# ANNUAL REPORT

GOVERNMENT
TRANSFORMATION
PROGRAMME

2013

JABATAN PERDANA MENTERI

# GTP

**GOVERNMENT TRANSFORMATION PROGRAMME**

ANNUAL REPORT
2013

# Contents

# A NOTE FROM THE PRIME MINISTER

> " We should all be proud of our accomplishments. Malaysia is becoming a more efficient, transparent, safe and just society. For example, under GTP 1.0 we reduced households in the extreme poor category by 99% or 44,536 households. "

**T**he Government Transformation Programme (GTP) was developed to make the government more efficient and responsive to the needs of the *rakyat*. It remains a key instrument of the National Transformation Programme (NTP) in achieving our socio-economic goals and obtain developed nation status by 2020.

When the government embarked on the GTP four years ago, we were aware of the amount of work and level of commitment needed. The achievements of the GTP to date are a testament to the dedication of all involved. I would like to take this opportunity to express my sincere gratitude for their dedicated service.

2013 has ushered in a new era for the GTP. The initial introductory stage of GTP 1.0 has paved the way to further our ambitions in GTP 2.0. The success of GTP 1.0 has generated higher expectations for GTP 2.0, which in turn has challenged all stakeholders to build and improve upon their performance. Based on our track record over the course of the last four years, I know that we are up to the task.

In reviewing the GTP's results for 2013, I was pleased to see that we have continued to build upon past successes. Indeed, I am delighted to announce that GTP targets are not only being met but are, in some cases, being delivered ahead of schedule. This is excellent news for the country. The GTP is about delivering better government for the *rakyat* and it is doing just that.

We should all be proud of our accomplishments. Malaysia is becoming a more efficient, transparent, safe, and just society. For example, under GTP 1.0 we reduced households in the extreme poor category by 99% or 44,536 households. The challenge for GTP 2.0 is to build upon this to help all low-income groups.

Although we have achieved a lot, is important that we do not rest on our laurels. We must continue to embrace this momentous journey of transformation with discipline and determination.

I hope that Malaysians continue to unite around the GTP. Change is most effective when everyone takes part. National transformation is a worthwhile aspiration for all Malaysians. By working together, we can realise this ambition and secure a more effective government.

**DATO' SRI MOHD NAJIB RAZAK**
Prime Minister of Malaysia

# A NOTE FROM THE DEPUTY PRIME MINISTER

> " The fact remains that the impact of the GTP is indisputable; whether it is the delivery of basic infrastructure to the hundreds of thousands of Malaysians living in the rural areas, or ensuring the availability of affordable homes for low-to-middle-income urbanites, the GTP is making a difference in the lives of the rakyat. "

**T**he Government Transformation Programme (GTP) commenced its second phase of development in 2013 with the intent of deepening and enhancing the delivery of public service that started in 2010. As the Chairman of the GTP's Delivery Task Force (DTF), I have been given the responsibility of presiding over the initiatives of the programme, and I must say that the achievements last year were more than commendable despite the presence of challenges.

The nation continues to see contributions and improvements made in the seven National Key Result Areas (NKRAs), which bodes well for our ambition to become a high-income and developed nation by 2020. It is difficult to single out any NKRA for special praise, but as the Minister of Education, I have a special interest in the achievements of the Education NKRA.

I am pleased to announce the seamless integration of the Education NKRA into the overall framework of the Malaysian Education Blueprint (MEB) 2013-2025, which is being led by the Ministry of Education's Performance and Delivery Unit or PADU. Efforts in this area are focused on improving the foundational elements and in time, the impact of the initiatives will manifest itself through the system.

The NKRA's efforts at transforming the country's education system, particularly in the areas of reforming teacher and principal charters, have translated directly into improved student outcomes, which are reflected in the reduction in the number of Band 6 and Band 7 schools in the country.

The Education NKRA's efforts at auditing and validating its own achievements is the kind of scrutiny that will ensure that we are on the right track in terms of securing the goals of the GTP as a whole. In this regard, the Education NKRA is not unique amongst the NKRAs, as they hold their own performances and reporting processes to the highest standards.

In 2013, we saw the Crime NKRA took a quick and decisive action in response to a sudden spate of gun violence, which took the sting out of the problem as quickly as it had begun. The Anti-Corruption NKRA continued to make steady progress in the fight against corruption by collaborating with the Auditor General's office to transform the latter's reporting processes, and was rewarded by an improvement in the benchmark corruption perceptions index.

The fact remains that the impact of the GTP is indisputable; whether it is the delivery of basic infrastructure to the hundreds of thousands of Malaysians living in the rural areas, or ensuring the availability of affordable homes for low-to-middle-income urbanites, the GTP is making a difference in the lives of the *rakyat*. The Government's assistance programme, *Bantuan Rakyat 1Malaysia*, continues to help low-income Malaysians defray the rising cost of living. The textbook voucher and Back to School programmes for school children directly complements the Education NKRA initiatives to assure that every child has a place in the schooling system.

Through the efforts of the GTP, we are making Malaysia a safer place, we are creating a more educated and skilled workforce, we are ensuring that the city centre is more accessible—in short, we have and will continue to simply make Malaysia a better place for everyone regardless of race, religion or economic background.

I would like to repeat the calls by our Prime Minister for us to continue down this path, and to not let up either in drive or ambition even as we commence the fifth year of the programme. The GTP continues to seek greater support from non-Governmental organisations and the corporate sector to participate and help deliver our programmes, and I invite all relevant parties to provide feedbacks and suggestions that will help us realise the goals of the GTP.

Finally, as the Chairman of the DTF, I am very aware of the hard work that has been put in by all the various parties involved in the GTP and I would like to thank them for their continuous commitment. Implementation of the GTP has not always been easy or undemanding, and there is not much that I can say to ease that burden, but I would like to remind them that the service they are performing is invaluable, and that a grateful nation thanks you for your efforts.

**TAN SRI DATO' HJ. MUHYIDDIN BIN HJ. MOHD YASSIN**
Deputy Prime Minister of Malaysia

# REVIEW OF
# THE GTP 2013

We have now completed four years of the Government Transformation Programme (GTP) and I am pleased to report that we are steadily making a difference in the lives of Malaysians everywhere.

" In 2013, the seven National Key Results Areas have reported an average achievement rate of 104% of its key performance indicators – is a positive sign that we are on the right track. "

**YB SENATOR DATO' SRI IDRIS JALA**
Minister, Prime Minister's Department,
CEO, Performance Management & Delivery Unit (PEMANDU)

**M**alaysia's progress towards reaching its high-income and developed nation status is due in large part to the improvements and changes introduced by the implementation of effective and high-impact public service delivery through the Government Transformation Programme.

Malaysia, in aiming to become more inclusive in its public policies, continues to face challenges in making the country more equitable and safer for Malaysians. There is a need to improve efficiency in public service delivery to enable the country, or at the very least the central business capital, be more attractive for investment by being less corrupt and more transparent. Deliberate efforts to improve the livelihoods of the poor and marginalised remain a priority. Malaysia is indeed a country that is better preparing itself to face the future and the challenges it may bring.

The GTP has touched and changed the lives of Malaysians everywhere since its inception in 2010. This is well documented in the annual reports of the last three years, as well as by the media globally.

## Establishing the National Transformation Programme

The National Transformation Programme (NTP) articulates proposals from the New Economic Model, which was produced by the National Economic Advisory Council in 2010 as directed by Prime Minister Dato' Sri Mohd Najib Tun Abdul Razak in response to the 2008/2009 global financial crisis and its repercussions on the Malaysian economy.

In developing the NTP, the Government remained focused on the allocation of resources, formulated targets and quantified outcomes for economic growth based on social aspects such as quality of life, cost of living, the safety and security of the *rakyat* and promoting the values critical for the achievement of our goals.

On the GTP's part, the programme aims to transform the Malaysian Government in tandem with the needs of a developed high-income nation, representing a programme of reform that puts the *rakyat* first

by addressing their needs. These needs were encapsulated in the seven National Key Results Areas (NKRAs) under the GTP's mandate: Addressing the Rising Cost of Living, Reducing Crime, Fighting Corruption, Assuring Quality Education, Raising the Living Standards of Low-Income Households, Improving Rural Development and Improving Urban Public Transport.

As another sub-set of the NTP, the ETP institutes socio-economic change by focusing on the development of 12 key industries, or National Key Economic Areas (NKEAs), and raising Malaysia's global competitiveness through the implementation of six Strategic Reform Initiatives (SRIs).

Both the GTP and ETP work in synergy to lift Malaysia into high-income nation as set out by the NTP. In doing so, we also ensure that growth is achieved in a way that is balanced, inclusive and sustainable even after we have achieved our 2020 targets.

Three years into its implementation, it is clear that the NTP has made significant headway in these areas, as is evident from the activities under the GTP detailed in this report.

## GTP Stays on Track in 2013

Malaysians, in both urban and rural centres, now enjoy better access to infrastructure, education and healthcare, which has in turn increased their standard of living. In 2013, the GTP delivered 719km of roads for the rural *rakyat*, which benefited 2.2 million rural households and established 70 new 1Malaysia Clinics to improve greater access to affordable healthcare services.

The GTP is also starting to shape the future of Malaysia by creating a better education platform than what we had before. In 2013, the Education NKRA raised pre-school enrolment by 81.4% compared to the previous year. This will no doubt set thousands of students down the right path of lifelong learning.

Inclusive development has always been a hallmark of the GTP and we have, as a result, widened our delivery scope in 2013 to better focus on vulnerable and indigenous groups. That the seven NKRAs have reported an average achievement rate of 104% of its key performance indicators (KPIs) – is a positive sign that we are on the right track.

An integral part of the NTP, the challenge of putting in place building blocks to negate corruption within the public services and businesses is recognised as a small step towards achieving that goal. The journey may be arduous but the commitment of the Malaysian Anti-Corruption Commission (MACC) and the Government should be supported. Every success we have in bringing the guilty to the fore should be lauded, however small or large the degree of corruption is.

These efforts have been recognised by Transparency International. Transparency in corrupt investigations amongst the civil service has also been greatly enhanced by the Auditor General's annual reporting process to expedite investigations. These initiatives are reflected in Malaysia's improvement in the Transparency International's Corruption Perceptions Index, which moved in the CPI up three spots from 56th to 53rd spot since 2009. Corruption remains a priority and an issue we have to combat together.

The other challenge we face is addressing public concern over incidences of crime. The fear and adverse perception associated with crime are understandable as Malaysians deserve to live in a country where there should be no threats to their security - physical or otherwise. This is by no means an easy task as criminal patterns are dynamic entities that respond to policing activities even as the policing activities respond to criminal patterns. Social determinants such as poverty, inequality and economic determinants are also challenges faced by criminologists. This is often a social cost of an ever-growing affluent society.

A case in point is the high incidences of reported violent crime in 2013. Robust groundwork and focused efforts by the police spurred the launch of Ops Cantas Khas targeted specifically at members of organised crime, that reduced incidences of violent crime by 30% in the first 52 days of operation.

Fighting crime requires vigilance and this is the reason why the Crime NKRA is put in place – to assure progressive and focused initiatives to deal with issues which concern public safety. The initiatives aimed of raising the visibility of security personnel in public spaces, such as the Omnipresence and *Unit Rondaan Bermotosikal* (URB) programmes.

In addition to inclusivity, the GTP is also anchored by the pillar of sustainability. In other words, the GTP must not only effect change but ensure that it is a lasting change. Through the Low-Income Households NKRA initiatives, it played a significant role in helping to move 188,781 persons out of poverty. At the same time, the greater participation of the private sector and non-Governmental Organisations (NGOs) in the GTP's initiatives is also a positive development as it supports and helps offset the cost of running the initiatives to the Government.

Meanwhile, the Urban Public Transport NKRA has also shown continuous improvement having raised public transport modal share to 21% in 2013 from 17% in 2009. The results of these NKRAs are proof the GTP is a sustained, continuous programme of transformation which actively monitors performance throughout the life of the programme.

## Sustaining the Momentum of Transformation

Public support of the GTP is an essential component of the entire process as public comment and feedback play a significant part in gauging the GTP's success, and ensuring concerns are met along the way. Two independent surveys conducted by the Malaysian Institute of Integrity (IIM) and Frost & Sullivan in 2012 ranked public support for the GTP at 7.5 and 7.4 out of 10, respectively. While these numbers indicate modest support for the GTP, we believe that more can be done to foster greater public backing for the GTP's initiatives.

### Public Perception of GTP

**7.5/10** ┆ Institut Integriti Malaysia

**7.4/10** ┆ Frost & Sullivan

The GTP is therefore undertaking a number of actions to improve public support in GTP 2.0, starting with the delivery of greater achievements and tangible results from NKRA initiatives. The next three years will also see the GTP increasing visibility of its achievements by introducing improvements, and implementing lessons from key challenges faced in GTP 1.0.

The GTP 2.0 has identified gaps and will work on ways to improve the delivery of the Programme's initiatives to address them and reach out to a wider group of recipients. For example, the Education NKRA has expanded the range of its early childcare and education initiatives in GTP 2.0 to reach out to Special Education Needs (SEN) students.

At the same time, the Rural Development NKRA is also focusing its initiatives on a broad cross-section of society through the implementation of its 21st Century Village Programme in GTP 2.0. The introduction of the programme adds another dimension to the NKRA thus expanding its scope of delivery to a new audience.

The Urban Public Transport NKRA is similarly fine-tuning its initiatives to make a bigger impact on its target audience even as it continues to work on delivering complementary services such as feeder connectivity to the MRT, which is being developed under the Greater KL programme.

This is a transformation journey that will reap evident benefits down the road. The journey is not without challenges but it is through these challenges that resilient and robust solutions are developed.

## GTP 2.0: Intensifying Focus

GTP 2.0 has transitioned into the second phase of development, which prioritises two key goals: intensifying transformation and ensuring lasting change. If GTP 1.0 was designed to transform the system by introducing new measures to reinvigorate public service, GTP 2.0 (of which 2013 was the first year) aims to transform these new 'business unusual' activities into 'business usual' practices. The GTP, underpinned by PEMANDU's Big Fast Results (BFR) methodology has always sought to improve delivery by initiating new ways of solving the country's problems. With those in place, the focus has now shifted to making those changes permanent.

The bar has also been set higher for existing initiatives in GTP 2.0, with the NKRA teams challenged to further enhance achievements from GTP 1.0. Only by setting impossible targets, can we deliver and sustain transformation.

The GTP 2.0's emphasis on enhancing initiatives can be seen from the Education NKRA's initiative to expand its Literacy and Numeracy Screening (LINUS) programme to include screening for English literacy, which will be a significant step forward for the programme. The Anti-Corruption NKRA has introduced changes to the fundamental way corruption is detected and disclosed to the public via the transformation of the Auditor General's Reporting process. This, and other anti-corruption initiatives to amend legislation, will be further entrenched within Malaysia's legal system, thus creating a permanent change in the way the country fights against corruption.
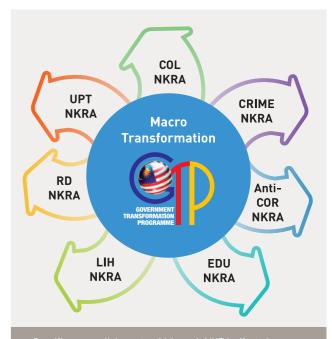
The GTP is undoubtedly changing the civil service culture into one that prioritises performance, and clear examples can be obtained from the annual performance of key result areas. Another illustration of how the GTP approaches the issue of performance delivery i.e. by doing and showing, rather than issuing orders from the top, is the Low-Income Households NKRA's emphasis that participants of its 1AZAM training programmes show a measurable increase in income post-training.

## Delivery!

The GTP story is fundamentally about delivering high impact outcomes to targeted recipients. For example, in the last four years, the GTP through the Rural Development NKRA initiatives, delivered 4,068km of rural roads that has had a positive impact on one million people in these remote townships. This connectivity is evident to each and every one of them in terms of transportation, commerce and accessibility, key elements taken for granted by people living in urban areas. This is but one of the many examples the GTP have amassed in the last four years.

The absolute idea and premise of the GTP is to ensure that, as the country progresses and embraces the ideals of Vision 2020 (i.e. to achieve high-income and developed nation status), the country does not forsake 30% of the rural population.

Some of the key highlights of the seven NKRAs' achievements are detailed in the following paragraphs.



Specific accomplishments within each NKRA affect change within each individual sphere of influence, but also contribute to the overall macro change of the country.

## ADDRESSING THE RISING COST OF LIVING

The COL NKRA is part of the GTP's effort to build a more equitable platform for all Malaysians by reducing the cost of living through the delivery of targeted aids and providing reasonably priced goods and services.

In 2013, the Government continued to mitigate the rising cost of living through the distribution of *Bantuan Rakyat 1Malaysia* (BR1M) cash assistance and the distribution of student-focused aid vouchers. We are pleased to report that the Government has distributed the BR1M assistance to all Malaysians earning RM3,000 per month and below for 2013, benefiting over 4.8 million households.

The continued expansion of its network of *Kedai Rakyat 1Malaysia* (KR1M) shops and *Klinik Rakyat 1Malaysia* (KL1N1K) clinics has also helped to manage the rising cost of living.

## IMPROVING RURAL DEVELOPMENT

Building stronger rural communities is key to building a unified Malaysia, where the differences in the quality of life between rural and urban communities are not divisive issues. To this end, a total of 4.5million *rakyat* had benefited from basic amenities such as clean water, paved roads and 24-hour electricity by the end of GTP 1.0.

In GTP 2.0, the Rural Development NKRA expanded its scope of delivery to a new audience with the introduction of the 21CV Programme. The programme aims to attract and encourage youth participation, with the desired qualities of fresh ideas and enthusiasm, which is essential in transforming the rural areas. Last year, the winner of the Youth Business Challenge, Selverstone Junit, contributed to eco-tourism in the Kota Marudu region by building a resort as a tourist location which will help increase the level of commercial activity in the area.

By expanding beyond rural basic infrastructure, and shifting to leverage on the ETP's agriculture activities as well as the Desa Lestari Programme, the GTP 2.0 seeks to intensify the momentum of sustainable rural development.

## IMPROVING URBAN PUBLIC TRANSPORT

The Urban Public Transport NKRA (UPT NKRA) plays an essential role in ensuring greater connectivity within the city and between the surrounding municipalities is accessible, efficient and convenient for all. This will in turn help to increase the number of commuters to choose public transport as the better alternative over other modes as it allows for larger numbers of people to travel to the city area.

One of the GTP 2.0 initiatives is the free Go-KL city bus service introduced in 2012 which helps 18,000 *rakyat* daily get around the central business district (CBD) thus decongesting the city roads during peak hours. The new six-car sets for the KTM Komuter service has also helped to improve the frequency from 30-45 minutes headway to 15 minutes.

Other improvements under the UPT NKRA include better integration between transport modes, whereby commuters can travel to their desired destination by using more than one mode of public transport, with minimal hassle. The improvements to the existing public transport systems under the UPT NKRA will eventually complement the ETP's Mass Rapid Transit (MRT) The MRT, which will provide a beneficial service for the *rakyat* to enjoy, is also a key enabler to Malaysia achieving developed high-income nation status.

## RAISING LIVING STANDARDS OF LOW-INCOME HOUSEHOLDS

In maintaining inclusivity, the Low-Income Households (LIH NKRA) is designed to help less-fortunate Malaysians gain equal footing with other Malaysians through economic empowerment. The LIH NKRA provides assistance in the form of training and economic enablers that ensures beneficiaries can be self-sustaining after receiving assistance.

However, there remain pockets of extreme poor in Malaysia, particularly among the indigenous peoples and within specific socioeconomic groups. The LIH NKRA has placed special focus on these groups to help them with basic necessities including nutrition, housing and healthcare.

In total the LIH NKRA has seen 18,249 participants in its 1AZAM programme in 2013 increase their income by RM300 for any three months, which represents a 107% achievement over its target, a testament to its focus on helping low-income groups become self-sustaining and independent entities.

## ASSURING QUALITY EDUCATION

Malaysia made a bold stride forward in education ambitions by putting in place a 12-year programme, with the launch of the Malaysian Education Blueprint (MEB) last year. The MEB is designed to place the Malaysian education system on equal footing with the best in the world by 2025, with its initiatives having significant bearing for Malaysian students and their teachers.

The MEB aspires to address the *rakyat's* concern over the deficiencies in the present education system to prepare our students to compete in their future careers. The initiatives of the Education NKRA, which is a subset of the MEB, aims to enhance students learning experience and quality by striving towards a comprehensive transformation on the current education institution to involve schools, teachers and principals.

We know that education has to start at the earliest possible ages and therefore the focus on the provision of quality pre-schools in Malaysia. The establishment of the National Pre-school Quality Standard (SKPK) assessment instrument in May 2013, proves that the GTP is on the right track.

The 4.6% increase of the number of Band 1 and 2 schools means that our children will grow in well-managed learning environments that are better equipped to offer improved teaching methods. The Education NKRA has also introduced new assessment tools to keep teachers updated with new knowledge and practices in the field, whilst giving them motivation for further career advancement based on their professional competencies.

## REDUCING CRIME

The Crime NKRA's tasks are two-fold: to reduce the incidences of crime while encouraging greater ownership in safety awareness and public security.

Its effort to increase public participation is to enhance the public's awareness towards the safety of their environment and community. To this end, the Ministry of Home Affairs and PDRM had launched the "United Against Crime" (UAC) campaign in March 2013, supported by resident associations, Non-Governmental organisations and businesses.

This campaign saw over 1.1 million Malaysians pledge to help make the country safer in less than three months after the official launch. The goal of this campaign is to enhance the relationship between the neighbourhood police beat and the community, as well as to ensure that the public will consciously undertake additional safety measures to preserve their well-being and to open two-way communication with the local police. This has allowed for greater police vigilance and quicker response time to neighbourhoods.

## FIGHTING CORRUPTION

Corruption is an obstacle to any country's development, draining productivity, hurts reputation and eroding public trust in its public institutions. Pervasively high corruption levels deter public participation in the national vision and stunts the development of a meritocratic system – all of which a developed Malaysia needs to compete on a global scale.

As corruption remains a structural issue, the Anti-Corruption NKRA accelerated the fight against corruption by taking aim at issues at the heart of the civil service. Initiatives, implemented in 2013, such as the streamlining of the Auditor General's Performance Audit Report and the compulsory reporting by Special Officers to Ministers to declare their assets, are examples of efforts taken to further arrest corruption within Government and restore public trust.

In response to these initiatives, Transparency International raised Malaysia's Corruption Perceptions Index (CPI) score to 50; this being the country's highest score since 2009.

## Staying the Course
## Towards 2020

Malaysia found itself at a crossroads four years ago: it could choose to either continue down the same path that it had been going with little hope that things would get better, or it could make a deliberate, radical decision to make a change. The GTP is the result of the latter decision, and a key reason for Malaysia being further along the development path than it otherwise would have been.

Following this decision, we must maintain focus on our transformational journey and realise that much more needs to be done to ensure that we reach our final destination. While the *rakyat* has already had a chance to view first-hand some of the changes implemented in GTP 1.0, they can expect to see more concrete results in the years to come, as earlier initiatives with longer gestation periods come to fruition.



# PEMANDU'S METHODS TOWARDS TRANSFORMATION

PEMANDU's role in the country's transformation programme is to act as a catalysing agent, propelling Malaysia towards its ambition of becoming a high-income developed nation by 2020. It works together with the Malaysian Government to effect change on a holistic level to improve performance levels and delivery standards of the civil service, as well as other aspects of national development.

In collaborating with the Government, PEMANDU has identified 'True North' goals for each of the seven NKRAs, which collectively represent the ultimate aim of the GTP. These 'True North' goals are subsequently broken down into discrete initiatives for each NKRA, all of which have their own respective key performance indicators (KPIs) and delivery timeline. These are in turn assessed by PricewaterhouseCoopers (PwC), which has been the appointed external auditor for the GTP's achievements.

The GTP, together with the ETP, form the spine of the National Transformation Programme (NTP), which is designed to bring about a more robust and effective model of governance. The NTP aims to streamline existing processes, inject fresh impetus into the existing work culture and reinvigorate key focus areas through the introduction of innovative measures. These processes are carried out in accordance with PEMANDU's 8-Steps of Transformation, which is a comprehensive set of tools designed to help identify, plan, execute and troubleshoot implementations.

The 8-Steps of Transformation was used to identify the GTP's initiatives, and is used in conjunction with Ministerial KPIs, Delivery Task Force (DTF) Meetings and the Putrajaya Inquisition to ensure accountability and improve the governance process.

# 8-STEPS OF TRANSFORMATION

| 1 STRATEGIC DIRECTION To ascertain the strategic direction required | 2 LABS Establish in detail what needs to be done | 3 OPEN DAYS Share lab output with people and seek their feedback | 4 ROADMAP Tell the people what we are going to do | 5 KPI TARGETS Setting KPIs for monitoring and tracking | 6 IMPLEMENTATION Problem solving on the ground implementation | 7 AuP External validation on results achieved | 8 ANNUAL REPORTS Tell the people what we have delivered |

## 1 STRATEGIC DIRECTION

The GTP is a programme of change involving the buy-in and participation of top-decision makers in Government. In this first stage of the process, several Cabinet Meetings are held to set the strategic direction of the GTP and the goals of its initiatives. Securing top-level buy-in at this stage is crucial as it ensures that projects are implemented quickly and problems identified at an early stage.

## 2 LABS

The Labs sessions are key components of the PEMANDU 8-Steps of Transformation and represent a fundamental tenet of its general philosophy. The Labs involve all stakeholders from both the public and private sectors to help identify key issues and brainstorm solutions to improve better service delivery and sectorial improvement. The initial 8-week lab session accomplished much in terms of identifying factors such as obstacles obstructing better service delivery, key investments and developments required by the NKRAs, and, perhaps most importantly, helped stakeholders take greater ownership of the issues that need to be addressed. Lab sessions are still regularly held as they are proving to be excellent sessions for brainstorming and the development of solutions.

## 3 OPEN DAYS

Open Days are held regularly to share findings from the Labs and ideas with the *rakyat* while soliciting feedback in return. The GTP is a *rakyat-driven* programme, and thus must address their concerns, which may change from time to time. Furthermore, the GTP depends on *rakyat* participation to achieve its full potential and the Open Days are the forums where delivery teams can better engage the general public.

## 4 GOVERNMENT TRANSFORMATION PROGRAMME (GTP) ROADMAP

The execution of the GTP is guided by the GTP Roadmaps, which was first published in 2010 while a second edition was published in 2012. The Roadmap contains comprehensive details about the NKRAs and their initiatives, including their justification, action plans and specific implementations. The Roadmap is designed to function as an overall guide for the implementation of initiatives within a specific horizon of development, i.e. GTP 1.0, GTP 2.0 or GTP 3.0.

## 5 KEY PERFORMANCE INDICATOR (KPI) TARGETS

PEMANDU's Ministerial Key Results Area team and Ministry Officers set the KPIs annually. These KPIs provide delivery targets for every initiative under the GTP, and helps track progress in a transparent and accountable manner. The KPIs and their attainment is monitored yearly by PricewaterhouseCoopers to ensure that data is properly recorded by the delivery teams.

## 6 IMPLEMENTATION

The GTP is a meticulously detailed plan of implementation, which requires the cooperation and coordination of a large body of stakeholders. From corporate partners to NGOs, from Cabinet Ministers to front-line civil servants, execution of the GTP's initiatives can be a complicated task and it is here that PEMANDU plays its most vital role. In addition to coordinating the execution of initiatives, it also monitors their progress and takes remedial action where necessary.

## 7 AGREED-UPON PROCEDURES (AuP)

The AuP is an external verification tool that assesses the GTP's data and collection methods for veracity. PricewaterhouseCoopers is appointed to validate the GTP's results through the AuP and reports on the accuracy of data, and makes suggestions as to how data collection can be improved. More detail about the AuP is available in a later chapter in this Annual Report.

## 8 ANNUAL REPORTS

The GTP's activities throughout the year are reported in its Annual Report, which is a transparent mechanism designed to disclose all the achievements and challenges faced during the year. The Annual Report is available to all stakeholders, and functions as another accountability tool for the Government.

## The Delivery Task Force

The Delivery Task Force (DTF) chaired by the Deputy Prime Minister is designed to ensure the efficient delivery of GTP initiatives by creating an ongoing platform to deal obstacles standing in the way of implementation. The DTF helps teams update senior officials on delivery progress, define problems and brainstorm solutions.

DTF sessions with NKRA teams are divided into two segments: a general update and a problem-solving meeting (PSM). Teams will deliver a report on their actions from the last DTF session, provide key highlights and update their KPI dashboard status. Next, they will raise PSM issues that will be accompanied by potential solutions to be discussed by the DTF.

The priority of each DTF session is to resolve roadblocks by focusing on solutions to keep initiatives moving forward. Each DTF problem-solving session begins with the identification of impeding issues and possible solutions that will be decided by the Deputy Prime Minister.

As the Chair of the DTF, the Deputy Prime Minister sits in a unique position to assess the problems faced and to deploy necessary resources towards their resolution. He bears the responsibility of ensuring seamless coordination between State and Federal agencies related to GTP initiatives.

Issues that have gone through PSMs will be tracked on a weekly basis to ensure they are resolved based on a directive decree by the Deputy Prime Minister during the DTF session. All Ministries, agencies or stakeholders that are involved in the project/initiative are brought together to obtain buy-in to facilitate smooth implementation going forward.

A good illustration is the DTF session for the Education NKRA. One of the NKRA's key initiatives in GTP 2.0 is aimed at raising the minimum standards and requirements for the appointment of school principals. Had the team used regular channels, the issue would have been placed in queue behind other issues before being brought to the Promotion Board (*Lembaga Kenaikan Pangkat*), which may have put the January 2014 delivery deadline in jeopardy. Due to the DTF's intervention, relevant officials involved from both the DTF and the Promotion Board were alerted to the issue, and they subsequently cleared the way forward for the implementation of the initiative.

In essence, the DTF sets the direction and establishes standard policies to achieve the goals facilitated and overseen by the respective NKRA and DMO teams. The DTF has made invaluable contributions since the start of the GTP to ensure smooth and on-time delivery of all NKRAs' commitments.

# GTP MILESTONES 2013

## JAN

**15th January, 2013**

**Distribution of RM100 Schooling Assistance for Students from Primary 1 to Form 5**

The Government distributed the schooling assistance to all primary and secondary school students in both public and private schools as part of its commitment to help defray the cost of schooling.

**22nd January, 2013**

**Establishment of Corruption Prevention Secretariats in teachers' training colleges**

Twenty-seven anti-corruption secretariats were launched to inculcate an anti-corruption culture in Malaysian children. In addition to training teachers, an anti-corruption syllabus will be introduced into school textbooks.

**31st January, 2013**

**The year's first Kedai Rakyat 1Malaysia (KR1M) opened in Mambong, Sarawak.**

A total of 39 KR1M outlets were subsequently opened in 2013. As of Dec 31, 2013 a total of 125 KR1M outlets are operating all over the country.

## FEB

**1st February, 2013**

**Launched the Prisons Halfway House in Sabah**

Fourteen Halfway Houses have been set up throughout the country for select ex-offenders who find themselves homeless after completing their prison sentences.

**8th February, 2013**

**Launch of Park 'n' Ride Sungai Besi**

The establishment of the Park 'n' Ride in Sungai Besi improves first mile connectivity from the point of origin to the Sungai Besi LRT station.

## MAR

**23rd March, 2013**

**Handover of taxi licenses under the Taxi 1Malaysia (TEKS1M) scheme**

The Prime Minister awarded the first 200 of 1000 taxi licenses under the TEKS1M Programme to individual drivers.

## APR

**10th April, 2013**

**Produced 10 videos for the e-Guru Programme**

The videos provide training in pedagogical best practices to support teacher training. These videos are available at http://pnp.moe.edu.my/eguru/

## JUN

**1st June, 2013**

**Launched the United Against Crime (UAC) Campaign in KLCC**

The UAC Campaign is designed to obtain invaluable community cooperation in the Crime NKRA's fight against crime.

**9th June, 2013**

**Operationalisation of the Anjung Singgah home in Johor Bharu**

Anjung Singgah is a homeless shelter for low-income persons in urban areas. In GTP 2.0, the Low-Income Households (LIH) NKRA will step up its efforts to assist targeted vulnerable groups.

**June 2013**

**Expansion of dental and healthcare services to rural Sarawak**

LIH NKRA expanded its dental and healthcare services to rural Sarawak, servicing, the Penan community in particular. Basic healthcare and dental services are essential health services to which many low-income persons in rural Malaysia have no access.

## JUL

**1st July, 2013**

**Establishment of the Department of Crime Prevention and Crime Suppression (JPPJ)**

JPPJ will work to ensure a strategic, proactive and integrated approach to crime prevention.

**7th July, 2013**

**Construction of homes and shelter for the Orang Asli**

LIH NKRA provided homes for the Orang Asli through a collaborative effort with an NGO, EPIC Homes, and corporate partners, including Taylors Education Group, General Electric, AirAsia Bhd and Media Prima.

**July, 2013**

**JALB achieved 100% of its road delivery target (441 KM)**

Road Delivery target for 2013 was achieved earlier than expected because of the fast delivery and excellent project management by the Ministry of Rural and Regional Development and its implementing agencies.

## AUG

**17th August, 2013**

**Launched Ops Cantas Khas in response to the outbreak of violent gun crime**

The launch of Ops Cantas Khas reduced violent crime incidents by 11.85% 116 days after its launch.

**24th August, 2013**

**Launched the Buddy Club Programme**

The Buddy Club brings special education needs (SEN) students and regular students together to foster greater understanding.

**August, 2013**

**Construction of a community centre in Long Keluan, Sarawak**

The Construction Industry Development Board (CIDB), as part of its Corporate Sosial Resposibility (CSR) programme, built a community centre at Long Keluan, Sarawak for the Penan community. The centre is designed to provide a place where community residents can cook and host communal activities.

# GTP MILESTONES 2013

## SEP

### 18th September, 2013

**Awarded 24 schools with the High Performance School (HPS) status**

The recognition of an additional 24 HPS schools increases the number of HPS schools to 115 by the end of 2013.

## OCT

### 1st October, 2013

**Tabling the Auditor General's Performance Audit Report**

The report, which was previously tabled in Parliament only once a year, is now tabled at every Parliament session in a move towards increased transparency and accountability.

### 3rd October, 2013

**Passed the amendments to the Prevention of Crime Act 1959**

The amendments give police wider powers in addressing organised crime and violent hard-core criminals.

### 21st October, 2013

**Approved the New Principal Minimum Criteria**

The new set of criteria was approved by Lembaga Kenaikan Pangkat JPA, and will take effect on January 2014.

### 25th October, 2013

**Announcement of the extension of Bantuan Rakyat 1Malaysia**

Prime Minister Datuk Seri Najib Razak announces that the BR1M assistance programme will continue in 2014, and that it would include a wider group of Malaysians.

### October, 2013

**BALB achieved 100% of its water delivery target (26,100 HH)**

Water Delivery target for 2013 was achieved earlier than expected because of the fast delivery and excellent project management by the Ministry of Rural and Regional Development and its implementing agencies.

### October, 2013

**Commenced construction and refurbishment of bus stops**

The construction and refurbishment of 161 bus stops in four local authorities–Majlis Daerah Kuala Langat, Majlis Daerah Kuala Seangor, Majlis Daerah Hulu Selangor and Majlis Bandar Petaling Jaya–began in October.

## NOV

### 14th November, 2013

**Food Basket Programme implemented for the Penan Community**

*MyKasih* Foundation, a charity organisation, brought its 'My Neighbourhood' Programme to East Malaysia. Its food basket programme was successfully implemented in Long San on Nov 8 and Lusong Laku on Nov 14.

### November, 2013

**PBR achieved 100% of its house delivery target (7,212)**

House Delivery target for 2013 has been achieved earlier than expected because of the fast delivery and excellent project management by the Ministry of Rural and Regional Development and its implementing agencies.

## DEC

### December, 2013

**Completed the 'whitening' of 20 Blackspots**

The Blackspots initiative improved city infrastructure in 20 locations in line with Crime Prevention Through Environmental Design (CPTED) principles as part of its whitening efforts.

### December, 2013

**Set up of the International Liaison Unit at the Kuala Lumpur Police Headquarters**

The International Liaison Unit was set up at the Kuala Lumpur Police Headquarters to address the safety concerns of the expatriate and international business community.

### 2nd December 2013

**Tabling of the third series of the Auditor General Performance Audit Report**

### 2nd December 2013

**Government direct negotiation contracts published online**

Government direct negotiation contracts are published online on *http://myprocurement.treasury.gov.my/* to increase transparency in Government procurement.

### December 2013

**Completed the training of 1,000 women entrepreneurs**

As part of the LIH NKRA's activities to improve the well-being of Malaysian women, some 1,000 low-income women were successfully trained with entrepreneurial skills.

### December, 2013

**Provision of community services to 128 families in Pitas, Sabah**

The LIH NKRA continues to deliver basic community services, subsistence farming skills and economic empowerment in Kg. Sungai Eloi, Kg. Tampakahu and Kg. Kinango in Pitas, Sabah. The aim of this initiative is to help low-income indigenous residents break free from the cycle of poverty.

### December, 2013

**1AZAM Programme breaches 38,000 mark**

The LIH NKRA's flagship 1AZAM Programme, which is an assistance programme designed to empower low-income persons, saw the participation of 38,000 new participants. More than 18,000 of the existing 1AZAM participants increased their monthly income by RM300.

### December, 2013

**BELB achieved 100% of its electricity delivery target (19,811 HH)**
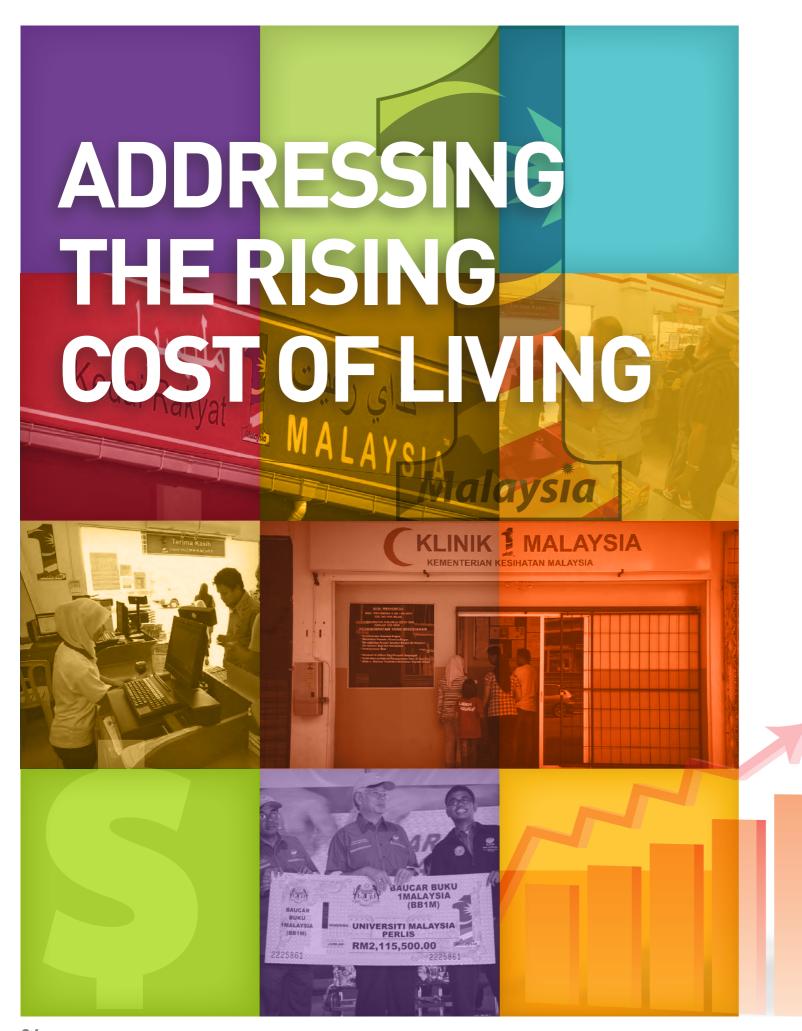
Electricity delivery target for 2013 has been achieved on schedule in December because of the fast delivery and excellent project management by the Ministry of Rural and Regional Development and its implementing agencies.

### 17th December, 2013

**Launch of Park 'n' Ride Bandar Tasik Selatan**

The launch of the Park 'n' Ride at the Integrated Transport Terminal in Bandar Tasik Selatan is expected to bolster commuter usage by providing efficient first mile connectivity.

# NATIONAL KEY RESULTS AREA

## Focused Approach Towards a Transparent and Efficient Public Service Delivery

**M**alaysia aims to develop its public service delivery to international standards, and has identified seven key priority areas that will yield the greatest transformational impact. These seven areas, also known as the National Key Results Areas (NKRAs), were selected because of their importance to the rakyat and because of their status as pillars supporting the entire Government structure.

While the NKRAs are important transformation focal points, the Government has not neglected other non-NKRA sectors and is committed to further development in those areas. However, the NKRAs will receive special attention because of the reasons outlined above.

- **ADDRESSING THE RISING COST OF LIVING**
- **IMPROVING RURAL DEVELOPMENT**
- **IMPROVING URBAN PUBLIC TRANSPORT**
- **RAISING LIVING STANDARDS OF LOW-INCOME HOUSEHOLDS**
- **ASSURING QUALITY EDUCATION**
- **REDUCING CRIME**
- **FIGHTING CORRUPTION**

# ADDRESSING THE RISING COST OF LIVING

" We will continue to deliver relief under flagship programmes to Malaysians. "

**TAN SRI MUHYIDDIN YASSIN**
Deputy Prime Minister of Malaysia

**M**anaging the rising cost of living remains one of the key priorities of this Administration as our country continues its progress towards becoming a high-income and developed nation by 2020. The Cabinet Members recognise that all our efforts to raise income levels in Malaysia will be for naught if we do not manage the rising cost of living. Therefore, the Addressing the Rising Cost of Living National Key Result Area (COL NKRA) was added to the Government Transformation Programme (GTP) in July 2011.

Under the Economic Transformation Programme (ETP), measures and projects have been introduced to increase the people's level of income. However, as the result of the ETP's initiatives may not be felt as yet, the COL NKRA plays an important role in delivering short-term and immediate relief to our *rakyat*.

However, it is also important to bear in mind that the initiatives of the COL NKRA are delivered on a need-to basis. In this regard, the COL NKRA is a responsive one that changes based on prevailing market conditions. This is in line with the consensus of the economists and international experts that we are living in a time of global financial volatility, which could see the price of inputs such as oil and gas suddenly spike up or down.

