash used in operating activities</b>		<b>(103,179,232)</b>	<b>(263,070,223)</b>
<b>Cash flows from investing activities</b>			
Assets recognised from Work-In-Progress		1,660,457	-
Net assets transferred from Federal Government	3	-	(653,473)
Interest received		17,476,490	18,332,205
<b>Net cash from investing activities</b>		<b>19,136,947</b>	<b>17,678,733</b>
<b>Cash flows from financing activities</b>			
Purchase of fixed assets	3	(7,739,313)	(11,728,000)
Bank borrowings for purchase of assets		4,488,800	-
<b>Net cash used in financing activities</b>		<b>(3,250,513)</b>	<b>(11,728,000)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(87,292,798)</b>	<b>(257,119,491)</b>
Cash and cash equivalents at the beginning of the year		527,335,283	784,454,774
<b>Cash and cash equivalents at the end of the year</b>	18	<b>440,042,485</b>	<b>527,335,283</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 1. A. GENERAL INFORMATION

The Suruhanjaya Pengangkutan Awam Darat (“S.P.A.D.” or “Commission”) was established with the enforcement of Suruhanjaya Pengangkutan Awam Darat Act 2010 (Act 714) on 3 June 2010. It was established towards achieving a safe, reliable, responsive, accessible, efficient, planned, integrated land public transport, while ensuring the provision of affordable services for the carriage of passengers and competitive services for the carriage of goods.

The Commission, which comes directly under the purview of the minister in charge, carried out its functions in establishing policies, plans and regulations with regards to train, bus and taxi services as well as road and rail-based freight transport under one roof. It became fully operational on 31 January 2011 and assumed the functions of Commercial Vehicle and Licensing Board (CVLB) and Department of Railways (DOR) of Peninsular Malaysia which were abolished. The Commission also took over the vehicle licensing functions of Ministry of Tourism (MoTour) with its scope confined to Peninsular Malaysia. Upon the dissolution of CVLB and DOR (Peninsular Malaysia), all powers, rights, privileges, liabilities, obligations and responsibilities were assumed by the Commission.

## B. PRESENTATION OF FINANCIAL STATEMENT

The financial statement for the year ended 31 December 2013 has been approved by the Members of Commission on 22 April 2014.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Commission adopted the following accounting policies:

### (a) Basis of accounting

The Financial Statements have been prepared according to the ‘Private Entity Reporting Standards (PERS)’ which is approved by MASB and generally accepted in Malaysia.

### (b) Income recognition

#### (i) Interest Income

Interest income is recognised in the income statement upon being accrued, taking into account the effective revenue of the said asset.

#### (ii) Grant Contribution - Federal Government’s Grant

The operational and development grants are recognised when the approved right to receive payment is validated and will be obtained for that financial year. Development grants are recognised as income when incurred during the financial year. The unutilised development grants will be shown in the statement of financial position as deferred grants.

The unamortised grant related to purchase of assets is recognised in the income statement over the life of the depreciable assets equivalent to the depreciation charged on the assets. The grant for assets are recognised upon transfer of assets from CVLB and DOR. The unamortised grant related to transfer of assets is recognised in the income statement over the life of the depreciable assets equivalent to the depreciation charged on the assets.

#### (iii) Fees and Compounds

Income from fees and compounds are recognised on receipt basis.

# NOTES TO THE FINANCIAL STATEMENTS *(CONTINUED)*

## (c) Property, Fittings and Equipment

Property, fittings and equipment are stated at cost less accumulated depreciation.

Depreciation for property, fittings and equipment is calculated on a straight line basis over their estimated useful lives.

The annual rates of depreciation adopted are as follows:

Building	2%
Computer equipment and computer software	20% - 33.33%
Furniture & fittings	20%
Office equipment	20%
Motor vehicle	20%

## (d) Receivables

Receivables are stated at cost less provision for expected realisable value. Bad debt is written off when identified. Estimation is made for doubtful debts based on the review of the total outstanding amount at the end of the financial year.

## (e) Cash and cash equivalents

Cash and cash equivalents consist of deposits with bank and cash on hand.

## (f) Payables

Payables are stated at cost in which it is the fair value of the consideration to be paid in the future for goods and services acquired.

## (g) Employee benefits

### (i) Short-term employee benefits

Wages, salaries and bonuses are recognised as expenses in the year in which services are rendered by employees of the Commission. Short term accumulating compensated absences such as paid annual leave are recognised as an expense when services are rendered by employees that increase their entitlement to future compensation. Short-term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

### (ii) Defined contribution plans

As required by Employee Provident Fund Act 1991, it is compulsory for employers in Malaysia to make contributions to the Employees Provident Fund (EPF). Such contributions are recognised as an expense in the statement of comprehensive income. Obligations on the contribution plans are recognised as current expenditure in the statement of comprehensive income.

# NOTES TO THE FINANCIAL STATEMENTS *(CONTINUED)*

## 3. PROPERTY, FITTINGS AND EQUIPMENT

2013	Building RM	Computer Equipment RM	Computer Software RM	Furniture & Fittings RM	Office Equipment RM	Motor Vehicles RM	Work in Progress RM	Total RM
<b>Cost</b>								
Balance as at 1 January	-	321,426	320,640	1,122,474	850,756	3,838,729	9,240,646	15,694,671
Additions	4,200,000	5,470	245,445	119,050	1,171,781	553,234	1,444,332	7,739,313
Reclass / expense off	-	273,192	-	903,085	380,255	-	(3,216,989)	(1,660,457)
<b>Balance as at 31 December</b>	<b>4,200,000</b>	<b>600,088</b>	<b>566,085</b>	<b>2,144,609</b>	<b>2,402,792</b>	<b>4,391,963</b>	<b>7,467,989</b>	<b>21,773,527</b>
<b>Accumulated depreciation</b>								
Balance as at 1 January	-	196,814	107,945	279,311	193,954	747,637	-	1,525,661
Charge for the year	14,000	196,656	150,590	487,044	425,280	785,158	-	2,058,728
<b>Balance as at 31 December</b>	<b>14,000</b>	<b>393,470</b>	<b>258,535</b>	<b>766,355</b>	<b>619,234</b>	<b>1,532,795</b>	<b>-</b>	<b>3,584,389</b>
<b>Net Book Value as at 31 December</b>	<b>4,186,000</b>	<b>206,618</b>	<b>307,550</b>	<b>1,378,254</b>	<b>1,783,558</b>	<b>2,859,168</b>	<b>7,467,989</b>	<b>18,189,138</b>

2012	Building	Computer Equipment	Computer Software	Furniture & Fittings	Office Equipment	Motor Vehicles	Work in Progress	Total
<b>Cost</b>								
Balance as at 1 January	-	19,716	79,600	502,483	387,764	1,634,996	688,639	3,313,198
Additions	-	-	241,040	586,691	404,529	1,943,733	8,552,007	11,728,000
Net assets transferred from Federal Government	-	301,710	-	33,300	58,463	260,000	-	653,473
<b>Balance as at 31 December</b>	<b>-</b>	<b>321,426</b>	<b>320,640</b>	<b>1,122,474</b>	<b>850,756</b>	<b>3,838,729</b>	<b>9,240,646</b>	<b>15,694,671</b>
<b>Accumulated depreciation</b>								
Balance as at 1 January	-	10,119	11,386	117,439	46,636	154,178	-	339,758
Charge for the year	-	186,695	96,559	161,872	147,318	593,459	-	1,185,903
<b>Balance as at 31 December</b>	<b>-</b>	<b>196,814</b>	<b>107,945</b>	<b>279,311</b>	<b>193,954</b>	<b>747,637</b>	<b>-</b>	<b>1,525,661</b>
<b>Net Book Value as at 31 December</b>	<b>-</b>	<b>124,612</b>	<b>212,695</b>	<b>843,163</b>	<b>656,802</b>	<b>3,091,092</b>	<b>9,240,646</b>	<b>14,169,010</b>

During the year, S.P.A.D. has purchased one unit of commercial premise at MSC Cyberport Johor Bahru at a cost of RM4.2 million. Depreciation charge for the year for assets under development fund was RM894,139 (2012: RM808,885).

# NOTES TO THE FINANCIAL STATEMENTS *(CONTINUED)*

## 4. RECEIVABLES

	2013 RM	2012 RM
Deposits	3,433,273	2,619,679
Advances and prepayments	1,450,441	781,766
Receivables - License fees	391,835	391,835
Grant receivables	16,000,000	-
Other receivables	-	8,036
	<b>21,275,549</b>	<b>3,801,316</b>

Grant receivables was the allocation for the additional operational grant for 2013 which was subsequently received on 5 January 2014.