Over the last 12 months, the COL NKRA has continued to deliver relief under key flagship programmes carried over from GTP 1.0 such as the Bantuan Rakyat 1Malaysia (BR1M), schooling assistance for school children, and affordable goods and services through the Kedai Rakyat 1Malaysia (KR1M) and Klinik 1Malaysia. The efforts of the COL NKRA working alongside other Government initiatives such as the Minimum Wages Act, will ensure that all Malaysians enjoy a better standard of living.

The rising cost of living is an issue that affects all of us. However, with the implementation of appropriate programmes, its impact can be effectively managed.
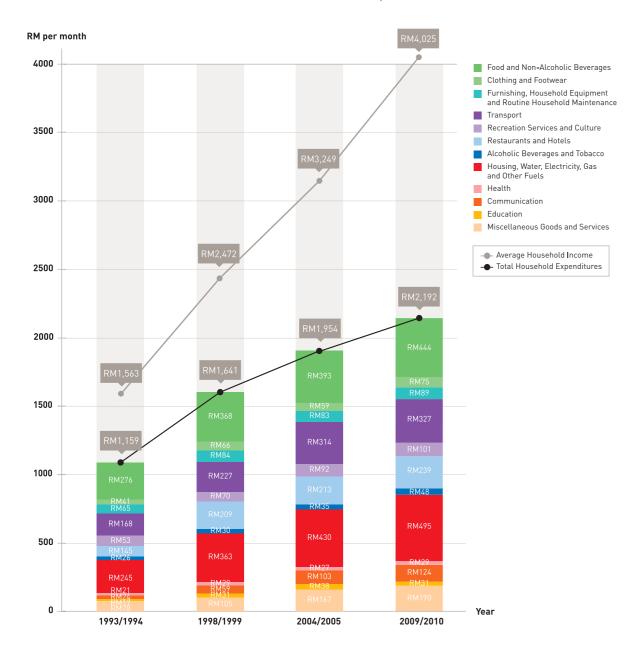
# OVERVIEW

The COL NKRA was initially introduced in response to the rising price of inputs such as fuel and food, and has maintained itself as a reactive NKRA. The aim of the COL NKRA is to help the *rakyat* pay for basic goods and services that have suddenly and quickly risen in price owing to external market conditions. The COL NKRA implements initiatives that intercede on behalf of the *rakyat* through the distribution of targeted cash assistance and through the direct provision of goods and services.

Examples of initiatives that directly provide affordable goods and services are the *Kedai Rakyat 1Malaysia* (KR1M), *Menu Rakyat 1Malaysia* (MR1M) and *Klinik 1Malaysia* (K1M) Programmes. These programmes aim to deliver essential

goods and services such as groceries, healthcare and food at a price that is affordable to all layers of the rakyat.

The chart below shows the annual household expenditure in comparison to average household income over the last two decades. The widening gap between total household expenditure and average household income can be observed since 1993, hence proving that Government initiatives have helped ensure a reasonable inflation rate. Nonetheless, the COL NKRA remains wary of the impact that the rising cost of living can have on the *rakyat*, as a change in the price of any one input could potentially result in a significant spike in household expenditure. Therefore the COL NKRA will continue to deliver relief in the form of flagship programmes to the *rakyat*.

**RM per month**

| | 1993/1994 | 1998/1999 | 2004/2005 | 2009/2010 |
|---|---|---|---|---|
| Average Household Income | RM1,563 | RM2,472 | RM3,249 | RM4,025 |
| Total Household Expenditures | RM1,159 | RM1,641 | RM1,954 | RM2,192 |

Chart legend:
- Food and Non-Alcoholic Beverages
- Clothing and Footwear
- Furnishing, Household Equipment and Routine Household Maintenance
- Transport
- Recreation Services and Culture
- Restaurants and Hotels
- Alcoholic Beverages and Tobacco
- Housing, Water, Electricity, Gas and Other Fuels
- Health
- Communication
- Education
- Miscellaneous Goods and Services

**Year**

# ACHIEVEMENTS

## Expanding the scope of Bantuan Rakyat 1Malaysia

In line with the Government's efforts to provide extra assistance to lower-income Malaysians, the BR1M Programme was enhanced in 2013 by expanding the scope of recipients to single-persons above 21 years old. BR1M was distributed to more than 4.8 million households with a monthly household income of RM3,000 and below and to two million single-persons above 21 years old who earn RM2,000 and below monthly. BR1M 2.0 is the second implementation of the programme since its introduction in 2011/12, and a total of RM2.9 billion in assistance was distributed.

## Students continue to receive aid in the form of cash assistance and book vouchers

The RM100 cash assistance to the 5.2 million primary and secondary students was continued in 2013. The BB1M Programme has been increased from RM200 to RM250 and is distributed to 1.2 million tertiary education students. These programmes are available to students from both public and private institutions.

## Delivering reasonably priced basic goods and services

The COL NKRA also oversaw the continued delivery of reasonably priced goods and services through various channels. These lower cost items are designed to help ease the household expenditure burden of lower-income groups by offering them as additional options to the supply of goods and services already available in the market.

**Kedai Rakyat 1Malaysia**
The goal in 2013 was to increase the coverage of KR1M products to provide a greater choice for consumers. A total of 40 KR1M have been built for 2013. KR1M items in East Malaysia are priced the same as goods in Peninsular Malaysia. Since its launch in 2011, Malaysia now has a total of 125 KR1M shops. Goods from KR1M shops are typically 20% to 30% cheaper than the same items found in regular grocery stores.

**Klinik 1Malaysia**
A total of 70 *Klinik 1Malaysia* were set up in 2013, bringing the total number of clinics to 238 since the programme's launch in 2010. *Klinik 1Malaysia* has thus far treated 9.2 million patients since its inception.

**1Malaysia People's Menu**
In 2013, a total of 1,110 food operators participated in the programme which provides breakfast and lunch at the affordable price of RM2 and RM4 respectively in Peninsular Malaysia, and RM2.50 and RM5 in Sabah and Sarawak. To date, the number of participating operators has increased to over 4,000.

## 2013 ACHIEVEMENTS

| No. | Key Performance Indicator (KPI) | 2013 Target | 2013 Achievement | % Achieved |
|---|---|---|---|---|
| 1.1 | Direct handout to the *Rakyat* (BR1M 2.0)<br>i. RM500 for eligible household recipients with total monthly household income of RM3,000 and below | 100% | 100% | 100% |
| 1.2 | ii. RM250 for eligible single individual recipients aged 21 years old and above earning RM2,000 and below monthly | 100% | 100% | 100% |
| 2 | Back To School Incentive - Implementation of RM100 cash handout to students in Year 1 to Form 5 | 100% | 100% | 100% |
| 3 | Implementation of RM250 book voucher to public institutions of higher learning (IPTA) and private institutions of higher learning (IPTA) students | 100% | 100% | 100% |
| 4 | *Kedai Rakyat 1Malaysia* (KR1M) | 40 | 40 | 100% |
| 5 | Number of new outlets participating in *Menu Rakyat 1Malaysia* (MR1M) | 1,000 | 1,110 | 111% |
| 6 | Total number of *Klinik 1Malaysia* in operation | 70 | 70 | 100% |
| 7 | New *Kedai Kain 1Malaysia* (KK1M) shops | 26 | 12 | 46.15% |
| | **Total** | | | **94%** |

Table of 2013 KPIs for COL NKRA

## ADDRESSING THE RISING COST OF LIVING NKRA - GOVERNMENT ASSISTANCE PROGRAMMES

As the COL NKRA's initiatives respond to changes in the market patterns, the benchmark for its key performance indicators vary from year-to-year. Nevertheless, the Government remains committed to continuing the cash assistance programmes listed below:

| The Bantuan Rakyat 1Malaysia cash aid (BR1M) | The BR1M was designed to help alleviate the burden of lower middle-income Malaysians through annual financial assistance. The scope of BR1M has become progressively widerin BR1M 2.0 as relief has been extended to single people.The Government is committed to continue distributing the BR1M cash assistance to low-income families going forward. |
|---|---|
| **Back to School Assistance Programme** | This programme helps students prepare for the new school year with a cash assistance of RM100. Every student in Malaysia from Primary One to Form Five in both public and private schools (a total of about 5.2 million students) receives this assistance yearly. |
| **1Malaysia Book Voucher Programme (Baucar Buku 1Malaysia or BB1M)** | Similar to the Back to School Assistance Programme, the BB1M helps defray the cost of education by subsidising the cost of school books. The BB1M vouchers are accepted by participating retail bookstores in lieu of cash payment for book purchases. |

At the same time, the Government is committed to the continue provision of good quality and affordable products and services to all Malaysians. The COL NKRA is thus committed to the continued expansion of its programmes that make these goods available.

**Kedai Rakyat 1Malaysia (KR1M):**



KR1M stores are designed to provide essential goods at cheaper prices. KR1M offers the same consumer goods as most hypermarkets, but emphasises the provision of basic necessities such as milk, baby diapers, and other basic essentials. Most items are distributed under the 1Malaysia brand. There are currently over 350 KR1M grocery items and the list is expected to expand over time. KR1M will focus on products manufactured by small and medium enterprises (SMEs), and thus act as a platform for the Government's continuing effort to increase, enhance and expand SME's manufacturing capabilities and sales. KR1M products are also made available in convenience stores participating in the Economic Transformation Programme's TUKAR entry-point project, which aims to transform small retailers by equipping them with modern technology and efficient processes. This allows for greater coverage of KR1M products that are not only limited to KR1M shops. There are currently 548 point of sales for KR1M products across the country. Point of sales refers to non-KR1M shops including TUKAR participating shops that are also selling selected KR1M products as an alternative choice.

**Klinik 1Malaysia:**



Klinik 1Malaysia, which was introduced on Jan 1, 2010 by the Ministry of Health, opened its 238th clinic in 2013. The objective of these clinics is to provide fast and cheap (RM1) basic treatment especially in urban areas with a high population to help ease pressure on Government hospitals. Patients with minor outpatient needs are advised to seek treatment at the clinics rather than at the hospital. The clinics are managed by medical assistants and staff nurses, and have treated over nine million Malaysians since its inception.

*" The Government efforts through BR1M and the Kedai Rakyat 1Malaysia is good in its cause but they have to ensure it is more accessible to all Malaysians."*

PUTERI NORHIDATUL, 31, self employed

# MOVING FORWARD

The COL NKRA is a subset of Government initiatives designed to help the rakyat deal with the rising cost of living. The Government constantly monitors for new developments that may affect the price of goods, so it may provide timely alleviation when needed. Following this, a Special Cabinet Committee to discuss the issue was held in early 2014.

The Government also makes policy decisions that are designed to reduce the cost of living, e.g. to stabilise the price of homes by curbing property speculation. Under Budget 2014, the Government will reimpose the original rate for the Real Property Gains Tax at 30% for properties disposed within the first three years. As for properties sold within the fourth and fifth year, the rates will be 20% and 15% respectively. The Government is convinced that this will help cool property inflation.

Meanwhile, the Government is committed to the continuation of the cash-assistance programmes under the COL NKRA. Aside from cash-assistance programmes, the Government will continue to enhance services and the provision of more reasonably priced goods. The future plans for the COL NKRA's flagship programmes are outlined below.

**Kedai Rakyat 1Malaysia (KR1M):** A total of 60 KR1M shops are expected to be setup in 2014.

KR1M has always been open to interested parties who are willing to operate stores; however, not many companies are interested or able to take part in KR1M businesses as a huge portion of the items sold in the shop needs to be *Rakyat 1Malaysia* (R1M) items unlike other convenience stores.

Store owners at present are nonetheless willing to stock a smaller portion of R1M in their inventory to provide a better selection of items to customers without hurting the sales of other more profitable items.

**Back to School Assistance programme:** Every student in Malaysia from Primary One to Form Five in both public and private schools, or a total of about five million students, will continue to receive this assistance worth RM100 each year.

**1Malaysia Book Voucher Programme (BB1M):** Tertiary education students in Malaysia will each receive book vouchers worth RM250 to help them manage the cost of education. Some 1.2 million Form Six, matriculation, college and university students will receive the voucher in 2014.

**Klinik 1Malaysia:** A total of 50 clinics are expected to be setup in 2014 bringing the total number of clinics to 288 by the end of December 2014.

**The Bantuan Rakyat 1Malaysia cash aid (BR1M):** The Government is committed to maintaining the BR1M cash assistance to low-income families in the years to come. At the same time, the BR1M will also come with insurance coverage for recipients, which adds another layer of security for the rakyat.
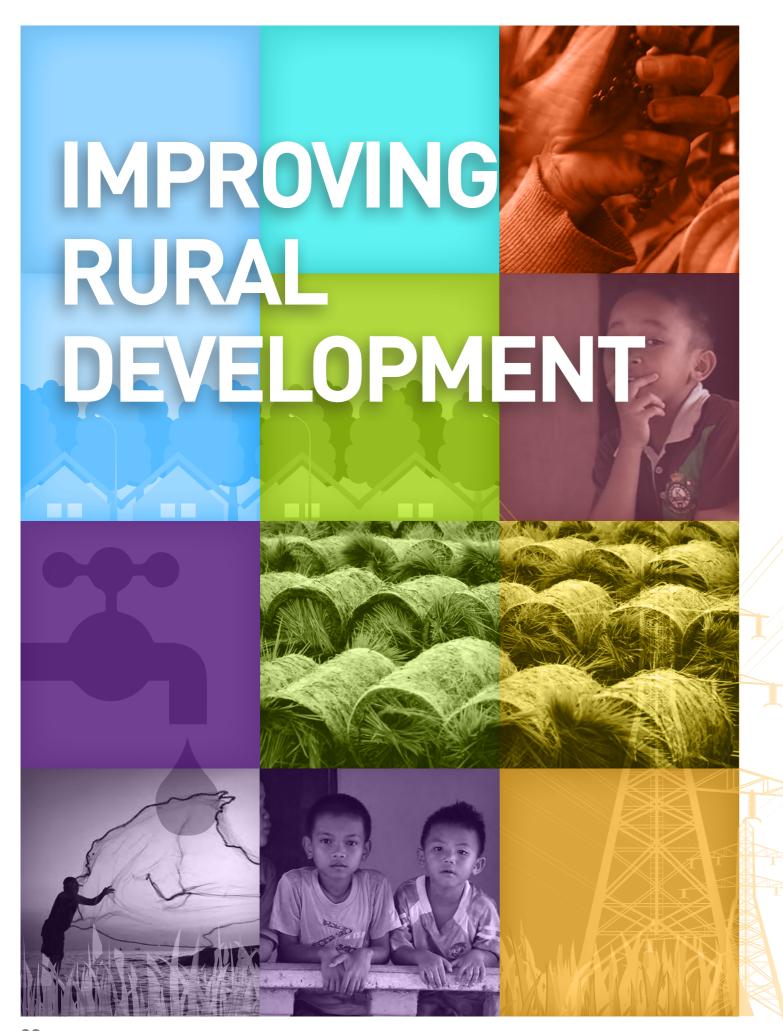
The Prime Minister in his Budget 2014 speech announced that BR1M will be continued, with the amount of the assistance increased to RM650 for households earning RM3,000 monthly and below and RM300 for singles earning RM2,000 monthly and below.

The programme will also be extended to households earning between RM3,000 to RM4,000 per month, who will receive cash assistance of RM450. All BR1M recipients will also receive a RM50 contribution from the Group Takaful 1Malaysia (i-BR1M), which will provide them with insurance coverage. This initiative provides protection of up to RM30,000 to BR1M recipients in the event of death or permanent disability.

| | BR1M 1.0 | BR1M 2.0 | BR1M 3.0 |
|---|---|---|---|
| **Date** | April 2012 | Feb 2013 | Feb 2014 |
| **Eligibility** | ≤RM3,000 | ≤RM3,000 (households)<br>≤RM2,000 (singles) | RM3,001-RM4,000 (households)<br>≤RM3,000 (households)<br>≤RM2,000 (singles) |
| **Handouts** | • RM500 to households | • RM500 to households<br>• RM250 to individuals | • RM650 to households (earn <RM3,000)<br>• RM450 to households (earn between RM3,000-RM4,000)<br>• RM300 to individuals (earn ≤RM2,000)<br>• RM50 contribution to the Group Takaful 1Malaysia (i-BR1M) |

# IMPROVING RURAL DEVELOPMENT

" We aim to deliver an equitable standard of living so that no Malaysian is left behind as the nation progress towards 2020. "

**DATO' SERI HAJI MOHD SHAFIE BIN HAJI APDAL**
Minister of Rural and Regional Development

Initiatives under the Rural Development NKRA (formerly known as the Rural Basic Infrastructure NKRA) have, without doubt, improved the lives of millions of rural Malaysians. These initiatives have empowered them financially and, perhaps most importantly, improved their overall quality of life. I am pleased to report that rural Malaysians today are better off than they were four years ago prior to the implementation of the Government Transformation Programme (GTP). Thanks to the efforts of the Rural Development National Key Result Area (RD NKRA), over eight million, or about 30% of the Malaysian population, still residing in rural areas have seen or will see improvement in their lives.

Having overseen the NKRA's transition from being strictly focused on Rural Basic Infrastructure (RBI) to Rural Development (RD) is particularly gratifying for me. The change in the NKRA's name is reflective of a change in our priorities as well. As a team we are no longer just concerned about electricity, water, roads and housing but also about the overall health and development of our rural communities.

Make no mistake, however; our first and foremost priority is still to ensure that rural communities do have access to these basic amenities that those of us in urban areas take for granted. The difference is that rural basic infrastructure is no longer our only priority. Through these achievements, rural Malaysians now have a fair chance to better their economic prospects and increase their overall standard of living. I am pleased to report that the RD NKRA has hit all its delivery targets for 2013 and is on track to do the same for 2014.

The Government is committed to helping rural Malaysians in their endeavours and we have deployed resources and expertise to turn these aspirations into reality. The 21st Century Village Programme (21CV), Desa Lestari Programme and the tie-in with the private sector premium fruits and vegetables farm programme under the Economic Transformation Programme (ETP), have been designed to create self-sustaining rural economies that will boost average rural income.

We are also aware that the development of rural Malaysia will depend very much on youth enterprise and we are actively implementing initiatives to create opportunities for youth in rural Malaysia. The Rural Business Challenge (RBC), a programme under 21CV, has yielded a number of exciting ventures spearheaded by young entrepreneurs.

The first of these projects will be implemented next year. The Government is doing its part to help finance and manage the logistics of all winning projects, but their success will be largely dependent on the relative merits of each individual project.

I would like to take this opportunity to remind my fellow Malaysians about the importance of preserving the integrity and way of life of our rural areas, which, in many ways, continue to represent the soul of our nation. The contribution of rural Malaysia cannot be overstated and we must do our part to ensure that they prosper alongside the rest of the country even as we attain high-income status as a nation.

## OVERVIEW

The primary focus of the Rural Development NKRA since its inception is to increase the access of the rural community to basic amenities including 24-hour electricity, clean water, paved roads and good quality homes. With the majority of the targets accomplished by the end of GTP 1.0, the RD NKRA has now added rural economic development to its delivery portfolio under its flagship 21st Century Village programme.



The importance of reliable access to basic infrastructure cannot be overstated: clean water, electricity and reliable roads are key economic enablers that must be put in place to improve the quality of life of rural Malaysians. The 30% of the *rakyat*, or 8.1 million Malaysians, still living in rural areas, represent a significant portion of the country's total population. As such, rural Malaysians will play a significant role in realising the country's Vision 2020 goal of a high-income, developed nation.

Delivery of basic infrastructure in rural Malaysia poses a unique challenge because of the rough terrain of the country's interior. The Government has been committed to the betterment of rural communities since Independence, but delivery efforts have been hampered due to the lack of coordination and focus on the construction of rural basic infrastructure. However, the RD NKRA has proven that with appropriate resources and a dedicated team, the infrastructure targets can be met.

The RD NKRA team had set ambitious goals for itself for GTP 1.0, namely to provide access to basic infrastructure to 95% of the Malaysian rural community. Although the team had to grapple with a number of unforeseen issues such as budget setbacks and operational problems, it has managed to overcome them through a number of innovative solutions to achieve their targets.

| Initiative | Benefited | GTP 1.0 Achievement |
|---|---|---|
| access to paved or gravel roads | | 2.2 million households |
| access to clean or treated water | | 1.4 million households |
| access to 24-hour electricity | | 476,500 households |



Below are the breakdowns of GTP 1.0 Program Bantuan Rumah (PBR) Houses achievements in Malaysia.

| Year | 2010 | 2011 | 2012 | GTP 1.0 | Households |
|---|---|---|---|---|---|
| Built | 10,722 | 9,058 | 17,439 | 37,219 | 186,095 |
| Repaired | 6,204 | 5,307 | 4,646 | 16,157 | 80,785 |
| **Total** | **16,926** | **14,365** | **22,085** | **53,376** | **266,880** |

GTP 2.0 has seen the further acceleration of the delivery of rural basic infrastructure whilst simultaneously laying the groundwork for the second phase of development, namely to financially empower rural Malaysians. The RD NKRA's initiatives in the latter segment are grouped under the 21st Century Village Programme, which in turn contains four parts:

**(i) Collaborating with state agencies:** The various State Governments will be deployed to collaborate with rural communities to build and run modern fertigaton farms. The farms, to be developed by state agencies, will provide housing and farming components, with each employing approximately 100 villagers.



**(ii) Facilitating private-driven programmes:** Rural Malaysians have been engaged to help develop fresh fruit and vegetable farms owned by anchor companies under the ETP's Agriculture National Key Economic Area (NKEA) i.e. the Entry Point Project (EPP) 7: Premium Fruits and Vegetables. Rural residents from 10 sites will be enlisted to manage and supply produce to anchor companies.

**(iii) Enhancing existing co-operative programmes:** Economic activities run by village co-operatives are not uncommon in rural Malaysia, but they tend to lack scale and the expertise required to reach their full potential. Under 21CV, the Ministry of Rural and Regional Development (*Kementerian Kemajuan Luar Bandar dan Wilayah* or KKLW) will collaborate with other agencies to enhance these activities by financing asset purchases and providing management support.

**(iv) Driving youth entrepreneurship:** Urban diaspora has seen many rural youths leave the village for urban centres in search of a better quality of life. To reverse the diaspora, KKLW has organised an annual Rural Business Challenge that is open to Malaysian youth. Winners of the competition will be given financial assistance and land to implement their business proposals, with innovation and feasibility as part of the winner's criterion.

The delivery of basic infrastructure, together with the activities of the 21CV Programme, is expected to create thriving rural economic centres, which will contribute positively to the Malaysian economy.

# ACHIEVEMENTS

## Achieved 120% of Rural Development

The RD NKRA achieved 120% of its targeted basic infrastructure delivery in 2013 despite receiving only a portion of its allocated budget. Lessons learnt from the implementation of similar activities in GTP 1.0 had proved invaluable over the last 12 months as the delivery team focused on obstacles such as incompetent contractors, insufficient supply of building materials, and logistic issues.

## Laying the foundation for the 21st Century Village Programme

The 21CV Programme is a new introduction to the RD NKRA in GTP 2.0, which is designed to transform existing villages into thriving economic centres. There are four parts to the programme, which are designed to facilitate development under four models:

(i)  Through collaboration with the State Government and its agencies to develop and maintain modern farms.
(ii) Through collaboration with private sector partners under the ETP's EPP 7: Fresh Fruits and Vegetable Programme.

(iii) Through the enhancement of existing economic activities run by village co-operatives.
(iv) Through encouraging greater youth participation via the Rural Business Challenge.

The implementation of these initiatives in 2013 has also yielded important lessons, which will further improve execution going forward. The RD NKRA is convinced it is going down the right path, with its initiatives in this area and plan to further accelerate delivery efforts.

The table below provides a summary of our achievements:

| KPI | 2013 Revised Target (Revised owing to budgetary changes) | 2013 Achievement YTD | GTP 2.0 2013 Achievement (%) |
|---|---|---|---|
| **Roads Delivery (KM)** | **441** | **719** | **163%** |
| Peninsular Malaysia | 213 | 325.9 | 153% |
| Sabah | 105 | 203.9 | 194% |
| Sarawak | 123 | 189 | 154% |
| **Water Delivery (HH)** | **26,100** | **31,004** | **119%** |
| Peninsular Malaysia | 9,200 | 9,281 | 101% |
| Sabah | 8,000 | 12,799 | 160% |
| Sarawak | 8,900 | 8,924 | 100% |
| **Electricity Delivery (HH)** | **19,811** | **19,996** | **101%** |
| Peninsular Malaysia | 1,336 | 1,516 | 113% |
| Sabah | 7,735 | 7,740 | 100% |
| Sarawak | 10,740 | 10,740 | 100% |
| **Housing Delivery (HH)** | **7,212** | **11,021** | **153%** |
| Peninsular Malaysia | 2,793 | 4,860 | 174% |
| Sabah | 1,718 | 2,489 | 145% |
| Sarawak | 2,701 | 3,672 | 136% |
| **Road Maintenance (KM)** | **730** | **1,241** | **170%** |
| Peninsular Malaysia | 410 | 759 | 185.12% |
| Sabah | 160 | 238 | 148.75% |
| Sarawak | 160 | 244 | 152.50% |
| **Private-driven fresh fruit and vegetable farms** | **2** sites | **2** sites | **100%** |
| **Desa Lestari: Number of villages which are business ready** | **10** villages | **10** villages | **100%** |
| **Desa Lestari: Complete design and procurement (kampong)** | **19** kampungs | **15** kampungs | **79%** |
| **Rural business challenge winners** | **11** winners | **11** winners | **100%** |
| **TOTAL ACHIEVEMENT:** | | **120%** | |

Table of 2013 KPIs for RD NKRA

# IMPROVING RURAL DEVELOPMENT NKRA – WORKSTREAMS AND FOCUS AREAS

Activities of the RD NKRA are guided by two key aspirations:

(i) Providing universal access to utilities and infrastructure
(ii) Ensuring the development of rural economies under 21CV

## The GTP 2.0: Sustainable Rural Development

| Rural Basic Infrastructure (RBI) | 21st Century Village (21CV) |
|---|---|
| **Roads** **95% – 99%** of population have access to roads | **Agriculture** Develop large scale modern farms |
| **Water** **95% – 99%** of population with clean or treated water | **Tourism** Enhance and upgrade Eco or Agro Tourism villages |
| **Electricity** **95% – 99%** of population with 24-hr electricity | **Plantations** Enhance production of Oil Palm, Rubber or Sago plantations |
| **Maintenance** Effective maintenance for all GTP roads, electricity and water projects | **Cottage Industry** Enhance traditional foods and handicrafts production in village |

**Social Amenities**
Schools, Waste Management, Healthcare, etc

GTP 2.0 initiatives also call for the maintenance of infrastructure to ensure that the amenities put in place do not fall into disrepair and the provision of social amenities including waste management, healthcare and schools. These enabling initiatives provide the foundation that will further enable the delivery of initiatives outlined in the table above.
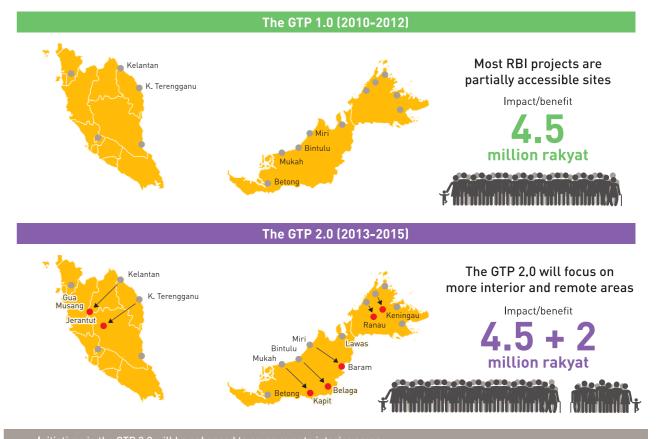
## WORKSTREAM / Rural Basic Infrastructure

GTP 2.0 continues from where GTP 1.0 left off in the delivery of basic infrastructure to rural communities in Malaysia. Budget setbacks and other obstacles had hampered the delivery of infrastructure, but GTP 2.0 will complete the work. As at the end of GTP 1.0, a significant portion of the development plan had been implemented, but there remained pockets of communities that required

the NKRA's focus. These communities will be addressed in GTP 2.0.

In line with the plan to provide comprehensive coverage to all rural Malaysians, GTP 2.0 will focus on more remote areas, particularly in East Malaysia, reaching out to an additional two million *rakyat*.

## Rural Basic Infrastructure in the GTP 2.0 will focus on more remote areas, which means less impact compared to the GTP 1.0



**The GTP 1.0 (2010–2012)**

Most RBI projects are partially accessible sites

Impact/benefit

**4.5** million rakyat

**The GTP 2.0 (2013–2015)**

The GTP 2.0 will focus on more interior and remote areas

Impact/benefit

**4.5 + 2** million rakyat

Initiatives in the GTP 2.0 will be enhanced to cover remote interior areas

### Initiatives
**Road improvement**
A reliable and safe road network remains one of the foremost priorities for rural residents who often have to travel to reach basic amenities such as schools, stores and hospitals. Makeshift routes such as logging roads and unpaved clay surfaces can be dangerous, making travel near impossible during inclement weather.



Moreover, such routes are not easily traversed by regular vehicles making even the most routine errands such as getting produce to town or seeking medical treatment an ordeal in itself. The lack of proper roads also hampers economic development in rural centres because it isolates the community from economic activity such as tourism, trade and farming.

In response, the RD NKRA has made road improvement a key initiative under its rural basic infrastructure delivery workstream, and aims to ensure that 99% of rural Peninsular Malaysians and 95% of rural Sabah and Sarawak Malaysians live within 5km of a paved or gravel road.

**Ensuring access to clean or treated water**

Clean water is a basic human right according to a United Nations declaration, and Malaysia is committed to ensuring that all *rakyat* have access to this amenity. Clean water is not only a key requirement for general wellbeing, but also necessary for industry and commerce. Efforts under the GTP 1.0 came up short owing to a shortage of construction material, namely the lack of supplies of high density polyethylene (HDPE) pipes.

The delivery team circumvented the HDPE shortfall in GTP 1.0 by sourcing the pipes from vendors that were not registered with the Government. By the conclusion of GTP 1.0, 99% of rural Peninsular Malaysians had access to clean or treated water, but delivery obstacles in East Malaysia had hampered efforts to ensure similar full coverage. This problem will be remedied in GTP 2.0.



This initiative will also see the construction of new water treatment facilities and new supporting infrastructure to ease the pressure on urban water treatment plants, which are being used to process water from new sources.

**TRANSFORMING RAINWATER INTO CLEAN POTABLE WATER**



A key challenge to the delivery of clean water in rural Malaysia is the problem of access, particularly for communities located deep within the interior without convenient access to a reliable aquifer or water source. To overcome this challenge, the RD NKRA team has put in place an innovative solution, which takes the age-old tradition of rainwater harvesting and gives it a new modern spin.

The Lifesaver M1 is a made-in-Malaysia product that uses British nanotechnology to filter harvested rainwater into fresh potable water. The tanks are self-operating in that they do not require electricity to operate, and are rated to filter about two million litres of water—roughly the amount of water in an Olympic-sized swimming pool—before requiring a filtration cartridge change.

Lifesaver M1 units will be further deployed in the years to come.



**Connecting rural areas to reliable, 24-hour electricity**

The RD NKRA is committed to ensuring that rural *rakyat* have constant and reliable connection to electricity, which has become an important amenity in ensuring general well-being. While great effort has been taken to link rural Malaysia to the grid, there remain segments of rural *rakyat* who are still in the dark.

The main obstacle here is again the inaccessibility of remote regions, which are located too far away from the main power grid. These communities require the set up of alternative modes of power generation, from small-scale hydroelectric dams to solar panels. The Government is also focusing its initiatives on rural schools, which presently depend on diesel generators for their electricity supply.

As with the previous two amenities, the Government's goal is to ensure that 95% of rural East Malaysians will have access to reliable electricity by the end of GTP 2.0, and that 99% of rural Peninsular Malaysians will enjoy the same benefit.

**Maintaining rural infrastructure**

This is a new initiative introduced in GTP 2.0 designed to ensure that the infrastructure put in place do not fall into a state of disrepair. The focus at present is on rural roads, which are not monitored under the Malaysia Road Record Information System (MARRIS) operated by the Department of Public Works (*Jabatan Kerja Raya* or JKR). Based on preliminary estimates, there are about 2,400km of rural roads that are not monitored by MARRIS. KKLW has adopted these roads and will maintain them over the course of GTP 2.0.

Meanwhile, the Ministry will ensure that supporting infrastructure such as power generators and solar power generating systems, which require regular maintenance, operate at peak capacity. These assets would have been transferred to local service providers such as the Sabah Electricity Board (SEB) and the Sarawak Energy Supply Corporation (SESCO), and thus does not duplicate the expansionary work already being undertaken by these service providers.

As local service providers are the ones best equipped to monitor and maintain the infrastructure, a specialist department within their organisation will undertake the responsibility of maintaining the infrastructure.

## WORKSTREAM / 21st Century Village Programme (21CV)

The 21CV workstream is a new addition to GTP 2.0, which aims to transform existing villages into thriving economic centres that can provide economic opportunities for the rural community. The RD NKRA acts upon the awareness that basic infrastructure alone is insufficient in raising the standard of living in rural Malaysia, especially when rural youth are being drawn to urban centres in search of a better quality of life.

Based on the GTP 2.0 Lab, we have adopted four different models to help realise the 21CV programme:

(i)   Developing modern farms with State Governments and their agencies.
(ii)  Engaging rural communities to help private-sector driven fruit and vegetable farms under the ETP's *EPP 7: Premium Fruit and Vegetables.*
(iii) Enhancing existing or building new economic activities under kampong co-operatives.
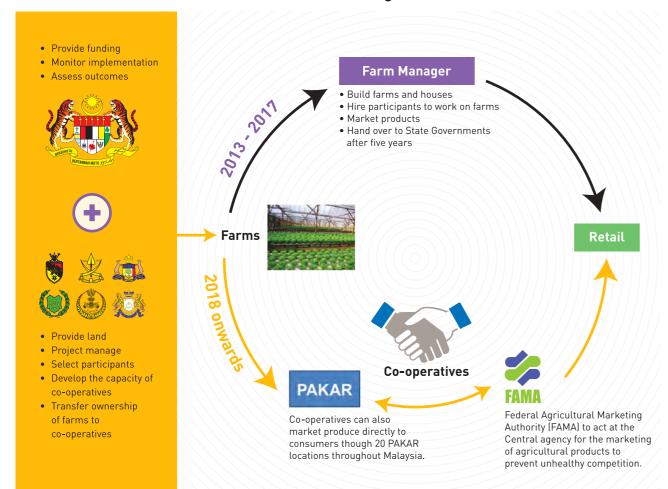(iv)  Encouraging youth entrepreneurs to focus efforts on developing rural Malaysia.

## Initiatives

### State-driven modern farms (Rimbunan Kaseh Programme)

The RD NKRA has sought the collaboration of State Governments and their agencies to develop modern integrated fertigation farms with rural communities. This programme, also known as the Rimbunan Kaseh Programme, is being coordinated and managed by the Implementation Coordination Unit from the Prime Minister's Office. The new farm development will also contain housing components enabling villagers to live at the farming community. This model will be funded by the Federal Government and managed by the State, and is primarily directed to the rural poor who lack gainful employment and homes.



### State Driven Modern Fertigation Farms



- Provide funding
- Monitor implementation
- Assess outcomes

**Farm Manager**
- Build farms and houses
- Hire participants to work on farms
- Market products
- Hand over to State Governments after five years

**2013 - 2017**

**Farms**

**Retail**

**2018 onwards**

- Provide land
- Project manage
- Select participants
- Develop the capacity of co-operatives
- Transfer ownership of farms to co-operatives

**Co-operatives**

**PAKAR**

Co-operatives can also market produce directly to consumers though 20 PAKAR locations throughout Malaysia.

**FAMA**

Federal Agricultural Marketing Authority (FAMA) to act at the Central agency for the marketing of agricultural products to prevent unhealthy competition.

### Private-driven premium fruit and vegetable farms

Rural villagers have been engaged to work on premium fruit and vegetable farms set up under the ETP's EPP 7: Premium Fresh Fruit and Vegetables. The large-scale fruit and vegetable farms are to be jointly developed by KKLW and anchor companies listed under EPP 7.

The Ministry is responsible for land provision and will fund external infrastructure costs to the farms. On the other hand, the anchor companies will be responsible for managing the farm and bringing the produce to market. This model combines with the Agriculture NKEA whereby NKEA funds are used to help fund internal infrastructure. Rural villagers will be employed to work on the farms with a guaranteed salary, and will ultimately earn a share of the profits from the produce sold in the marketplace. KKLW aims to develop 10 farms by the end of GTP 2.0. In 2013, work commenced on two farms. The delivery team is focusing on choosing the right participants, while at the same time ensuring the relevant infrastructure is in place.

### Private Sector Driven Large Scale Fresh Fruit or Vegetable Farms



**Anchor Company to finance and build farms**

**Government to provide land and infrastructure**

**Anchor Company to hire villagers**

**Anchor Company to operate farms**

**Anchor Company to market products**

**BRINGING GREATER SECURITY TO RURAL MALAYSIANS**



ENCIK ABDUL HAKIM

PUAN NOR ASHIKIN

ENCIK MOHD ZULIP

The RD NKRA is committed to the improvement of the livelihood of rural Malaysians, and have started doing so in GTP 2.0 under its flagship 21st Century Village Programme.

One of the initiatives under the programme sees rural villagers employed by private sector anchor companies that are presently conducting farming activities in rural Malaysia under the Economic Transformation Programme's Fresh Fruits and Vegetables Entry Point Project 7.

Under the programme, rural villagers are employed to work on the farms with a guaranteed salary. At later stages, these individuals can earn a share of the profits from the selling of produce in the marketplace. KKLW will develop 10 farms by the end of GTP 2.0. In 2013, work had begun on two farms. The delivery team is focusing on choosing the right participants, while at the same time developing the necessary infrastructure.

"One of the key benefits is a steady paycheck," says Puan Noor, a villager from Chemoimoi, Pahang who has been employed under the programme. "We are no longer sitting around and waiting for work to come our way because this is a fixed position."

The anchor company, Exotic Star, is a leading Malaysian fresh tropical fruits exporter, and has been producing a variety of fruits in the region, including papaya.

"I am happy with the programme and can only hope that Exotic Star, together with the Ministry of Rural and Regional Development, will keep the programme running," says En Hakim, another Chemoimoi resident who is involved in the programme. "We have to think about our children as we would like to leave a legacy behind for them."

He adds that earning a regular income is cherished as it is no longer true that the price of goods in the kampung is cheaper than within the city. The programme thus offers nearby residents greater financial security, Hakim adds.

The fruit to be cultivated under this programme have been carefully chosen under the provisions of the EPP, which aims to increase the sales of premium Malaysian fruits and vegetables in the Middle East and Europe. Together, the two regions import more than 50 per cent of the world's tropical fruits.

At the same time, greater profitability for the anchor company will trickle down to the villagers who participate in the programme thus creating a win-win situation. Through programmes such as this and other initiatives, the RD NKRA team is hoping to transform rural Malaysia into vibrant centres of commercial activity thus increasing national income and reversing urban diaspora.
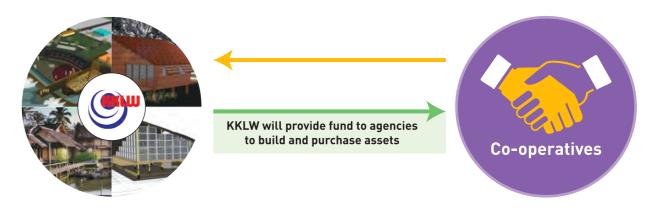
**Enhancing economic activities of village co-operatives under the Desa Lestari Programme**
Rural co-operatives with existing forms of economic activity will receive greater support from the Government to expand their operations. Examples include agricultural activities, fisheries, eco-tourism and various cottage industries.

KKLW will identify villages that have shown potential for greater expansion and will leverage on the existing expertise of the villagers to grow various businesses. KKLW's Economic Empowerment Division will provide the funding for this initiative, and will work with other implementing agencies, such as the Rubber Industry Smallholders Development Authority (RISDA) and the South East Johor Development Authority (Lembaga Kemajuan Johor Tenggara or KEJORA).

The implementing agency will be responsible for managing the purchase and construction of new assets, maintenance of the co-operatives and monitoring the implementation of projects. Initially, four co-operatives were earmarked for implementation for 2013. However, the popularity of the project grew exponentially such that 29 kampungs were included for project development by the end of 2013.

**Business model for cooperative drive tourism, plantations and industry support villages**



KKLW will provide fund to agencies to build and purchase assets

Co-operatives

**Youth Rural Business Challenge**

The Rural Business Challenge for youth was held for the second year in a row in 2013, announcing 11 winners. The projects mooted by the participants varied from small-scale cottage industries to eco-resorts in Sabah. Work is expected to commence in 2014.

The Rural Business Challenge is a model aimed at trying to retain rural youth in *kampungs*, or attract them to return by giving young entrepreneurs opportunities to devise business proposals that would be appealing to the younger generation. Simultaneously, businesses that turn out to be successful boost the income of rural farmers and residents, resulting in a win-win situation.

### Youth Entrepreneur Driven Rural Based Modern Agriculture Businesses

## COMPETITION

KKLW to fund and organise a business plan competition for all Malaysian youth. Competition will be advertised in major local and international print, broadcast and online media. A list of unutilised land will be made available to the participants.

## FUNDING

Panel consisting of KKLW review all submissions to select finalists to undergo a rigorous interview before winners are selected.

## BUSINESS

Winners will be provided with financial assistance to implement their business plan.

### RURAL BUSINESS CHALLENGE WINNER FULFILS CHILDHOOD DREAM

When Selverstone Junit played as a child in his grandfather's fields atop a hill just outside of Kota Marudu in Sabah, he often thought that everyone else needed to experience the sense of beauty and tranquillity he drew from the area. Located off the main road connecting Kota Marudu with Kudat, the 23-year old Rungus boy's hill overlooked the picturesque Teluk Kudat and showed great potential as a tourist resort.

But Junit lacked two essential ingredients for his dream to come true: funds and the expertise required to pull such an operation together. All that changed when he spotted an advertisement for the Ministry of Rural and Regional Development's (KKLW) Rural Business Challenge (RBC) in a local newspaper and decided to submit a proposal.