## 5. ACCRUED INTEREST

	2013 RM	2012 RM
Accrued interest for operational and developmental fund	300,935	517,852
Accrued interest for MRT land acquisition fund	115,761	317,535
Accrued interest for ISBSF fund	10,706	68,653
	<b>427,402</b>	<b>904,040</b>

## 6. DEPOSIT WITH FINANCIAL INSTITUTIONS

	2013 RM	2012 RM
Licensed Banks	<b>435,725,225</b>	<b>525,658,445</b>

Included in the deposits are the developmental expenditure funds of RM268.9 million for various projects, MRT land acquisitions fund of RM114.9 million and ISBSF fund of RM37.0 million.

An amount of RM83,840 was placed in the fixed deposit as collateral for issuance of bank guarantee as part of security deposit for rental of office in Penang.

# NOTES TO THE FINANCIAL STATEMENTS *(CONTINUED)*

## 7. CASH AND BANK BALANCES

	<b>2013 RM</b>	<b>2012 RM</b>
Cash and bank balances for operational and developmental fund	3,988,674	1,316,475
Cash and bank balances for MRT land acquisition fund	134,862	130,944
Cash and bank balances for ISBSF fund	277,564	229,419
	<b>4,401,100</b>	<b>1,676,838</b>

## 8. OTHER PAYABLES

	<b>2013 RM</b>	<b>2012 RM</b>
Other payables	83,840	2,723,330
Accrued expenses	7,860,043	1,855,066
	<b>7,943,883</b>	<b>4,578,396</b>

## 9. BANK BORROWINGS

	<b>2013 RM</b>	<b>2012 RM</b>
<b>Term Loan</b>		
Short term loan	910,000	-
Long term loan	3,290,000	-
	<b>4,200,000</b>	-
<b>Hire purchase payables</b>		
Short term loan	52,947	-
Long term loan	235,853	-
	<b>288,800</b>	-

The bank borrowings include the financing facility (term loan) totalling RM4.2 million for the purchase price of the property situated at MSC Cyberport, Johor Bahru and purchased of four (4) units of motor vehicles amounting to RM288,800 for a period of five (5) years.

# NOTES TO THE FINANCIAL STATEMENTS *(CONTINUED)*

## 10. DEVELOPMENTAL EXPENDITURE FUND

	<b>2013 RM</b>	<b>2012 RM</b>
Balance as at 1 January	148,644,498	144,985,729
Addition:		
Federal Government's contribution	197,784,880	51,266,267
	<b>346,429,378</b>	<b>196,251,996</b>
Less:		
Development expenditures		
Professional services	90,254,730	47,014,221
Depreciation	728,866	493,653
Others	12,449	99,624
<b>Balance as at 31 December</b>	<b>255,433,333</b>	<b>148,644,498</b>

## 11. TRANSFERRED ASSETS

	<b>2013 RM</b>	<b>2012 RM</b>
Balance as at 1 January	338,649	1,166,916
Less:		
Amortisation of transferred assets		
Depreciation	164,028	314,825
Others	-	513,442
<b>Balance as at 31 December</b>	<b>174,621</b>	<b>338,649</b>

# NOTES TO THE FINANCIAL STATEMENTS *(CONTINUED)*

## 12. OPERATIONAL EXPENDITURE FUND

	2013 RM	2012 RM
Balance as at 1 January	73,736,896	40,361,290
Addition:		
Federal Government's contribution	75,000,000	70,000,000
License fees & compounds	19,910,766	11,695,668
Interest income	17,476,490	18,332,205
Other income	254,898	47,889
	186,379,050	140,437,052
Less:		
Operating expenses	102,745,409	66,700,156
<b>Balance as at 31 December</b>	<b>83,633,641</b>	<b>73,736,896</b>

## 13. MRT LAND ACQUISITION FUND

	2013 RM	2012 RM
Balance as at 1 January	277,892,957	601,196,147
Addition:		
Federal Government's fund	-	328,000,000
	277,892,957	929,196,147
Less:		
Adjustment on interest income 2011	-	1,489,921
Payment of compensation to landowners	181,096,929	649,813,269
<b>Balance as at 31 December</b>	<b>96,796,028</b>	<b>277,892,957</b>

S.P.A.D. was entrusted by the Federal Government for the payment of compensation on land acquisition for MRT Klang Valley project alignment Sungai Buloh to Kajang. During the financial year, S.P.A.D. had disbursed RM181.1 million to landowners and affected parties.

# NOTES TO THE FINANCIAL STATEMENTS *(CONTINUED)*

## 14. ISBSF FUND

	2013 RM	2012 RM
Balance as at 1 January	41,018,253	-
Addition:		
Federal Government's fund	130,000,000	100,000,000
Interest income	-	2,382,283
	171,018,253	102,382,283
Less:		
Adjustment on interest income 2012	2,382,283	-
Depreciation	1,246	408
Payment to stage bus operators and associated expenditures	137,086,616	61,363,622
<b>Balance as at 31 December</b>	<b>31,548,108</b>	<b>41,018,253</b>

Interim Stage Bus Support Fund (ISBSF) was established to improve the quality of bus service, thereby encouraging the public to use buses as an effective mode of travel. The initiative acts as an interim measure to cover the shortfalls in daily operations of the affected stage bus operators, especially on social routes. In 2013, S.P.A.D. received an additional fund of RM130 million. S.P.A.D. has in place the policies and procedures that govern the disbursement of this fund to the affected operators. During the financial year, S.P.A.D. had disbursed RM135.8 million to 151 bus operators nationwide (2012: RM60.6 million to 84 bus operators).

## 15. FEES AND COMPOUNDS

Fees refer to income received from processing licenses for the commercial vehicles, rail and tourism vehicles. Compounds are recognised when S.P.A.D. received the payment.

	2013 RM	2012 RM
License fees	18,498,156	11,246,814
Compounds	1,412,610	448,855
	<b>19,910,766</b>	<b>11,695,669</b>

# NOTES TO THE FINANCIAL STATEMENTS *(CONTINUED)*

## 16. OPERATIONAL EXPENDITURE

	2013 RM	2012 RM
<b>Personnel expenses</b>		
Remuneration, allowances and expenses for Members of Commission	1,223,898	1,051,742
Salaries/Wages	46,322,458	35,119,044
Statutory contribution	7,605,472	4,599,647
Staff allowances	5,803,714	3,036,597
Staff benefits	5,993,432	3,008,150
<b>Administration expenses</b>		
Office rental	8,741,702	4,708,926
Travelling	7,132,190	4,025,619
Office expenses	5,049,750	3,075,229
Printing and stationery	1,717,007	1,283,572
Advertising and promotion	4,350,694	1,244,115
Computer expenses	1,434,684	780,382
Office equipment rental	823,238	228,668
Renovation costs	1,990,043	177,017
<b>Professional services</b>		
Professional fees for advisory services	442,833	1,275,156
Consultancy services for Terminal Licensing Blue Print	450,348	579,513
Due diligence upon taking over of CVLB	17,511	444,459
Professional fees for other support services	176,200	176,250
Professional fees - Study on scope expansion to East Malaysia	518,056	-
Professional fees - Feasibility study on setting up Shared Service Centre	751,705	-
Campaign against touts, overcharging and illegal school bus	448,088	-
Other professional fees	573,578	1,483,107
<b>Depreciation</b>	1,164,588	377,020
<b>Audit fees</b>	9,626	20,526
<b>Finance costs</b>	4,594	5,420
	<b>102,745,409</b>	<b>66,700,156</b>

# NOTES TO THE FINANCIAL STATEMENTS *(CONTINUED)*

## 17. TAXATION

S.P.A.D. is exempted from income tax in accordance with the exemption letter acquired from Ministry of Finance under subsection 127 (3A) of the Income Tax Act 1967. All income except for dividends is exempted from income tax for a period of 10 years beginning from assesment year 2010.

## 18. CASH AND CASH EQUIVALENTS

	<b>2013 RM</b>	<b>2012 RM</b>
Deposit with financial institutions	435,641,385	525,658,445
Cash and bank balances	4,401,100	1,676,838
	<b>440,042,485</b>	<b>527,335,283</b>

## 19. INCORPORATION OF CORPORATE BODY

S.P.A.D. has established SPADPRO Berhad, a company limited by guarantee on 18 December 2012 in accordance with Section 22 of the Suruhanjaya Pengangkutan Awam Darat Act 2010 (Act 714). The principal activity is to provide human resource solution services to S.P.A.D.