Chosen as one of the winners in 2012 because of the ambition and scale of the proposal, work on Junit's resort—Panorama Paradise—quickly began. In addition to RM500,000 in seed capital, the Ministry helped set Junit up with a new business model and a phased development plan.

The Ministry also constructed an asphalt road in the interest of residents in the area, which simultaneously connected the resort to the main road. It also helped to secure facilities required by the resort, such as live deer and goats for the resort's petting farm.

"I am very thankful to the Ministry for the funds as well as the support and help they have given me," Junit said. "The target audience for the resort will be foreign travellers as eco-tourism has become extremely popular here in Sabah.

"The idea of the resort is to provide a high-privacy location for groups of tourists to enjoy the best outdoor activities that the area has to offer including All Terrain Vehicle (ATV) trails, hikes, herb and orchid gardens, and a petting zoo for the children."

Under the advice of the KKLW, Junit has already started implementing his marketing plan, securing the cooperation of travel agencies to offer his resort as a tourist location starting April 2014. He has also already received bookings via the resort's Facebook page, which he says is very encouraging.

"One of the main goals of the resort is to help the indigenous people living around here improve their lot in life," Junit said. "This will be the first eco-resort in Kota Marudu, and I believe that its close proximity to Kudat, the Tip of Borneo, will help draw people here."

The resort is expected to employ about 30 full-time staff when its operations are in full-swing, but Junit says that he has left room for expansion should everything go according to plan.

Junit's resort is a prime example of the goals of the RBC, which is to encourage youth-driven enterprises that will enrich the lives of residents in rural communities. KKLW believes that rural Malaysia will remain a viable alternative for Malaysians who seek alternatives to city living, and projects such as Junit's will help increase the level of commercial activity in key rural locations.



## KEY CHALLENGES

A persistent problem with the delivery of rural basic infrastructure has been the difficulty of accessing remote rural areas, particularly in East Malaysia where the terrain can be quite harsh. Meanwhile, budgeting changes tend to crop up, which forces the delivery team to change its plans mid-stream. This had inadvertently caused a delay in the delivery of basic infrastructure, although new procurement measures and better screening of contractors have resolved this issue in 2013.

The model combining with the private sector may not have funding constraints but faced difficulty in getting sufficient personnel to deploy the programme. In addition, the farming initiative under the *EPP 7: Premium Fresh Fruit and Vegetable Programme* experienced some difficulty in finding the right participants. Therefore, expanding this model will face a challenge in getting farmland that is sizeable and contiguous.

Despite these initial hurdles, the achievements and successes far outweigh the challenges and the RD NKRA is convinced that the 21CV Programme is en route to becoming a success for rural Malaysia.

## MOVING FORWARD

The RD NKRA will reassess the delivery of basic infrastructure to see if more rural Malaysians can benefit from additional delivery of paved roads, clean water, reliable electricity and well-built homes. The delivery team is en route to completing the delivery of infrastructure as earmarked within the GTP Roadmap 2.0, but improvements can always be had, especially in the more remote areas of East Malaysia.

Meanwhile, the RD NKRA will continue to work on the initiatives contained under the 21CV Workstream to lay the proper foundations required by the programme. As 2013 represented the first year of the deployment of 21CV, much groundwork is still required in terms of infrastructure as well as selecting the right participants for the various programmes.

The RD NKRA is committed to the improvement of the lives of rural Malaysians, and expect to see greater participation in its programmes in the years to come once the basic foundations have been put in place. The team recognises that the rural community has an important role to play in contributing to the country's overall productivity levels.

Rural Malaysia should remain a viable choice for Malaysians who want an alternative to urban life and the RD NKRA is working hard to ensure that rural Malaysians have opportunities that are similar to their urban cousins. The Government believes that it has a responsibility to uplift the lives of rural Malaysian and to help them reach their potential in all their endeavours.

**Views from the DMO:**

# UPLIFTING RURAL COMMUNITIES

**DATUK SERI IBRAHIM BIN MUHAMAD**
Secretary General (KSU) of the Ministry
of Rural and Regional Development
(*Kementerian Kemajuan Luar Bandar
dan Wilayah* or KKLW)

In tandem with the evident transformation taking place within the rural areas, the Improving Rural Development (RD) NKRA has undergone a transition from solely focusing on rural basic infrastructure, to gearing towards the implementation of comprehensive, sustainable and holistic development programmes.

Datuk Ibrahim Muhamad, the Secretary General (KSU) of the Ministry of Rural and Regional Development (Kementerian Kemajuan Luar Bandar dan Wilayah or KKLW) noted, "The considerable allocation of RM18 billion for the RD NKRA from 2010 to 2013 shows that the Government is serious and committed to uplifting rural areas."

Integrating people and other resources to implement development programmes, such as the newly introduced 21st Century Village Programme (21CV), were some clear initiatives that the Government had in place over the year.

"A critical process in rural development is to ensure that planning begins with an understanding of the current situation - why we need the programmes - and the desired future - objectives of the programmes. An important element is to deploy and employ resources more efficiently in the accomplishment of the goals of the NKRA," says Datuk Ibrahim.

The KKLW is actively implementing three initiatives under the 21CV Programme - the Desa Lestari programme, the EPP7: Large scale premium fruits farming and the Rural Business Challenge (RBC).
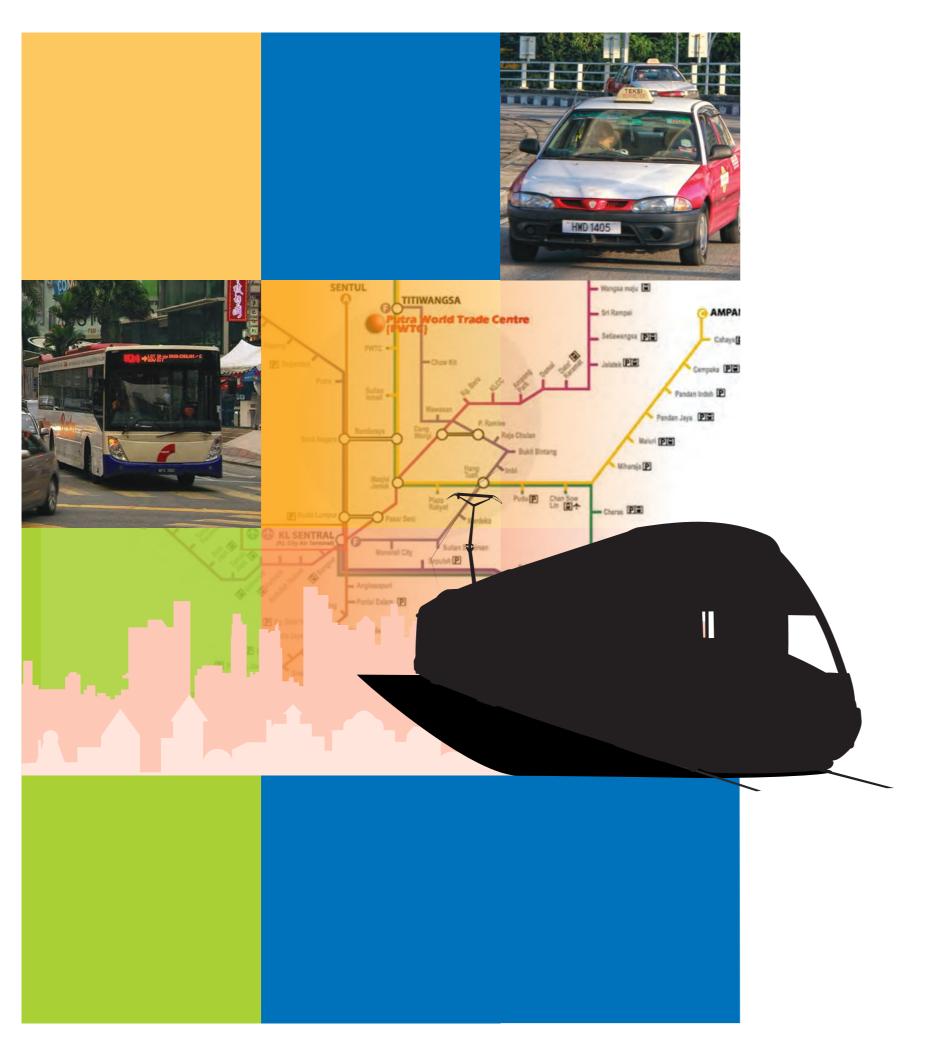
The Desa Lestari is an ambitious programme that will involve 29 villiages coordinating individual economic projects in the areas of rural tourism, agriculture, trading, and transportation. These projects are earmarked to facilitate the creation of employment opportunities and to increase the incomes for the villagers participating.

The RBC initiative on the other hand aims to mobilise and encourage entrepreneurship among rural youths. The RBC is aimed at attracting innovative minds to involve themselves as entrepreneurs. Aspiring youth entrepreneurs are encouraged to come forward with viable business proposals aimed at developing a sustainable business within the rural sector. RBC winners with sound and robust implementation activities will receive start-up grants as well as an opportunity to execute their plan within the designated rural sector.

"2012 saw a total of RM8.5 million invested to 11 winners. In 2013, 20 youth entrepreneurs were awarded business grants ranging from RM300,000 to RM2 million. The RBC has proven to be a successful initiative which encourages young entrepreneurs to participate in the challenge of building a sustainable economic environment within the rural sector," says Datuk Ibrahim. Six winners from the RBC in 2012 have successfully doubled their incomes within just over a year.

The RBC initiative has also to date created more than 400 job opportunities with monthly incomes ranging from RM700 to RM2,500. "More job opportunities are expected to be created from the implementation projects of the 2013 winners," says Datuk Ibrahim.

In tandem with the implementation of GTP 2.0, Datuk Ibrahim says the RD NKRA has focused on ensuring project requirements and timelines are met through regular engagement and close collaboration with various implementing agencies and State Governments. Overall, Datuk Ibrahim prides the RD NKRA of rigorous monitoring at all levels by tracking, reviewing, and regulating the progress and performance of projects, all of which contributed to the 120% achievement of its KPIs, marking a successful first year of the GTP 2.0.

## OVERVIEW

The numbers speak for themselves as far as the achievements of the UPT NKRA are concerned. Over the past four years, the modal share of urban public transport—i.e. the percentage of commuters who use public transport—has increased by four percentage points from 17% to 21% by the end of 2013. There is further room for optimism, as UPT projects typically require longer lead times, which suggests that further improvements can be expected as earlier projects reach completion or as they reach a critical mass.

### Public Transport Modal Share (2010-2013)



As the graph above indicates, the path forward to the 25% modal share goal by 2015 has not always been smooth sailing; however, the data does point to a steady increasing trend, which is a positive sign for the UPT NKRA's initiatives. Modal share will further improve when initiatives, such as bigger trains for the Kuala Lumpur monorail system and the creation of a segregated Bus Rapid Transit (BRT) route, are completed.

The fact of the matter is that Kuala Lumpur and the Greater Klang Valley is in need of an efficient public transport system to reduce the number of cars commuting daily in and out of the city centre. Roads are at near capacity and may reach crisis levels if nothing is done to accommodate the growing population, which is poised to expand by another four million by 2020.

At the same time, traffic congestion also causes real economic loss in terms of productivity and cost of travel. Idling engines in traffic jams continue to burn fuel while commercial interests dependent on accurate turnaround times may have to readjust carefully timed schedules. A clogged city centre dissuades tourists and foreign investors by dragging down the quality of life, and adds to the overall pollution levels of the country.

The UPT NKRA has identified, from the very start, the most viable solution to the congestion issue is the creation of an efficient public transport alternative, which has been set in motion since the start of the GTP in 2010. Since then, the UPT NKRA has embarked on a number of initiatives to bolster the "pull" factor of public transport.

For example, the UPT NKRA has managed to significantly boost the number of public transport commuters during the morning peak hour by upgrading the train sets of the KTM Komuter service from three cars to six cars. The UPT NKRA has also put in place strategic integrated public transport hubs such as the Integrated Transport Terminal at Bandar Tasik Selatan (Terminal Bersepadu Selatan). Other initiatives include enhancing last-mile connectivity and the provision of a free-city bus service (GO-KL), which attracts greater public transport use.

As the modal share data suggests, the initiatives have yielded results, but further work needs to be done to reach the 25% modal share goal by 2015. As such, GTP 2.0 aims to complete the work begun in GTP 1.0 while at the same time introduce new initiatives that will further deepen the transformation that is already taking place. Meanwhile, initiatives over the course of GTP 2.0 will also look to transform the country's taxi service to bring it at par with other ASEAN peers.

The figure below provides an overview of the key priorities for UPT NKRA over the lifespan of the GTP 2.0.



**25%** **Public Transport modal share**

750,000 A.M. peak public transport ridership
75% of population residing within 400m of public transport nodes
25% of Kuala Lumpur budget taxis at par with best-in-class ASEAN cities

**reliability & frequency | connectivity & convenience | availability & capacity**

Reliable **RAIL** service with the right capacity and frequency

Reliable **BUS** service that provides connection and covers suburban areas

Quality **TAXI** service that enhances door-to-door connectivity

**ENFORCEMENT**: Optimised deployment of resources

**INTEGRATION:** Improved quality and efficiency to allow seamless and convenient journeys

**TRAVEL DEMAND:** Transport analytics, "push/pull" initiatives, profitability analysis and fare structure review

The UPT NKRA also recognises that taxis play an important transport role both within and outside the city centre, and has thus included the taxi workstream in GTP 2.0. Feedbacks from both local and foreign commuters have prompted a careful review of the taxi system currently in place, and a decision has been made to transform the entire taxi infrastructure. The aim is to offer taxi services that is at par with the best in ASEAN by 2015.

# ACHIEVEMENTS

## Raising public transport A.M. peak ridership by 21%

The A.M. peak ridership numbers[1], are an important benchmark of the effectiveness of our initiatives, exceeded the UPT NKRA's target of 400,000 riders with actual ridership numbers coming in at 437,525 of the end of the year, representing 58% of the 2015 target. The increase in public transport ridership is attributable to a number of improvements introduced to the public transport system including better-integrated terminals, increased rail capacity and reduced headway of public transport service.

The Government also approved a pilot project to create the country's first BRT route linking Kuala Lumpur and Klang last year. The first phase, connecting Pasar Seni in the city centre and Subang, will commence construction in the fourth quarter of 2014. The BRT system is expected to be completed by the end of 2016, will have a maximum capacity to ferry of 400,000 passengers daily.

## Enhancing performance of the KTM Komuter service

When the government deployed the new six-car sets electric multiple unit trains (EMU) in GTP 1.0, the UPT NKRA had also commenced work on improving core systems including the signalling and electrification of the tracks. Additionally, restoration of damaged rail tracks was ensured. These efforts have helped improve headway from 30-45 minutes per train to 15 minutes. The on-time performance has been raised to 94.6% and passenger load factor increased to 72%.

## Enhancing passenger facilities for greater comfort and convenience

The UPT NKRA noted that one major reason contributing to the lack of public transport take up by the *rakyat* is due to the inconvenience of public transport. Prior to the NKRA, the different public transport systems—stage and city buses, LRT and monorail—were not properly integrated, making transit difficult for commuters.

In response, the UPT NKRA has embarked on a transformational plan to integrate these different systems in the best possible way. The UPT NKRA has also made it more convenient for commuters to reach major stations and to obtain travel information. Some of the specific wins in this area include:

- Constructing Park 'n' Ride (parking complexes for rail commuters) at major stations: Sungai Besi, Seremban, Bandar Tasik Selatan (BTS), and Gombak. The UPT NKRA will continue to build more Park 'n' Rides in GTP 2.0 in selected key stations such as Kelana Jaya, Salak Tinggi, Klang, Rawang and Nilai.
- Equipping 58 major bus stops in the Klang Valley with electronic Passenger Information Display, which provide estimated arrival time for buses servicing the route. The system utilises Global Positioning Systems (GPS) to provide the estimates. The UPT NKRA has also constructed and refurbished 161 bus stops in four local authorities

—Majlis Daerah Kuala Langat (MDKL), Majlis Daerah Hulu Selangor (MDHS), Majlis Daerah Kuala Selangor (MDKS) and Majlis Bandaraya Petaling Jaya (MBPJ).
- Continuing the GO-KL city bus service that provides free bus travel between major stops within Kuala Lumpur. GO-KL aims to encourage people to use the bus service and, at the same time, help to decongest roads, especially during the peak lunch hour. The service has a daily ridership of about 18,000 passengers.
- Decongesting Kuala Lumpur central business district by regulating bus travel into the city and redirecting bus traffic into the new Pasar Seni and Munshi Abdullah city bus terminals. The regulated flow of bus traffic will help to ensure the most efficient flow from specific corridors.

[1] A.M. peak ridership is defined as the morning peak period between 6:00 and 10:00 in the morning.

## 2013 ACHIEVEMENTS

| No. | Key Performance Indicator (KPI) | 2013 Target | 2013 Achievement | % Achieved |
|---|---|---|---|---|
| 1 | A.M. Peak public transport ridership | 400,000 | 437,525 | 109% |
| 2 | Population residing within 400m of public transport nodes | 75% | 71% | 95% |
| 3 | Customer satisfaction level | 70% | 71% | 101% |
| 4 | KTM Komuter load factor | 70% - 80% | 72% | 100% |
| 5 | KTM Komuter on-time performance during A.M. Peak | 85% | 95% | 111% |
| 6 | Stage bus A.M. Peak load factor | 80% - 90% | 73% | 91% |
| 7 | Number of additional parking bays at Klang Valley Rail Network | 1,200 | 2,602 | 217% |
| 8 | Number of KL Budget Taxi Fleet - at par with ASEAN Best-in-Class | 3,000 | 3,172 | 106% |
| | **TOTAL** | | | **116%** |

Table of 2013 KPIs for UPT NKRA

## IMPROVING URBAN PUBLIC TRANSPORT NKRA – WORKSTREAMS AND FOCUS AREAS

The UPT NKRA has identified three aspirations for GTP 2.0:

i.   Increase morning peak ridership numbers to 750,000 by 2015 from 321,487 people in 2011.
ii.  Increase the percentage of the population residing within walking distance (400m) of public transport nodes to 75% from 63% (in 2010).
iii. Ensure that 25% of Kuala Lumpur budget taxis are at par with best-in-class ASEAN cities.

Five workstreams were set up to realise these aspirations, with emphasis paid on "pull factors", i.e. incentives to draw greater public transport ridership. The problem with urban public transport is that the systems, prior to the GTP, had not been modernised accordingly to the needs of Malaysia's growing urban population, which has seen a significant increase in recent years.

The workstreams and initiatives of the UPT NKRA are given in the table below. The overarching goal of these initiatives is to ensure a 40% public transport modal share by 2020.

| Workstreams | Initiatives |
|---|---|
| **Bus** | • Greater Kuala Lumpur/Klang Valley stage bus network revamp<br>• Bus Rapid Transit (BRT)<br>• Bus stop programmes |
| **Rail** | • KTM Komuter enhancement<br>• LRT Kelana Jaya and Ampang line extension<br>• Kuala Lumpur monorail capacity expansion |
| **Taxi** | • Centralised Taxi Service System (CTSS)<br>• New Taxi Business Model |
| **Integration** | • Pedestrian linkages<br>• Park 'n' Ride and Parkway Dropzone facilities at Klang Valley Rail Network<br>• Integrated ticketing and automated fare collection system<br>• KTM Komuter stations upgrade |
| **Travel demand** | • Parking controls<br>• Journey planners |

## WORKSTREAM / Buses

Thousands of public transport users depend on the bus network to travel within the Greater Kuala Lumpur area. The workstream will overhaul the entire bus network—from stage bus services to feeder bus services. When completed, the bus system is expected to ferry an average of 350,000 commuters during the morning peak period. Three initiatives have been identified under this workstream.

### Initiatives
**Enhancement of Greater Kuala Lumpur/Klang Valley stage bus network**
The Greater Kuala Lumpur/Klang Valley stage bus network revamp will streamline service of the routes by minimising the amount of overlap between the various bus operators. This initiative also calls for the development of an efficient intra-city bus service, which will shuttle passengers from transport hubs to their final destinations within the central business district (CBD). The initiative is broken down into three components:

• **GO-KL city bus service within the CBD:** The free GO-KL city bus service is proving to be an essential service for both locals and tourists within the CBD. The two routes, namely Pasar Seni to Bukit Bintang (Purple line) and KLCC to Bukit Bintang (Green line), launched last year currently sees about 18,000 ridership daily. Another two routes have been identified for deployment, and is target to start by the second quarter of 2014.



• **Stage bus network revamp and feeder bus network improvement:** A key enabler here is the establishment of a Command and Control (C&C) Centre at the Land Public Transport Commission (Suruhanjaya Pengangkutan Awam Darat or SPAD).

The C&C Centre will monitor the performance of all nine stage bus operators within the Klang Valley, which together operate about 3,200 stage buses. The buses will be equipped with GPS units under the Performance Monitoring hub System (PMhS) to help SPAD officers ensure that bus operators are servicing the appropriate routes. The C&C infrastructure has been completed and buses are being outfitted with GPS units.

The UPT NKRA is also resolving the issue of uneven bus services in Klang Valley, due to a disproportionate number of bus operators competing to serve selected routes, at the expense of the areas. SPAD is presently conducting a revamp of the network that will rationalise the number of operators per route. The authority has already consulted the bus operators regarding route assignations and the new network map is expected to be completed by the final quarter of 2014.

To further complement the reorganisation, the UPT NKRA will enhance feeder bus services to under-served rail stations. A pilot feeder bus service was carried out at Serdang and Kajang KTM Komuter stations. Additional feeder bus services will be introduced at high ridership stations such as Padang Jawa, Shah Alam, Klang, Sungai Buloh, UKM Bangi and Rawang in 2014.

• **Recruiting more stage bus drivers:** SPAD is leading a task force to look into the issue of a shortage of stage bus drivers, factor behind insufficient number of buses on the road. Surveys have revealed that the shortage is caused by the non-competitive nature of stage bus driving compared to other similar occupations such as driving chartered buses. Efforts are presently underway to help resolve the shortage of bus drivers via a recruitment drive with various agencies such as Tentera Laut DiRaja Malaysia (TLDM), Perbadanan Hal Ehwal Bekas Angkatan Tentera (PERHEBAT), Jabatan Hal Ehwal Veteran ATM (JHEV) and Jabatan Pembangunan Wanita (JPW).

### Developing the Bus Rapid Transit (BRT) system
The BRT is a key enabler for the creation of an efficient and reliable bus service. BRT aims to create a dedicated bus right-of-way at main corridors, such as Kuala Lumpur–Klang corridor. A few other potential corridors have also been identified over the lifespan of the GTP.

BRT is a specialized form of public transport system that combines aspects of mass transit that meets the high level of passenger demand by utilising far less resources and costs compared to the cost of setting up a new rail system. A BRT feasibility study has identified 12 potential BRT corridors in Greater KL/Klang Valley with the Kuala Lumpur – Klang corridor earmarked as the BRT pilot corridor.

The 39.5km KL-Klang BRT alignment, which will pass through three main roads, i.e. Federal Highway, Jalan Syed Putra and Jalan Tun Sambanthan, aims to benefit the 1.58 million population living along the corridor. At its maximum capacity, it is estimated that the KL-Klang BRT will be able to serve 400,000 passengers daily.

2013 was a busy time for KL-Klang BRT as all the planning and preparation work, including securing necessary approvals for the project, was aggressively pursued this year. The first phase of BRT is targeted to commence construction by the fourth quarter of 2014 and is expected to complete in 18 months.

With the introduction of KL-Klang bus service, it is estimated that passengers travelling from Klang to Kuala Lumpur and vice-versa will save more than one hour of travel time daily.



Artist impression of KL-Klang BRT route via Federal Highway

### Improving bus stops
The GTP 2.0 Bus Stop Improvement Programme continues the work which has already begun in GTP 1.0. The upgrading and refurbishment of 4,500 bus stops and construction of more Hentian Akhir Bandar (HAB)[2] within Greater KL throughout GTP 1.0 and 2.0 is expected to increase standards of the bus system. The plan is to outfit all 4,500 bus stops with up-to-date information panels, which will be completed by the end of 2015.

Meanwhile, plans are also underway to better communicate travel information to commuters by outfitting key bus stops with Passenger Information Display units. This system will announce the estimated arrival time of buses for waiting passengers, thus easing passenger travel. Another 136 units of PID are scheduled for installation at high catchment bus stops within Klang Valley by the end of 2015.

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[2]Hentian Akhir Bandar (HAB) hubs are literally defined as 'Last Stop Terminals'.

# WORKSTREAM / Rail

The rail network in and out of the Kuala Lumpur CBD is presently the most important public transport route accounting for 52% of all public transport ridership. The KTM Komuter train service holds significance as it is the only mode of public transport today, that is able to directly promote the development of satellite cities. GTP 1.0 initiatives added greatly to the capacity and efficiency of rail service through the acquisition of bigger car sets. Nevertheless, more needs to be done.



In GTP 2.0, the UPT NKRA plans to extend routes and put in place infrastructure to ensure greater comfort and reliability of all rail services, which comprise of the existing Light Rail Transit (LRT) line, the Kuala Lumpur monorail and the KTM Komuter service.

## Initiatives
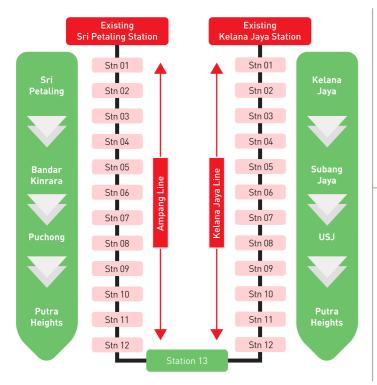
### Enhancing KTM Komuter service
While the capacity of the KTM Komuter service has been greatly enhanced through the injection of additional 38 six-car sets over the last two years, the rail operator also needs to enhance its level of service if it is to draw in new passengers. This includes improving its general service performance and the reliability of its core systems, where the work will be on-going throughout GTP 2.0.

### Extending the Kelana Jaya and Ampang LRT lines
The two busiest LRT lines—Kelana Jaya and Ampang—will be extended to create links to nearby locations. Residents in populous townships such as Puchong and Bandar Kinrara will enjoy greater access to LRTs from this effort, which is expected to increase the morning peak ridership by 100,000 commuters.

**Rapid KL Line Extension Program will serve highly populated catchment areas on both Kelana Jaya Line and Ampang Line**



**Ampang Line Extension**

- Length - 17.7km
- No. of stations - 12 + 1 integrated with Kelana Jaya Line at Putra Heights
- No. of Park 'n' Rides - 7 (multi-storey)
- Expected completion - end of 2016
- Projected daily ridership - 247,000

**Kelana Jaya Line Extension**

- Length - 17 km
- No. of stations - 12 + 1 integrated with Ampang Line at Putra Heights
- No. of Park 'n' Rides - 5 (multi-storey)
- Expected completion - end of 2016
- Projected daily ridership - 292,000

The 17.7km-long Ampang line extension will connect the Sri Petaling station and 12 additional stations en route to a new integrated station in Putra Heights. From Putra Heights, the line will be extended to the existing Kelana Jaya station via a 17km extension, which will also connect another 12 new stations in USJ and Subang Jaya areas en route.



**Expanding and extending the Kuala Lumpur monorail system**
A shortage of capacity in the Kuala Lumpur intercity monorail system has caused bottlenecks in specific high-traffic stations such as those located in the Hang Tuah and KL Sentral areas. Quite simply, the existing two-car sets in service are insufficient to meet with high demand and will be replaced by four-car sets, and is to commence operation by the third quarter of 2014. The plan will replace all 12 two-car sets by the completion of this initiative in Feb 2015.

Meanwhile, plans are underway to extend the line by a further 9km under SPAD's Urban Rail Development Plan. The new route will also connect new stations enroute, to serve more areas.

# WORKSTREAM / Taxi

The Taxi workstream is a new addition to GTP 2.0 and aimed at improving the overall quality of taxi service in Malaysia. The ultimate goal is to raise the standard of at least 25% of Kuala Lumpur budget taxis to equal the best in ASEAN. A benchmarking study revealed that the gap in service quality was due to inadequacies in the current operating environment for taxis and lack of enforcement for the industry. The initiatives to be implemented under this workstream will work towards addressing these issues.



Meanwhile, SPAD has also launched a fleet of new taxis under the 1Malaysia brand (Teksi 1Malaysia or TEKS1M), which is designed to provide best-in-class services. One thousand new Proton Exoras will be deployed under the Taxi 1Malaysia initiative in 2014. A regulation change is also now requiring that taxi operators renew their aging vehicles when they apply for a permit renewal every seven years.

At the same time, SPAD will review the existing fare structure presently enforced for taxis. The aim is to rationalise the fee structure to improve the earning power of the drivers while moving the industry up the value chain.

## Initiatives

### Creating a Centralised Taxi Service System (CTSS)
CTSS is a comprehensive system designed to enhance the monitoring by industry regulators and to help them take enforcement action against negligent operators. The CTSS will be able to monitor offences such as non-meter compliance, reckless driving and the operation of a taxi without a valid license.

CTSS will monitor the location of taxi services and will provide connectivity for all operators, enabling the latter to keep in touch with individual drivers. It is expected to raise the success rate of meeting passenger bookings—presently at 40%—by better coordinating drivers within the network.

The CTSS will also help reduce dead miles, i.e. idle taxis or taxis that roam without passengers. The CTSS is expected to roll out in 2015.

### Creating a new business model for taxis
The creation of a new taxi business model is designed to increase the take-home income of taxi drivers by reducing their operating costs. This is especially true for drivers who lease their vehicles from taxi companies. The Taxi 1Malaysia project helps to alleviate this cost item by offering licenses to individual drivers, who nevertheless will have to pay the cost of the new Proton Exora cars.



SPAD is also looking into reducing taxi operation costs by engaging taxi companies to come up with the best business model. This includes having taxi companies to be responsible for vehicle repairs and maintenance which will benefit both the company and taxi drivers. At the same time, other initiatives such as CTSS will increase the matching of taxi demand and supply, hence increase revenue for companies and taxi drivers.
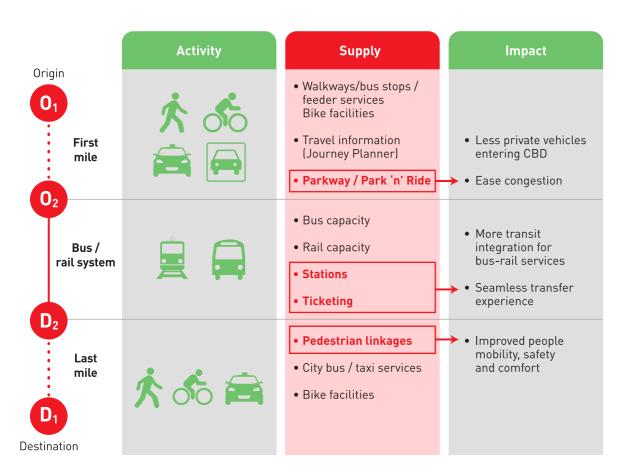
# WORKSTREAM / Integration

Public transport works best when the various networks are integrated in terms of connectivity, transfers and payment. This workstream looks to come up with a plan to bring together the different public transport options available to ensure that commuters can travel from their starting point to their end destination with minimal hassle.

The focus of the workstream can be further divided into three priority areas:

**(i) First-mile connectivity:** The first leg of the journey from the commuter's point of origin to the public transport facility.

**(ii) Mid-mile connectivity:** The accessibility and integration of the public transport facility itself with other networks.

**(iii) Last-mile connectivity:** The last leg of the journey from the public transport facility to the commuter's final destination.



| | Activity | Supply | Impact |
|---|---|---|---|
| **Origin** O₁ / **First mile** | | • Walkways/bus stops / feeder services Bike facilities • Travel information (Journey Planner) • Parkway / Park 'n' Ride | • Less private vehicles entering CBD • Ease congestion |
| O₂ / **Bus / rail system** | | • Bus capacity • Rail capacity • Stations • Ticketing | • More transit integration for bus-rail services • Seamless transfer experience |
| D₂ / **Last mile** D₁ **Destination** | | • Pedestrian linkages • City bus / taxi services • Bike facilities | • Improved people mobility, safety and comfort |

## Initiatives

**Creating more and better pedestrian linkage**

Pedestrian linkages are designed to help connect pedestrians from a public transport station to and from their destination within the busy CBD. The rationale for pedestrian linkage is that without such convenient and safe walkways, the *rakyat* will be reluctant to use public transport at all. At present, construction of two pedestrian walkways—at the Sri Rampai and Wangsa Maju LRT stations—have begun. They are expected to be completed in 2014.



**Building more parkway drop-zones and Park 'n' Ride facilities at rail stations**

Parkway drop-zones are designed to facilitate passenger drop-offs at key public transport stations. Passengers can then join car pools or hop on a bus or train to get to their final destination. Several rail stations have been identified as ideal locations for these facilities.

Meanwhile, new Park 'n' Ride facilities have been planned for several high-density stations. These are parking facilities for commuters who need to travel from their homes to the public transport facilities. The stations identified for new Park 'n' Ride facilities are:

• LRT Kelana Jaya
• ERL Salak Tinggi
• KTM Klang
• KTM Rawang
• KTM Nilai
• MRT Sungai Buloh

Together with the extension of LRT and Mass Rapid Transit (MRT) initiative, 7,000 additional parking bays will be ready by 2016.



**Creating an integrated ticketing and automated fare collection system**

To further ease the travelling experience of public transport users, the UPT NKRA will implement an integrated cashless payment system (ICPS) that will work with all the different public transport systems. This is useful for commuters to have a seamless journey between the various networks, i.e. from bus to KTM and also transfer between KTM and LRT with barrier-free lanes. This seamless trip will provide convenience and time savings to commuters.

ICPS will also be designed to integrate with future transport networks including the MRT system.

# WORKSTREAM / Travel Demand Management

In addition to the activities detailed above, the UPT NKRA will also implement initiatives to manage commuter's travel habits. The initiatives here are aimed to encourage commuters to make a deliberate choice to choose public transport over using their own private vehicles.

## Initiatives

**Parking Control and Management**

This initiative aims to review Kuala Lumpur City Hall's (Dewan Bandaraya Kuala Lumpur or DBKL) on- and off-street parking rates to ensure a more competitive regime. This is one of the 'push' factors that will be deployed to encourage greater use of public transport, but will not be implemented at the present time.

Presently, some four million trips by cars enter Kuala Lumpur daily, which is above the capacity of the CBD's roads. More competitive parking rates will help encourage commuters to seek out public transport alternatives. The initiative also calls for stricter enforcement of parking violations within the CBD.

Meanwhile, the area around public transport facilities within the CBD will be converted to spaces for public use such as covered pedestrian walkways. This will help create safer and more convenient access for commuters to and from public transport stations.

**Journey Planner**

An online Journey Planner will help boost demand for public transport by providing comprehensive travel information for all public transport networks. This will help commuters plan their journey based on selected criteria such as: fastest route, fewest transfers or routes that require minimum walking. There are three phases to the planner:

1. **Phase One:** One-stop journey planner providing static information on routes, travel fares, schedules and timelines i.e. through web interface for PC and mobile devices.
2. **Phase Two:** The planner will provide travel options with multi-mode and multi-operator options. It will integrate data provided by other operators, if available, such as the PMhS and CTSS. Smartphone app versions of the Journey Planner will be made available.
3. **Phase Three:** The planner will be migrated to mobile devices giving commuters constant access to the planner.

SPAD plans to complete the first phase of the planner and launch it in the final quarter of 2014.



*" The UPT NKRA initiatives have helped to address some of the congestion problems, but it is still an issue in some areas of Kuala Lumpur. Marking up the prices of cars or fuel is not the answer to ease traffic congestion."*

VICTORIA WONG, 24, Media Executive

## PUBLIC TRANSPORT KEY TO DECONGESTING KL CITY



**IR DR. LEONG SIEW MUN**
Director of Urban
Transportation Department
*Dewan Bandaraya Kuala Lumpur
(DBKL)*

One of the key deliverables of the Government Transformation Programme is to improve accessibility for commuters in and out of the Kuala Lumpur city centre. The projected growth of Kuala Lumpur by about another four million residents by 2020 threatens to put the entire city into a gridlock.

"Due to our route network—the ring and radial concept that was put in place during the colonial days—we have 12 corridor routes coming into the city centre," according to DBKL. "During the morning and evening peak windows, our routes operate at a Service level E where commuters experience some 'stop-and-go'."

Kuala Lumpur roads are measured using an alphabetic scale of service level with Service Level A representing completely traffic-free levels while Service Level F represents total gridlock, i.e. where commuters spend more time at rest than on the move. For an urban city centre, a consistent Service Level E is acceptable, but becomes problematic because it takes only a small obstruction for driving conditions to drop down to Service Level F from Service Level E.

"At Service Level E, any minor disturbance or blockage can create a 'spillback effect' for the entire city, and this happens very frequently throughout the day," Dr Leong explains. "Badly maintained vehicles can stall and rainfall can cause flash floods or pools of water; this creates a slowdown in vehicle traffic that has an impact on the entire traffic system."

While traffic congestion is an endemic problem to all major urban centres, Kuala Lumpur is fortunate in that it still has weapons in its arsenal to alleviate traffic. According to the data, while some four million trips by private vehicles enter the city centre daily, a study conducted by DBKL showed that 70% of them are single-occupancy vehicles.

The simplest solution and one fully supported by DBKL, says Dr Leong, is to improve public transport. The Urban Public Transport NKRA under the GTP has already implemented a number of initiatives to increase the capacity of existing public transport systems such as replacing KTM Komuter train sets with bigger car sets and rationalising bus routes for greater efficiency.

"The Government, through DBKL, is also trying to improve last mile connectivity. We are constructing covered walkways that link to the rail stations to encourage greater public transport use, but more needs to be done," Dr Leong says.

DBKL estimated about 90,000 pedestrians make use of the connection between KLCC and Pavilion in the city centre daily, which has helped inculcate a "culture of walking". Since the start of the GTP, DBKL has constructed almost 36km of barrier-free access to stations, and about 4.6km of covered walkways connecting key stations.

The UPT NKRA initiatives are presently focused on developing "pull" elements in the public transport system to provide greater incentive for commuters to make the switch to public transport, and Dr Leong says that this is a good first start. However, "pull" factors will only accomplish so much, he added. DBKL and the Government are considering implementing "push" factors, incentives for commuters to not use their private vehicles to come into the city centre, in a later phase of the GTP.

"DBKL is aware that we have to change behavioural patterns," he says. "Eventually, we have to make drivers realise that taking his or her own private vehicle will have an out-of-pocket cost to them and a social cost to others."

"We don't even have to talk about sophisticated instruments such as congestion charges. DBKL is not against those proposals, which have been successful in developed cities elsewhere in the world, but we must look at the context of those cities. These cities have already implemented all physical and non-physical measures to move people from private to public transport, but we haven't explored all our possibilities yet."

Dr Leong says that simple measures such as increasing the parking charges of roadside parking—presently fixed at 80 sen an hour within the city centre and 50 sen elsewhere in Kuala Lumpur—could help persuade people to make the shift. DBKL is considering those proposals; however, he acknowledges that these push factors could only come into play once a robust public transport system has been developed.

## KEY CHALLENGES

The UPT NKRA has set before itself ambitious goals that require more than the deployment of financial resources. What may be key to the overall success of the NKRA is the ability of the NKRA to change the minds of the *rakyat* to be more supportive of public transport and to make a deliberate decision to use it as their primary means of commuting rather than using their personal vehicles.

To address concerns regarding the lack of public transport capacity, the UPT NKRA and its partners, in particular SPAD, are putting in place initiatives that will boost the availability of bus and rail services. However, some of these initiatives will not yield results immediately.

For example, the lack of buses on the road is directly caused by the driver shortage, but this is a structural problem that will require some time to fix. The solution is not as simple as hiring people because there is also an emphasis by SPAD on improving the quality of bus service, which requires a certain level of professionalism and expertise.

Meanwhile, the UPT NKRA is also working through the problems that have arisen over the last few years of implementing its initiatives:

| Challenges | Solution |
|---|---|
| **ITT Gombak:** Construction delayed by land issues. Negotiations have been on-going for over two years, resulting in project delay. | All relevant Ministries and Departments at both the Federal and Selangor State levels are combining their resources to expedite the construction of the project. Construction is currently pending the resolution of existing land issues. |
| **ICPS:** To come to an agreement with various stakeholders regarding shared business policies and over the use of a single common payment platform. | SPAD is reviewing the fare policy and structure, which will be presented to stakeholders. An operational model defining ownership and function of the various stakeholders in the running of the e-payment ecosystems is also being developed. The policy will also accommodate the integration of future public transport networks such as the MRT, which is expected to go live by 2016. |
| **Performance Monitoring Hub System:** Installing GPS units on non-Rapid bus operators to integrate the system. | PMhS is currently tracking a total of 1,700 RapidKL buses and a number of non-Rapid buses. Low participation from other non-Rapid bus operators has caused delay in the full deployment of the initiative. SPAD is approaching new ways to obtain the cooperation these non-Rapid operators, and expect to be completed by 2015. |
| **Taxis:** Individual drivers are experiencing difficulties obtaining bank loans to purchase cars under the TEKS1M Programme. | Although the TEKS1M scheme offers taxi licenses to individual drivers, participation in the scheme requires that the drivers purchase new Proton Exora cars in line with SPAD's plan to raise the overall quality of taxis in Malaysia. SPAD is working with taxi operators on a different business model and financial institutions on affordable financing schemes, which can help reduce the burden of taxi drivers. |

## MOVING FORWARD

The UPT NKRA differs from most of the other NKRAs in that both its policy and infrastructure goals are inextricably tied together. Although securing the targeted 25% public transport modal share will require a change in attitude on the part of the *rakyat*, the UPT NKRA believes that this is attainable with the right combination of "push" and "pull" inducements.

At present, the UPT NKRA is primarily focused on enhancing and improving the level of public transport infrastructure to entice more commuters to make the switch. This would include fixing the problems with overcrowding in the monorail system, increasing the number of drivers available to operate buses, building more parking facilities at rail stations and improving pedestrian linkages within the CBD.

The UPT NKRA team is planning to launch the remaining two GO-KL bus routes in the second quarter of 2014. The plan is to also begin construction on the long-delayed ITT Gombak terminal, and to begin work on the first BRT route connecting Kuala Lumpur and Klang. These projects, when completed, will give commuters even better reasons to make the switch to public transport as travel time will be a fraction of present commute times taking into consideration traffic conditions.

The UPT NKRA is confident that public transport in Kuala Lumpur and the Klang Valley can become a viable alternative similar to other developed countries. Greater integration of all available modes of public transport and greater last mile connectivity will be key to attracting a higher public transport modal share in the near term.

### Views from the DMO:

# CHANGING THE WAY MALAYSIANS TRAVEL

**VEEJENDRAN A/L RAMDAS**
Head of the Delivery
Management Office (DMO)
of the UPT NKRA

The Urban Public Transport (UPT) NKRA saw successes in 2013 through the provision of efficiency and reliability by the enhancement of the KTM *Komuter* train service of a 15-minute headway, whilst ensuring it is 95% on-time. Additionally, with the completion of the Park 'n' Ride at Sungai Besi, Bandar Tasik Selatan and Seremban, commuters are more attracted to use the public transport with the addition of more convenient facilities

"The challenge now is to increase the demand for public transport. The key principle in having a public transport service is, of course, to help the commuters gain better access to the various available modes of public transport services, ultimately promoting better people-movement, and mobility within the city.

"As reported, ridership is increasing and efforts are currently underway by the Government to increase ancillary services, to provide efficiency, comfort and convenience in public transport, to facilitate the modal shift from private vehicles," says Veejendran a/l Ramdas, the head of the Delivery Management Office (DMO) of the UPT NKRA.

Veejendran notes that during the year, the main difficulties faced by commuters include overcrowding and delay in service, for which the DMO has been working closely with public transport operators to overcome. "The rail services will eventually reach its maximum capacity and this is where more bus services will need to be added," he explains.

The synergy with town and transport planners, policy-makers and operators, remain a high priority under the UPT NKRA in addressing these issues. Simultaneously, external engagement with the *rakyat* is a consistent effort undertaken through the UPT NKRA to ensure the public is fully aware of the Government's pledge to improve its public service delivery, says Veejendran.

"The approach that the Government has taken is a focus on public transport to become more people-friendly, and providing convenience within the infrastructure from the *first–to–last mile*. We are determined to put forth efforts that are imperative; we are pressing for some key projects like the Gombak Integrated Transport Terminal and Bus Rapid Transit to be implemented, although it faces challenges," he adds.

Public engagement also allows for an open dialogue with the *rakyat*. Receptiveness towards urban public transportation requires a balanced "carrot and stick" approach. "We need more of the 'carrot' to create demand for public transport. We also need policy that support the way transit is cultivated," Veejendran observes.
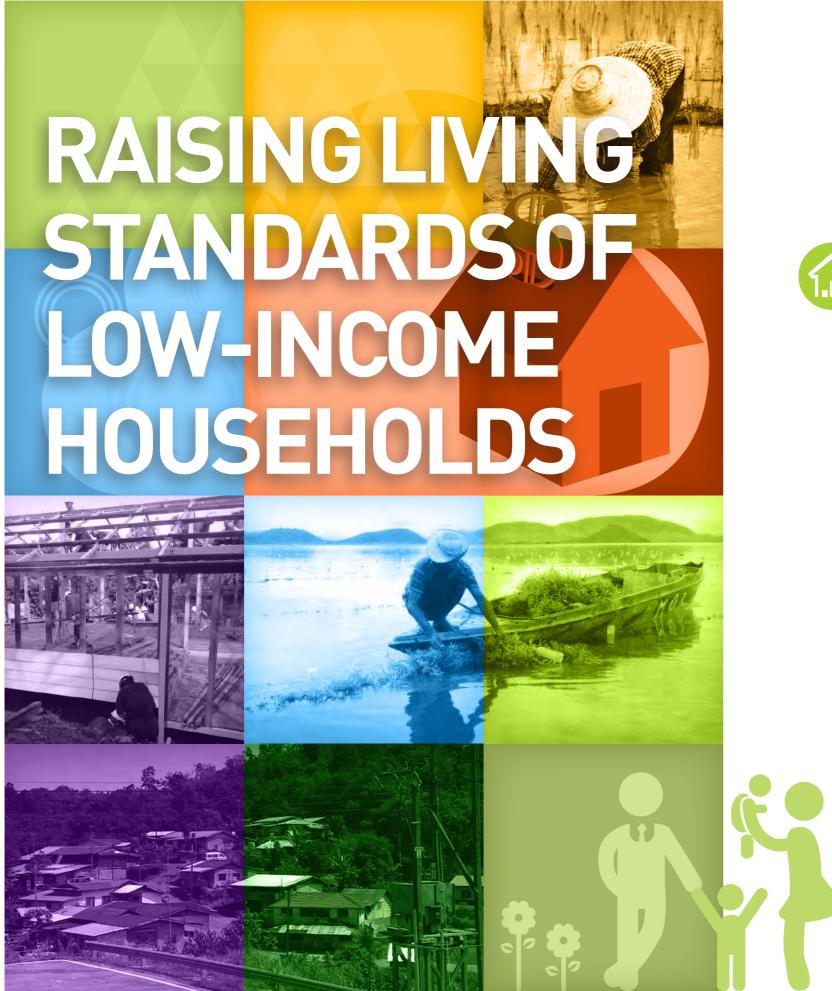
Despite the obstacles, Veejendran takes pride in the progress and achievements of the UPT NKRA's initiatives thus far. "Among successful supplementary services, such as the Park 'n' Ride programme that provide ease of parking at terminals and to encourage more *rakyat* to commute, we are opening more parking spaces at various stations in the Klang Valley rail network and also upgrading the primary KTM *Komuter* stations," he highlights.

On the greater premise, the last four years of the UPT NKRA initiatives have been critical in providing a fundamental public transport system for Greater KL. This will continue to improve and infrastructures such as the Mass Rapid Transit (MRT) lines will place the nation's capital in good stand come 2020.

# RAISING LIVING STANDARDS OF LOW-INCOME HOUSEHOLDS

" Economic empowerment is key for the lower income group to assure a sustainable livelihood. "

**DATO' SRI ROHANI ABDUL KARIM**
Minister of Women, Family and Community Development

**M**alaysia's transformation programme into a high-income, developed nation is progressing well and ahead of schedule. Indeed, if all goes according to plan, we will hit our targets before our deadline of 2020. Yet, we will not be able to deem the transformation a success if we ignore the less fortunate rakyat who live beside us and if we fail to improve their quality of life.

The Government Transformation Programme, under the Raising Living Standards of Low-Income Households National Key Results Area (LIH NKRA) along with the support of all other existing economic empowerment and social welfare programmes aimed to help our less fortunate brethren, has done an excellent job in eradicating almost all instances of hard-core poverty in this country. By the end of GTP 1.0 last year, incidences of poverty in Malaysia fell from 3.8% in 2009 to 1.7% in 2012. While laudable, our responsibilities towards low-income groups extend beyond mere sustenance levels. We, as a country, are committed towards a 1Malaysia vision, which foresees a Malaysia where everyone enjoys a comfortable standard of living. This means that we must actively help to economically empower every group in this country.

The focus of the LIH NKRA in GTP 2.0—following the work that started towards the end of GTP 1.0—is to prioritise sustainable models of development, not only in terms of the livelihoods of the low-income groups, but also in terms of the Government's delivery model.

In response, The LIH NKRA team has actively worked to improve the delivery and management of its flagship project, the *Akhiri Zaman Miskin* (1AZAM). In contrast to the delivery of 1AZAM in GTP 1.0, which was focused on the mass roll-out of the project, GTP 2.0's focus will be on monitoring the performance of the programme's participants.

The goal of the programme is to create real change in terms of the financial habits of its participants, and to help remove obstacles that stand in the way of economic empowerment. The LIH NKRA has diligently delivered financial literacy courses to help low-income groups better understand the nature of savings and investment.

The LIH NKRA team actively seeks greater participation from the private sector and non-governmental organisations (NGOs), which have greater expertise and experience in the delivery of aid to specific low-income groups. The expertise of the NGOs will ensure that the aims and the delivery methods of the 1AZAM programmes do not go to waste while at the same time reducing the Government's burden of responsibility.

Finally, there remain cases of extreme poverty in Malaysia, particularly among indigenous groups, e.g. the *Orang Asli* and *Penan* communities. Often living in remote areas far removed from urban centres, delivery of aid to these groups has been challenging. The LIH NKRA plans to pay special attention to these groups in GTP 2.0 and will again seek the help from relevant stakeholders.

While the efforts to help low-income households are going well, I would like to take this opportunity to remind my fellow Malaysians that the problems of our less fortunate brothers and sisters is one that is shared by all of us. The Government is acting on its commitment to help those most in need of aid, and I urge all *rakyat* to do the same. Only then can we deem 1Malaysia a success.

## OVERVIEW

The LIH NKRA epitomises the spirit of 1Malaysia, which aims to put the welfare of the people first in all its activities. The Government recognised early on that the achievements of the GTP would amount to little if the *rakyat* , particularly less-fortunate Malaysians, did not share in the benefits of a high-income, developed nation.

A testament to its success is a report by the Asian Development Bank (ADB) showing that Malaysian poverty rates fell to 1.7% (based on the National Household Income Survey in 2012). This achievement has come much earlier as the LIH NKRA team had initially set 2015 as its deadline to reduce poverty rates to below 2%. Malaysia, in comparison with regional neighbours, is doing much better with its poverty eradication efforts as the chart below illustrates.

| Country | % Pop below Poverty Line Income | | | Initiatives |
|---|---|---|---|---|
| | 2009 | 2011/12 | % of Reduction | |
| Malaysia | 3.8 | 1.7 | 55.3% | • Cash assistance<br>• 1AZAM programmes (Enterpreneur, Microcredit)<br>• Healthcare, education, housing and more |
| Philippines | 28.6 | 27.9 | 2.5% | • Affordable housing for informal settlers<br>• Universal Health Care<br>• Children Supplement Feeding<br>• Self Employment Assistance |
| Indonesia | 13.3 | 12.5 | 6% | • Rice for the Poor<br>• Health Protection for the Poor<br>• Cash Transfer |
| Thailand | 8.12 | 13.2 | 62.6% | • Universal Health Insurance<br>• 15 years free education<br>• Housing Scheme for the Poor |
| Vietnam | 13.4 | 12.6 | 6% | • Micro credit<br>• Electric Subsidy<br>• Housing for the Poor<br>• Fee exemption for poor students |

Source: Asian Development Bank (ADB), Conference May 2013

The report from the ADB is very promising as it proves the effectiveness of the Government's programmes in eradicating poverty. Nonetheless, the LIH NKRA team believes that more work remains to be done so long as pockets of poverty still exist. Hence, GTP 2.0 will focus on vulnerable groups including indigenous communities, the urban poor and the rural poor.

## FROM GTP 1.0 TO GTP 2.0

In order to realise the aspirations outlined above, the approach to the GTP 2.0 will be different from the GTP 1.0 as it realises that the journey out of poverty is different for each individual and community. Therefore, whilst the 1AZAM Programme will continue to be the Government's central programme of economic empowerment for the poor and extreme poor, the Government recognises that the many existing programmes managed and led by NGOs, Community Service Organisations (CSOs) and corporates can contribute significantly to transforming the lives of the poor and thus need to be better supported.
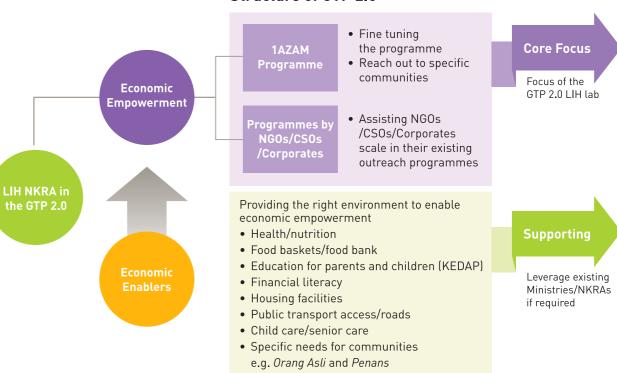
Towards this end, the LIH NKRA endeavours to enhance collaborative efforts between the Government and its partners to increase the range and scope of aid delivery efforts. The Government recognises that structural poverty exists in various shapes and forms, and that proper expertise of delivery partners is essential in ensuring sustainable and effective solutions.

The Government also recognises that providing the tools of economic empowerment is by itself insufficient; any comprehensive programme of empowerment will require the basic needs of the individual and community be met. For example, a mother in the city cannot have peace of mind in the workplace if she worries about providing basic shelter or if her children are not provided with proper day-care facilities. Similarly, a farmer cannot tend to his land productively if his children are not in school and are undernourished.
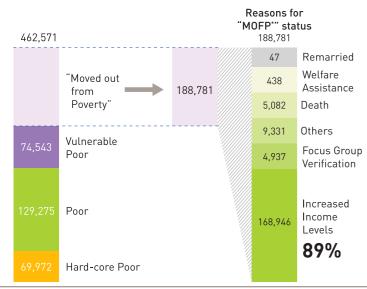
Hence, under GTP 2.0, LIH NKRA will look at delivering both economic aid and economic enablers in its initiatives. Though the 1AZAM Programme will remain as the Government's flagship initiative, the key focus areas of GTP 2.0 are more diverse in comparison with GTP 1.0. They are nevertheless anchored primarily on 1AZAM programmes as the main channel of delivery.

### Structure of GTP 2.0

**Economic Empowerment**

**1AZAM Programme**
• Fine tuning the programme
• Reach out to specific communities

**Core Focus**
Focus of the GTP 2.0 LIH lab

**Programmes by NGOs/CSOs /Corporates**
• Assisting NGOs /CSOs/Corporates scale in their existing outreach programmes

**LIH NKRA in the GTP 2.0**

**Economic Enablers**

Providing the right environment to enable economic empowerment
• Health/nutrition
• Food baskets/food bank
• Education for parents and children (KEDAP)
• Financial literacy
• Housing facilities
• Public transport access/roads
• Child care/senior care
• Specific needs for communities e.g. *Orang Asli* and *Penans*

**Supporting**
Leverage existing Ministries/NKRAs if required

Therefore, in the GTP 2.0, there will be better coordination across other NKRAs of Rural Development, Education, Cost of Living, Urban Public Transport, Crime and related agencies to ensure all needs of the communities are met such as health issues, basic infrastructure and education.

## eKasih status 2013



Reasons for "MOFP*" status
188,781

| | |
|---|---|
| 47 | Remarried |
| 438 | Welfare Assistance |
| 5,082 | Death |
| 9,331 | Others |
| 4,937 | Focus Group Verification |
| 168,946 | Increased Income Levels **89%** |

462,571

"Moved out from Poverty" → 188,781

74,543 Vulnerable Poor

129,275 Poor

69,972 Hard-core Poor

Sources: e-Kasih database

- More people were registered in eKasih in 2012 and 2013 compared to 2011.
- Significant increase in the number of participants who have increased their income levels.
- Updating exercise to be conducted by the Implementation Coordination Unit (ICU) JPM, the State Development Office (SDO) and 1AZAM implementers.

### Highlight of the Key Differences Between GTP 1.0 and GTP 2.0

| GTP 1.0 | | GTP 2.0 |
|---|---|---|
| Government-led | 1 | Joint cooperation between government, corporations, NGOs and CSOs |
| Broad approach to managing low-income households (extreme poor and poor) | 2 | Continue to target this group, whilst assisting those outside of the eKasih database. These vulnerable groups include the homeless, individuals below the poverty line, HIV positive individuals, ex-drug addicts, ex-prisoners and their families, the Penan and Orang Asli communities. |
| Individual-focused | 3 | Individual-focused, but leveraging on families and communities to drive transformation. |
| Eradicate extreme poor category and move people above the poverty line index (PLI) | 4 | Permanently eradicate extreme poor category and ensuring they do not fall back below the poverty line by securing the sustainability of these programmes and developing an exit policy. |

Although Malaysia has almost entirely eradicated hard-core poverty in the country, there remain issues with low-income groups such as malnourished children, communal health issues and other ills generally found in low-income communities. In short, the work must continue with greater focus on vulnerable groups including the disabled, former drug addicts, single parents and former convicts.

The LIH NKRA will also focus on enhancing initiatives already begun in GTP 1.0 to ensure that all deserving recipients of aid will receive enhanced 1AZAM assistance by the end of GTP 2.0. Some of the key target recipients include eKasih** registrants who have been registered in the system since 2009, community groups in remote areas or districts with low-income levels, and recipients selected through a needs-based analysis and site visit.

To this end, the LIH NKRA team has become more discerning in selecting and reaching out to target recipients, providing greater opportunities for rural Malaysians and intensifying efforts to deliver aid to Sabah and Sarawak.

\* Moved Out From Poverty

\*\* eKasih system is a database sysyem that created the poor at the national level to plan, implement and monitor poverty programmes (*https://ekasih.icu.gov.my*)

# ACHIEVEMENTS

### Enhancing the role of NGOs and Corporate Citizens in alleviating poverty

A key priority in the LIH NKRA in GTP 2.0 is to increase collaboration between the Government and NGOs, as well as additional corporate partners. The reason for doing so is to leverage on the strengths that each party had to offer—funding and support from the Government and corporate partners, and expertise and experience from the implementing NGOs and CSOs.

Since the start of the GTP, a number of parties have stepped up to contribute including PETRONAS, General Electric,

AirAsia, Astro All Asia, Construction Industry Development Board Malaysia (CIDB), EPIC* Homes and the MyKasih Foundation, to name a few. The support and generosity of these parties accelerated the delivery of aid to key groups targeted in the GTP, thus accelerating our goal to reach all *rakyat* in need of aid.



### Enhancing collaborations with corporate partners and NGOs



GTP 2.0 emphasises greater collaboration with service delivery partners from the private sector and LIH NKRA has taken positive steps to improve working relationships in 2013. The NKRA has increased the number of private sector partners and have streamlined deliveries to overcome challenges by better focusing on target groups and providing greater management direction. The team has also enhanced its working relationship with existing partners to ensure greater efficacy in its delivery programmes.

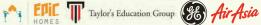### Delivering homes and facilities to the underprivileged together with NGOs and Corporates

The LIH NKRA's collaboration with EPIC Homes received a boost in 2013 when a number of corporate citizens stepped up to help fund and execute a number of builds. EPIC Homes saw contributions from Taylors Education Group, General Electric, AirAsia and Media Prima over the last year.

The Government prioritises the importance of proper homes and shelter as they are essential to the overall well-being of low-income groups, particularly for those whom are homeless or living in dilapidated houses.



\* EPIC Homes aims to build relationships between the urban and rural divide through the activity of building homes for underprivileged Malaysian communities, currently focusing on the indigenous people of Peninsular Malaysia, i.e. the *Orang Asli* (*http://epichome.org*)

## Improving the lives of low-income households in Sarawak

Sarawak has been earmarked as a priority area in GTP 2.0 as poverty remains a key issue in the East Malaysian state. In drawing up the strategy for Sarawak, the LIH NKRA emphasised two specific thrusts, namely to empower low-income Sarawakians and to develop enablers within their communities, including indigenous groups such as the *Penan* community.

### Building infrastructure
The Corporate Social Responsibility (CSR) arm of the Construction Industry Development Board Malaysia took it upon itself to uplift the lives of the *Penan* community in Long Keluan, a small village with a population of about 150 located in Ulu Baram, Sarawak. When the CIDB team visited the village, they quickly realised that the village was in dire need of facilities and basic infrastructure — key enablers for the general well-being of the community.

In addition to its commitments to other *Orang Asli* communities in Peninsular Malaysia, CIDB had generously agreed to build a new community centre for the Keluan community, as well as toilet facilities, water tanks and piping to supply clean water to every home. Meanwhile, the Sarawak branch of CIDB's training arm had also installed a power generator, which will provide electricity to every home.

The installation of these facilities have raised the quality of life significantly for the *Penan* community of Long Keluan, and the LIH NKRA is looking forward to future projects that will be drawn along the same lines.

**MyKasih assistance to the Penan Community**
The LIH NKRA works together with the MyKasih Foundation to deliver nutritious food and care to low-income families in Sarawak. For example, MyKasih launched food basket programmes in Long San and Lusong Laku on the 8th and 14th November 2013 respectively, to help meet the basic nutrition needs of the two *Penan* communities. Recipients were given a MyKasih card loaded with RM100 monthly for purchases of basic food items including rice, flour and bread.

In addition to food aid, the MyKasih Foundation also provides health awareness, financial literacy and skills training to help the poor achieve financial independence and break free from the poverty cycle. MyKasih also collaborates with corporate partners to deliver aid to deserving communities.

## Improving the lives of low-income households in Sabah

LIH NKRA is also focusing on Sabah in GTP 2.0 to help better the lives of low-income groups in the state. While the Government has already taken active measures to help improve living conditions in the state by improving income levels, enhancing access to basic infrastructure and otherwise increasing the quality of living, there remain isolated communities that require more focused assistance.

For example, in 2013, Astro constructed a hostel for *Sekolah Kebangsaan Malinsau* in Ranau, which houses some 120 students. The three-block hostel comprises a block each for boys and girls, a multi-purpose hall and a warden room that will accommodate students from 10 villages in the area. Astro has also equipped SK Malinsau with the Kampus Astro Learning System, which is designed to help support the efforts of the local teachers.

Meanwhile, Yayasan Sejahtera, a non-profit foundation, is collaborating with LIH NKRA to deliver a three-phase initiative to help the families residing in Sabah's Pitas district. The three phases are:

- **Phase One:** Improving access to water through low-cost means that it is easily maintained by the local community.
- **Phase Two:** Increasing daily dietary quality while increasing household income.
- **Phase Three:** Embarking on entrepreneurship development while improving social assets.

2013 saw the development of the first phase while the remaining two will be executed in the remaining years of the GTP 2.0.

## 2013 ACHIEVEMENTS

| No. | Key Performance Indicator (KPI) | 2013 Target | 2013 Achievement | % Achieved |
|---|---|---|---|---|
| 1 | Number of new participants taking part in the 1AZAM Programme | 35,100 | 38,663 | 110% |
| 2 | Number of existing 1AZAM participants who increased their income by RM300 for any three months | 17,060 | 18,249 | 107% |
| 3 | Number of 1AZAM participants enrolled in Financial Literacy Programme | 35,100 | 39,282 | 112% |
| 4 | Number of NGOs/CSOs in collaboration with the 1AZAM programme | 25 | 34 | 136% |
| 5 | Number of 1AZAM Community/Group-Based Programme | 40 | 46 | 115% |
| 6 | To ensure 100% updating of the eKasih system | 100% | 100% | 100% |
| 7 | Training and development of Women Entrepreneurs | 1,000 | 1,000 | 100% |
| | **Total** | | | **111%** |

Table of 2013 KPIs for LIH NKRA

## RAISING LIVING STANDARDS OF LOW-INCOME HOUSEHOLDS NKRA – WORKSTREAMS AND FOCUS AREAS

The focus of LIH NKRA GTP 2.0 is on the crystallisation of programmes for low-income groups to ensure that they are effective and that they are sustainable for both delivery partners and for participants. The initiatives are divided into two workstreams designed to approach the problem from two thrusts: **economic empowerment** and **economic enablers.**

In the first workstream, the LIH NKRA together with its NGO, CSO and corporate partners, endeavour to address some of the most pressing and immediate concerns faced by low-income groups including malnutrition and health needs. In the latter, the teams will look to develop key enablers such as infrastructure, skills training and financial literacy education.

### WORKSTREAM / Economic Empowerment

A permanent solution to the issue of poverty can only be had through economic empowerment and productive welfare. There needs to be a shift in mindset so that the recipient of aid adopts a proactive approach through greater self-commitment and accountability to break free from the cycle of poverty.

The road to economic empowerment is unique for every individual and community, and there is therefore a need to create and facilitate alternative paths. The emphasis of economic empowerment is to fine tune the existing 1AZAM Programme implemented in the GTP 1.0, and support programmes by NGOs, CSOs and the corporate sector to enable them to upscale and expand their respective outreach programmes.

Corporate citizens have participated in greater numbers in the LIH NKRA's programme in the last year, and have helped delivery efforts by supporting existing programmes and/or by starting their own, such as the Sentuhan Harapan Programme by PETRONAS.

### PETRONAS BRINGS A MEASURE OF HOPE TO THE LOW-INCOME COMMUNITY

When the Government put out the call for corporate partners to step forward and help with its efforts to raise the living standards of low-income households, national oil corporation PETRONAS was among the first to unveil a comprehensive programme together with its NGO partner, MyKasih Foundation.

The programme has benefited 13,500 poverty-stricken families throughout the country, providing assistance in the form of essential food aids such as rice, flour and cooking oil for two years. Families are also encouraged to participate in activities promoting self-development aimed at enhancing their skills to break free from the poverty cycle.

Since the start of the Sentuhan Harapan Programme in 2010, over 5,000 families have participated in workshops such as the SMARTBelanja@LPPKN, which teaches participating families basic financial skills, and Program Nur Kasih, which provides health awareness training. The three-year programme was launched in Johor, Melaka and Sabah in 2011, Kedah in 2012, and in Pahang and Terengganu in 2013.

At the same time, Mostwell Sdn Bhd has been commissioned to provide sewing skills training to programme participants, which will enable them to find productive employment upon completion. Finally, PETRONAS has also appointed a People Systems Consultancy to conduct entrepreneurship training for 500 unemployed Sentuhan Harapan participants who will undergo a three-day intensive training programme.

The hope, at the completion of these programmes, is that the participants will have acquired the necessary skills to better their own circumstances in life, and more importantly, a hope for the future for themselves and their family.

### SEJAHTERA
Building Sustainable Communities

### YAYASAN SEJAHTERA DEVELOPING COMMUNITIES FOR LOW-INCOME GROUPS

Yayasan Sejahtera, a non-profit group mandated to help improve the lives of the poor in Malaysia, has been supporting the development of three villages in Pitas, Sabah in collaboration with the Government. As of 2013, Yayasan Sejahtera's team has implemented several projects, including a subsistence farming programme, a water access programme and a youth empowerment programme in the villages of Kg. Sungai Eloi, Kg. Tampakahu and Kg. Kinango.

The subsistence farming programme presently involves some 71 participants, whom are actively planting crops for the villages' own consumption. Meanwhile, 113 houses in the three villages have been hooked up to the alternative water system, which ensures regular and reliable access to clean water. Finally, the team has trained youth in the villages to monitor and document the progress of the projects.

| | | |
|---|---|---|
| **Phase 1** (12 mths) Water solutions for 128 families<br><br>Providing basic community services | **Target Outcome:**<br>• Improved community services that are low-cost and easily maintained by local community | **Budget**<br>**RM386,348** |
| **Phase 2** (12 mths) Community Development Project for 128 families<br><br>Supporting sustainable | **Target Outcome:**<br>• Increased daily dietary quality<br>• Increased income | **Budget**<br>**RM764,748** |
| **Phase 3** (12 mths) Community Development Project for 128 families<br><br>Supporting sustainability | **Target Outcome:**<br>• Entrepreneurship<br>• Improved social assets | |

In fitting out the homes for water access, the team, together with the Partners of Community Organisations (PACOS) Trust, identified suitable solutions and decided that the best way to help the residents of Kg. Tampakahu and Kg. Sungai Eloi was to provide homes with individual water tanks due to land issues. Kg. Kinango could, however, be outfitted with a water gravity system.

The project by Yayasan Sejahtera is part of the Government's overall plan to assist low-income groups in remote areas, particularly indigenous groups who have yet to receive any assistance. The programmes put in place in Pitas so far are expected to create a basic foundation meeting essential needs of the villages prior to further training programmes designed to improve entrepreneurship within the communities.

### Financially Empowering low-income households and groups

The LIH NKRA's goal of empowering all low-income groups in Malaysia is presently being led by the LIH NKRA's delivery team in collaboration with NGOs, CSOs and corporate partners. All efforts are anchored under the 1AZAM Programme, which is the flagship Government programme, which delivers aid to deserving recipients in a variety of manners. It leverages its wide distribution channels to tailor its delivery programmes to the specific needs and context of each individual recipient.

Assistance delivered under the 1AZAM programme is categorised into economic sub-groups, ranging from agriculture to the service sector in recognition of the unique needs of each individual low-income person. Moreover, the assistance delivered comes in a number of forms, including equipment, financial capital, and even advice and expertise. Participants in the programme are then expected to build sustainable businesses with the skills and equipment acquired.

Meanwhile, the LIH NKRA also works towards building capacity in the form of economic enablers in targeted groups and communities. These enablers come in the form of skills training, financial education and infrastructure, which are designed to support economic activity within the targeted area.

### Enhancing selection process of the 1AZAM Programme

One shortcoming of the 1AZAM programme delivered in GTP 1.0 was a lack of post-programme monitoring on the part of implementers. As a result, measuring the effectiveness of initiatives was problematic. To resolve these issues, the delivery team started taking more stringent steps to ensure that programmes were tailored to the needs of the client.

The way 1AZAM works is that it provides clients with the necessary equipment and training to undertake some form of economic activity, but the experience from GTP 1.0 showed that some of the requests were not reasonable. Following this experience, the LIH NKRA now requires implementing agencies conduct door-to-door visits to ensure that requests for aid are reasonable and suitable for the client's specific circumstance in life.

Meanwhile, delivery partners will have to step up monitoring efforts to gauge the performance of the 1AZAM participants post-programme. Not only will the LIH NKRA's internal agencies carry out monitoring, but so must the NGOs and external vendors. The external parties will also be required to undertake a performance bond to ensure that they implement follow-up activities.

To maximise the probability of success, the LIH NKRA will leverage the expertise and presence of NGO partners to help with the monitoring process. In some cases, NGOs have been in contact with the targeted recipients and communities for years and have built a rapport with them. The closer relationship will enable better reporting and monitoring of progress, and also will enable corrective action to be taken should results miss expectations.

This requirement will ensure that 1AZAM participants have a greater chance of succeeding in raising their income levels.

### Focusing delivery of 1AZAM

The poor and extreme poor will continue to be the focus of GTP 2.0. However, the goals of the 1AZAM Programme will be more granular and State-specific to target under-served districts and improve delivery in urban areas. The selection of 1AZAM participants will also be more stringent under GTP 2.0. Selection priority will be given to participants who fall into one or more of the following categories:

• Participants who have been registered in eKasih for an extended period of time who have yet to receive assistance.
• Participants from districts where there are a high number of poor and/or extreme poor households but without a corresponding number of 1AZAM participants.
• Extreme poor and poor households registered with eKasih that have not yet received any assistance.
• Extreme poor and poor households that have not yet received any income generating assistance.

## CIDB MALAYSIA

### BUILDING COMMUNITIES, BUILDING FUTURES

When the CSR arm of the Construction Industry Development Board Malaysia first heard about some of the LIH NKRA's initiatives to help better the lives of indigenous groups in Malayisa, it jumped right on board to see how its Build Brigade could help in the cause.

The targeted community was Long Keluan, Sarawak, a *Penan* community that was in dire need of basic infrastructure, lacking even a communal cooking area where they could prepare meals for the village. While volunteers coordinated by the Ministry of Health have been delivering essential items such as milk and food under a community feeding programme, this alone was not enough for them to sustain themselves.

CIDB immediately began the construction of a community centre as well as toilet facilities, water tanks and piping to supply every home with clean water. It will also set up a power generator for the community through the Sarawak Branch of its training arm, the Akademi Binaan Malaysia. Meanwhile, CIDB has enlisted the help of the villagers, which will impart valuable economic skills to them for the future.

The community centre, which costs RM250,000, features a number of facilities including storage rooms, wet and dry kitchens. Meanwhile, access to clean water and electricity will improve the socioeconomic standing of the villagers, who can now focus their efforts on other initiatives rather than having to worry about these basic necessities.

### eKasih
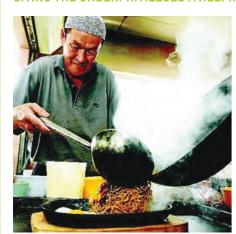
### IMPROVING THE EKASIH DATABASE

Statistics according to the national poverty-tracking database, eKasih, show there are still some 123,000 registered persons who have yet to receive assistance via the 1AZAM Programme. One reason for the delay in helping registered members is because programme implementers are still not prioritising persons registered on the database.

At the same time, the enhancement of the 1AZAM programme also calls for better maintenance of the eKasih database on the part of programming implementers. A key part of the LIH NKRA's goal is to ensure that low-income groups successfully raise their income levels and sustain it after receiving 1AZAM aid.

To attain this goal, implementers will be required to conduct follow-up sessions with 1AZAM participants. The LIH NKRA team hopes that this will cultivate a spirit of accountability and ownership within participants whom have succeeded.

### GIVING THE UNDERPRIVILEGED A HELPING HAND

Mohd Ridzuan Wong Abdullah, a 45 year-old man from Kemaman, Terengganu, was down on his luck; an experienced hotel cook, he was forced out of his job by his employer who did not pay his wages. Mohd Ridzuan had to collect and sell scrap metal to support his family of seven. Making barely RM300, he found eking out a living difficult.

So when he was contacted last April by the Malaysian Agricultural Research and Development Institute (MARDI) that was conducting an entrepreneurship training session under the 1AZAM Programme, Mohd Ridzuan jumped at the chance to participate. Gauging his previous experience, the trainers advised him to do something in the food business.

"I have been cooking Hainanese chicken rice ever since I was a teenager as I used to help my mother prepare meals," Mohd Ridzuan said. "I jumped at the chance to cook for a living again as that is my passion and I know I can do well at it."

MARDI gave Mohd Ridzuan an Apollo stove, a warmer, a canopy, tables and chairs needed to start his small business. In addition, the trainers also managed to secure a lower stall rental of RM200 to help lower business expenses.

Mohd Ridzuan today earns about RM2,000 per month on average, although he says there have been months when his earnings rose to RM10,000. He has installed a seating area for his patrons at his stall, and even manged to buy a car for his family, thanks to the outreach programme conducted by MARDI.

**Delivery of financial literacy courses to low-income households**

LIH NKRA recognises that education is a key enabler of economic empowerment, and has made ensuring all 1AZAM participants receive some form of financial training a priority. The concern is that without proper financial education, participants may fail to add to their income levels by squandering their earnings elsewhere.

Beginning in GTP 2.0, all 1AZAM participants will be required to take financial literacy training courses. The programme was put in place to ensure that the participants do not squander away their newfound income or otherwise put the help they have received in jeopardy.

The goal is to integrate financial literacy for all 1AZAM participants and families as it will ensure a sustainable exit out of poverty. Under this initiative, the LIH NKRA will:

- Increase the awareness of financial literacy focusing on poor and extreme poor household needs.
- Upscale and assist financial literacy training conducted by private sector and non-governmental organizations.
- Improve the quality of life of the poor by enhancing knowledge of household management.
- Leverage Financial Literacy Education Training (FLET) programmes to enhance knowledge and decision-making.

Bank Negara Malaysia's Credit Counselling and Management Department are coaching trainers responsible for delivering the programme.

The first phase of the financial literacy programme commenced in 2013, and trainers are presently being certified by the Malaysian central bank's Credit Counselling and Management Agency (Agensi Kaunselling dan Pengurusan Kredit or AKPK). Meanwhile, delivery partners have started commencing courses in some areas.

**Accelerating delivery of programmes to vulnerable groups**

Initiatives designed for the betterment of vulnerable groups, especially the indigenous peoples, have started gaining traction with corporate sponsors over the past 12 months. 2013 saw the delivery of modular EPIC homes, education initiatives and healthcare to both the *Orang Asli* and *Penan* groups together with corporate sponsors. Some of the key partners in 2013 include Media Prima, AirAsia and Taylor's College.

### WORKSTREAM / Developing Economic Enablers

Another key focal point of the LIH NKRA's activities in GTP 2.0 will be tackling the supporting infrastructure, which more often than not, plays a crucial role in determining the success or failure of efforts to empower low-income groups. The underlying thought here is that individuals cannot afford to think about issues such as financial sustainability if their basic needs, such as housing, childcare and healthcare are not secured.

This is especially true for the pockets of extreme poor in the country, which are confined to remote rural areas that are cut-off from the mainstream. The lack of adequate infrastructure means that they are cut-off from economic activity and cut-off from much needed assistance. Reaching these low-income groups will require a large commitment of both time and expense, which is where the NGOs, CSOs and corporate partners come in.

As the NGOs and CSOs already have years of experience reaching out to these isolated groups, they have the know-how and network to ensure that aid is best distributed among these peoples. Two groups in particular stand out: the Orang Asli indigenous people in Peninsular Malaysia, and the *Penan* people in Sarawak.
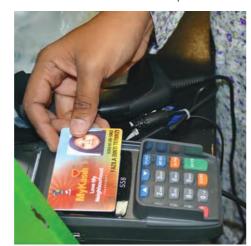
Initiatives under this workstream are designed to support and bolster the efforts of the NGOs and CSOs by putting them together with corporate sponsors to expedite aid delivery. The ultimate goal is to ensure that all low-income groups in the country will have these basic amenities taken care of so that they can turn their focus on the betterment of their own living standards.

## INITIATIVES



| Government support | • Government to continue to deliver aid through the 1AZAM Programme<br>• To provide funding and resources to implement partners<br>• To provide guidance and logictics support where required | |
| --- | --- | --- |
| **+** | | |
| Expertise and experience from implementing NGOs, CSOs | • Pusat Penyayang Kg Sg Kayu Ara (PPKSKA)<br>• Centre Excellence Services (CES)<br>• Muslim Aid<br>• Love Cheras<br>• Malaysian Christian Association for Relief (Malaysian Care)<br>• EPIC Homes<br>• Yayasan Sejahtera<br>• MyKasih Foundation | Effective and sustainable delivery of aid to all low-income households including:<br>• *Orang Asli*<br>• *Penan* community<br>• Urban poor<br>• Vulnerable groups |
| **+** | | |
| Additional support and resources from corporate partners | • Examples include PETRONAS' Sentuhan Harapan Programme, Astro Kasih Project, General Electric and AirAsia's collaboration with EPIC Homes | |

### Focusing aid on targeted communities

GTP 2.0 will also see aid focused on specific communities that have not been sufficiently supported in the past. The two communities identified in GTP 2.0 are the *Penan* people in East Malaysia and Orang Asli groups, which are located in both Peninsular and East Malaysia. According to statistics, 80% of the *Penan* and 50% of the *Orang Asli* are classified as poor or extreme poor.

Programmes targeting the *Penan* and *Orang Asli* include:
• Agriculture support



• Food basket programme and community feeding initiatives
• Increased frequency of mobile clinics in interior areas
• Construction of permanent clinics in interior areas
• Improving housing facilities
• Education and infrastructure initiatives

(For more information on these initiatives, please consult the GTP Roadmap 2.0)

### Strengthening collaboration with corporate partners

The LIH NKRA will seek greater co-operation from corporate partners and NGOs to help deliver services and aid, thus leveraging the latter's expertise in this area. The diagram below shows the intended collaboration between the LIH NKRA and its partners.



### Focusing aid on vulnerable groups

In addition to the indigenous peoples, the 1AZAM Programme in the GTP 2.0 will target specific vulnerable groups and communities, namely ex-drug addicts, released convicts and women.

In the GTP 2.0, there is committed support for these vulnerable groups through the various 1AZAM programmes. For instance, over the next three years, 2,400 ex-drug addicts and 2,250 released prison convicts would receive 1AZAM support. However, it is important to proactively reach out to the families of these disadvantaged groups by offering the necessary social and productive welfare support.

As such, stronger coordinated efforts between NGOs and the Prisons Department and *Agensi Anti Dadah Kebangsaan* (AADK) will be formalised to ensure that support is provided to both the individual and his or her family.

Meanwhile, the 1AZAM Programme will continue to support women development, as women are typically the backbone of the family unit in single-parent homes and in situations where their partners are not capable of providing support.

### Switching focus to community-based programming for remote areas and vulnerable groups

A key challenge to the 1AZAM Programme is the reluctance of programme implementers to reach out to *eKasih* registrants located in remote areas. The high cost and difficulty in getting to these participants have resulted in pockets of registrants not receiving help.

To overcome this issue, LIH NKRA is collaborating with State Governments and NGOs to focus the delivery of programmes on the community rather than on the individual. For example, the collaboration between the Sarawak State Government and the *MyKasih* Foundation to implement the 'Love My Neighbourhood' Programme is one such effort.

The programme delivers a number of programmes including food aid, skills training and youth development to communities, which are expected to raise the economic potential of the community as a whole.



### SHARING THE LOVE IN LOW-INCOME NEIGHBOURHOODS

MyKasih Foundation, a non-profit organisation committed to helping less fortunate Malaysians, received a significant boost to its *Love My Neighbourhood* food aid programme, originally launched in April 2009. From providing aid to just 25 underprivileged families, MyKasih now provides food aid to more than 100,000 welfare recipient families, thanks to the sponsorship and support provided by donors and retail partners.

The programme helps the recipients by donating RM80 each month into their *MyKads* cards, which can then be used to shop for essential food items at registered distribution centres. In addition to food, students from these families are given between RM60 and RM80 per month, depending on whether they are in primary or secondary school, to purchase food and stationery from their school shops.

The MyKasih programme has been adopted by several state and district organisations to bolster existing welfare programmes over the past two years, and has since grown significantly. Programmes run in collaboration with corporate partners, such as PETRONAS' Sentuhan Harapan make use of the MyKasih infrastructure to distribute food aid to its participating families.

Other corporate partners that have participated in the programme in the past include Mubada Petroleum, BDO Malaysia, The Store Group and Chevron Malaysia. These partners also take the opportunity to offer value-added services such as skills training to recipients as a part of the overall programme.

"In line with the Government's poverty alleviation efforts to help welfare recipients achieve financial stability, we are beginning to record success stories in the areas of skills training, entrepreneurship and income generation initiatives under PETRONAS' Program Sentuhan Harapan for 700 of their adopted beneficiaries," said MyKasih Chairman Ngau Boon Keat. "I would like to extend our sincere gratitude to our donors and partners for their continued support and faith in what we do."

# Achievements in providing Economic Enablers

**01** **Kiosk Initiatives for the Urban Poor:** The focus of the LIH NKRA is to empower low-income groups with the ability and means to break out from the poverty trap. To help the urban poor, the team provides registered persons access to eKasih kiosks that allow them to conduct small-scale businesses to earn greater income.

**02** **Food Basket for the Urban Poor:** Malnutrition and hunger are not unique to the rural poor, with low-income urbanites suffering from the same problems in the city. The LIH NKRA team has helped to feed deserving urban poor by providing them with food baskets containing nutritious food. This initiative will help recipients focus on finding work or earning income in other ways without having to worry about where their next meal is coming from.

**03** **Anjung Singgah Homes for the Homeless in Urban Areas:** The lack of shelter exposes the homeless to a myriad of dangers including the danger of being a victim of crime, exposure to bad weather and the inability to find meaningful income. The *Anjung Singgah* Homes for the Urban Homeless provide an important temporary respite for the homeless as part of their journey towards financial empowerment. As with the food programme, the provision of adequate shelter will help recipients focus their efforts on earning income, thus removing their worry about where to bed in for the night.