## 20. COMMITMENTS

	<b>2013 RM</b>	<b>2012 RM</b>
Approved and contracted for	<b>1,973,375</b>	<b>5,105,843</b>

## 21. CONTINGENT LIABILITY

Pursuant to section 9(3) Commercial Vehicle Licensing Board (CVLB) (Amendment) Act 2010, liabilities of CVLB for Peninsular Malaysia shall devolve on SPAD upon its dissolution.

30 November 2010 - the High Court of Kuala Lumpur awarded Sistem Transit Aliran Rakyat 7 (STAR) compensation amounting to RM11,957,390 with cost amounting to RM40,000 against CVLB. The High Court has also decided that such compensation is subjected to interest at the rate of 8% per annum from the date of judgment until full payment.

30 July 2012 - the Court of Appeal overturned STAR's claim for compensation and cost.

17 August 2012 – STAR's application for Leave to Appeal to the Federal Court. The application is fixed for Hearing at the Federal Court on 3 September 2014.

# CORPORATE DIRECTORY

## CORPORATE OFFICE

Suruhanjaya Pengangkutan  
Awam Darat Headquarters  
Block D, Platinum Sentral  
Jalan Stesen Sentral 2  
Kuala Lumpur Sentral  
50470 Kuala Lumpur  
Tel No: 03 2726 7000  
Fax No : 03 2726 7100

## ENFORCEMENT & COMPLAINTS

Suruhanjaya Pengangkutan Awam Darat  
Enforcement Division  
Bangunan Annex 2, Persada Plus  
Persimpangan Bertingkat Subang Klang  
KM 15, Lebuhraya Baru Lembah Klang  
47301 Petaling Jaya  
Selangor  
Tel No : 03 7947 0000  
Fax No : 03 7947 0052



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@aduanSPAD



WEBSITE  
www.spad.gov.my

## COUNTER SERVICES

(LICENSE APPLICATIONS & PAYMENT OF SUMMONS)

LOCATION	OFFICE	ADDRESS	TEL No.	FAX No.	OPERATION HOURS
Kelana Jaya	Suruhanjaya Pengangkutan Awam Darat (SPAD) Wilayah Tengah	Aras 10, Tower 1 Wisma Amfirst, Jalan SS 7/15, 47301 Kelana Jaya, Selangor Darul Ehsan	03-7885 3400	03-7885 3500	Monday-Thursday (8.30 am - 4.30 pm) Friday (8.30 am - 12.15 pm) & (2.45 pm - 4.30 pm)
Pudu Sentral	Suruhanjaya Pengangkutan Awam Darat (SPAD) UTC Kuala Lumpur	Lot T2-4, Level 2, UTC Kuala Lumpur, Jalan Pudu (Pudu Sentral), Kuala Lumpur.	03 - 2026 2052 03 - 2026 2053	03 - 2026 2050	Saturday - Thursday (8.30 am - 1.00 pm) & (2.00 pm - 7.00 pm) & (8.00 pm - 10.00 pm) Friday (8.30 am - 12.15 pm) (2.45 pm - 7.00 pm) & (8.00 pm - 10.00 pm)
Ipoh	Suruhanjaya Pengangkutan Awam Darat (SPAD) UTC Perak	Lot UTC 35, Urban Transformation Center (UTC) Perak, Off Jalan Dato' Onn Jaafar, 30300 Ipoh, Perak.	05 - 241 3585 05 - 241 3587	05 - 241 1772	Saturday - Thursday (8.30 am - 1.00 pm) & (2.00 pm - 7.00 pm) & (8.00 pm - 10.00 pm) Friday (8.30 am - 12.45 pm) & (2.45 pm - 7.00 pm) & (8.00 pm - 10.00 pm)
Seremban	Pusat Khidmat Pelanggan SPAD Seremban	KM 5.5 Jalan Tampin Karung Berkunci No. 3, 70990 Seremban, Negeri Sembilan.	012 - 486 7724		Monday - Thursday (8.30 am - 1.00 pm) & (2.00 pm - 5.00 pm) Friday (8.30 am - 12.15 pm) & (2.45 pm - 5.00 pm)
Pulau Pinang	Suruhanjaya Pengangkutan Awam Darat (SPAD) Negeri Pulau Pinang	One Precinct, 1C-1-01, Lengkok Mayang Pasir, 11950 Pulau Pinang.	04 - 638 4771	04 - 638 4770	Monday - Thursday (8.30 am - 4.30 pm) Friday (8.30 am - 12.15 pm) & (2.45 pm - 4.30 pm)