**04** **Home Help Services for the Elderly:** Elderly low-income persons often find themselves trapped within their own homes because of a lack of mobility or the lack of a supporting network to cater to their needs. Representing some of the most vulnerable members of the community, the LIH NKRA team has taken steps to provide seniors with home help services, which includes cleaning and the running of errands and providing social interaction. LIH NKRA's initiatives are designed to target the problems of low-income groups in a holistic fashion, and thus cannot ignore the obstacles faced by the elderly in the country.

**05** **Community Feeding – Ready to Use Therapeutic Food (RUTF) and Milk Programme for Orang Asli:** Malnutrition among the Orang Asli indigenous group is an endemic problem, and the LIH NKRA, as part of its GTP 2.0 initiatives to focus on vulnerable groups, has commenced on a community feeding programme. The programme delivers RUTF and milk to the targeted Orang Asli communities. Malnutrition affects various aspects of development, and prolonged cases could result in developmental disabilities thus hampering earning power in future. The provision of nutritious food is designed to help under-nourished families break free from this cycle.

**06** **Improving the health of malnourished children via the Community Feeding Programme:** Children are particularly vulnerable to the dangers of malnutrition as it stunts growth and could cause permanent damage to their health. Under GTP 2.0, the LIH NKRA will monitor the health of children in communities every six months to ensure that there is improvement in their level of nutrition. As with the initiative above, the focus here is to help support regular and healthy development for children belonging to low-income families. Good health is a fundamental need for other areas of development, and LIH NKRA is committed to assisting all cases of under-nourished children.

**07** **Ensuring health service coverage for Orang Asli in remote areas:** The LIH NKRA plans to take additional steps to ensure that Orang Asli living in remote areas have access to basic health services. Similar to the food basket programmes, this initiative takes direct aim at the overall health and well-being of the Orang Asli community. The hope is that the promotion of better health will enable community residents better focus on economic activities, and to improve the general welfare of the targeted communities. This initiative will be rolled out in 2014.

**08** **Home repairs for Orang Asli:** The LIH NKRA team is helping Orang Asli communities repair and rebuild some of their homes to ensure that they have adequate shelter. This initiative will ensure that the receipients have one less item to worry about and can focus their efforts on economic activities instead.

**09** **Building roads for Orang Asli:** The LIH NKRA has also taken upon itself to provide basic infrastructure to Orang Asli communities, which will help residents to travel for commerce or for other reasons. This initiative will give the residents greater independence and greater ability to generate income by bringing their products to market.

**10** **Adult education classes for Orang Asli and Penan:** The Kelas Dewasa Untuk Orang Asli dan Penan (KEDAP) Programme aims to teach basic literacy and numeracy skills to the indigenous *Orang Asli* and *Penan* groups. The hope is that the newly acquired skills will give them greater opportunity in terms of seeking employment opportunities, and improve their standard of living.

**11** **Improving Orang Asli Education performance:** As part of the Malaysian Education Blueprint and of the LIH NKRA's plan to impart children from low-income families with a better opportunity for a brighter future, the team has helped expand the number of K9 schools in remote areas. Three schools were opened in 2013- SK Betau in Pahan, SK RPS Pos Kemar and SK RPS Banun in Perak. Two more K9 schools are planned for Johor and Selangor in 2014.

Meanwhile, the LIH NKRA has also successfully reduced the number of school dropouts in Orang Asli communities, while increasing the number of enrollments. Going forward, the number of teachers will be increased to cater to the increasing number of students. Education remains a key ingredient, enabling low-income groups to break free from the poverty cycle, and must thus be a point of focus for the NKRA.

**12** **Conducting training for Ferry 1Malaysia for Orang Asli in Grik, Perak:** The LIH NKRA team has provided a ferry for the Orang Asli community in Grik and has commenced training sessions enabling them to operate the ferry themselves. The training sessions are to be conducted by Jabatan Kebajikan Orang Asli (JAKOA) and other delivery partners. The ferry will greatly improve connectivity in the area thus allowing residents to bring their produce to market or to make their way to town centres with greater ease.

# 13

**Creating cottage industries for recovering drug addicts:** To reduce the rate of recidivism by recovering drug addicts, the LIH NKRA will provide economic opportunities for them at the Cure and Care Centres (CCC), which manage the Addicts' Rehabilitation Programme. The provision of gainful employment will help prevent them from going back to their habit.

The LIH NKRA will also run income generating programmes for former drug addicts, which will commence next year.



# 14

**Supporting the Penan Community with Economic Enablers:** As with Orang Asli communities, the LIH NKRA will also embark on a number of initiatives to help improve the lot of the *Penan* community. The focus in the near term has been on improving the general health and well-being of the community, which also suffers from malnutrition and lack of access to basic medical services. The initiatives will be further expanded throughout the course of GTP 2.0. Among the achievements are the expansion on dental treatment and health services for the *Penan* community, the community feeding programme, and the revolving fund for *Penan* handicrafts and education.



## KEY CHALLENGES

As GTP 2.0 marked the beginning of a new phase in the delivery of aid to low-income groups, the new initiatives designed to support economic empowerment experienced some challenges throughout the year. Among them include:

1.  **Income increase not uniform across all 1AZAM participants**
    The implementation of the 1AZAM Programme over the last few years has revealed that less than half of the participants have seen an increase in their earnings after receiving 1AZAM assistance. The LIH NKRA team believes that the poor performance is due to two reasons: a lack of proper screening prior to receipt of 1AZAM assistance and the lack of oversight of participants post-training.

### 38% of 1AZAM participants have shown an increase in income



**81,752**
Number of participants with no increase in income levels

62%

15,193 — 11%
13,012 — 10%
8,980 — 7%
5,345 — 4%
3,393 — 3%
1,866 — 1%
3,372 — 2%

1-299  300-999  1000-1999  2000-2999  3000-3999  4000-4999  >5000

**In progress**

**Impact from the Programme (earnings in RM)**

- Long gestation period, e.g. palm oil, rubber, burung walit
- 1AZAM programme in June 2013

*Chart showing the changes in income for the 1AZAM participants.

At present, candidates are not screened when they apply for 1AZAM skills training, which sometimes result in a poor pool of candidates for that particular skill. The LIH NKRA recognises that it is not always the fault of the participant because the programme implementers presently offer training in a blanket fashion, and participants are concerned that if they do not attend a particular one, they may not receive any help at all.

In 2014, programme implementers have been directed to beef up their client needs analysis with home visits and proper screening through the eKasih database in tailoring appropriate aid programmes. They are also asked to increase their monitoring of client performance post-programme implementation to determine the success levels of their training programmes.

2.  **Problems implementing insurance coverage for 1AZAM participants**
    Procurement issues on the rollout of the plan had caused delays to the plan's implementation. Without approval from the proper authorities, the insurance scheme, which was arranged with AgroBank, was not deployed as planned.

3.  **Reluctance of participation by NGOs and corporate partners**
    A number of the GTP 2.0 poverty eradication plans are meant to be delivered and/or funded by corporate sponsors but a misalignment between the aims of the LIH NKRA and the corporation's CSR plans has introduced delays to the collaboration. Corporates are in some cases concerned that the activities may not be in line with their core business, and in other cases, are awaiting management approval or are uncertain about the targeted recipients.

    Issues have also cropped up with NGOs, that are more focused on the delivery of aid rather than delivering economic empowerment. LIH NKRA recognises that the latter requires the deployment of more resources and is a larger commitment than simply delivering aid.

    LIH NKRA partners will continue to hold dialogues with existing partners and NGOs, but will also be on the lookout for organisations that may be more aligned to the goals of the  LIH NKRA.

4.  **Delivering programming to vulnerable groups**
    Under GTP 2.0, vulnerable groups including former drug addicts and released convicts will receive aid in the form of skills training to help them re-integrate into society. While programmes held in centres have shown results, the LIH NKRA team has found tracking these groups of people difficult as they tend to keep a low profile following discharge.

    Thus, community-based programming tailored for these vulnerable groups have proven difficult because there is no real community to speak off. In other cases, clients have expressed an interest in receiving individual assistance because of an unwillingness to participate in community-oriented programmes.

    The LIH NKRA is considering new proposals to improve delivery of programming to vulnerable groups for 2014.

5. **Streamlining the delivery of financial literacy programmes**

1AZAM recipients are required to attend a financial literacy workshop in GTP 2.0, but the timing between the delivery of aid and the holding of the workshops are often incongruent. This problem is exacerbated because 1AZAM programmes are designed and delivered based on individual circumstances. Thus there is no regular schedule in terms of programme delivery.

As such, recipients of 1AZAM aid feel it no longer necessary to attend financial literacy workshops after receiving their inputs, whilst for others, workshops are not conducted regularly enough for them so they may not be able to attend the next scheduled workshop.

LIH NKRA agrees that financial literacy workshops should be held with greater regularity, but a shortage of trainers has made it impossible at present. To solve this issue, it has embarked on a training programme to ensure a greater number of trainers are available.

6. **Natural disasters: Flooding in parts of Peninsular Malaysia**

Flooding in parts of Malaysia including Kuantan, Pahang, Terengganu and Kelantan had disrupted delivery of programmes under the 1AZAM Tani programme, which is the agricultural component of the 1AZAM programme. The flooding meant that activities meant to help low-income groups with agricultural projects could not proceed as planned, and will be resumed in 2014 after floodwaters subside.



## MOVING FORWARD

The LIH NKRA faced a challenging 12 months in 2013 as it embarked on a new focus to introduce greater efficiencies in its programme delivery. Nonetheless, these challenges have prepared the LIH NKRA to work on improving on its new initiatives.

Some pressing measures that will be addressed are:

1. **Enhance monitoring of 1AZAM participants:** Surveys will be conducted on a more regular basis upon delivering aid to them rather than on an annual basis. Monitors will take note to see if their projects are still ongoing, whether they are generating income, whether they need assistance, etc.

2. **Improving the procurement process:** Confusion over the procurement process has delayed the delivery of aid to recipients and must be addressed going forward. Without reliable indication as to when funds can be released for the purchase of equipment or training workshops, scheduling can be a real issue.

3. **Screening of 1AZAM participants:** The LIH NKRA needs to enhance the screening of potential 1AZAM participants to ensure that they and their locations are suitable for the business activity for which they have signed up. The LIH NKRA has already directed 1AZAM implementers to improve their pre-implementation and post-implementation screening process to ensure the candidates are suitable.

4. **Cleaning up the eKasih database:** Presently, the eKasih database contains data on low-income persons who have turned down offers of aid. However, they remain listed on the database and have continuously received programming offers from 1AZAM implementers. The plan is to clean up the database to ensure that it only contains the names of persons looking for assistance.

5. **Arranging additional support for successful 1AZAM participants:** Over the last three years, a number of 1AZAM participants have enjoyed success in their new chosen profession. However, they need additional capital to expand their operations, but they tend to be turned down for loans as they may not have the proper supporting material. LIH NKRA is considering a proposal to further assist these successful participants via cash-in-kind support or through some micro-credit programme.

At the same time, the team has already drawn up its KPI table for 2014. The extra emphasis on monitoring participants post-implementation has been prioritised as a key initiative for the following year to ensure that 1AZAM participants have all the support and follow-up consultations they need to become successes.

| NKPI | 2013 | 2014 |
|---|---|---|
| Number of new 1AZAM participations | 35,100 | 32,300 |
| Number of 1AZAM participants who increase their income by RM300 in any three months | 17,060 | 28,900 |
| Number of 1AZAM participants enrolled in Financial Literacy Programme | 35,100 | 32,300 |
| Number of 1AZAM project in collaboration with NGO and corporate sector | 25 | 36 |
| Number of 1AZAM Community/Group Based Programme | 40 | 77 |
| To ensure that 100% of the data of recipients registered under the 1AZAM programme is updated in the *eKasih* system | 100% | 100% |
| Number of new women entrepreneurs developed (income more than RM3,500 per month for three consecutive months) | 1,000 | Dropped |
| Number of 1AZAM participants who graduated from the micro-credit programme | — | 500 |

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## Views from the DMO:

## SUSTAINABLE EFFORTS IN POVERTY ERADICATION

The Raising Living Standards of Low-Income Households (LIH) NKRA was established by the coordinated effort of seven Ministries, who are jointly overseeing several impactful and sustainable initiatives to reduce the disparity of the marginalised. Through the LIH NKRA Delivery Management Office (DMO), the seven Ministries have cooperated closely and communicated effectively to implement the initiatives.

The past 12 months have seen the Ministries going above and beyond the call of duty to ensure that efforts among the stakeholders are well-coordinated to meet intended targets.

"Information-sharing and collaboration among implementing agencies, corporate bodies and Non-Governmental Organisations (NGOs) are being strengthened to ensure poverty eradication programmes are kept well-organised, focused and sustainable," says Adi Azlan Ahmad Othman, Principal Assistant Secretary of the Urban Well-being Division at the Ministry of Urban Well-being, Housing and Local Government.

As lead coordinators of the NKRA, the DMO serves a dual purpose of not only delivering programmes but also as liaison officers to obtain feedback and comments from the ground. "One of the key challenges identified in achieving the LIH NKRA's targets was reaching out to 'real' target groups who have yet to be registered with the eKasih database," noted Stenlee Kunchet, Assistant Secretary at the Ministry of Welfare, Women and Family Development.

Although the various aid programmes have been publicised widely, there still exist a degree of difficulty in reaching out to low-income households. To overcome this, cooperation from local Governments and councils was crucial in reaching out to these groups in order to distribute assistance.

Other measures which have been implemented to strengthen NKRA efforts include post-implementation monitoring to ensure the sustainability of the 1AZAM Programme, establishing incubation centres to familiarise aspiring entrepreneurs from the low-income households before commencement of their businesses independently. Regular motivational courses are also held as part of the programme.
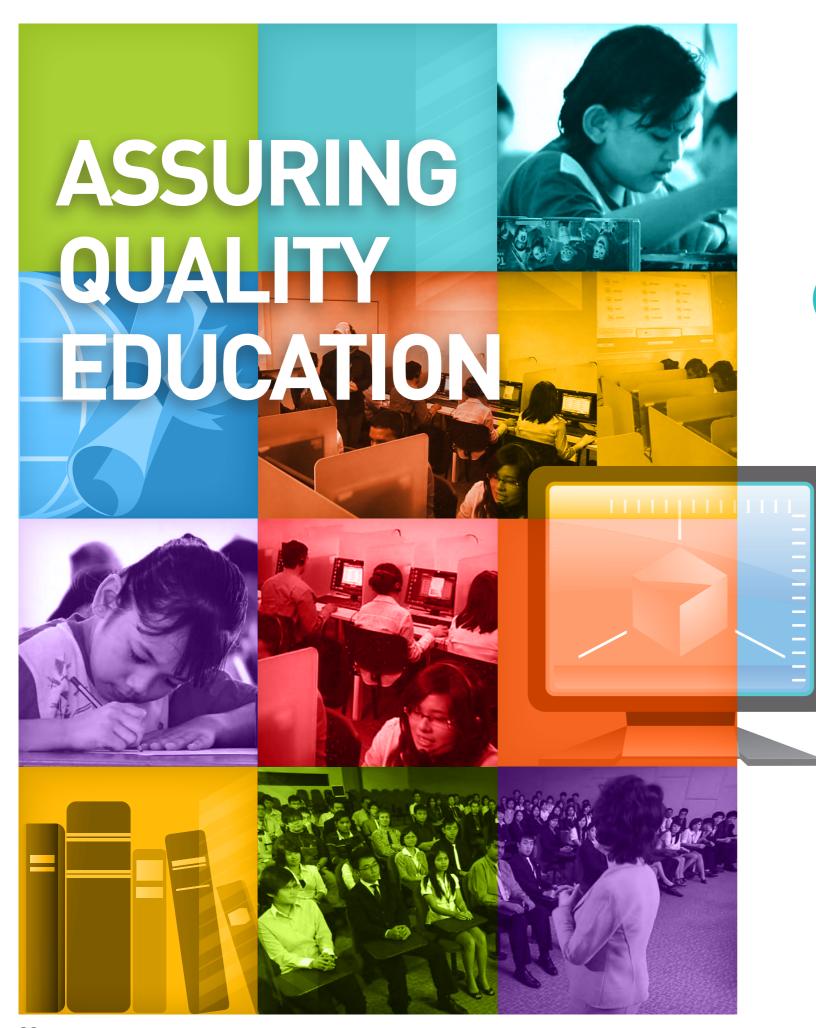
Of note, the 1AZAM Programme's Azam Bandar initiative has helped 80% of low-income families earn additional income of more than RM300 a month. This is done though upskill training which covers fundamental skills needed for basic occupations, such as product salesman and hotel service, to name a few.

Similarly, the AZAM Tani programme helped low-income households in the agricultural sector prosper by providing equipment such as boats and fishing nets to them. The programme has reached out to 16,000 households working in the agro-food industries in Peninsular Malaysia and Labuan.

"In a way, we are changing the 1AZAM participants' lives by encouraging them to pick up new skillsets to enable them to earn a sustainable income rather than to wait on cash aids. Through these initiatives, there lies a sense of empowerment and a nurturing of capabilities in bringing themselves out of the poverty line. Self-sustainability is the key objective of these programmes," says Norzawatil Amali Alias, Principal Assistant Secretary in the Agro-based Industry Division at the Ministry of Agriculture and Agro-Based Industry (MoA).

Overall, the NKRA's initiatives are regularly reviewed by officers on the ground to ascertain their effectiveness and relevance to the needs of the *rakyat*. Wajdi Md Yusup from the Ministry of Human Resources adds that, "In order to further the goals of the LIH NKRA, additional support from NGOs and corporate sector should not be underestimated, as illustrated by the contribution of the active and regular corporate social responsibility activities."

Going forward, the LIH NKRA team will place even greater emphasis on providing additional support to successful 1AZAM participants, especially those who are looking to expand their operations through some micro-credit programme as well as enhancing the screening of potential 1AZAM participants to ensure their suitability for the business activity of choice.

# ASSURING QUALITY EDUCATION

" We cannot compromise on the standards of education because the moment we do, we cease to be a competitive nation and compromise the future of our own children. "

**TAN SRI MUHYIDDIN YASSIN**
Deputy Prime Minister and Minister of Education

**T**he initiatives of the Education National Key Results Area (EDU NKRA) have gone a long way to ensure that our children are suitably prepared for the challenges of the future. The Government's comprehensive transformation of the education system, which affects everyone from our schoolchildren to our principals, promises to create a generation of Malaysians whom are ready to seize all opportunities that will present themselves in future.

Without doubt, our children will face a future far different from what you or I have seen, or can possibly imagine. In a world that is becoming smaller through greater connectivity and mobility, the future of our children—Malaysia's future—will be one that is rife with opportunity, but also with competition. As parents, the best gifts we can give our children are the tools they need to seize these opportunities as they present themselves in future.

This Government has committed itself to improving the level of education of Malaysian children over the last four years, and we are certain that there has not been a single wasted ounce of effort in our doing so. The EDU NKRA under the Government Transformation Programme (GTP) has worked hard to establish the necessary foundation needed to raise the overall quality of education and the results can be seen in our achievements.

It is plain for all to see that the work we are doing today—improving basic language and math skills, improving the quality of our teachers, prioritising English Language education, and others—is key in preparing our students to learn, which is a lifelong process. I urge my fellow Malaysians, parents in particular, not to miss the forest for the trees. We cannot compromise on education because the moment we do, we cease to be a competitive nation and, worse, we compromise the future of our own children.

From this standpoint, the achievements of the EDU NKRA's efforts cannot be underestimated. While some of the initiatives that we have implemented may seem elementary, let me state for the record that they have been anything but. The goals of the initiatives may seem straightforward, but their implementation has seen numerous twists.

However, with the publication of the Malaysia Education Blueprint (MEB) and the integration of the EDU NKRA's activities within the Ministry of Education's overall transformational activities, the execution of our plans to improve education will be better streamlined. The incorporation of the EDU NKRA within the MEB will also ensure that all education reform activities are focussed on our aspirations of Access, Quality and Equity for education delivery.

The EDU NKRA has entered the second phase of development where we are starting to intensify the transformational work already put in place in GTP 1.0. We continue to strive towards improving student outcomes by focusing on the foundations that will equip them with the tools and skills necessary to become top-achievers in their respective fields.

If we were to take away only one lesson from the GTP so far, it is that change is possible with sufficient focus and innovation. We have come a long way over the past four years and I hope that you will continue to support our work in this area in the years to come.

> " We aspire for children of all families to have access to quality education and to acquire true learning. "

**DATO' SRI IDRIS JUSOH**
Minister of Education II

**T**he GTP's efforts to improve the overall level of education in this country cannot be overestimated. In recent years, our schoolchildren have fallen behind in comparison to our peers. Fortunately, we arrested the problem relatively early on by immediately putting in place remedial initiatives, which have put our education system on the right foot.

I am especially pleased by the way that the initiatives have focused on the development of basic skills such as literacy and numeracy, as well as the programming focus on pre-kindergarten children. These are the important, formative years of a child's education, and it is here where some of the most important learning skills will be inculcated into them.

Efforts to improve the overall performance of the schooling system are also highly commendable, and the narrowing of the gap between the best and worst schools in the country is strong evidence of the effectiveness of the initiatives. However, I would like to remind the general public that our work here is not done so long as there remains a single school that needs remedial work.

The GTP 2.0 strategy to fix this—by addressing the entire value chain from the principals to the teachers, and even the District Education Offices themselves—is ambitious, but I believe that transformation at such a scale is necessary if we are to holistically fix the issues.

A high-income developed nation will necessarily require a highly-skilled workforce, and if we do not address the issues that are compromising the domestic supply of talent, then we will be forced to hire talent from outside. While we are prepared to accept this as a short-term solution, our long-term strategy must address the shortfall of talented workers, and a good education continues to be the best guarantee of success in later life.

I strongly believe that the initiatives of the EDU NKRA and of the Malaysian Education Blueprint (MEB) as a whole will transform our entire education framework to meet these needs, but it will require cooperation from all our stakeholders—principals, teachers, students, parents and the general public. We must bear in mind that our students today will be our leaders of tomorrow, and we must do all that we can to help them fulfil their potential.

## OVERVIEW

The EDU NKRA scored numerous wins in GTP 1.0 with far-reaching consequences for the way education is delivered in Malaysia. Thanks to these initiatives, students in Malaysia are receiving better instruction from teachers, getting better preparation for life-long learning and attending better schools. Meanwhile, educators, including principals, are now being recognised and rewarded for the efforts they put in to improving their schools and pedagogical skills to ensure that the best teachers are put in key positions of leadership.

The Government recognises that there can be no compromise when it comes to education, and has launched the Malaysian Education Blueprint to implement progressive change in the sector. The aim is to create a generation of Malaysian scholars whom are on par, if not better than, the top performing students of our regional peers thereby securing their futures in an increasingly competitive world.

The need for a better-educated workforce is becoming increasingly clear with the shortage of skilled talent already felt in the Malaysian market today. Without a proper palliative, the skills shortage is expected to further worsen. Improving the education system is a key component needed to improve the productivity and competitiveness of the workforce.

It is unquestionable that Malaysia's education system used to be among the best in the region. The high literacy and numeracy rate of the majority of the adult population is testament to the success of the education regime of the past, but more recent data suggests that the current batch of students are not performing as well as the previous batch[1].

Following the alarming results, the Government identified education as an NKRA under the GTP, which in turn identified a number of shortcomings with the then-existing system. The problem, simply put, was that the development of Malaysia's education system did not grow in tandem with economic growth or in proportion to the changing demands of education in general.

Even as education requirements grew ever more sophisticated around the globe, the Malaysian system remained much unchanged over the last 56 years since Independence, and thus was in dire need of transformation. The system, however, couldn't be fixed piecemeal; a holistic solution was required, which led to the formulation of the Malaysia Education Blueprint, which was launched on 6th September 2013.

The Government was nonetheless cognisant that the slip in education standards could not wait, which is why the EDU NKRA commenced the implementation of education reform initiatives as early as 2010 in the first year of the GTP. Today considered a vanguard of the MEB, the initiatives of the EDU NKRA are in line with the overall goals of the MEB to ensure that our students are rated among the best in the world by 2025.

2013 was the first year of initiatives under GTP 2.0, which aims to further deepen the transformational change begun in GTP 1.0. For the EDU NKRA, this meant enhancing existing initiatives while introducing new ones to better support the overall goals of education access, quality and equity.

[1]Based on the results of the Organisation for Economic Co-operation and Development's (OECD) Programme for International Student Assessment (PISA) Test in 2009 and 2012 and the results of the Trends in International Mathematics and Science Study (TIMSS) test conducted by the National Centre for Education Statistics in 2011.

# ACHIEVEMENTS

## Assessing and harmonising pre-school standards across the country

As part of the EDU NKRA's commitment to ensuring quality pre-schools in Malaysia, the team launched the National Pre-school Quality Standard (SKPK) assessment instrument in May 2013. The SKPK is a self-assessment tool designed to measure the quality of pre-schools in Malaysia. A total of 16,102 (99.2%) public pre-schools in Malaysia had completed the self-assessment by December last year.

Meanwhile, School Inspectorate from the Ministry of Education (MoE), Department of Community Development (KEMAS), Department of National Unity and Integration (JPNIN) and ECCE Council have started verifying the results of the SKPK self-assessment. The Inspectorate has verified the results of 500 public pre-schools and 75 private pre-schools by the end of 2013.

## Designed new criteria for the award of new deals

The New Deals initiative, first implemented in GTP 1.0, is designed to reward principals and head teachers who help their schools improve their performance within the national ranking system. While the implementation of the charter in GTP 1.0 managed to fulfil this function, the EDU NKRA realised that the criteria introduced then did not discriminate between the school's demographics or other mitigating factors.

As such, the impact of these mitigating factors on school performance was not accurately measured, and the performance of principals and head teachers at these schools were deemed not fairly measured. To improve the awarding of new deals, the EDU NKRA will improve upon the existing set of criteria and apply it stringently to ensure that effective principals and head teachers are awarded equitably. The new criteria will be implemented in 2014.

## Piloting the New Teacher Charter assessment instrument

The EDU NKRA's New Teacher Charter initiative, introduced in GTP 2.0, is designed to complement the New Principal Charter by creating a new competency-based career pathway for teachers. To facilitate this, the EDU NKRA has developed a new Teacher's Unified Instrument (UI) assessment tool, which will be piloted to all 410,000 teachers nationwide.

The UI, which will replace the Annual Performance Evaluation Report (Laporan Penilaian Prestasi Tahunan), was validated by international education expert, Pearson, and has been refined based on their recommendations. The pilot programme will continue through 2014 to be ready for implementation by 2015.

## Implementing programmes for special needs students

GTP 2.0 also saw the implementation of a workstream to better integrate special needs students with the regular student body. The Buddy Programme, which was launched on Aug 24, 2013, saw the participation of 10 primary and secondary schools in the Klang Valley. The Buddy Programme is a football programme designed to bring special needs students with mainstream students to build friendships and better understanding between both groups.

Meanwhile, non-governmental organisation (NGO) Malaysian Care has been appointed to spearhead the Transition Programme, which will help special needs students integrate into regular life after school. Secondary school teachers will be given special training under this programme to help their students in the classroom and into employment.

The Special Education Needs workstream was launched following a lab held in 2012.

## 2013 ACHIEVEMENTS

| Workstream | Initiative | 2013 Target | Actual Result |
|---|---|---|---|
| Pre-school and Early Childcare | • Increasing pre-school enrolment to 88%<br>• All public pre-schools to complete the Pre-school Standard Quality Self-Assessment | 88%<br>100% | 81.7%<br>99.2% |
| LINUS 2.0 | • Ensuring 100% of the second cohort (Cohort 2, Primary 3) have basic mastery of language and numeracy skills | 100% | 99.3% (n)*<br>99.1% (l)** |
| | • Ensuring 95% of the third cohort (Cohort 3, Primary 2) have basic mastery of language and numeracy skills | 95% | 94.5% (n)*<br>93.2% (l)** |
| | • Ensuring 90% of the fourth cohort (Cohort 4, Primary 1) have basic mastery of language and numeracy skills | 90% | 90.1% (n)*<br>81.3% (l)** |
| High Performing Schools | • Maintaining the 91 existing HPS<br>• Introducing 19 new HPS in 2013 | 91<br>19 | 91<br>24 |
| District and School Transformation Programme | • Ensuring that only 2% of all schools are classified as Band 6 or Band 7 | Less than 2% | 1.7% |
| | • Ensuring that 35% of all schools are classified as either Band 1 or Band 2 | More than 35% | 29% |
| New Principal Charter (Enhancement of New Deals) | • Ensuring that 4% of primary school head teachers or principals meet requirements to be awarded New Deal Package | 4% | 6% |
| | • Ensuring that 4% of secondary school head teachers or principals meet requirements to be awarded New Deal Package | 4% | 6.6% |
| New Teacher Charter | • Evaluate all 410,000 teachers under the new assessment tool, i.e. the unified instrument (UI) | 100% | 24.2% |
| Upskilling the proficiency of English teachers | • Ensuring that all English teachers sent for upskilling increase their proficiency by at least one Band under the Cambridge Placement Test or equivalent | 100% | 73.3% *** |

Table of 2013 KPIs for EDU NKRA

(n)* = Numeracy
(l)** = Malay Language literacy
*** = Results is based on 4,177 teachers that sat for both pre- and post- Aptis tests. A total of 4,626 teachers were trained.

# ASSURING QUALITY EDUCATION NKRA – WORKSTREAMS AND FOCUS AREAS

GTP 2.0 initiatives build on the successes of GTP 1.0, and are now a subset of the MEB. The focus of the initiatives is aligned with the MEB's aspirations to focus on education Access, Quality and Equity.

| | Access | Quality | Equity |
|---|---|---|---|
| National Education Blueprint 2013 -2025 Aspirations | Universal enrolment across all levels from pre-school to upper secondary by 2020.<br><br>Increase stagnant school enrolment levels to developed nation levels.<br><br>Enrolment targets<br>98% Primary<br>90% Lower Secondary<br>86% Upper Secondary | Ensure that Malaysian students place within the top third of countries in international assessments such as PISA and TIMSS within 15 years, from the bottom-third today.<br><br>Ensure that Malaysia has one of the fastest improving education systems in the world. | Reduce achievement gaps by 50% between different categories of schools (urban—rural, socio-economic, gender) by 2020.<br><br>Ensure that Malaysia has one of the world's most equitable school systems. |
| EDU NKRA GTP 2.0 Initiatives | Ensure 92% enrolment in pre-schools. | Improve Malaysian students' results in international assessments to international average levels. | Reduce achievement gaps by 25% by the end of 2015.<br><br>Ensure equitable treatment for all students including those with special education needs. |

As a subset of the MEB, the initiatives of the GTP 2.0 are crucial in building a sturdy foundation for education plans to achieve the overarching aspirations of the MEB. To facilitate the centralised delivery of the NKRA and, by extension, the MEB's initiatives, a new department within the MoE, the Education Performance and Delivery Unit (PADU), has been set up and is collaborating with PEMANDU on the delivery management of the GTP 2.0 initiatives.

## WORKSTREAM / Pre-school and Early Childcare



Lifelong learning begins with the proper training at the very foundational stages. Recognising this, the EDU NKRA has focussed on pre-school enrolment since the implementation of the GTP 1.0. Initiatives under this workstream aim to increase pre-school enrolment to 92% by 2015.

To increase access to pre-school, the EDU NKRA will continue to offer grants for the opening of new private pre-schools, as well as fee assistance for low-income households. The amount of the grant has been increased in GTP 2.0 while fee assistance will now be awarded on a sliding-scale basis. In 2013, 258 pre-school operators received the launching grant amounting to RM4.2 million while 34,552 students from low-income households received fee assistance for pre-school, totalling RM29 million.

Launching grant and fee assistance are also now granted to pre-schools offering special needs education and/or with special needs students. 38 special needs centres received the grant amounting to RM0.76 million and 75 students received the aid in 2013. As this was the first year initiatives were extended to special needs education, the take up rate was not as high as expected. Nevertheless, the delivery team will continue supporting education for special needs children and increase efforts to gain public awareness on the available aids.

### Fee assistance for mainstream pre-school students

| Income per capita | Fee Assistance / month |
|---|---|
| < RM300 | RM150.00 |
| RM301-RM400 | RM112.50 |
| RM401-RM500 | RM75 |
| >RM500 | Not eligible |

### Fee assistance for special needs pre-school students

| Income per capita | Fee Assistance / month |
|---|---|
| < RM400 | RM500.00 |
| RM401-RM600 | RM400.00 |
| RM601-RM800 | RM300.00 |
| RM801-RM1000 | RM200.00 |
| > RM1000 | Not eligible |

To further bolster the efforts already put in place in GTP 1.0, the EDU NKRA has taken steps to ensure that pre-schools in Malaysia meet a minimum standard of performance. The delivery team introduced the National Pre-school Quality Standard (Standard Kualiti Prasekolah Kebangsaan or SKPK) instrument to gauge performance standards. The School Inspectorate from MoE, KEMAS and JPNIN will independently verify the results of the SKPK from public pre-schools whilst ECCE Council will independently verify the results of private pre-schools.

The launching grant and fee assistance schemes have been extended to childcare centres to increase the number of registered childcare centres and provide support to low and middle-income families with children aged between 0-4 years to obtain quality child care. In 2013, 1,909 children from low-income households received fee assistance from the Government, totalling RM4.37 million. In the same year, 948 childcare centre operators received a total of RM12.43 million worth of grants to launch operations.

Additionally, the Government has also given tax benefits to private pre-school and childcare operators who registered with Ministry of Education or Department of Social Welfare (JKM).The tax incentives offered are tax exemptions at the statutory income level for five years and industrial building allowance with an annual rate of 10% for buildings used as pre-school or childcare centres. Tax incentives are also offered to employers who established childcare centres at workplaces in the form of double deductions on expenditures incurred for the provision and maintenance of the centres.

## WORKSTREAM / Literacy and Numeracy Screening (LINUS) Programme 2.0

The LINUS Programme has been enhanced in GTP 2.0 to screen for proficiency in English Language in addition to proficiency in Bahasa Malaysia and numeracy. The eventual goal of the LINUS 2.0 programme is to ensure that all Malaysian students will be both literate and numerate after three years of primary school education.

While the LINUS achievement since GTP 1.0 has been encouraging, the EDU NKRA is taking extra steps to verify that the students truly have achieved proficiency by scrutinising screening results and environments. For example, the delivery team implemented a number of reforms last year to ensure that students could perform as well under strict examination conditions.

**Table showing the literacy and numeracy rates of school children screened via LINUS. The aim is to raise both proficiencies to 100% for all Year 3 students.**



| Year 1 | Year 2 | Year 3 |
|---|---|---|
| **81.3%** BM literacy rate | **93.2%** BM literacy rate | **99.1%** BM literacy rate |

**Target 100%** Literate & numerate by Year 3

Continuous screening + Remediation classes

| **90.1%** Numeracy rate | **94.5%** Numeracy rate | **99.3%** Numeracy rate |
|---|---|---|

The frequency of screenings has been reduced to twice a year from three times a year in LINUS 2.0 to give teachers the opportunity to help students who fail to meet proficiency requirements. In addition, all students will have to sit for the biannual screening regardless of how they performed previously.

With regards to screening for English Language proficiency, the EDU NKRA team screened the students last year to establish a baseline rate of mastery in English Language based on the set constructs. While the delivery of the LINUS Programme is mainly in line with the EDU NKRA proposed schedule, the absence of a pre-determined benchmark baseline for the programme's English component has caused small delays. Nevertheless, the Ministry managed to complete the baseline study by the end of 2013. The initial screening revealed that only 50% of Malaysian primary school students in Year 1 mastered basic English literacy, while the second screening conducted four months later revealed and improved rate of 63%. Remedial efforts and regular screening will commence in 2014.

## WORKSTREAM / High Performing Schools

The High Performing Schools (HPS) initiative is also a continuation of an initiative started in GTP 1.0 designed to decrease the gap between high-performing and low-performing schools in the country. The HPS Programme encourages schools to improve their performance by providing incentives in the form of financial grants and other non-financial incentives, e.g. greater autonomy.

The EDU NKRA aims a minimum of 100 HPS during the GTP 2.0 phase. There is also renewed focus in GTP 2.0 to ensure that schools maintain their HPS status, i.e. a focus on sustainability. As such, HPS are assigned key performance indicators (KPIs), which specify academic and extracurricular achievements that must be met. These achievements are benchmarked against national and international standards.

Intervention programme will be conducted for HPS schools that continually fail to meet these KPIs. After three years of non-compliance, principals of these schools will be replaced. The HPS status will be taken away after five years of non-compliance. Steps have been taken to transfer principals from four HPS schools. To ensure HPS excellence, the existing policy for failing to meet KPI will be tighten by withdrawing HPS status after three consecutive years of non-compliance.

In 2013, 24 schools have been awarded the HPS status and are listed in the table below. For the full list of 115 HPS to date, please visit *http://web.moe.gov.my/bpsbpsk/index.php/sbt*.

| Cohort | Code | School | State |
|---|---|---|---|
| 2013 | JBB0025 | SK Tengku Mariam | Johor |
| 2013 | JBD3014 | SJKT Ladang Rem | Johor |
| 2013 | JEA6006 | SMK Dato' Penggawa Barat | Johor |
| 2013 | KEA4068 | SM Sains Kubang Pasu | Kedah |
| 2013 | DEA2191 | SM Sains Machang | Kelantan |
| 2013 | MBB2048 | SK Convent of the Infant Jesus 1 (M) | Melaka |
| 2013 | MRA2127 | SMKA Sharifah Rodziah | Melaka |
| 2013 | NRA6001 | SBP Integrasi Jempol | Negeri Sembilan |
| 2013 | CBB1002 | SK Convent, Pahang | Pahang |
| 2013 | ABA4011 | SK Sultan Idris II | Perak |
| 2013 | ABB2086 | SK Marian Convent | Perak |
| 2013 | AEA6050 | SM Sains Raja Tun Azlan Shah | Perak |
| 2013 | ARA2001 | SBP Integrasi Gopeng | Perak |
| 2013 | PBB1015 | SK Convent Green Lane | Pulau Pinang |
| 2013 | PBC1055 | SJK (C) Han Chiang | Pulau Pinang |
| 2013 | PRA2003 | SMKA Al-Irshad | Pulau Pinang |
| 2013 | BBA8106 | SK Taman Megah | Selangor |
| 2013 | BBA8264 | SK Bukit Jelutong | Selangor |
| 2013 | BBB8314 | SK Sri Petaling | Selangor |
| 2013 | BRA4003 | SMA Persekutuan Kajang | Selangor |
| 2013 | BRA7001 | SBP Integrasi Rawang | Selangor |
| 2013 | WBA2004 | SK Putrajaya Presint 11 (1) | WP Putrajaya |
| 2013 | WBB0048 | SK Convent Bukit Nanas (1) | WP KL |
| 2013 | WBC0170 | SJK (C) Kuen Cheng 2 | WP KL |

Finally, HPS are now also assigned the responsibility of coaching and mentoring other non-HPS schools. A "handholding" clinic was held last June to pair HPS schools with non-HPS schools in their district to support the latter's improvement, and consequently moving forward to 2014, this would be an added KPI to the HPS schools' current list of KPIs.
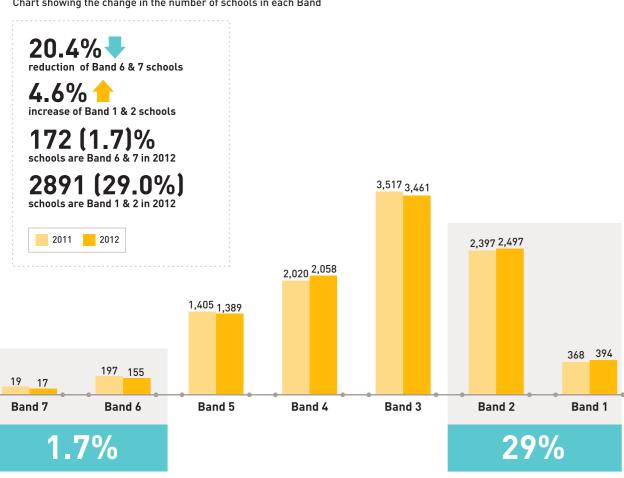
**WORKSTREAM** / District and School Transformation Programme

The District Transformation Programme is an enhancement of the School Improvement Programme from GTP 1.0. The rationale behind the change is that District Education Offices (Pejabat Pelajaran Daerah or PPDs) are best positioned on the ground to identify school issues while possessing sufficient authority to coordinate development on a holistic basis.

The goal of the District Transformation Programme has remained the same as the School Improvement Programme—maintaining the performance of HPS while helping schools in the lower Bands improve their performance. Thus the focus of the programme has remained on improving schools

### Overall School Banding Trend (2011- 2012)
Chart showing the change in the number of schools in each Band

**20.4%** ⬇
reduction of Band 6 & 7 schools

**4.6%** ⬆
increase of Band 1 & 2 schools

**172 (1.7)%**
schools are Band 6 & 7 in 2012

**2891 (29.0%)**
schools are Band 1 & 2 in 2012

☐ 2011  ☐ 2012

| | Band 7 | Band 6 | Band 5 | Band 4 | Band 3 | Band 2 | Band 1 |
|---|---|---|---|---|---|---|---|
| 2011 | 19 | 197 | 1,405 | 2,020 | 3,517 | 2,397 | 368 |
| 2012 | 17 | 155 | 1,389 | 2,058 | 3,461 | 2,497 | 394 |

**1.7%**

**29%**

However, beginning in 2013 the PPDs have been empowered by the MoE to provide greater support to schools within their districts and are also accountable for the performance of schools within their districts.

To support this effort, specialist coaches—School Improvement Partner+ (SIPartner+) and School Improvement Specialist Coaches+ (SISC+)—have been stationed at the PPDs to deliver aid and support to schools where necessary. The MoE also developed a performance dashboard system for PPDs, which will enable the Ministry and the State Education Department (*Jabatan Pelajaran Negeri*) to assess and gauge the performance levels of each PPD. The states of Kedah and Sabah are presently piloting the dashboard.

The dashboard documents a number of indicators including school results, student absenteeism and time teachers spend in schools. The PPD Transformation was piloted in Kedah and Sabah in 2013 and will be rolled out nationwide in 2014.

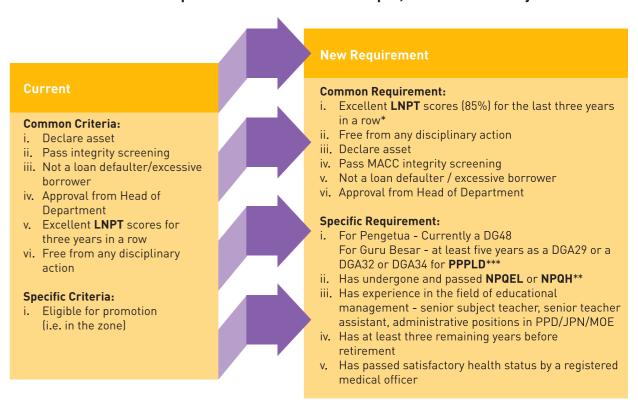**WORKSTREAM** / New Deals and New Principal Charter

The EDU NKRA recognises that the best way to encourage greater school performance is by placing the most capable people in positions of leadership. Recognising principals and head teachers for improving their school performance by awarding New Deals will be continued in GTP 2.0 with enhancements.

A key change in the New Deals Programme is the plan to rollout improved set of criteria for principals in schools that may be handicapped owing to external factors such as the demographic of the student body and the location of the school. These improved set of criteria is designed to make the award of New Deals more equitable and more accessible to principals across the country.

The New Principal Charter takes this initiative further by putting in place an altogether new principal charter, which will support the appointment of high-performing candidates by revisiting the appointment mechanism. New minimum requirements for the appointment of principals and head teachers were put in place in 2013, which moves away from the previous tenure-based appointment system.

### The minimum requirement to become Principal, effective January 2014

**Current**

**Common Criteria:**
i. Declare asset
ii. Pass integrity screening
iii. Not a loan defaulter/excessive borrower
iv. Approval from Head of Department
v. Excellent **LNPT** scores for three years in a row
vi. Free from any disciplinary action

**Specific Criteria:**
i. Eligible for promotion (i.e. in the zone)

**New Requirement**

**Common Requirement:**
i. Excellent **LNPT** scores (85%) for the last three years in a row*
ii. Free from any disciplinary action
iii. Declare asset
iv. Pass MACC integrity screening
v. Not a loan defaulter / excessive borrower
vi. Approval from Head of Department

**Specific Requirement:**
i. For Pengetua - Currently a DG48 For Guru Besar - at least five years as a DGA29 or a DGA32 or DGA34 for **PPPLD\*\*\***
ii. Has undergone and passed **NPQEL** or **NPQH\*\***
iii. Has experience in the field of educational management - senior subject teacher, senior teacher assistant, administrative positions in PPD/JPN/MOE
iv. Has at least three remaining years before retirement
v. Has passed satisfactory health status by a registered medical officer

\* **LNPT** (Laporan Penilaian Prestasi Tahunan) will be used until 2014 and will be replaced by Unified Instrument by 2015.
\*\* **NPQEL –** National Professional Qualification for Educational Leaders.
**NPQH –** National Professional Qualification for Headship.
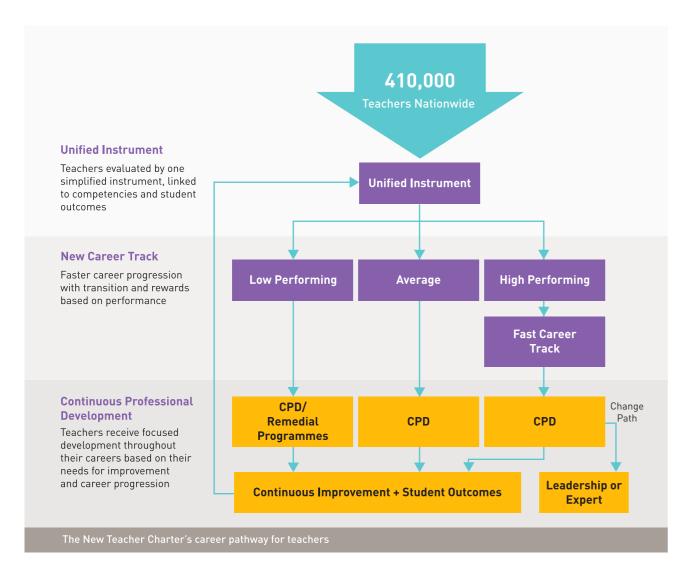\*\*\* **PPPLD –** Pegawai Perkhidmatan Pendidikan Lepasan Diploma.

The new appointment system will apply to the new batch of principal appointments beginning July 2014.

**WORKSTREAM** / New Teacher Charter

GTP 2.0 focuses on teacher quality with the introduction of the New Teacher Charter. The Charter will focus on creating new career opportunities for teachers, starting from performance assessment that is based on teaching competencies and student outcomes, and continuous professional development programmes.

**410,000**
Teachers Nationwide

**Unified Instrument**
Teachers evaluated by one simplified instrument, linked to competencies and student outcomes

**Unified Instrument**

**New Career Track**
Faster career progression with transition and rewards based on performance

| Low Performing | Average | High Performing |

**Fast Career Track**

**Continuous Professional Development**
Teachers receive focused development throughout their careers based on their needs for improvement and career progression

| CPD/ Remedial Programmes | CPD | CPD |

Change Path

| Continuous Improvement + Student Outcomes | Leadership or Expert |

The New Teacher Charter's career pathway for teachers



Print ad for the EDU NKRA's High Profile Marketing Initiative

As a first step towards unified assessment that is based on competencies and outcomes, a new Teacher's Unified Instrument (UI) has been developed and validated to international benchmark by education specialist, Pearson and further improved based on their recommendations.

UI is currently being piloted until early 2014. Preliminary results from 101,535 teachers assessed using UI showed that only 3% needed further support to improve performance.

In supporting in-class teaching and learning, an online resource centre called eGuru, which contains videos and digital

learning materials, has been developed and launched in April 2013. Teachers are also encouraged to focus on higher order thinking skills (HOTS) through the various teaching techniques available in *eGuru*.

The High-Profile Marketing initiative, which is aimed at educating the public about the teaching profession and recruiting high-performing students, has completed all the groundwork to launch its media campaign in December 2013 through a number of radio, video and print advertisements. Last year, 70% of the candidates, who were offered a place at Teachers Training Institutes (*Institut Pendidikan Guru* or IPG), are from the top 50% of high-achieving students.

## WORKSTREAM / Upskilling the Proficiency of English Teachers

A screening of the proficiency levels of English teachers in Malaysia in 2012 identified a pool of approximately 24,000 teachers that required further support to bring their standards up to par. About a fifth of those teachers were enrolled in a professional development programme, the Pro-ELT Programme, which is jointly developed by the MoE and the British Council.

Following the upskilling training, the teachers will be retested under the British Council's Aptis English assessment tool. The aim is to improve teachers' proficiency levels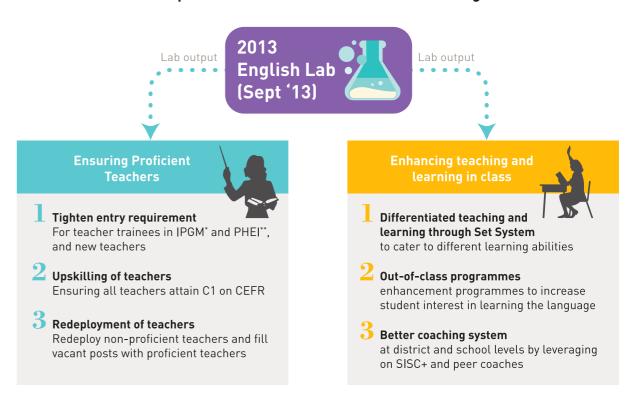 by at least one Band under the Common European Framework of Reference for Languages (CEFR). A further 9,000 teachers will start cohort 2 of the upskilling training beginning March 2014.

In view of English Language becoming a must-pass subject for the Malaysian Education Certificate (Sijil Pelajaran Malaysia or SPM) in 2016, there is a pressing need to ensure that all English teachers have the sufficient proficiency to teach the subject in Malaysian schools. A special English Lab was conducted in September 2013 to determine the necessary next steps. The findings are detailed in the table below:



**2013 English Lab: Towards Ensuring Proficient Teachers and Improvement in Student Performance in English**

Lab output

**2013 English Lab (Sept '13)**

Lab output



**Ensuring Proficient Teachers**

**1** **Tighten entry requirement**
For teacher trainees in IPGM* and PHEI**, and new teachers

**2** **Upskilling of teachers**
Ensuring all teachers attain C1 on CEFR

**3** **Redeployment of teachers**
Redeploy non-proficient teachers and fill vacant posts with proficient teachers

**Enhancing teaching and learning in class**

**1** **Differentiated teaching and learning through Set System**
to cater to different learning abilities

**2** **Out-of-class programmes**
enhancement programmes to increase student interest in learning the language

**3** **Better coaching system**
at district and school levels by leveraging on SISC+ and peer coaches

\* Institute of Teacher Education or Institut Pengajian Guru Malaysia
\*\* Public Higher Education Institutions

## WORKSTREAM / Special Education Needs

Although not originally a part of the GTP 2.0 Roadmap, a special lab session revealed insufficient efforts being made to support the educational development of special needs students. Following the lab, the EDU NKRA implemented a number of programmes to include Special Education Needs (SEN) in its education thrusts.

The initiatives are:

**(i) SEN Holistic Inclusive Programme:** The aim of the programme is to raise awareness and the standard of special education in schools through the introduction and institutionalisation of best practices in their management and operations. In 2013, a service provider was selected to execute two-year-long pilot programmes in five schools in Perak to start in 2014.

**(ii) SEN Vocational Programme:** This programme will increase accessibility and quality of SEN vocational programmes by buying seats for SEN students in vocational institutions. In 2013, a total of 36 seats related to the food and beverage (F&B) and information technology (IT) disciplines were purchased. In July, 16 students enrolled in a course leading to a certificate in F&B at the Berjaya University College of Hospitality while 20 students took a course in IT at the Sunway International Business and Management.

In addition, MoE has bought a further 220 seats across five states, which offer various vocational courses, such as culinary arts and computer systems. The first intake commenced in November 2013 and amongst the participating education institutions are Suria College of Hospitality in Johor and International College of Yayasan Melaka. MoE will continue to buy seats for SEN students in 2014, with more courses to be offered both within and outside of Klang Valley.

As a continuation of the buying of seats initiative under the Private-Public Partnership (PPP) in 2014, a further 71 seats have been bought from Berjaya University College of Hospitality. Fifty-three of those seats are located in the Klang Valley while the remaining 18 are in Penang. Under this programme, students will be enrolled in a course leading to a Diploma in Patisserie and Certificate in Food and Beverage. The programme has also been extended to East Malaysia where a total of 42 SEN students will be undertaking the Certificate in Pastry Making at ATI College Sabah.



The institutions were selected based on the adequacy of their facilities for SEN students and their ability to guarantee industry placements and job opportunities for the students upon graduation.

**(iii) Buddy Programme:** The Buddy Programme was introduced to encourage greater interaction between SEN students and mainstream students. Ten schools participated in the inaugural Buddy Football Programme in 2013, which was held on Aug 24, 2013. The schools who participated in the programme are:
• Sekolah Kebangsaan (L) Jalan Batu
• Sekolah Jenis Kebangsaan (T) Jalan Fletcher
• Sekolah Jenis Kebangsaan (C) Sam Yoke
• Sekolah Kebangsaan Taman Maluri
• Sekolah Kebangsaan Polis Depot
• Sekolah Menengah Bandar Sunway
• Sekolah Menengah Wangsa Maju
• Sekolah Menengah Jalan Reko
• Sekolah Menengah Menjalara
• Sekolah Menengah Sek 17 Subang Jaya





*" When we talk about 1Malaysia we need to be equal in all sense such as education, distribution of wealth or politics. I am Malaysian first and that is what 1Malaysia is truly about."*

SHAHRIZAT BADRUL, 31, account director

**(iv) Employment Transition Programme:** The Employment Transition Programme supports SEN students with support and coaching to help them integrate with working life. Malaysian Care, an NGO, is collaborating with the MoE to work with students from 11 pilot schools. The programme commenced in June 2013.

**(v) iSayang Portal:** The iSayang Portal functions as a one-stop information centre for SEN students and parents. The portal will address the lack of general awareness about resources available and collate information on services available in Malaysia such as disabled-friendly functions, parent resource centres, supporting services, tools for teachers and information for employers among others.

## KEY CHALLENGES

A key challenge for the EDU NKRA in 2013 is in integrating its activities with the overall programmes of the MEB under the PADU delivery unit. As with all new working arrangements, the change will create a period of adjustment during which the implementers will familiarise themselves with a new organisational structure and with new reporting lines. However, this setback is only temporary, which will resolve itself through greater familiarity.

From an operational standpoint, the main challenge for ProELT upskilling training and SEN Holistic Inclusive Programme is the lengthy procurement process that had delayed implementation from the original timeline. In order to overcome this challenge, the groundwork for projects will start six months ahead of the implementation date.



Pre-school enrolment rate of 81% has fallen short of its 88% target despite this being the fourth year pre-schools are inputting data into SKPK, and more aggressive efforts made in manually collecting data. In response, the EDU NKRA is stepping up its efforts in registering pre-schools, ensuring the accuracy of data entered into SKPK, and to build stronger relationships with organisations that offer pre-school services.

## MOVING FORWARD

Plans moving forward will see efforts undertaken to implement the recommendations of the English lab held in September 2013. This initiative is to support English language proficiency and performance among secondary school students through the introduction of differentiated teaching and learning. Additionally, out-of-class activities or booster programme also support students proficiency in English, especially in identified "hotspot" schools.



There is a special emphasis to focus on these subjects as the Trends in International Mathematics and Science Study (TIMSS) and Program for International Student Assessment (PISA) benchmark tests will be held in October 2014 and March 2015 respectively. While it is important to note here that the emphasis is not on testing well, the two tests will be an important external indicator validating or invalidating the results of the Government's initiatives.

The EDU NKRA will also roll out the PPD dashboard to all district offices in 2014 and continue to provide remedial training for the remaining 14,000 English language teachers to complete the English Upskilling Initiative slated for GTP 2.0.

Education remains the best guarantee for the future success of both the student and for this country. With greater challenges for positions and opportunities expected in future, Malaysian students need to be armed with the best foundation possible that will prepare them for life-long learning. The Government believes that the EDU NKRA's activities, together with the plans contained within the MEB, will put Malaysia's education system back on firm footing on par with the best in the region.

**Views from the DMO:**

# TRANSFORMING MALAYSIA'S EDUCATION SYSTEM

**DR NOORLIZA ZAKUAN**
Executive Director of PADU
(Education Performance
and Delivery Unit)

Having been involved in the Education NKRA since the planning stages of the GTP 1.0, Dr Noorliza Zakuan, Executive Director of PADU (Education Performance and Delivery Unit), is heartened by the pace of transformation taking place within the Malaysian education system.

"The initial stage was the most challenging period because most people were sceptical about transformation, but now the roads are smoother and I'm proud of the achievement for every initiative under the Education NKRA thus far," says Dr Noorliza, who is also head of the Education NKRA's Delivery Management Office (DMO).

"From the experiences gained throughout the last four years, we have continuously reviewed the initiatives, not only to fix arising issues, but also to think of ways to improve the programme further. This method is evident in many of our GTP 2.0 initiatives, and the best example would be the Literacy and Numeracy Screening (LINUS) Programme.

"Throughout the GTP 1.0, many improvements were made on the screening process, as recommended by an independent auditor, and in GTP 2.0, we took the programme one step further by expanding it to include English literacy. This is

a huge step considering English literacy has never been the focus of any remedial programme in schools," she says.

The start of the GTP 2.0 in 2013 saw improved initiatives such as the new requirement criteria for selecting principals to ensure the best are chosen to lead schools. A new Unified Instrument was also developed for teachers, enabling teacher evaluation based on competencies and student outcomes. "Although these achievements may seem menial at this point, they will create the foundation of ensuring quality teachers and principals in the future," says Dr Noorliza, adding that these educators will, in turn, become the catalyst of transformation within the national school system.

She notes that among the key challenges for the Education NKRA which has prevailed since the start of the GTP is sustaining a constant pre-school enrolment rate. The Education NKRA has committed efforts in promoting registration of pre-schools, deploying officers to pre-school centres to collect data and building relationships with other agencies and non-Governmental organisations.

"Moving forward into 2014, it is timely that we start enforcing rules and regulations to errant pre-school centres more vigorously," she says.

The implementation of the Education NKRA thus far has, nonetheless, provided important lessons going forward, especially with the launch of the Malaysia Education Blueprint 2013-2025 in September 2013. As Dr Noorliza explains, eight out of the Blueprint's 14 priority initiatives are also initiatives under the Education NKRA. "These initiatives are the pinnacle of education transformation and their successful implementation is crucial. While the Blueprint guides and shapes the long-term goals of the education system, the short-term and high-impact projects under the Education NKRA will represent the very foundation in which we can build of the premise of quality education in Malaysia.
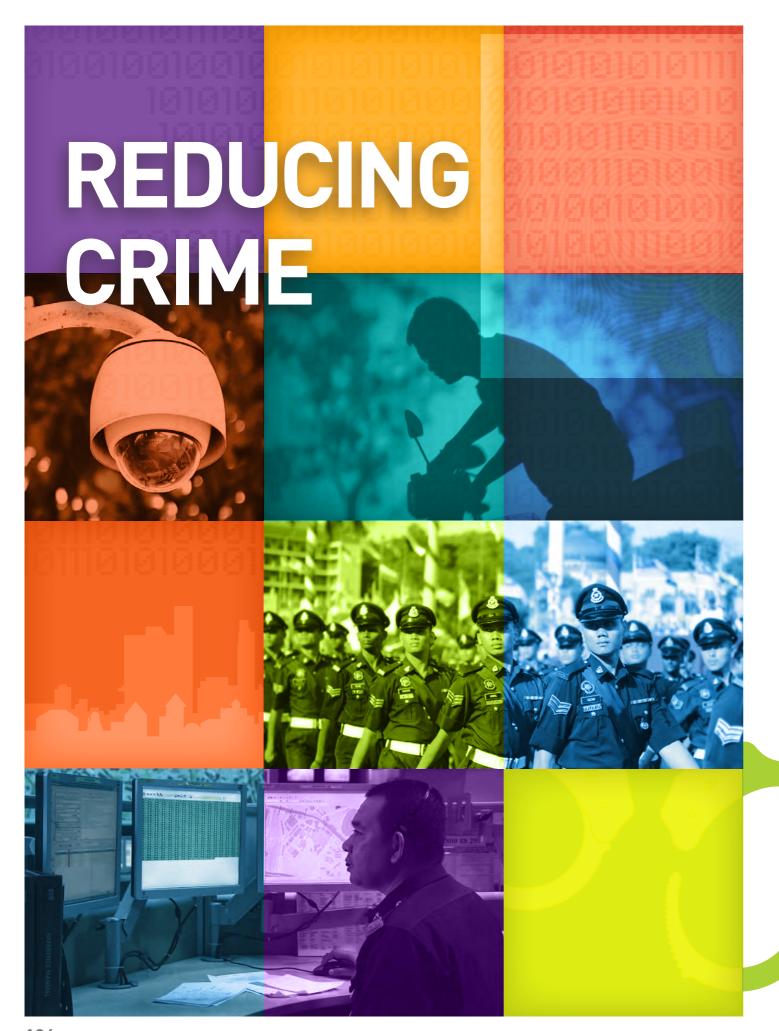
Commencement of any initiative is always the toughest part of implementation. Therefore, having a committed process fielded by the Education NKRA and support in the form of the NKRA Delivery Task Force chaired by the DPM is necessary in achieving the set targets" she says.

"As we know, starting is the toughest part of implementation and therefore, having the Education NKRA to back up difficult initiatives, together with additional support from the NKRA Delivery Task Force and PEMANDU, helps in achieving the set targets," she says.

She notes, however, a more concerted effort is required from all quarters of the Ministry of Education (MoE) in the implementation of the Blueprint in tandem with initiatives under the Education NKRA. "The Blueprint has already provided a good pathway to ensure the continuity of the Education NKRA's initiatives. The main challenge now is to ensure MoE, as a whole, sustain this catalytic environment for the betterment of our national education system," says Dr Noorliza.

# REDUCING CRIME

**DATO' SERI DR. AHMAD ZAHID HAMIDI**
Minister of Home Affairs

**I am pleased to report on our significant achievements against violent crime in 2013. The last 12 months have seen both ups and downs for the Reduction of Crime National Key Results Area (CRI NKRA). While we were pleased to see that the crime rate has continued its steady decline, the achievements were overshadowed by a spate of violent crimes involving firearms, which left the rakyat shaken.**

We are fortunate to live in a country where gun crimes remain a rare occurrence rather than one where daily gun crime is part of the status quo. Nevertheless, the high-profile nature of gun crimes and their abrupt appearance in our communities threatens to jeopardise the work that we have done to increase public security.

In response to these outbreaks, we have developed various initiatives under the CRI NKRA designed to combat gun crime, some of which were already implemented last year. We will continue to roll-out new initiatives in 2014 granting more resources and powers to the Royal Malaysian Police Force (Polis DiRaja Malaysia or PDRM) to prevent future occurrences.

For example, PDRM launched *Operasi Cantas Khas* last year, which addresses the issue of violent crime by focusing on the perpetrators. Police investigations revealed that gun violence is mostly perpetrated by illegal gang members, thus any long-term solution will require a coordinated effort to clamp down on gang related activities.

We are also strengthening the capabilities of our police force by equipping them with better resources as part of our long-term strategy to create a world-class policing force, as well as amending our laws to help them better perform their roles. The Prevention of Crime Act 1959, for instance, has been amended to strengthen PDRM's capabilities.

It is important to bear in mind that the CRI NKRA is designed as a reactive NKRA, meaning that its initiatives and targets will change depending on deviations in the crime pattern. While GTP 1.0 was focused on combatting incidences of index crime such as snatch thefts and vehicle thefts, GTP 2.0 will focus on house break-ins and the sudden outbreak of gun violence.

At the same time, the CRI NKRA continues to work on core crime prevention initiatives to create a more secure Malaysia. We remain committed to our goals of garnering greater support from the public, at the same time improve the visibility of our personnel on the streets.

The achievements of the CRI NKRA this year should be a reminder of the Government's commitment to the reduction of crime even in the face of challenging setbacks. I invite all Malaysians to stand united against crime by cooperating with PDRM to maintain peace and serenity in our beautiful homeland.

# OVERVIEW

The CRI NKRA was established in response to the *rakyat's* concerns over the growth of crime. Upon establishment of this NKRA, the Government was now in position to take control of the safety perception of its people through the initiatives and workstreams introduced in the GTP. In line with keeping the *rakyat's* interest at the focal point, the Government committed itself to reduce Index Crime[1] by 5% annually with the *rakyat's* interest at heart.

Since the commencement of GTP 1.0, the deployment of initiatives designed to immediately arrest the increase in

criminal activity has seen promising results and exceeded targets—Index Crime fell 15%, 11% and 7.6% in 2010, 2011 and 2012 respectively (against a targeted 5%).

These results prove that the crime problem in Malaysia can be overcome, and demonstrated the effectiveness of the CRI NKRA's strategy of focusing preventive measures on specific areas. The GTP 2.0 is built on the successes of the GTP 1.0 and enhances the overall CRI NKRA platform.

Finally, the Government established the Department of Crime Prevention and Suppression (*Jabatan Pencegahan dan Pembanterasan Jenayah* or JPPJ) under the purview of PDRM to better coordinate crime prevention initiatives. JPPJ is tasked to carry out both CRI NKRA and National Blue Ocean Strategy initiatives. Many of the initiatives feature close collaboration between the police, the armed forces, volunteer organisations such as *Jabatan Sukarelawan Rakyat Malaysia* (RELA), Department of Civil Defence (*Jabatan Pertahanan Awam Malaysia*) and other relevant non-governmental organisations (NGOs). JPPJ engages with schools, universities, residential associations, business premises and other NGOs including women groups.

The establishment of the JPPJ is in line with the CRI NKRA's goal to provide holistic intervention with respect to the issue of crime, whilst continuing to engage participating agencies and leverage on their respective strengths.

The CRI NKRA maintains that the fight against crime requires cooperation from all Malaysians, and has therefore executed initiatives designed to solicit greater collaboration from the public. These efforts culminated in the United Against Crime (UAC) Campaign launched last year. The campaign highlighted the importance of crime education and awareness, and the need for communities to take part ownership of problems within their communities.





The CRI NKRA team began its GTP 2.0 initiatives in 2013 while simultaneously focusing on the needs of the country, e.g. the measures undertaken to combat the sudden surge of violent gun crime. The first half of 2013 saw an increase in the number of gun-related crimes reported with the number of violent crimes rising to 15,098 from January to June 2013 compared to 14,811 during the same time frame the previous year.

Preliminary investigations by the PDRM revealed that gang members recently released from incarceration, following

the lifting of the 1969 Emergency Proclamation, perpetrated most of these crimes. The PDRM responded by launching *Operasi Cantas Khas* in August 2013. Within 52 days, violent crime cases dropped a third to 69 cases from 104.

The establishment of *Operasi Cantas Khas* is one of the many successes in the CRI NKRA. Other successes include the Government's immediate action to amend laws that further empower the PDRM to clamp down on violent crime by assigning police greater powers to investigate and remand suspected gang members and secret societies.

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[1]The Index Crime rate is derived from a set of criminal activities that occur with sufficient regularity and severity so as to constitute an index of the overall crime situation in Malaysia. Thirteen different categories of crime are used as Index Crime markers.

# ACHIEVEMENTS

## Clamping down on violent crime

PDRM responded to the rise in violent crime by launching Operasi Cantas Khas on Aug 17th. Police investigations revealed that the sudden increase in violent crime was partially due to the release of detainees held under the Emergency Ordinance (EO).

The operation has shown signs of success with the number of violent crime cases falling by 30% in its first 52 days of execution. Operasi Cantas Khas also clamped down on possession and trade of illegal firearms, which were becoming increasingly present in the country.

In addition, the Government has tightened the existing security laws by amending the Prevention of Crime Act 1959 (PoCA) and reviewing the Penal Code and Criminal Procedure Code, to support the PDRM's crime-fighting efforts. The amendments to the PoCA address a number of issues including police remand durations and police powers. It also established a Prevention of Crime Board.

## Improving coordination of crime prevention initiatives



JPPJ was formally set up in 2013. The department will spearhead all crime prevention initiatives including those originating from the CRI NKRA and from the National Blue Ocean Strategy.

The department, which has been placed under the purview of the PDRM, will oversee cross ministerial and cross agency initiatives involving the police, and the armed forces, RELA, the Department of Civil Defence and other relevant non-governmental organisations. JPPJ is headquartered at the Bukit Aman Police Headquarters, and is designed to oversee and monitor CRI NKRA initiatives from the federal level all the way to the district level.

## Supporting tourists and expatriate communities

The expatriate community and their home countries have expressed concerns over Malaysia's rising crime problem, which had a detrimental effect of reducing foreign investor confidence whilst negatively affecting tourism. A report from the World Class Policing Study conducted by the CRI NKRA showed that these concerns, including communication barriers, were not sufficiently addressed.

In response, the PDRM established the International Liaison Unit (ILU), which is tasked specifically to address the concerns of expatriates, tourists, and the embassies and consulates. The tourist police have also been restructured under the ILU in this exercise. In addition, regular dialogues are held with shopping mall associations, Tourism Malaysia as well as the foreign chambers of commerce to ensure an open and continuous channel of communication exists.



## Preventing house break-ins

House break-ins are a significant constituent member of Index Crime, and GTP 2.0 has specifically targeted this category of crime for special emphasis. The Government launched the PDRM's Motorcycle Patrolling Unit (*Unit Rondaan Bermotosikal* or URB), which was equipped with 1,800 high-powered motorcycles and specially trained police personnel. In the four states of Kuala Lumpur, Penang, Johor and Selangor, the URB reported 813 arrests in its first 11 months of operations, a successful 5.6% decrease from 2012. The initiative was later expanded to Kedah, Perak, Sabah and Sarawak.

## United Against Crime



The United Against Crime (UAC) Campaign seeks to raise public awareness on PDRM's work in reducing incidences of crime in this country. It also aims to bring together the larger Malaysian community, both the individual *rakyat* and our corporate entities, to join in the fight against crime. The campaign takes the angle that everyone has a role to play in the fight against crime.

The campaign aims to educate and raise awareness on crime prevention efforts, and seeks pledges from Malaysians to prioritise security and safety in their day-to-day activities. To date, the UAC has received over a million pledges and has over 50 corporate sponsors since the programme's official launch in 2013.

In the last 12 months, the UAC launched a website (*www.unitedagainstcrime.com.my*) with interactive safety infographics for the public, as well as events throughout the country that encourage the public to meet the police and learn more about crime fighting efforts. An estimated 10,000 visitors attended the UAC launch.

JAN 2013

JUL

## The United Against Crime (UAC) Campaign 2013

The UAC Campaign is a multi-agency initiative designed to improve public crime prevention awareness and solicit greater participation from the rakyat to help in the fight against crime. The CRI NKRA believes that greater public ownership of the problem is required to help enforcement officials reduce incidences of crime, and will engender a greater sense of security amongst the general public.

Initiatives under the UAC campaign were first conducted in 2012 and have been maintained through 2013 with various enhancements. The campaigns were tailored to provide information and to improve relationships between enforcement agencies and the general public. The table below details the list of events.

**19 JAN**
○ **Ampang, Kuala Lumpur**
Community Policing Day conducted by the Director of the Criminal Investigation Department's office together with residents of the Ampang district

**30 MAR**
○ **Dewan Japerun Lendu, Masjid Tanah, Melaka**
Launch of the 1AMAN "United Against Crime" Campaign in Melaka

**30 MAR**
○ **Stadium Mini, Subang Jaya, Selangor**
UAC Programme featuring the Prime Minister together with the *Unit Rondaan Bermotosikal* (URB)

**24-26 MAY**
○ **Segmen G2Y, Putrajaya**
CRI NKRA exhibit on crime prevention held at the 2013 Youth Festival

**8 JUN**
○ **Taman KLCC, Kuala Lumpur**
Official launch of the UAC Campaign

**29-30 JUN**
○ **Dewan Kg Gita, Sarawak**
Exhibit at the *Karnival Gita* 2013

**30 JUN**
○ **Kompleks UPP Bukit Kayu Hitam, Kedah**
Home Ministry's Customer Meeting Day held in conjunction with the 37th *Hari UPP* Malaysia



**21 SEPT**
○ **Kota Bharu, Kelantan**
CRI NKRA exhibit on crime prevention held during the *Forum Rakyat: Jenayah, Anda dan Integriti*, sponsored by the *Institut Integriti Malaysia (IIM)*

**28 SEPT**
○ **Kompleks D, Putrajaya**
UAC Pledge held in conjunction with the Crime Reduction Forum sponsored by Institut Keselamatan Awam Malaysia (IPSOM) and the Home Ministry

**2-4 OCT**
○ **PICC Putrajaya Convention Centre**
Home Ministry exhibit in conjunction with the General Police Equipments Exhibition and Convention

**11-12 OCT**
○ **RTC Kota Bharu, Kelantan**
CRI NKRA exhibit on crime prevention held in conjunction with the *Karnival Kedaulatan, Keselamatan dan Kesejahteraan Negara*

**26 NOV**
○ **Dewan Besar, Universiti Putra Malaysia**
UAC Pledge in conjunction with the 2013 *Majlis Sambutan Hari Inovasi* Ministry of Home Affairs

**26-27 NOV**
○ **PICC Putraja Convention Centre**
UAC Pledge in conjunction with the *Majlis Persidangan Institut Latihan Kehakiman dan Perundangan*

**2-7 DEC**
○ **Putra World Trade Centre, Kuala Lumpur**
UAC Pledge in conjunction with the 2013 UMNO Supreme Council Meeting

**30 NOV - 1 DEC**
○ **RTC Tunjong, Kota Bharu, Kelantan**
Launch of the *UAC* carnival

AUG

DEC

## 2013 ACHIEVEMENTS

| No. | Key Performance Indicator (KPI) | 2013 Target | 2013 Achievement | % Achieved |
|-----|--------------------------------|-------------|------------------|------------|
| 1 | Reduce overall reported Index Crime (Reduction from 2012 baseline) | 5% | 4.3% | 86% |
| 2 | Reduce reported House Break-Ins (Reduction from 2012 baseline) | 5% | 6.5% | 130% |
| 3 | Develop New Safety Perception Index | 100% | 100% Outcome: 47%* | 100% |
| 4 | Increase investigation papers opened brought to trial | 35% | 38.2%** | 109.14% |
| 5 | Public satisfaction with police front-line performance | 70% | 85.7% | 122.43% |
| | **TOTAL** | | | **110%** |

Table of 2013 KPIs for CRI NKRA

## REDUCING CRIME NKRA - WORKSTREAMS AND FOCUS AREAS

The CRI NKRA has identified five KPIs to measure the performance the five Focus Areas for the GTP 2.0. Each Focus Area contains a number of initiatives to focus on specific issues. The organisation of the CRI NKRA initiatives are in line with the overall GTP strategy to focus on discrete, quantifiable tasks that will bring about comprehensive change.

Meanwhile, the focus of GTP 2.0 CRI NKRA initiatives has been expanded to address criminal issues on all levels. While GTP 1.0 initiatives proved to be effective in minimising the opportunities for crime, the initiatives in GTP 2.0 is geared towards supporting the victims of crime.

The expanded scope is reflected in the workstreams and initiatives detailed in the table below.

| Workstream | Focus Areas | Initiatives |
|-----------|-------------|-------------|
| Reducing Index Crime | • Prevention of Vehicle Theft<br>• Inmate Rehabilitation and Upskilling<br>• Rehabilitating Drug Addicts and Users | • Target hardening of public car parks<br>• Collaborative enforcement on illegal workshops<br>• Strengthening Border and All Entry Points<br>• Industrial prison<br>• Development of after-release programme<br>• Improvement of Prison Rehabilitation Programme<br>• Open-access drug treatment and rehabilitation<br>• Outsourcing drug rehabilitation to NGOs<br>• Opening job opportunities for recovering addicts<br>• Expanding the Integrated Substance Control Management System: (Sistem Pengurusan Integrasi Kawalan Efektif Substen or SPIKES) |
| Preventing House Break-Ins | • Prevention of House Break-ins | • Residential police patrols (Omnipresence)<br>• Dedicated House Break-In Teams<br>• Coordinating volunteers through community policing<br>• Crime Prevention Through Environmental Design (CPTED) to improve home security |
| Increasing the Safety Perception Index | • Increasing PDRM Presence<br>• Regular Communications with the Public | • Omnipresence Programme (High Profile Policing, Stop and Talk, Feet on Street)<br>• Police Volunteer Reserve (PVR)<br>• Rakan Cop<br>• Whitening Blackspot Initiative<br>• Smart partnership<br>• PDRM corporate communications unit<br>• Women's Awareness Campaign<br>• Crime Awareness Day<br>• Safety Perception Survey |
| Increasing Investigation Papers Brought to Trial | • Increasing Investigation Papers Brought to Trial | • Reducing ratio of Investigation Officers to Investigation Papers (IPs) to 1:5 per month<br>• Increasing the efficiency of Investigating Officers (investment in equipment)<br>• Increasing collaboration between PDRM, Attorney General's Chambers (AGC) and other relevant departments<br>• Installing one way mirrors at Police District Headquarters |
| Improving Public Satisfaction of Police Services | • Improving Public Satisfaction of Police Services | • Expansion of triage counselling in police stations<br>• Balai League Table for police stations<br>• Online Checking System (Sistem Semakan Online)<br>• Improved response time<br>• Independent public satisfaction survey |



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* This Safety Perception Index outcome (47%) will act as 2013's baseline for 2014. This number indicates that 47% of those surveyed felt safe living in Malaysia.

** 351,913 investigation papers opened versus 134,282 investigation papers charged from January to December 2013

# WORKSTREAM / Reducing Index Crime

The reduction of Index Crime has been a priority for the CRI NKRA since the start of the GTP. The index is an important benchmark of crime levels in the country, in line with international best practices, and comprises of 13 different crime categories.

The CRI NKRA has reported a steady decline in Index Crime since the implementation of the GTP, and has exceeded the targeted 5% annual reduction rate every year except in 2013 where a sudden spate of violent crime erupted.
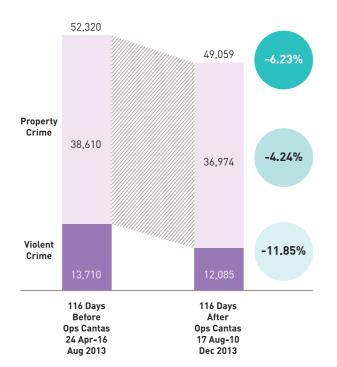
The PDRM responded by launching *Operasi Cantas Khas*, which proved to be effective in reducing the number of violent crime incidences. They were further supported by amendments made to the crime prevention laws that will further empower them with resources and authority to address organised crime issues.

The establishment of JPPJ last year is also expected to further bring Index Crime numbers down through engaging the community in crime prevention efforts, e.g. The Go To Safety Point initiative, Blue and Green School initiative. JPPJ is presently recruiting personnel to fill the various positions available.

Meanwhile, the launch of the UAC Campaign has seen active participation by the public, which has no doubt helped ease crime numbers. The goal of the UAC is to educate and raise awareness about public safety procedures, and also to organise community-based policing activities to help the *rakyat* claim greater ownership of the safety of their own communities. The CRI NKRA continues to believe that crime is an issue that cannot be solved by the police alone, but requires the full cooperation of the public at large to help monitor and report on-the-ground developments.

GTP 2.0 is designed to build on the achievements of GTP 1.0 and will therefore retain some of the initiatives that were successful in the first phase of the transformation programme. The initiatives in GTP 2.0 will also see the addition of support mechanisms for former drug addicts and individuals recently released from prison, as detailed in the following section.

## Ops Cantas Khas
## as of 10th December 2013

52,320

49,059    **-6.23%**

**Property Crime**

38,610

36,974    **-4.24%**

**Violent Crime**

13,710

12,085    **-11.85%**

**116 Days Before Ops Cantas 24 Apr-16 Aug 2013**

**116 Days After Ops Cantas 17 Aug-10 Dec 2013**



**UNITED AGAINST CRIME**

**COME TOGETHER. TAKE ACTION. SPEAK OUT AGAINST CRIME.**

**1 079 954**

Malaysians have taken the pledge



*" People don't realise we are actually blessed to live in Malaysia. I was in the army when I was younger and travelled to many third world countries and witnessed their plight. That made me feel blessed to be Malaysian. But I do feel more should be done about the crime rate."*

S.NOEL, 45, security manager

## OPEN ACCESS DRUG TREATMENT AND REHABILITATION

GTP 2.0 sees the CRI NKRA open a new front in the fight against crime by addressing the problem of relapse by former drug addicts. The National Anti-Drug Agency (Agensi Antidadah Kebangsaan or AADK) together with the CRI NKRA team support former addicts whom are making the transition back into regular society upon completion of their rehabilitation programmes.

Under the GTP 2.0 Roadmap, the plan called for the upgrading of two Cure & Care Service Centres (CCSC), formerly known as Narcotic Addiction Rehabilitation Centres, into Mini Cure & Care 1Malaysia Clinics (Mini C&C) in Blackspot areas.

AADK and the CRI NKRA have also collaborated to provide former drug addicts with training and job placements to reduce the risk of recidivism. The plan calls for the establishment of a Cure & Care Vocational Centre (CCVC) and a placement programme for former patients.

The CCVC offers both short- and long-term courses and has seen the participation of over 4,460 former drug addicts between January and October 2013. Courses on offer include Agricultural Training, Hospitality, Tourism and Electrical Skills. Successful results have led to plans has led to plans to expand the offering of vocational training through other channels such as at the Cure & Care Rehabilitation Centres (CCRD) and C&C 1Malaysia Clinics.

Finally, the plan also helps find employment for former AADK patients by facilitating career fairs and through direct job placements. The career fair in 2013 saw the participation of 164 employers and 1,941 AADK clients. Of the latter, some 98 clients received employment offers. At the same time, the initiative successfully placed 982 clients in V-Line jobs offered by 155 employers.

The CRI NKRA believes that former drug addicts turn to petty crime and property crime because they lack alternatives when they complete their rehabilitation programme. The team believes that the provision of support and gainful employment will serve to dissuade former addicts from turning to crime or back to their old habits. The goal is to encourage former drug addicts to ease back into society as productive members.

## HELPING OFFENDERS REINTEGRATE INTO SOCIETY

Recently released ex-convicts are at high-risk to reoffend as they may experience difficulty securing employment due to a lack of skills or opportunities. Therefore as part of the expansion of its initiatives in GTP 2.0, the CRI NKRA embarked on a programme to help offenders reintegrate into society. The Prisons Department of Malaysia (Jabatan Penjara Malaysia or JPM) was tasked to enhance rehabilitative programmes for former convicts in GTP 1.0.

Under GTP 2.0, three initiatives focused on rehabilitating former convicts were implemented:
(i)   After-release development programmes
(ii)   Improving in-house rehabilitation programmes at prisons
(iii)   Industrial prison programme

**(i)   After-release Development Programmes**
Under GTP 1.0, the Prisons Department established 14 halfway-homes for ex-convicts who were homeless as they lacked a family home or lacked family support. A total of 840 ex-convicts were housed under this programme in the three years of operation, and, thanks to the training provided at the homes, 90% managed to find employment and none of the 840 ex-convicts reoffended. The Prisons Department will be developing five new halfway-homes in GTP 2.0 catering to parolees. Three of the homes were constructed in 2013 and the remaining two are planned for 2014.

The Prisons Department will continue operating the Mandatory Check-In Centres (known as Pusat Kehadiran Wajib) which cater to offenders who have received community services in lieu of prison time. Offenders are required to check-in at these centres at regular intervals in addition to performing community service. Since 2010, a total of 1,373 offenders throughout the country have been enrolled in this programme. Meanwhile, the Prisons Department will continue to assess its after-release programmes to better suit ex-convicts.

**(ii) Improving In-house Rehabilitation Programmes at Prisons**
The Prisons Department will continue to enhance its in-house rehabilitation programmes delivered for offenders whom are carrying out their jail terms. To ensure that prisoners receive proper programmes and to separate first-time offenders from repeat offenders, the Prisons Department has introduced a streaming process to separate prisoners based on their classification. This is intended to streamline and enhance the delivery of rehabilitation programmes whilst ensuring that first-time offenders do not fall under the negative influence of hard-core criminals.