LOCATION	OFFICE	ADDRESS	TEL No.	FAX No.	OPERATION HOURS
Kedah	Suruhanjaya Pengangkutan Awam Darat (SPAD) UTC Kedah	Lot 3.14, UTC Kedah, Bangunan Kompleks MBAS, Jalan Kolum Air, 05000 Alor Setar, Kedah	04 - 736 0151	04 - 736 0150	Saturday - Thursday (8.30 am – 1.00 pm) & (2.00 pm – 7.00 pm) & (8.00 pm – 9.30 pm) Friday (8.30 am – 12.45 pm) & (2.45 pm – 7.00 pm) & (8.00 pm – 9.30 pm)
Langkawi	Pusat Khidmat Pelanggan SPAD Langkawi	Lot 101, 102 & 103, Kompleks Pekan Rabu, 07000 Kuah, Langkawi.	04 - 969 3221 04 - 969 3222	04-969 3220	Sunday - Wednesday(8.30 am – 1.00 pm) & (2.00 pm - 4.30 pm) Thursday (8.30 am – 1.00 pm) & (2.00 pm - 3.00 pm)
Muar	Suruhanjaya Pengangkutan Awam Darat (SPAD) Wilayah Selatan	Lot 391, KM 7.2, Parit Bunga, Jalan Tangkak, 84000 Muar, Johor Darul Takzim,	06 - 955 6007	06 - 955 6008	Sunday - Wednesday(8.30 am - 4.30 pm) Thursday (8.30 am - 3.00 pm)
Melaka	Suruhanjaya Pengangkutan Awam Darat (SPAD) Negeri Melaka	Aras 2, Menara MITC, Jalan Konvensyen, Kompleks MITC, 75450 Ayer Keroh.	06 - 233 0518	06 - 233 0519	Monday – Thursday (8.30 am - 4.30 pm) Friday (8.30 am - 12.15 pm) & (2.45 pm - 4.30 pm)
Johor Bahru	Pusat Khidmat Pelanggan SPAD Johor Bahru	Suruhanjaya Pengangkutan Awam Darat (Wilayah Selatan), Kompleks Jabatan Pengangkutan Jalan Negeri Johor Karung Berkunci 714, 80990 Johor Bahru, Johor.	07-3536 300	07-3538 300	Sunday - Wednesday(8.00 am – 1.00 pm) & (2.00 pm - 5.00 pm) Thursday (8.00 am – 1.00 pm) & (2.00 pm - 3.30 pm)
Kuala Terengganu, Terengganu	Suruhanjaya Pengangkutan Awam Darat (SPAD) Wilayah Timur	Wisma SPAD, Lot 2182, Jalan Bukit Kecil, 21100 Kuala Terengganu, Terengganu Darul Iman	09 - 6241 111	09 - 6241 212	Sunday - Wednesday(8.30 am - 4.30 pm) Thursday (8.30 am - 3.00 pm)
Kuantan, Pahang	Suruhanjaya Pengangkutan Awam Darat (SPAD) UTC Pahang	Lot 2-18, Pusat Transformasi Bandar (UTC) Pahang, Jalan Stadium, 25000 Kuantan, Pahang Darul Makmur.	09 - 512 4039 09 - 512 4042	09 - 512 4043	Saturday - Thursday (8.30 am – 1.00 pm) & (2.00 pm – 7.00 pm) & (8.00 pm - 10.00 pm) Friday (8.30 am –12.15 pm) & (2.45 pm – 7.00 pm) & (8.00 pm – 10.00 pm)
Machang, Kelantan	Pusat Khidmat Pelanggan SPAD Machang	Suruhanjaya Pengangkutan Awam Darat (SPAD), Pejabat Persatuan Pemandu Kereta Sewa Jajahan Machang, 18500 Machang, Kelantan.	014-8070311		Wednesday (8.30 am – 1.00 pm) & (2.00 pm - 4.30 pm) Thursday (8.30 am – 1.00 pm) & (2.00 pm - 3.00 pm)
Kota Kinabalu, Sabah	UTC Sabah* <i>*Special Projects Only</i>	M3-2 , Level 3 Menara UTC Sabah, Jalan Belia Off Jalan Tunku Abdul Rahman , 88000 Kota Kinabalu, Sabah.	088-235614 088-285616	088-235615	Monday - Friday (8.00 am – 6.00 pm)