**(ii) Industrial Prison Programme**
The Industrial Prison Programme is a new initiative introduced in GTP 2.0. Its goal is to give convicts vocational training and to provide them with employment opportunities once they have completed their prison sentence. The Kajang Prison has been chosen to pilot the programme, and a bakery has been established within the prison compound. It is expected to supply bread to four other prisons in addition to its own needs under the Self-Sufficient Programme. Bread production is expected to commence in 2014.

## WORKSTREAM / Preventing House Break-Ins

The CRI NKRA has placed special emphasis in clamping down on house break-ins because of the prevalence in the number of these incidences; there were 28,020 cases in 2011, constituting 18% of all property crime. The large number of cases and their significant impact on public morale has made it a focal point for the CRI NKRA, which reflexively tools its initiatives to achieve the greatest impact possible.

Initiatives such as the Residential Omnipresence Program, Community Policing Program and the Safe City Programme through Crime Prevention Environmental Design principles have all contributed to the decline in break-in numbers. New initiatives from other focus areas such as the PDRM's Motorcycle Patrolling Unit, Education under the UAC and the expansion of the Police Volunteer Reserves have also supported both police and public efforts to curb break-ins.

Through these programmes, the CRI NKRA has seen the establishment of residential patrols, dedicated PDRM house break-in teams and greater education of home security.



## WORKSTREAM / Increasing the Safety Perception Index

A key priority for the CRI NKRA is to ensure that all *rakyat* feel safe within their homes and communities. Fear of crime paralyses communal activity, which has a direct impact on the quality of life. In view of the growing fear about rising crime, the CRI NKRA has focused efforts on reviving confidence in the nation's security forces.

To accurately measure public perception of safety, the CRI NKRA conducted several different surveys to ensure that it obtained a broad-based, grounded and detailed picture of public safety concerns. The surveys undertaken to establish the Safety Perception Index include:

- An academic survey, which is focused on hotspot states. The survey is thorough and provides a qualitative overview of public sentiment.
- Survey by business consulting group Frost & Sullivan, which is conducted nationwide and bases its distribution on census data. The group conducts two survey waves annually, covering some 4,000 persons in each wave (8,000 Malaysians per year).

To address public fear of crime, the PDRM has amplified its presence in the community through the Omnipresence Programme. It has increased patrolling frequencies, the number of police personnel visible on the street and encouraged officers to mingle with the public to build better communal relationships.

At the same time, it has also expanded the number of Police Volunteer Reserves, who have been deployed at crime hotspots to support and assist in regular police duties. Getting the public involved also has a knock-on effect of giving back some ownership of crime back to the community, which will in turn add to overall crime prevention efforts.

GTP 2.0 will also see the enhancement of the Hotspots Initiative introduced in GTP 1.0 where crime prevention activities were focused on select areas with significant problems. This initiative has been enhanced through the Blackspot Initiative in GTP 2.0 and aims to work together with community groups and districts to identify problem areas and appropriate solutions.



**BLACKSPOT CLEANUP: PEKAN SUBANG**



When the Shah Alam City Hall (MBSA) were vetting locations for the implementation of the CRI NKRA's Blackspot Initiative, responses from the residents of the Pekan Subang district were less than enthusiastic. According to Puan Aniza Osman, the Director of MBSA's Department of Planning, residents were apprehensive about the programme.

"The residents and petty traders were concerned that Pekan Subang would be known as a 'Blackspot' area, which would scare away people," Aniza recalls. "Even though they reported that yes, there was a fear for public safety in this district, many remained reluctant to take action."

However, the MBSA pressed on and, through a number of engagement sessions with the various associations in Pekan Subang, managed to make their case. Throughout 2013, the MBSA worked meticulously to transform the district by making simple improvements such as clearing blocked drains, improving lighting and introducing secure parking bays for motorcycles.

The MBSA also took on more complicated tasks such as the relocating petty traders, clearing the streets of illegal immigrants with the appropriate authorities, and increasing police presence in the area.

"Of course they were angry when we first started making demands of them," Aniza says. "Some of them had illegal extensions for years and some of the traders had used the same illegal stall location for years. But we persisted because we wanted Pekan Subang to be a place where residents could move about freely without fearing for their personal safety."

The CRI NKRA's Blackspot Initiative, introduced in GTP 2.0, is based on the "Broken Windows" theory, which espouses that physical evidence of urban disorder and vandalism have a propensity to escalate into more serious crimes. Thus, to dissuade escalation, existing physical signs of criminality — e.g. damaged public infrastructure — needed to be fixed with intention of creating an orderly environment.

The strategy seems to have worked for Pekan Subang. Following the implementation of the Blackspot Initiative, Pekan residents and business people are reporting greater satisfaction and greater feelings of security in the area. Although comprehensive surveys are not yet available, its residents no longer describe Pekan Subang as "dangerous". This, Aniza says, may be the greatest victory for her, as the biggest challenge had always been changing the mentality of residents in the area.

**WORKSTREAM** / Increasing Investigation Papers Brought to Trial

To restore public faith in the Malaysian police and criminal justice system, the CRI NKRA has embarked on an efficiency drive to increase the number of investigation papers opened by the PDRM brought to trial. This workstream is founded on the idea that justice delayed is justice denied, thus the emphasis here is to ensure that perpetrators of crime are brought to justice in a speedy manner.

Initiatives under this workstream include bolstering police resources to ensure that investigations take place efficiently.

Part of this means increasing the number of investigating officers as well as increasing the number of forensic teams. The PDRM will recruit an additional 1,000 Inspectors and 602 Sergeants under this new initiative.

The PDRM and the AGC also aim to foster a closer working relationship to better identify cases that can be successfully and speedily prosecuted. The workstream therefore tackles both the on-the-ground and backend issues to improve trial numbers.

**WORKSTREAM** / Improving Public Satisfaction of Police Services

The PDRM has come under criticism from unsatisfied members of the public in relation to police services regarding its frontline and investigation aspects. In response, the GTP is committed to creating a world-class police force, and therefore has developed a client-centric culture throughout the entire force.

GTP 2.0 will continue some initiatives from GTP 1.0 such as the Balai League Table and triage-counselling services at the police stations, whilst instituting new ones such as

an online case checking system. The public can also now provide feedback in a variety of ways through mobile phone *Short Message Service* (SMS) and rating machines placed at the police stations.

Meanwhile, the PDRM targets to intensify its policing services by responding to distress calls within eight minutes. The eight-minute mark is a world-class benchmark, ensuring that officers respond as quickly as possible.

## KEY CHALLENGES

Unforeseen circumstances had introduced delays to the passage of some key pieces of legislation, including amendments to the Penal Code and the Criminal Procedure Code. Notwithstanding these delays, the CRI NKRA tried to expedite the implementation of these bills, and is confident that they will be made before the end of the year. Meanwhile, the amendments to the Prevention of Crime Act that was recently passed will be enforced in the coming year.

The events of the past year showed that criminal activity in Malaysia can change abruptly in unexpected new directions, as violent gun crime has never been a conventional problem in the country. In the meantime, the CRI NKRA will be further tooling its initiatives to remove catalytic elements that lead to gun crime.

In addition, the sudden spate of violent crime forced crime prevention agencies to assign resources that were otherwise allocated to other CRI NKRA initiatives. As such, police resources were stretched thin throughout the year owing to the emergence of a new priority.

The rise in violent crime also hurt public perceptions about security in the country, undoing some of the gains that the CRI NKRA made in the previous years. However, this was partially offset by the success of *Operasi Cantas Khas* in crippling organised crime and gun related incidents.

Although both obstacles were beyond the control of the CRI NKRA, the CRI NKRA will continue efforts to stay as best prepared in order to deal with shifts in the crime pattern. The CRI NKRA is still committed to the initiatives and workstreams outlined in the GTP 2.0 Roadmap, but it must also be cognisant of public concerns at any given time.

## MOVING FORWARD

The CRI NKRA remains committed to the prevention of crime of all forms, and would like to take this opportunity to reiterate its promise of taking stern, punitive action against criminals. The sudden outburst of violent crime last year saw the Government marshal all its policing resources to clamp down on suspected perpetrators, and the Government promises more of the same should the crime pattern shift again in 2014.

In doing so, the Government will continue to outfit PDRM with the best training and equipment available as part of its effort to modernise the police force. PDRM will also be looking to bolster its ranks going forward, which will create a more efficient and effective policing force.

The CRI NKRA will also see the refinement of the already established International Liaison Unit, which aims to build

better relationships between international expatriates in Malaysia and the PDRM. This will help the police address issues specific to the expatriate community through the deployment of police personnel that have been properly trained and possess suitable linguistic skills.

2014 will also see the launch of the Online Case Checking System that will allow the *rakyat* to check the status of their police reports and complaints. The system, among others, is aimed at increasing public satisfaction with police services by creating an efficient status reporting system. The next year will also see the CRI NKRA embark on the next phase of the Safe City Monitoring System, which will introduce enhancements and improvements to the existing model.

**Views from the DMO:**

# KEEPING A TOUGH STANCE ON CRIME

**HAJI SAADON HAJI OTHMAN**
Undersecretary of the National Key
Result Area Division (Reducing Crime
NKRA) in the Ministry of Home Affairs

According to Haji Saadon Haji Othman, the Undersecretary of the National Key Result Area Division (Reducing Crime NKRA) in the Ministry of Home Affairs, the activities under the Reducing Crime NKRA in 2013 was focused on reducing index crime and addressing public perceptions towards crime, in tandem with initiatives under GTP 2.0 geared towards reducing house break-ins and gun violence.

He added, "In GTP 2.0, we saw the expansion of the Omnipresence Programme and Community Policing Programme under the purview of the Royal Malaysian Police Force (PDRM) and the Safe City Programme under the purview of the Federal Town and Country Planning Department (JPBD). Under these programmes a series of initiatives and campaigns were held. Amongst them are the Motorcycle Patrolling Unit and the United Against Crime campaign. A new safety perception index was also formulated. This index was ascertained from a series of surveys from the ground which provided for continuous feedback on improving PDRM's performance delivery."

"Efforts of the Prisons Department and National Anti-Drugs Agency must also not be discounted," Haji Saadon said. Through the industrial prison and halfway houses initiatives, inmates are equipped with the necessary skills to stand a better chance of employment upon release. The drug rehabilitation Cure & Care Centres nationwide has also assured that the recidivism and relapse rates have significantly reduced.

The NKRA has also focused on increasing public volunteerism to reduce crime, leading to the expansion of the Police Volunteer Reserve and impetus to form local Resident Associations within residential communities. In supporting the NKRA objectives and to assist PDRM in having a more holistic outlook within the community, the Department of Crime Prevention and Suppression (*Jabatan Pencegahan dan Pembanterasan Jenayah* or JPPJ) was set up. PDRM itself is also currently on a recruitment drive to increase its manpower.

"Efforts within the Reducing Crime NKRA initiatives in 2013 saw house break-ins reduced by 6.5%. That's a drop of 1,622 cases. In addition, public satisfaction of services rendered by the police improved tremendously, with an 85.7% satisfaction rate reported based on public surveys," he says.

Among the Reducing Crime NKRA's activities this year, Haji Saadon says the UAC Campaign has been instrumental in allowing the *rakyat* to take some degree of ownership of

their personal safety and to work together with PDRM to raise awareness of personal safety measures to preserve individual well-being.

The UAC Campaign is also a source of personal pride for Haji Saadon who says the campaign, which transcends race, gender and religion, has united the *rakyat* in standing up against crime. "Since the launch, the UAC message has been received positively by companies, universities, non-Governmental organisations and the general public. This can be seen from the more than one million online pledges collected and the thousands of people attending UAC events and activities," he notes.

Another activity under the Reducing Crime NKRA which Haji Saadon is especially proud of is the URB initiative, which deploys police personnel on motorcycles in shifts to patrol residential and commercial areas. The significance of this initiative is the instilled sense of trust and confidence among residents. The success of the initiative is seen in the

number of reports of the URB teams thwarting attempts of house break-ins, burglary and snatch thefts.

Haji Saadon reflects on the Reducing Crime NKRA as it moves into its fourth year. He notes, "Although the crime reduction initiatives are clear and defined, we have to become increasingly flexible to include new initiatives to keep up and face ever-changing crime patterns."

Moving forward, he stresses the importance to those involved in the implementation of these initiatives to remain steadfast and focused in the Reducing Crime NKRA's objectives. Greater participation from the public is fundamental. "Continuous communications between the various stakeholders, including the public, are required to ensure feedback, empathy and to collectively problem-solve any issues. In addition, we need to further strengthen our current approach based on the target audience, namely women, children, and expatriates, by employing creative means of engagement to assure their public safety," he says.

# FIGHTING CORRUPTION

**NO GIVERS**

**NO TAKERS**

" Corruption invariably endangers the morals of the entire country. Both government and the people must come together to achieve this national objective. "

**DATUK PAUL LOW SENG KUAN**
Minister in the Prime Minister's Department

**T**he elimination of corruption in all facets of government remains the key pressing issue. It is perhaps the most difficult and challenging of all the National Key Results Areas that Malaysia has embarked upon in its Government Transformation Programme (GTP 2.0). Because, — for corruption to be reduced significantly, it is essential to first establish a sustainable infrastructure of good governance and integrity.

An ad hoc approach cannot possibly succeed. Rather, an integrated framework is essential to provide strong support for a radical change in direction. In some instances, some element of creative destruction of the traditional and entrenched ways will be necessary.

While some may opt for quick fixes, which can be achieved with cosmetic changes, the risk for abuse will continue to exist because the powers for *"state capture"* (i.e., interest groups that are able to manipulate and exploit weaknesses in the decision-making process for personal gain) and the lack of accountability will continue unabated. Sustainability requires an accumulation of progressive improvements to be institutionalised.

I firmly believe that the Prime Minister — who had invited me to be part of the Cabinet mainly to help with transformation in the area of *governance and integrity* — is committed to eradicate, or at least significantly reduce, corruption within the next four years. He has twice publicly declared his strong political will in combatting corruption by stating his desire to make corruption part of Malaysia's past, and reiterating that it has no place in our future.

Although some quarters constantly politicise my acceptance to serve as a Federal Minister, I assure the public that I am not here to do window dressing or just to implement superficial changes.

Under the next phase of the GTP 2.0, we have planned holistic transformation measures in an integrated approach involving all stakeholders (including parties from both the public and private sectors) to ensure that those in authority to decide and/or influence change take ownership of these initiatives.

Of course, proper enforcement and prosecution are also key components, and steps will be taken to ensure these functions are carried out diligently — with strict measures to curtail any form of impunity. Combating corruption requires both effective enforcement and preventive measures.

The integrated framework that we are now rolling out requires further strengthening of our enforcement agencies, in terms of their professional capacity as well as introducing additional safeguards for their independence, amendments to existing laws to close loopholes, improvements to the public procurement system, more effective corrective measures to deal with issues arising from the Auditor General's reports, having Integrity Officers to take charge of managing the changes in each ministry and agency, and mobilising the private sector as an active participative stakeholder. These are only a portion of the key improvements to come.

Owing to the pervasive impact of the scourge of corruption, our success in economic and social development is directly dependent on our success in eliminating corruption and providing good stewardship of our resources. We can make Malaysia an even greater nation with a higher standard of living coupled with a peaceful and harmonious society. Please pray for our success.

## OVERVIEW

Fighting corruption has been a part of the GTP since the start of the programme because of the pervasive nature of the problem. Corruption hurts innovation, enterprise and investment — all necessary ingredients of a high-income, developed country. Moreover, corruption stands in the way of a performance-driven culture, which treats everyone equitably and fairly in distributing opportunities and rewards.

The last 12 months represent the first year of GTP 2.0, the second phase of the development programme. The initiatives sown have taken root, and the Anti-Corruption (Anti-COR) NKRA has now moved on to a more mature phase in the fight against corruption.

GTP 2.0 aims to supplement the achievements in GTP 1.0, which were focused on front-line issues such as getting companies to sign integrity pledges, setting up compliance units in enforcement agencies and creating a 'Name and Shame' database. GTP 2.0 is also customised to supplement these achievements by addressing organisational and legislative loopholes.

The changes, more subtle in their execution, enhance and expedite the anti-corruption fight by giving enforcement agencies and officers more tools and resources to prosecute instances of corruption. In this way, the problem will be tackled from two directions: from the bottom-up and from the top-down.

The Government estimates that private investment will make up 92% of Malaysia's total investment needs by 2020, but corruption stands in the way of greater contribution from both local and foreign sources.
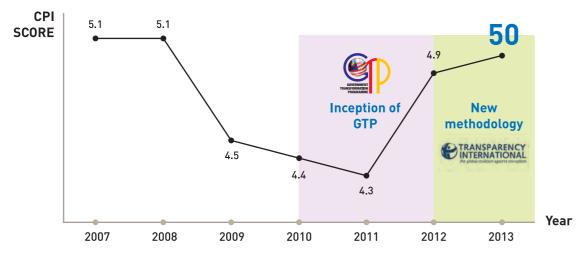
Since the start of the GTP, the Anti-COR NKRA has measured the level of corruption in Malaysia via Transparency International's Corruption Perceptions Index (CPI). The numbers have increased steadily since 2011 mostly due to the many initiatives implemented.

To enhance the measure of corruption within the country, the Anti-COR NKRA tracked the Anti-Corruption survey of the National Integrity Perception Index (*Indeks Persepsi Integriti Nasional* or IPIN) beginning in 2013. The country's Anti-Corruption IPIN score was reported at 6.8 in 2013. IPIN's Anti-Corruption score together with Transparency International's CPI will give us a more holistic picture of the level of corruption in the country.

Transparency International's Global Corruption Barometer (GCB) is also another indicator used to measure the levels of corruption in the country. In the most recent iteration of the study, 1,000 Malaysians were surveyed. The results indicated that 39% said the level of corruption had increased, 47% said it had remained the same, while only 14% thought it had improved. In addition, only 31% believed the Government is effective in fighting corruption.

**There has been steady improvements in our Corruption Perceptions (CPI) score since 2011.**

While anti-graft initiatives under GTP 1.0 have shown significant results, the Government acknowledges that corruption remains an issue that requires sustained focus. The appointment of Datuk Paul Low, formerly the President of Transparency International Malaysia, is an endorsement of the Government's commitment to the eradication of corrupt practices.

The GTP 2.0 is designed to further deepen the transformation process already started in GTP 1.0, and initiatives begun implementation in 2013. For example, the Government changed the reporting process of the Auditor General's (AuG) report, tabling the report at every Parliamentary sitting instead of once every year. The increased frequency allows for increased scrutiny on the misappropriation of funds within the Government. It has also started conducting anti-corruption training for all Members of Parliament (MP) as part of its new education and awareness thrust, introduced in GTP 2.0.

# ACHIEVEMENTS

### Malaysia improves its Corruption Perceptions Index in 2013

The latest result from Transparency International showing Malaysia's Corruption Perceptions Index moving up a notch to 53rd spot from 54th in 2012 proves the efforts towards eradicating corrupt practices is steady. Malaysia's continued improvement is an endorsement of the work that is being undertaken under GTP 2.0, such as the transformation of both the Auditor General's (AuG) reporting process and of the Malaysian Anti-Corruption Commission (MACC).

### Publication of directly negotiated contracts on the MyProcurement Portal

The Ministry of Finance (MoF) is required to publish the outcome of directly negotiated contracts and deals, excluding strategy and security contracts, on the MyProcurement Portal as of December 2013. The MyProcurement Portal was set up to be the Malaysian Government's one-stop online procurement portal, which also publishes all Government tenders and winning bids to further promote transparency in Government spending.

To date, 50 Government direct negotiated deals have been published online, as a result of the continued cooperation from the MoF.

The success of this initiative is due largely to the efforts of the MoF, that include laying the foundation to enable the publication of contracts, as well as seeking the cooperation of other Ministries.

### Declaration of assets by Special Officers to Ministers

Special Officers to Ministers, are mandated to declare their assets to their respective Ministers and to the Chief Secretary of the Government. The new policy is a bid to create a more transparent and accountable Government, which is committed to weeding out corruption at all levels of the civil service.

The decision to implement this policy was made by the Delivery Task Force (DTF) of the Anti-COR NKRA, that noted Special Officers were gatekeepers to the Ministers and privy to highly confidential information. This initiative is expected to improve the level of governance at the Ministerial level.

### Expediting and tracking cases reported in the Auditor General's report

The transformation of the Auditor General's Performance Audit Report is a key initiative under the Anti-COR NKRA, which aims to overhaul the oversight of Government expenditure. The transformation of the reporting process saw the implementation of three separate initiatives:
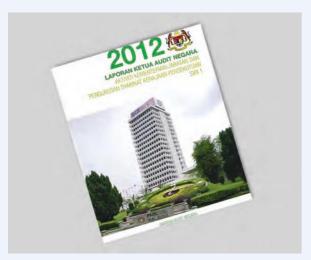
**(1) Reporting the Auditor General's Performance Audit Report at every Parliamentary sitting:** The Performance and Financial Audit Report is now separated with the Performance Audit Report tabled at every Parliament seating. The report was tabled in two out of three Parliamentary sittings in 2013 because the Public Action Committee (PAC) was not fully established at the first Parliamentary session. The aim here is to allow the relevant parties and members of the public

greater scrutiny over Government expenditure and to provide timelier responses to issues of malfeasance. For example, the MACC opened 17 investigation papers based on the Auditor General's 2012 report, which was tabled last October.

**(2) Launch of the Auditor General's online dashboard:** The online dashboard, available at the Auditor General's official website (*https://arts.audit.gov.my*) tracks the status of cases reported by the Auditor General. The dashboard details cases that have been resolved; cases where action is being taken and cases that have not received any action. The dashboard makes the reporting process more transparent and assures the public that

cases reported by the Auditor General have not been ignored. The dashboard was launched last May and went live on 1st of October.



## Integrity Training for Members of Parliament



Members of Parliament attended their first anti-corruption training session last November, organised by Malaysian think-tank Institute for Democracy and Economic Affairs (IDEAS). The training, set up in response to the public perception of pervasive corruption within Malaysia's political institutions, will help raise MP awareness and understanding of corruption related offences, penalties and consequences. Not all MPs attended the inaugural anti-corruption training session, and the Anti-COR team will work on improving attendance going forward.

## Establishment of 27 anti-corruption secretariat at teachers' training colleges



Teachers are the front-line educators in the NKRA's efforts to create a generation of school children whom are aware of the problem of corruption, and are actively committed to helping the country stamp out the issue. The Anti-COR NKRA recognises that the key to fighting corruption is to start young, and hence, will implement a number of initiatives that are designed to inculcate the right attitude in the country's children. In addition to providing teachers with adequate training, an anti-corruption syllabus will be introduced into school textbooks.

**(3)** **Setting up of Action Committee:** An Action Committee chaired by the Auditor General and attended by the MACC and other relevant enforcement agencies has also been established as part of the transformation process. The function of the committee is to scrutinise specific issues and cases in order to facilitate further investigation. The committee will expedite the information sharing process so that decisions on cases will be made faster and more decisively.

The success of the initiative is largely credited to the hard work of the Auditor General's Office in expediting the work required to transform the reporting process this year. The work put in to ensure that the reports were completed in time and available for Parliamentary review is strong evidence of the Government's desire to improve governance and accountability.

## 2013 ACHIEVEMENTS

| No. | Key Performance Indicator (KPI) | 2013 Target | 2013 Achievement | % Achieved |
|-----|--------------------------------|-------------|------------------|------------|
| 1 | Indeks Prestasi Integriti Nasional (IPIN – [Corruption Index]) Score | 6.9 | 6.8 | 98.55% |
| 2 | Transparency International (TI) – Global Corruption Barometer (GCB) score | 60% | 31 | 51.67% |
| 3 | TI - Corruption Perceptions Index (CPI) score | 55 | 50 | 90.91% |
| 4 | Increase conviction rate for corruption cases | 80% | 84.1 | 105.13% |
| 5 | Complete prosecution of corruption cases within one year | 85% | 81.8 | 96.24% |
| 6 | Amendment of Societies Act 1966 to be tabled in Parliament and Regulations to be gazetted and made effective to further regulate political financing | 100% | 0 | 0% |
| 7 | Tabling of Auditor General's Report in every Parliament Session | 100% | 66.7 | 66.7% |
| 8 | To publish direct negotiation contracts online: i. Technical ii. Emergency iii. Bumiputra *Excluding Strategic and Security | 100% | 100 | 100% |
| 9 | Set up of Corruption Prevention Secretariats (Sekretariat Pencegahan) in 27 Teachers Training Colleges (Institut Pendidikan Guru) | 27 | 27 | 100% |
| 10 | Percentage of Member of Parliament (MP) attendance at the Integrity Training for MPs | 50% | 73 of 111 MPs attended training | 66% |
| | **Total** | | | **78%** |

Table of 2013 KPIs for Anti-COR NKRA

# FIGHTING CORRUPTION NKRA – WORKSTREAMS AND FOCUS AREAS

## The Anti-COR NKRA has identified three aspirations for GTP 2.0:

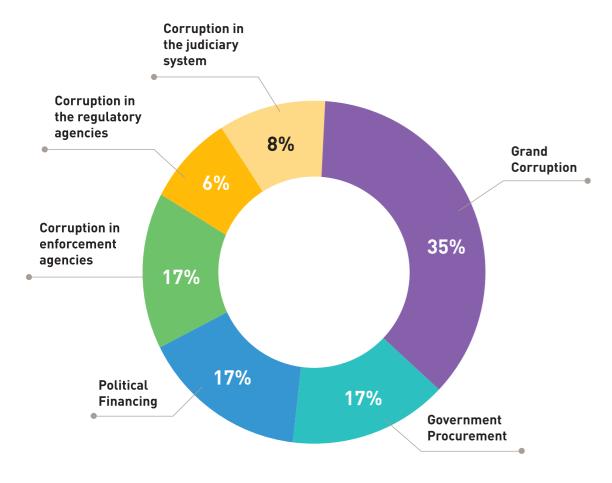To develop a credible, effective and reputable anti-corruption commission

To establish and enforce a zero-tolerance policy against corruption on all levels

To increase the transparency and to improve the handling of public funds

In 2012, a survey was conducted by external auditors (Frost & Sullivan) that polled the *rakyat* about their greatest concerns over corruption. These results, as illustrated in the figure below, showed that the *rakyat* perceived Grand Corruption, Government Procurement and Enforcement Agencies as their greatest concerns in regards to corruption.



**Grand Corruption** 35%

**Government Procurement** 17%

**Political Financing** 17%

**Corruption in enforcement agencies** 17%

**Corruption in the regulatory agencies** 6%

**Corruption in the judiciary system** 8%

Source: Study of GTP Impact Assessment in Malaysia, 2012, conducted by Frost & Sullivan

In light of these aspirations and results from the survey, the Anti-COR NKRA has identified 10 KPIs in four workstreams as a product of the GTP 2.0 Lab conducted in 2012. Each workstream contains a number of initiatives to focus on specific issues most important to the *rakyat* about their greatest concerns over corruption.

These workstreams and initiatives are listed in the table below:

| Workstreams | Initiatives |
| --- | --- |
| Enforcement Agency | • Establishing an Executive Review committee in the MACC<br>• Establishing a Project Management Office on prevention in the MACC<br>• Monitoring Government agencies' and ministries' Compliance Units<br>• Monitoring the 'Name and Shame' database<br>• Developing Corporate Integrity System Malaysia (CISM) |
| Grand Corruption | • Completing the prosecution of corruption cases within a year<br>• Improving the political financing governance framework<br>• Inserting the Corporate Liability Provision into the MACC Act 2009 |
| Government Procurement | • Fast-tracking access to the AuG Performance Audit Report for immediate action<br>• Establishing an Action Committee for the AuG report<br>• Creating the Auditor General's online dashboard monitoring status of cases<br>• Conducting Putrajaya inquisitions on stalled cases<br>• Signing comprehensive integrative pacts for corporates and persons involved in Public-Private Partnership (PPP) projects<br>• Updating the MyProcurement Portal to integrate it with other Government procurement portals<br>• Establishing guidelines for middlemen and lobbyists |
| Education and Public Support | • Establishing Corruption Prevention Secretariats in Teacher's Training Colleges<br>• Training MPs in anti-corruption practices<br>• Incorporating anti-corruption elements into primary and secondary school textbooks |

The Anti-COR NKRA is under no illusion that the road towards a fair and just society will take time, and the emphasis in the GTP is to ensure that the right foundations are set in place to address the root of the issue. While the impact of most initiatives occur behind the scenes, the Anti-COR NKRA has put in place visible initiatives that promote transparency such as the Auditor General's online dashboard, to reassure the *rakyat* that progress is being made in the fight against corruption.

## WORKSTREAM / Enforcement Agency

This workstream aims to build and establish Malaysia as a fair and just place to live, work and play. A key component towards this end is to ensure that the MACC becomes a world-class institution, armed with the resources it needs to operate independently and effectively to investigate and take action against cases of corruption.

### Initiatives

**Establishing the Project Management Office on prevention in the MACC and other enhancements**

As part of the transformation of the MACC, as the key corruption overseer in the country, a special Project Management Office on Prevention was set up under the Executive Transformation Committee to improve the MACC's prevention initiatives. The office will undertake a number of activities including community outreach programmes, inspection of organisations, consult and advise on issues, as well as develop anti-corruption management programmes.

**Monitoring compliance units of government agencies**

Anti-corruption compliance units were established in five enforcement agencies under the Anti-COR NKRA's GTP 1.0 initiatives. Subsequently, the Government announced that it has implemented similar compliance units in 17 Ministries and is currently working to ensure that the rest of the Ministries establish their own Integrity Units as well. The Anti-COR NKRA is committed to monitoring the activities and performance of these compliance units in GTP 2.0 to ensure that they perform their set goals.

## WORKSTREAM / Grand Corruption

Surveys show that Grand Corruption, i.e. corruption committed by high-level Government officials or individuals who distort the central functioning of the state, is the biggest corruption issue facing the country. The Anti-COR NKRA is cognisant of the public mood and agrees that more can be done to ensure that the most important decisions in the country are free from undue influence.

### Initiatives

**Improving the political financing governance framework**

The changes to the legislation will now prevent middlemen from transferring funds meant for political parties through the measures specified below:

1. All political financing meant for political parties must be held in party accounts, not individual accounts.
2. The immediate issuance of receipts upon receiving contributions to political parties will be mandatory.
3. All donations must be properly recorded and accounted in detail according to Generally Accepted Accounting Standards. Party accounts are to be externally audited.
4. When donations are collected or held by third parties on behalf of political societies, all funds must be transferred to party accounts within 14 days of collection.

These changes will thus create a system enabling donors and party officials to track and account for the flow of funds to and from their organisations. It will also allow for greater external oversight—particularly enforcement action from the MACC and other agencies—of middlemen who claim to be acting on behalf of parties.

Additionally, the Registrar of Societies (RoS) is studying the possibility of extending these amendments to all societies beyond political parties. RoS will also consider implementing public disclosure elements within existing political financing legislation. In particular, the RoS has to review Section 10(2) of the Societies Act to determine if it supports the need for public disclosure.

The Government is presently considering the ramifications of this initiative and will undertake further study to close all possible loopholes and the feasibility of implementing this initiative.

**Special Officers required to declare their assets to the Chief Secretary**

Special Officers to Ministers are, as of 2013, required to declare their assets to their respective Ministers and to the Chief Secretary to the Government of Malaysia. As Special Officers are often considered gatekeepers that can facilitate access to the Ministers, they are often the target of bribes or other forms of inducements by individuals or organisations looking to gain an audience with the Minister.

The need for Special Officers to declare their assets is aimed to discourage them from accepting such inducements as they may have to reveal them at a later time. The initiative aims to introduce a greater measure of transparency, accountability and integrity within this group of civil servants.

## WORKSTREAM / Government Procurement

With the billions of ringgit spent on Government projects, the procurement process is naturally a volatile area for corruption. Leakages stemming from corrupt middlemen, vendors and officials are part and parcel of the procurement process, but nonetheless a leak that needs to be plugged. The Anti-COR NKRA has already started work in GTP 1.0 to address some of the issues by making the procurement process more transparent by establishing the MyProcurement online portal, but GTP 2.0 plans to further enhance these improvements.

### Initiatives

Under this workstream are the following initiatives:

- **Transforming the reporting of the Auditor General's Performance Audit Report**
- **Fast tracking access to the Auditor General's Performance Audit Report for immediate action**
- **Establishing an Action Committee for the Auditor General's report**
- **Creating the Auditor General's online dashboard monitoring status of cases**
- **Conducting Putrajaya Inquisitions on stalled cases**

Key to the GTP 2.0 efforts in this area is the transformation of the Auditor General's reporting process. The report is generally acknowledged to be a comprehensive audit of Government spending, but has been criticised for not being presented in a timely fashion.

This has in turn delayed investigations into allegations of corruption and unethical practices, which means that suspects sometimes escape punishment. The fast tracking of access to the Auditor General's Report—by tabling the report at every Parliament sitting as opposed to once a year—will allow for timelier action on suspected corruption cases.

At the same time, the newly established Action Committee will formalise the measures to be taken against discrepancies reported by the Auditor General. The committee, chaired by the Auditor General's Office, will facilitate collaboration with the MACC and other relevant enforcement agencies to decide on action, if any, to be taken in specific corruption cases.

The recently launched Auditor General's online dashboard is also designed to promote greater transparency and accountability on the part of the Government. The dashboard tracks the number of cases requiring action reported in the Auditor General's report and their respective statuses—cleared, work in progress or stalled.



SEBELUMNYA | **LKAN TAHUN 2012** | SETERUSNYA

| STATUS | BILANGAN PENEMUAN | | |
|---|---|---|---|
| | Siri 1 | Siri 2 | Siri 3 |
| TIADA TINDAKAN | 8 | 4 | 12 |
| DALAM TINDAKAN | 34 | 49 | 34 |
| SELESAI | 54 | 32 | 26 |

Source: https://arts.audit.gov.my/main/index2?year=2012

The Auditor General's Online Dashboard

*" Corruption is still apparent in our country. Why is it still there? As Malaysians, we have the right to transparency and the Government should continue to ensure that."*

**HAMZAH ADLI, 67, retired**

**Publication of directly negotiated contracts online**
The Ministry of Finance is required, as of December 2013, to publish the outcomes of their directly negotiated contracts and deals online on the MyProcurement Portal. The objective here is to increase the level of transparency and accountability in the Ministries' procurement practices. Strategy and security contracts are exempt from this requirement.

The publication of the directly negotiated deals will help ensure that Ministries appoint competitively priced vendors based on the merit and ability of the vendors. It will also lend greater credibility to Government procurement as an open and transparent process.

### RESTORING PUBLIC TRUST BY FIGHTING CORRUPTION

**WAN SAIFUL WAN JAN**
Chief Executive
Institute for Democracy and
Economic Affairs (IDEAS)

Malaysia has much to gain from the eradication of corruption in the country: from gains in productivity, improvement in international reputation and the creation of a more robust business environment, there is no denying that corruption has stifled Malaysian growth over the last few decades.

But what may be the greatest gain from the endeavour, says IDEAS' Wan Saiful, is the restoration of public trust in the country's national institutions.

"In order for a liberal democracy to work, there must be some institutions that need to be trusted," the think tank's Chief Executive says. "A prosecuting agency, an investigating body, Parliament—you must have institutions that people must be able to trust."

"Corruption erodes that trust; it reduces the credibility of these institutions, which in turn negatively impacts the overall welfare of the country. The level of public trust, I believe, is still low."

For Wan Saiful, the Government's initiatives to combat corruption in the Government Transformation Programme (GTP) have yielded mixed results thus far. Although he concedes that the initiatives have been effective in convincing some to improve their perception of Malaysia's corruption levels, he adds that it has been "very difficult" for him and his organisation to determine whether the initiatives are bringing about actual change.

The lack of concrete data coupled with the constant politicking from both the ruling and opposition parties have further clouded actual levels of corruption in the country even as the GTP continues to implement its anti-corruption initiatives.

"We live in a situation where the public perception of corruption is high, but we don't really know whether our institutions are truly as corrupt as that," Wan Saiful says. "There is no way of truly measuring corruption levels in Malaysia and hence, it is difficult to ascertain how corrupt we truly are.

"Say for example, if the actual incidences of corruption is low but politicians keep harping about how bad corruption is, then there is a gap between our perceived levels and actual levels of corruption."

Yet, Wan Saiful says that Malaysia must take comfort in the small victories that are being made on a regular basis: the publication of directly negotiated contracts by Government Ministries is one example, and the integrity training workshop for Members of Parliament is another. The fight against corruption could be expedited, he adds, if Malaysian lawmakers were "less secretive".

"We should applaud the Ministry of Finance for publishing directly negotiated contracts on the MyProcurement Portal. The publication of this short list is a good first step and we can only hope that all other Government departments will follow suit," he says. "But frankly, the first three years saw us pluck the low-hanging fruits. As we go in deeper, this is where the real problems will start. I hope the Treasury will not stop at what they have published today. They must disclose more because otherwise the public will say that their first step is just window dressing."

Greater transparency on the part of the Government is a published aspiration of the Fighting Corruption NKRA, and the transformations that are being made will create a firm foundation for the achievement of that aspiration. For Wan Saiful, he remains confident that there are still solutions to Malaysia's corruption quagmire, but it is a solution that must begin with the provision of clear, objective data.

## WORKSTREAM / Public Education and Support

Along with the initiatives geared towards the elimination of corruption, the Anti-COR NKRA is also implementing GTP 2.0 initiatives designed to raise public awareness and support for anti-corruption efforts. The NKRA has also put together special training programmes for MPs and teachers, both of whom are at the frontlines of corruption prevention.



### Initiatives

**Establishing Corruption Prevention Secretariats in Teachers' Training Colleges**
The Government has set up Corruption Prevention Secretariats in all 27 Teacher's Training Colleges throughout the country to help prepare teachers conduct anti-corruption education for their students. The decision to focus education initiatives on schoolchildren grew from a concern that the practice of corruption was becoming increasingly a part of their day-to-day lives. A similar pilot project involving public universities showed that corruption awareness could be significantly raised through these secretariats.

**Training Members of Parliament in anti-corruption practices**
MPs underwent the inaugural integrity training workshop last November. The training is meant to educate and raise greater awareness in the MPs' dispensation of their duties. The training session was conducted by the Institute for Democracy and Economic Affairs, and featured a panel of speakers including the MACC Chief Commissioner Tan Sri Abu Kassim, Auditor General Tan Sri Ambrin Buang and Nizam Ali from Institut Integriti Malaysia.

## KEY CHALLENGES



Notwithstanding the major wins embodied in the transformation of the Auditor General's reporting process and the implementation of the Auditor General's online dashboard, a number of initiatives that were planned for the year failed to come to fruition in the allotted time. As the majority of the initiatives in the first phase of GTP 2.0 involved drafting or amending legislation, the Parliamentary recess ahead of the 13th General Election held in 2013 had delayed the legislative process.

The subsequent Cabinet reshuffle and new Ministerial appointments also stalled the execution of initiatives as the delivery of Anti-COR NKRA initiatives are conducted together with the relevant Ministries. As such, the new Ministers required more time to study the Anti-COR NKRA's proposals, which will be taken into consideration moving forward.

Other initiatives such as the Integrity Training of MPs and the tabling of the Auditor General's report, which are dependent on the presence of a sitting house, were implemented later in the year despite a pressing Parliamentary schedule.

Meanwhile, plans to amend the political financing framework are ongoing, and will require more in-depth study as it is a sprawling and multi-faceted area. Thus, if the new framework is to attain its goal of ensuring that political donations are protected from leakages, safeguards involving a large number of stakeholders need to be put in place. Given the complexity of the issue, the Anti-COR NKRA team believes that it is more important to have the new framework done right rather than done quickly.

## MOVING FORWARD

The Anti-COR NKRA will continue to work on the initiatives outlined above, with particular focus on the following for 2014:

**Signing comprehensive integrative pacts for corporates and persons involved in Public-Private Partnership (PPP) projects**
Part of the efforts of the Corporate Integrity System Malaysia requires that all corporates and persons involved in PPP projects sign a comprehensive integrative pact, which will require vendors ratchet up their internal corruption monitoring systems. The pact will ensure that all Government vendors are committed to just and equitable behaviour. In addition, an oversight committee consisting of the MACC, Auditor General's Office, Transparency International and Institute Integrity Malaysia will oversee these operations.



**Inserting the Corporate Liability Provision into the MACC Act 2009**
The insertion of a Corporate Liability Provision into the MACC Act aims to dissuade corporations from either directly or indirectly encouraging its employees to engage in corrupt practices. At present, the Act only empowers enforcement officers to charge the individual for corruption, while the organisation that stands to benefit from such practice is immune.

The amendment to the law, which is a recommendation of the United Nations Convention Against Corruption and the Organisation for Economic Cooperation and Development, will make explicit the liability of corporations and organisations for the conduct of staff with regards to corruption. This change is expected to encourage organisations improve their own internal controls and take a stricter policy with regards to unethical behaviour.

**Updating the MyProcurement Portal to integrate it with other Government procurement portals**
The MyProcurement online portal set up in GTP 1.0 is meant to be a universal landing page for all Government procurement, but the presence of existing online procurement portals such as ePerolehan and NeTI has prevented the MyProcurement Portal from becoming the universal landing page. There are now on-going efforts to integrate the MyProcurement Portal with other existing Government procurement portals to solve this issue.

**Establishing guidelines for middlemen and lobbyists**
The Government is in the midst of drafting guidelines for middlemen and lobbyists in their dealings with the Government. The guidelines will provide practical advice such as acceptable gifts, conduct, etc. The guidelines are expected to be ready in 2014.

**Incorporating anti-corruption elements into primary and secondary school textbooks**
As part of the Anti-COR NKRA's plan to inculcate good ethical values in schoolchildren, the Ministry of Education has agreed to include anti-corruption teaching as part of the primary and secondary school curriculum. The textbooks for the course are being prepared and will be ready for the 2016 school year.

The Anti-COR NKRA recognises that the fight against corruption will become more difficult with the passage of the GTP because most of the low-hanging fruits would have been collected during the early years. However, the fight against corruption must be sustained if it is to be completely and systematically purged from our culture and our institutions.

The Government will continue to secure increased partnerships with more stakeholders to strengthen the capacity of institutions, both in the public and private sectors, to control corruption. More importantly however, achieving this national agenda will require the support from politicians, regardless of their political affiliations, as well as members of civil society.

**Views from the DMO:**

# COMBATING CORRUPTION

**KHAIRUL NURRAHIM
ASHADI ABDULLAH**
The acting Assistant Commissioner,
Strategic Human Capital Unit for
the Malaysian Anti-Corruption
Commission (MACC)

When combating corruption, laws and processes must be numerous. These would thus act as basic building blocks in the fight against systematic corruption. As of 2010, several initiatives such as Special Corruption Sessions Court, Corruption Offenders Database and Whistleblower Protection Act 2010 have been in place to take on this challenge. Year on year, the Fighting Corruption National Key Results Area (Anti-COR NKRA) has continued the momentum of combating corruption through the new initiatives. For instance, the inclusion of the Corporate Liability Provision under the current MACC Act has generated even greater awareness on good corporate governance in Malaysia. In order for the Corporate Liability Provision to be effective, full collaboration and commitment between relevant agencies and stakeholders is important.

The Anti-COR NKRA has found the complexity in coordinating the implementation process amongst various agencies to be a key challenge in 2013. "Attempting to transform the existing processes and procedures is complex, but not impossible. We need to have all agencies working closely together in order to implement the initiatives and achieve the goal of the GTP," notes Khairul Nurrahim

Ashadi Abdullah, the acting Assistant Commissioner, Strategic Human Capital Unit for the MACC, who is also the former Assistant Head of Enforcement and Regulatory Sector, NKRA Against Corruption (Delivery Management Office).

Despite the challenges, there have been positive developments in the Anti-COR NKRA for 2013. The NKRA initiatives have helped improve the effectiveness of government operations, such as the move to fast-track public access to the Auditor General's Performance Report. This expedited investigations into graft, misconduct, and fraud. Transparency in the Government's procurement process has also increased with the publishing of directly negotiated contracts on the MyProcurement portal. "These achievements reflect better transparency in governance which we hope would build public confidence in government institutions," says Khairul Nurrahim.

In addition, the outcome of the Corruption Perception Index (CPI) 2013 conducted by Transparency International (TI), Malaysia ranked 53rd out of 177 countries, improving a notch in rank from the previous year. Malaysia scored 50 on the scale of zero to 100, as compared to a score of 49 in 2012.

"Malaysia has also received international recognition through the United Nations Convention Against Corruption (UNCAC) charter for anti-corruption initiatives," he says. "The recognition, together with the improvement in the CPI, is an indication that our initiatives are on the right track. However, greater efforts are imperative to ensure everyone is serious in fighting corruption."
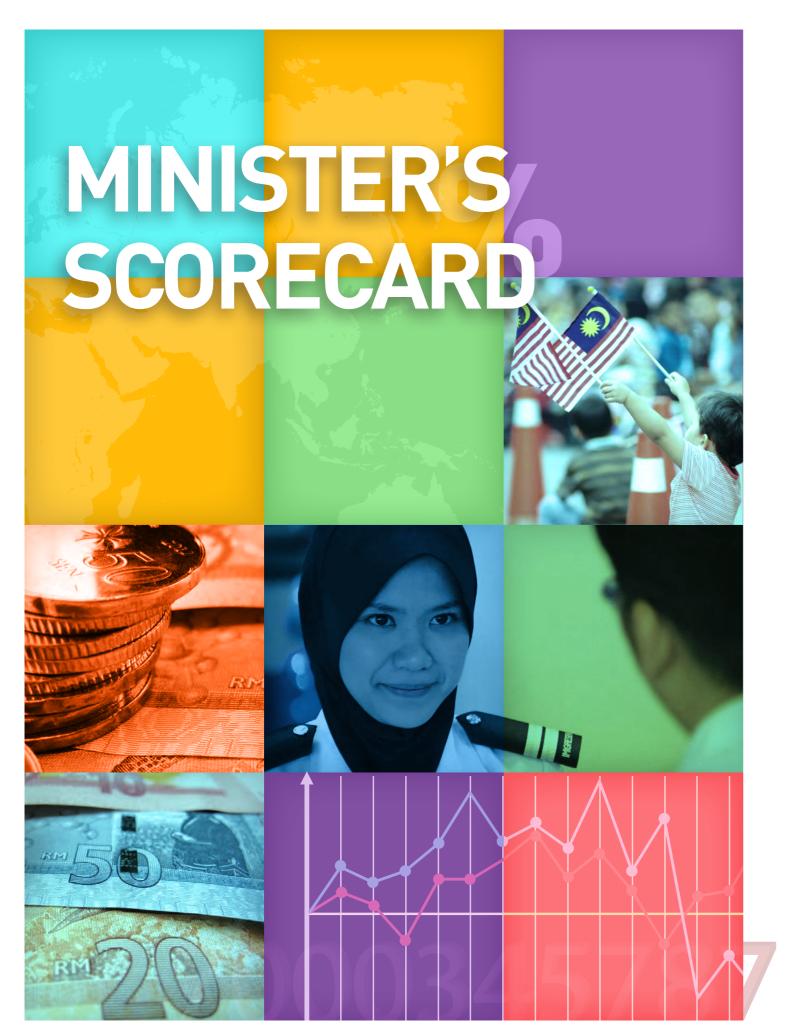
He highlights that raising public awareness is a crucial element to the Anti-COR NKRA and will complement high-level initiatives aimed at deterring corruption. Activities including community outreach programmes, inspection of organisations as well as anti-corruption management programmes at the grassroots level will "embed the right culture in communities and the younger generation to fight corruption." Anti-corruption modules will be inserted in school textbooks from 2016, with hopes to ultimately instil anti-corruption values in young children.

While acknowledging that the Anti-COR NKRA initiatives are in place, they are by no means exhaustive. The extent of the initiatives is also dependent on individuals in the public and private spheres. "It is crucial for the public and private agencies to place good governance framework within their respective organisations, in order to enhance collaborative fight against corruption," he says.

Corruption is not simply a problem to a developed or developing countries, it is a challenge to each one of us as individuals. Encouraging cooperation and participation amongst the *rakyat*, public and private sectors, sending the message that integrity, accountability, governance and transparency are a must in order to foster a corrupt free country.

# MINISTER'S SCORECARD

## Minister's Scorecard: An Overview

Under the country's transformation programme, Cabinet Ministers have been assigned Key Performance Indicators (KPIs) to ensure that the aims of the GTP and its sister programmes, the ETP and SRI, are met. Ministers have been given specific Minister KPIs under their respective Ministerial scope, that is covered under the Ministerial Key Results Area (MKRA). The MKPIs are developed based on the vision and mission of the Ministry.

All these KPIs are incorporated into the Ministers' Scorecards. By the end of 2013, there were seven (7) lead Ministers and four (4) supporting Ministers overseeing the GTP, thirteen (13) lead Ministers and five (5) supporting Ministers overseeing the ETP. Additionally, a total of fifteen (15) Ministers were assigned SRI KPIs.

### The Minister's Scorecard has evolved over the years

| | NKRAs | MKRAs | NKEAs | SRIs |
|---|---|---|---|---|
| **2009 & 2010** | • Areas identified as priorities for the country – National Key Results Areas (NKRA)<br><br>**Lead: 6 Ministers** | • Areas identified as the key responsibilities of the Ministries– Ministerial Key Results Area (MKRA)<br><br>**23 Ministers** | | |
| **2011** | **Lead: 7 Ministers**<br>**Support: 3 Ministers** | **30 Ministers**<br>All Ministers have MKRA KPIs regardless whether they are NKRA and/or NKEA lead Ministers | • Areas identified as priorities for the country's economy – National Key Economic Areas (NKEA)<br>**Lead: 13 Ministers**<br>**Support: 5 Ministers** | • Areas identified as priorities for structural enablers – Strategic Reform Initiatives<br>**Covered by 15 Ministers** |
| **2012 & 2013** | **Lead: 7 Ministers**<br>**Support: 4 Ministers** | **30 Ministers**<br>All Ministers have MKRA KPIs regardless of whether they are NKRA and or NKEA lead Ministers | **Lead: 13 Ministers**<br>**Support: 5 Ministers** | **Covered by 15 Ministers** |

Note: NKEA, NKRA & SRI KPIs that are not in the Scorecard will be monitored by the respective Steering Committees

## KPI Setting Framework and Process

**A structured framework was used to develop and manage the KPIs for the Ministry**



The structured framework used to develop and manage the KPIs for the Ministries is made up of the following steps:
1. Establish KPIs
2. Execute according to implementation plan
3. KPI performance monitoring
4. PM-Minister Performance Review
5. Rewards, consequences and actions
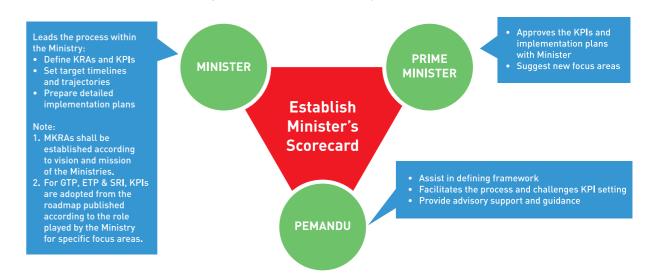
Using the structured framework, KPIs established are driven by the Nation's Transformation Plan (ETP & GTP Roadmap) as well as the vision and mission of the respective Ministries with the purpose of measuring the delivery and outcome of each initiative.
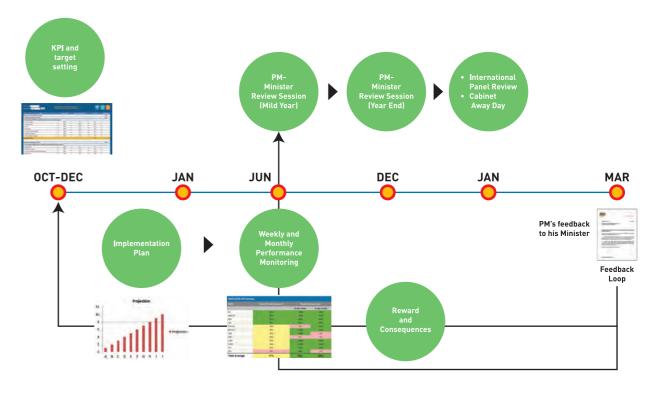
The Ministers take lead of the KPI setting process to define KRAs and KPIs, set target timelines and trajectories as well as prepare detailed implementation plans. The KPIs are then discussed at a yearly clinic session facilitated by PEMANDU. Once completed, the scorecard is finalised and approved by the Prime Minister. The process contains discrete steps detailing the planning, implementation and review stages, all of which work together towards integrating Ministerial participation in the nation's transformation process.

**Establishing the Minister's Scorecard**
The process starts with a three way communication:



**The timeline for developing and managing Ministers' KPIs is as below**

Progress of all the KPIs in the Minister's Scorecard is reported monthly in addition to the weekly reporting done under the NKRA & NKEA programmes which ensures that any roadblocks can be immediately identified and rectified.
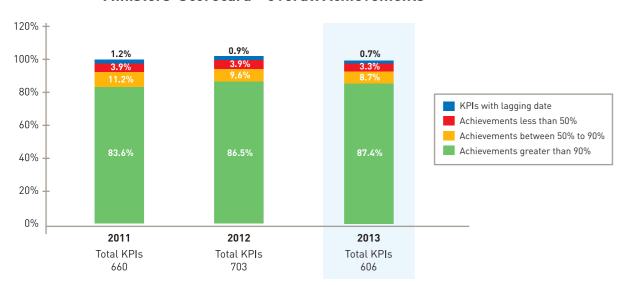
The Prime Minster meets with the Ministers twice a year—once during the Mid-Year and the other during the Year-End—to review the performance of the Ministers. These one-on-one sessions between the Prime Minister and respective Ministers allows for discussion and escalation of any issues or obstacles that require the Prime Minister's intervention. In addition to that, the Prime Minister may give further instructions for the Minister's action. At the end of the Year End Review session, the Prime Minister will issue the final assessment and feedback to each Minister.

## Ministers' Scorecard Achievements

There have been improvements over the years from 2011 to 2013. For the year 2013, 87.4% out of 606 KPIs achieved targets and above in comparison to 86.5% out of 703 KPIs in 2012 and 83.6% out of 660 KPIs in 2011.

### Ministers' Scorecard - Overall Achievements

| | 2011 | 2012 | 2013 |
|---|---|---|---|
| KPIs with lagging date | 1.2% | 0.9% | 0.7% |
| Achievements less than 50% | 3.9% | 3.9% | 3.3% |
| Achievements between 50% to 90% | 11.2% | 9.6% | 8.7% |
| Achievements greater than 90% | 83.6% | 86.5% | 87.4% |
| Total KPIs | 660 | 703 | 606 |

# Success Stories

## Becoming a world-class tourist destination

Tourism is one of the fastest growing economic sectors and the second largest foreign exchange earner in Malaysia's economy. The Ministry of Tourism and Culture is the integral part of the transformation of this industry in line with the growth of the service industry. The merging of tourism and culture into one Ministry was timely for the growth of the industry.
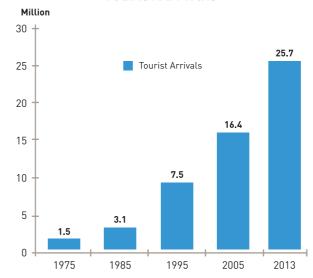
The Ministry implemented three initiatives in 2013 as part of its MKRA:
(i) Increasing the number of tourists to Malaysia and their foreign exchange spend;
(ii) Increasing the income of homestay participants; and
(iii) Increasing revenue generated through the sale of crafts.

**Increasing the number of tourists to Malaysia and their foreign exchange spend**

| MKPI | 2013 Target | 2013 Achievement | Target 2014 |
|---|---|---|---|
| Tourist arrivals (mil) | 26.8 | 25.7 | 28 |
| Value of foreign exchange earnings (RM bil) | 65 | 65.4 | 76 |

### Tourist Arrivals

| Million | | | | |
|---|---|---|---|---|
| 1975 | 1985 | 1995 | 2005 | 2013 |
| 1.5 | 3.1 | 7.5 | 16.4 | 25.7 |

Tourism has been identified as a National Key Economic Area under the ETP, and aims to attract approximately 36 million visitors generating RM168 billion in receipts by 2020.

Malaysia's tourism industry was the sixth largest contributor to the economy moving up one spot compared to 2012. It contributed RM51.5 billion to Gross National Income (GNI) in 2013. This is the result of excellent performance above expectations in 2013, with tourist receipts of RM65.44 billion exceeding the initial target of RM65 billion. The 8.1% growth from RM60.56 billion in 2012, represents an expansion of about RM4.89 billion in foreign exchange earnings. Despite a challenging year, tourist arrivals also grew by 2.7% to 25.7 million (25,715,460) arrivals compared to 25.0 million (25,032,708) arrivals in 2012.

Malaysia, with its tagline of *Truly Asia*, has leveraged its strategic position in Asia as a country with a diverse culture and culinary heritage destination. The initiative put in place under the ETP is poised to further bolster its attractiveness as a tourist destination to capitalise on the expected increase of arrivals in the ASEAN region.

**International Acknowledgement**
- Data from the UNWTO showed that Malaysia was the 10th Most Visited Country in the world in 2012, and the 2nd Most Visited Country in Asia Pacific after China
- Malaysia was also the 13th highest recipient of tourist receipts in 2012
- Travel guide Lonely Planet has listed Malaysia as one of its top 10 destinations to visit in 2014

**Increasing the income of homestay participants**

| MKPI | 2013 Target | 2013 Achievement | Target 2014 |
|---|---|---|---|
| Additional income for Homestay participants (RM mil) | 17.3 | 21.5 | 19 |

Malaysia is a pioneer in the development of Homestay Programme which offers travellers a unique opportunity to experience rural lifestyle and value innovation. The popularity has positioned the country on the global map as a market leader of homestay programmes.

In recognition of its outstanding contributions and achievements in tourism, the Malaysian Homestay Experience Programme was awarded **First Prize in the UNWTO Ulysses Award for Innovation in Public Policy and Governance.**

There are presently 166 homestay registered with MOTAC. The programme generated approximately RM21.5 million in travel receipts for the Malaysian rural economy in 2013 having attracted some 350,954 tourists compared to 325,258 tourists in 2012.

Malaysia's success with the programme led to it being appointed the Lead Coordinator for the development of ASEAN Homestay Standard. The Standard will provide a uniform set of criteria for all homestays in the ASEAN region. It was endorsed by ASEAN Quality Tourism Working Group in January 2011 in Manado, Indonesia. In addition, the ASEAN Homestay Audit Process and Certification Body were endorsed at the 39th ASEAN NTOs Meeting in January 2014. This document aims to formulate the process and guidelines for auditing and assessing homestays for the purpose of certification.

### Increasing revenue generated through sale of crafts

| MKPI | 2013 Target | 2013 Achievement | Target 2014 |
|---|---|---|---|
| Craft sales | RM350 mil | RM409 mil | RM430 mil |

Local traditions and culture are key attractions in travel destinations. In this regard, Malaysia is leveraging on its rich cultural diversity to promote local handicrafts to tourists.

Toward this end, craft sales have contributed over RM400 million in 2013. In addition it generated employment and provided the avenue for skills development. The craft industry also contributes to social development, particularly in rural areas.

The Ministry of Tourism and Culture launched the *"One Tourist, One Souvenir, One Craft"* campaign as part of the efforts to harness and integrate cultural resources for wealth creation. Measures were also undertaken to develop innovative products based on market demand to enhance marketing and promotion of crafts.

### Moving Forward

Visit Malaysia Year 2014 (VMY 2014) with the theme "Celebrating 1Malaysia Truly Asia" was by the Government to attract 28 million international and generate RM76 billion in tourism receipts in 2014.

Towards this end, efforts will be intensified to enhance among others niche programmes, ecotourism, business tourism, major events and cultural and heritage tourism to make Malaysia a more attractive destination. Malaysia is also promoted as a family-oriented and tourist-friendly destination.

Taking into cognisance the comprehensive policy framework, strong public-private partnership and the support of Malaysians, the Government is confident that VMY 2014 will be an outstanding success.



## Increasing the efficiency of taxation, procurement and budgetary processes

These were some of the Ministry of Finance's (MoF) MKRA for 2013. MoF implemented four initiatives that strive to achieve these objectives:
(i) Growing total tax revenue
(ii) Paving the way for the consolidation of Government books through the implementation of Accrual Accounting
(iii) Establishing Urban Transformation Centres within the various states
(iv) Transforming the National Budget Management System to outcome-based budgeting

### Growing total tax revenue

Tax revenue is the major contributor to the Malaysian Federal Government revenue. Tax revenue consists of direct tax, which is collected by the Inland Revenue Board and indirect tax, collected by the Royal Malaysian Customs Department. Tax revenue collected in 2013 was RM155.9 billion (73% of the Federal Government's revenue). This comprise of direct tax of RM120.5 billion and indirect tax of RM35.4 billion. Tax revenue collection increased by RM4.3 billion in 2013 from 2012 where RM151.6 billion was collected.

This year the Malaysian economy grew by 4.7% versus the projected growth of between 4.5% and 5.0%. Tax revenue, as a percentage of Growth Domestic Product was 15.8% in 2013. Among the factors that contribute to the increase in tax revenue are:
(i) GDP growth at 4.7%.
(ii) Crude oil price at US$115.00 per barrel.
(iii) Implementation of tax initiatives under Public Finance Reform (PFR)
(iv) More stringent investigations by the tax authority
(v) Higher level taxpayer compliance



### Paving the way for the consolidation of Government books through the implementation of Accrual Accounting

The Government presently practices Modified Cash Based Accounting, which records cash spent or received within a stipulated time frame into the yearly financial statements without accounting for capital assets and liabilities. In tandem with the goals of the New Economic Model and the GTP, the Government will implement Accrual Accounting to present a consolidated view of the Government's financial position, strengthen fiscal management and improve the efficiency of the financial and accounting management.

The transition from Modified Cash Based Accounting to Accrual Accounting is expected to be completed in 2015. A number of different initiatives are currently underway for this transition. In 2013, Self-Accounting Departments (SADs) were established in the various Ministries to ensure a smooth transition to using the Accrual Accounting method. The SADs operate as Accounting Offices by performing accrual accounting functions comprising of management accounting, consultation, financial accounting, monitoring, administration and finance.
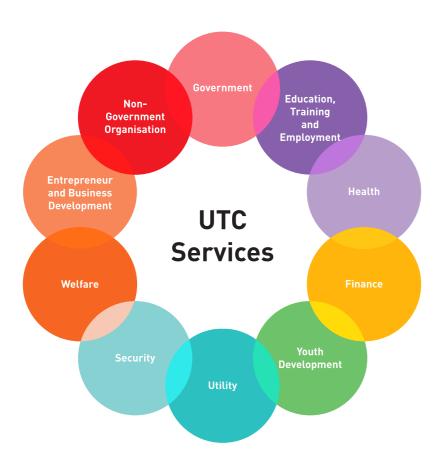
There are presently nine SADs in operation—within the Prime Minister's Office, the Ministry of Defence, the Ministry of Education, the Ministry of Health, the Ministry of Home Affairs, the Ministry of Works, the Ministry of Agriculture and Agro-Based Industry, the Ministry of Transport and the Ministry of Communications and Multimedia. The setup of another 15 SADs was approved in September 2013.

The SADs have been tasked with conducting pre-implementation activities such as data collection of opening balances of assets and liabilities, as well as undertaking change management programmes, which includes accrual accounting training. When implemented, the accrual accounting method will be used to process all payments and receipts by the Ministries, as well as the accounting of expenses, revenues, assets, liabilities, and for the preparation of financial statements by the Ministry.

The implementation of Accrual Accounting is expected to create a more effective fiscal management regime in terms of accountability, sustainability, better measures of policy effect, organisational effectiveness and efficiency, increased transparency and better decision-making.

### Establishing Urban Transformation Centres within the various states
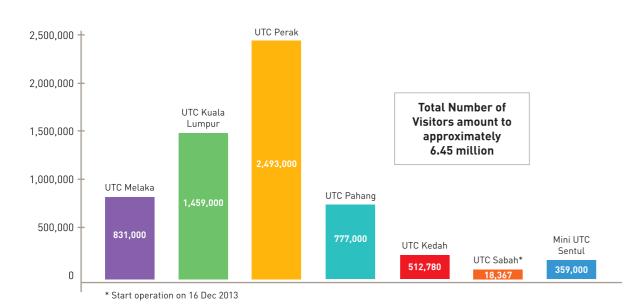
The Urban Transformation Programme (UTC) was launched in 2012 as an initiative under National Blue Ocean Strategy 6 (NBOS 6), with the aim of creating a one-stop service centre for the rakyat.

## UTC Services



Strategic partnerships between government, private companies and non-government organisations were established to ensure that the Rakyat is able to conduct transactions with government departments and the private sector in a single location.

There are presently six (6) UTCs in operation. The first UTC was established in Melaka in June 2012 followed by the ones in Kuala Lumpur, Perak, Pahang, Kedah dan Sabah in 2013. More UTCs will be launched in 2014 in the states of Sarawak, Johor, Terengganu and Perlis. The Government also established a Mini UTC in Sentul, Kuala Lumpur to provide greater access of services to the Rakyat.

### Number of Visitors to UTC in 2013



**Total Number of Visitors amount to approximately 6.45 million**

* Start operation on 16 Dec 2013

The UTC operates 7 days a week (except on public holidays) from 8.30a.m. to 10.00p.m. Approximately, 6.45 million visitors have used the UTC services in the year 2013.

**Transforming the National Budget Management System outcome-based budgeting**

MoF has undertaken an initiative to enhance the public sector performance by moving from a Modified Budgeting System approach to an Outcome Based Budgeting (OBB) system by 2016. OBB adopts an integrated approach to Results Based Management (RBM), which advocates whole-of-government approach by aligning national planning with agency-level programme implementation.

The approach uses a single-results framework for planning, budgeting, monitoring, evaluating and performance reporting. An integral part of the national strategic reform initiative, OBB is in line with the Government's effort to rationalise fiscal policy initiatives through better expenditure management, by focusing on outcome and value.

A comprehensive online system—MyResults—which features the ability to conduct performance planning, budget submission and review, and performance monitoring and reporting, has been developed to ensure better planning and the reporting of timely and accurate information. With the implementation of the OBB, Ministries and federal agencies will have established a set of comprehensive results showing causal links within the Ministry to national priorities.

To further improve the quality of data, three Ministries, namely the Ministry of Finance, the Ministry of Health and the Ministry of International Trade and Industry were selected to undergo performance monitoring and reporting in 2014.

The successful implementation of OBB relies on several factors including proactive stakeholders to drive the demand for performance information, greater empowerment of officers to execute strategy, the sustainability of OBB

capacity building, budget reviews to focus on programme performance and accountability, as well as effective monitoring and evaluation of the programme.

Moving forward, challenges faced in implementing the OBB need to be addressed. Among which are the understanding on the concepts, the role of management in strategy implementation, information quality and capacity building.

**Moving Forward**

In tandem with the overall goals of its transformation programmes, the Government aims to strengthen its financial position to achieve a balanced budget in 2020 by refining its tax regime. Some initiatives to be implemented include the introduction of the Goods and Services Tax (GST) and uCustoms by 2015. uCustoms is a new single-window system, designed to facilitate both incoming and outgoing trade.

Possessing strong financial resources is the key allowing the Government continue its national development agenda covering the provision of social, health and education infrastructural facilities in ensuring the wellbeing of the Rakyat. Thus, effective, transparent, and fair tax policies need to be put in place towards achieving sustainable economic growth even as the economy is geared to expand between 5.0% - 5.5% in 2014. The Ministry of Finance will focus on the GST and uCustoms activities planned for 2014 to ensure their full implementation by 2015.

The Government will also focus on improving its budgeting system to drive strategic performance of government entities by introducing the Outcome Based Budgeting (OBB). OBB will serve as a structured mechanism linking and streamlining the National Key Results Area set by EPU to Ministerial programmes and activities. When fully implemented, it will rationalise the allocation and utilisation of public funds more efficiently and effectively through better service delivery.

## Ensuring the interests of Malaysia are protected and championed at the international level

As the primary goal of the Ministry of Foreign Affairs (MoFA) is to ensure that the interests of Malaysia are protected and championed at the international level, this is done through meetings, dialogues and engagements with countries around the world as well as through the leadership that Malaysia demonstrates at international organizations.

In 2013, MoFA implemented two initiatives to advocate Malaysia's leadership at international and regional forums:
(i)  Promoting the Global Movement of Moderates;
(ii)  Lobbying for Malaysia's candidacy in key international and regional bodies

### Promoting the Global Movement of Moderates
The Prime Minister in his maiden speech at the 65th United Nations General Assembly (UNGA) on 27th September 2010 first introduced the Global Movement of Moderates (GMM). In his speech, he urged leaders and members of the world's major faiths to censure and reject extremists in their midst own and to support the GMM.

Malaysia's diversity and the way the Government manages the balance between the various faiths and ethnicities provide unique advantages and strengths that lend credibility to Malaysia's promotion of moderation and peaceful coexistence in the world. Moderation, as a practical approach and a guide for action in all situations and areas, can be applied at various levels in situations of differences.

MoFA has been at the forefront of initiatives to promote GMM and moderation at the international level. Through the Ministry's efforts, the principle and practice of moderation has now received widespread support from various countries, including the United States, the United Kingdom, France, Indonesia, the Philippines, China, South Korea, Russia and Saudi Arabia. It has also been welcomed by academic institutions and non-governmental organisations abroad.

A testament to Malaysia's success in its endeavour to promote GMM at the international level is its acceptance by ASEAN, NAM, CHOGM, ASEM, D8 and OIC. The concept of GMM has also been cited and supported by several key leaders, including Hillary Clinton, former Secretary of State of the United States; David Cameron, Prime Minister of the United Kingdom; Ban Ki-moon, the Secretary General of the United Nations.

Through the promotion of GMM, Malaysia is recognised internationally as a moderate country that enjoys stability, security and peace. This has resulted in a boost in tourism and in foreign direct investment (FDI), which contributes to the economic wellbeing of the public.

### Lobbying for Malaysia's candidacy in key international organizations
Securing posts and memberships of bodies at international and regional organizations enables Malaysia's national interests, ideas, rights and policy on global issues are advanced and considered at the international arena.

MoFA has been tasked to facilitate and coordinate with the respective Ministries and Agencies on the nomination and lobbying of Malaysia's candidatures for posts and membership of specific bodies in key international organizations. These include the engagement programmes highlighting Malaysia's positive contributions in various fields internationally conducted by the Ministry abroad.

Malaysia was successfully elected in 2013 for posts and as members in several key international organizations. These include:

*  Chair of Intergovernmental Science Policy Platform on Biodiversity and Ecosystem Services (IPBES) for the term 2013 -2015;
*  Council Member of the Food and Agriculture Organisation (FAO) for the term 2014 – 2017;
*  Council Membership at the International Civil Aviation Organisation (ICAO) – Category III for the term 2013-2016;
*  Council Membership at the International Maritime Organisation (IMO) – Category C for the term 2014-2015;

Malaysia's success in these bids is due to international recognition of its capacity and commitment to contribute positively and substantively in international organizations. It is also an endorsement of the effectiveness of Malaysia's domestic and foreign policy, as well as its record of good governance.

### Moving Forward
MoFA will continue to play an important role abroad to promote the Government Transformation Programme (GTP) and the Economic Transformation Programme (ETP) to attain Vision 2020. The Global Movement of the Moderates (GMM) will continue to be advocated for international security, stability and peace, including in Malaysia's bid as a non-permanent member of the United Nations Security Council (UNSC) for the 2015-2016 term.

Apart from continuing to play a prominent role in peaceful resolutions of conflicts and on developmental issues internationally, several initiatives under the GMM will be included as part of new and expanded areas of collaboration with other countries. The Ministry will intensify regional efforts to implement the remaining initiatives under the ASEAN Political and Security Community (APSC) Blueprint (2009-2015) to realise the ASEAN Community by 2015. Public diplomacy and outreach programmes will be proactive to promote Malaysia as a moderate and progressive nation and active member of the international community.



ASEAN Foreign Ministers' (AMM) Retreat
Hua Hin, Prachuap KhiriKhan, Thailand
13-14 August 2013

# AGREED UPON PROCEDURES BY PRICEWATERHOUSE COOPERS

The Government Transformation Programme (GTP) is measured against a set of Key Performance Indicators (KPIs) determined at the beginning of the year. The results are validated by PricewaterhouseCoopers Malaysia (PwC), an independent professional services firm, based on a set of Agreed Upon Procedures (AUP), which is a set of specific tests and procedures used to review the reported results of each National Key Result Area (NKRA) against their National Key Performance Indicators (NKPIs).

**T**he AUP is applied to a sample taken from each KPI and checked against guidelines and formulae developed in the initial PEMANDU lab sessions. Where exceptions are noted by PwC, the processes and sources of data are re-evaluated prior to their insertion in this Annual Report.

PwC has also confirmed that the results reported here have been validated according to the AUP. The independent professional services firm also provides advice and identifies opportunities to further improve the reporting process.

The presence of the AUP in the collection of data is a verification of the Government's commitment to the highest standards of transparency and accountability in the delivery of the programmes under the GTP. The voluminous amount of information collected under this process is then collated and distributed to both public and reviewers through various channels including this Annual Report, regular Open Day Sessions, through traditional media and through digital channels.

The overall plan for the implementation of the GTP are detailed in the Roadmaps of the first and second phase of development respectively called the GTP 1.0 and GTP 2.0 Roadmaps, which are publicly available from the PEMANDU website. These Roadmaps also provide specific and detailed goals for each NKRA, thus creating an overall benchmarking framework for the entire programme.

Greatest care has been made to ensure that the results published in this annual report are as accurate and transparent as possible. By working together with the relevant Ministries and private sector stakeholders, PEMANDU will take prescriptive action to further improve the reporting process over the next 12 months.



# 2013 NKRA PERFORMANCE AND EXPENDITURE BUDGET

The GTP's performance and expenditure budget is presented here in the interest of transparency and accountability. The programme, which prides itself on emphasising cost-effectiveness where possible, sets it apart from other projects, and thus allows for greater savings in areas where possible so long as it does not impede the achievements of the NKPIs.

## Measuring the Achievements of the GTP

The success of the National Key Performance Indicators (NKPIs) and NKRAs are measured using three different scoring methodologies, each with a varying level of strictness (added rules) resulting in three different testing benchmarks. This method ensures that the results achieved are robust and comprehensive. The three scoring methods are explained below:

| Scoring Method | Description |
|---|---|
| **Method 1** | Scoring is calculated by a simple comparison against set 2013 targets<br>The overall NKRA composite scoring is the average of all scores |
| **Method 2** | Scoring is calculated by dividing actual results against set 2013 targets with an added rule:<br>• If the scoring is less than 100%, score #2 is taken as the actual percentage<br>• If the scoring is equal or more than 100%, score #2 is taken as 100%<br>• The overall NKRA composite scoring is the average of all scores |
| **Method 3** | Scoring is calculated by dividing actual results against set 2013 targets with an added rule:<br>• If the scoring is equal and less than 50%, score #3 is indicated as 0<br>• If the scoring is more than 50% and less than 100%, score #3 is indicated as 0.5<br>• If the scoring is equal or more than 100%, score #3 is indicated as 1 |

## NKRA Overall Performance 2013

| NKRA | Target (FY) | Method 1 | Method 2 | Method 3 | Budget Approved (RM) | Budget Spent (RM) | % Spent |
|---|---|---|---|---|---|---|---|
| COL | 100% | 94% | 92% | 86% | * Budget for COL is under existing programmes in respective ministries | | |
| RD | 100% | 120% | 98% | 94% | 3,202,871,614 | 2,510,524,827 | 78% |
| UPT | 100% | 116% | 98% | 88% | 436,991,353 | 356,066,003* | 81% |
| LIH | 100% | 111% | 100% | 100% | 345,101,000 | 341,798,025 | 99% |
| EDU | 100% | 99% | 89% | 65% | 617,690,800 | 540,236,114 | 87% |
| CRI | 100% | 110% | 97% | 90% | 447,657,100 | 441,540,157 | 99% |
| COR | 100% | 78% | 77% | 60% | 9,533,000 | 8,528,461 | 89% |
| Overall Scoring Composite | | 104% | 93% | 83% | 5,059,844,867 | 4,198,693,587 | 83% |

For the benefit of the reader, a colour code system has been used to reflect the success rate of the NKPIs.

● 90% and above    ● 51% to 89%    ● below 50%

\* UPT: Balance of 2013 Budget will be utilised in 2014 to implement UPT NKRA initiatives by SPAD

## ADDRESSING THE RISING COST OF LIVING

| No. | KPI | Target (FY) | Actual | Method 1 | Method 2 | Method 3 |
|---|---|---|---|---|---|---|
| 1 | Direct handout to the raykat (BR1M) | | | | | |
| | i. RM500 for eligible household recipients with total earnings less than RM3,000 per month | 100% | 100% | 100% | 100% | 1.0 |
| | ii. RM250 for eligible single individuals recipients aged below 21 years old with income less than RM2,000 per month | 100% | 100% | 100% | 100% | 1.0 |
| 2 | Back To School Incentive - Implementation of RM100 cash handout to students Year 1 to Form 5 | 100% | 100% | 100% | 100% | 1.0 |
| 3 | Implementation of RM250 book voucher to IPTA and IPTS students | 100% | 100% | 100% | 100% | 1.0 |
| 4 | Kedai Rakyat 1 Malaysia (KR1M) | 40 | 40 | 100% | 100% | 1.0 |
| 5 | Number of new outlets participating in Menu Rakyat 1 Malaysia (MR1M) | 1,000 | 1,110 | 111% | 100% | 1.0 |
| 6 | Total number of 1Malaysia clinics in operations | 70 | 70 | 100% | 100% | 1.0 |
| 7 | New Kedai Kain 1Malaysia (KK1M) shops | 26 | 12 | 46% | 46% | 0.0 |
| | **TOTAL** | | | **94%** | **92%** | **86%** |

## IMPROVING RURAL DEVELOPMENT

| No. | KPI | Target (FY) | Actual | Method 1 | Method 2 | Method 3 |
|-----|-----|-------------|--------|----------|----------|----------|
| 1 | Road delivery (km) | | | | | |
| | Peninsular Malaysia | 213 | 325.9 | 153% | 100% | 1.0 |
| | Sabah | 105 | 203.9 | 194% | 100% | 1.0 |
| | Sarawak | 123 | 189 | 154% | 100% | 1.0 |
| 2 | Water delivery (household) | | | | | |
| | Peninsular Malaysia | 9,200 | 9,281 | 101% | 100% | 1.0 |
| | Sabah | 8,000 | 12,799 | 160% | 100% | 1.0 |
| | Sarawak | 8,900 | 8,924 | 100% | 100% | 1.0 |
| 3 | Electricity delivery (household) | | | | | |
| | Peninsular Malaysia | 1,336 | 1,516 | 113% | 100% | 1.0 |
| | Sabah | 7,735 | 7,740 | 100% | 100% | 1.0 |
| | Sarawak | 10,740 | 10,740 | 100% | 100% | 1.0 |
| 4 | Road Maintenance (km) | | | | | |
| | Peninsular Malaysia | 410 | 759 | 185% | 100% | 1.0 |
| | Sabah | 160 | 238 | 149% | 100% | 1.0 |
| | Sarawak | 160 | 244 | 153% | 100% | 1.0 |

| No. | KPI | Target (FY) | Actual | Method 1 | Method 2 | Method 3 |
|-----|-----|-------------|--------|----------|----------|----------|
| 5 | 21st Century Villages | | | | | |
| | Desa Lestari sites: (i) Number of villages which are business ready | 10 | 10 | 100% | 100% | 1.0 |
| | (ii) Complete design and procurement (*kampung*) | 19 | 15 | 79% | 79% | 0.5 |
| | Large scale fruit farms | Signing of agreement between private sector and ministry for two sites | 2 | 100% | 100% | 1.0 |
| | Youth entrepreneur driven KKLW/ UniKL Rural Business Challenge | Signing of agreement between winners and Ministry for 11 sites | 11 | 100% | 100% | 1.0 |
| 6 | PBR House | | | | | |
| | Peninsular Malaysia | 2,793 | 4,860 | 174% | 100% | 1.0 |
| | Sabah | 1,718 | 2,489 | 145% | 100% | 1.0 |
| | Sarawak | 2,701 | 3,672 | 136% | 100% | 1.0 |
| | **TOTAL** | | | **120%** | **98%** | **94%** |

## IMPROVING URBAN PUBLIC TRANSPORT

| No. | KPI | Target (FY) | Actual | Method 1 | Method 2 | Method 3 |
|-----|-----|-------------|--------|----------|----------|----------|
| 1 | A.M. peak public transport ridership | 400,000 | 437,525 | 109% | 100% | 1.0 |
| 2 | Population residing within 400m of public transport nodes | 75% | 71% | 95% | 95% | 0.5 |
| 3 | Customer satisfaction level | 70% | 71% | 101% | 100% | 1.0 |
| 4 | KTM Komuter load factor | 70% - 80% | 72% | 100% | 100% | 1.0 |
| 5 | KTM Komuter on-time performance during A.M. peak | 85% | 94.59% | 111% | 100% | 1.0 |
| 6 | Stage bus A.M. peak load factor | 80% - 90% | 73% | 91% | 91% | 0.5 |
| 7 | Number of additional parking bays at Klang Valley Rail Network | 1,200 | 2,602 | 217% | 100% | 1.0 |
| 8 | Number of KL Budget Taxi Fleet - at par with ASEAN Best-in-Class | 3,000 | 3,172 | 106% | 100% | 1.0 |
| **TOTAL** | | | | **116%** | **98%** | **88%** |

## RAISING LIVING STANDARDS OF LOW-INCOME HOUSEHOLDS

| No. | KPI | Target (FY) | Actual | Method 1 | Method 2 | Method 3 |
|-----|-----|-------------|--------|----------|----------|----------|
| 1 | Number of new participants in the 1AZAM Programme | 35,100 | 38,663 | 110% | 100% | 1.0 |
| 2 | Number of new existing 1AZAM participants increased their income by RM300 for any three months | 17,060 | 18,249 | 107% | 100% | 1.0 |
| 3 | Number of 1AZAM participants in Financial Literacy Programme | 35,100 | 39,282 | 112% | 100% | 1.0 |
| 4 | Number of Non-Governmental Organizations/Corporate Sector Organisations in collaboration with the 1AZAM programme | 25 | 34 | 136% | 100% | 1.0 |
| 5 | Number of 1AZAM Community/Group Based Programme | 40 | 46 | 115% | 100% | 1.0 |
| 6 | To ensure 100% updating of the eKasih system | 100% | 100% | 100% | 100% | 1.0 |
| 7 | Number of new women entrepreneurs developed (income more than RM3,500 per month for three consecutive months) | 1,000 | 1,000 | 100% | 100% | 1.0 |
| **TOTAL** | | | | **111%** | **100%** | **100%** |

## ASSURING QUALITY EDUCATION

| No. | KPI | Target (FY) | Actual | Method 1 | Method 2 | Method 3 |
|---|---|---|---|---|---|---|
| 1 | Pre-school enrolment | 88% | 81.71% | 93% | 93% | 0.5 |
| 2 | Percentage of public pre-school completed the Pre-school Standard Quality Self-Assessment | 100% | 99.17% | 99% | 99% | 0.5 |
| 3 | Percentage of public pre-school that meet the minimum Malaysian Preschool Standard based on the Pre-school Standard Quality Assessment | 100% | N/A | N/A | N/A | N/A |
| 4 | Maintaining existing High Performance Schools (HPS) | 91 | 91 | 100% | 100% | 1.0 |
| 5 | New HPS | 19 | 24 | 126% | 100% | 1.0 |
| 6 | Percentage of Band 6 and 7 schools out of total schools | 2% | 1.7% | 118% | 100% | 1.0 |
| 7 | Percentage of Band 1 and 2 schools out of total schools | 35% | 29.0% | 83% | 83% | 0.5 |
| 8 | LINUS (Cohort 2) | | | | | |
| | Numeracy Rate | 100% | 99.3% | 99% | 99% | 0.5 |
| | Literacy Rate (BM) | 100% | 99.1% | 99% | 99% | 0.5 |

| No. | KPI | Target (FY) | Actual | Method 1 | Method 2 | Method 3 |
|---|---|---|---|---|---|---|
| 9 | LINUS (Cohort 3) | | | | | |
| | Numeracy Rate | 95% | 94.5% | 99% | 99% | 0.5 |
| | Literacy Rate (BM) | 95% | 93.2% | 98% | 98% | 0.5 |
| 10 | LINUS (Cohort 4) | | | | | |
| | Numeracy Rate | 90% | 90.1% | 100% | 100% | 1.0 |
| | Literacy Rate (BM) | 90% | 81.3% | 90% | 90% | 0.5 |
| | Literacy Rate (English) | 100% | 63% | 63% | 63% | 0.5 |
| 11 | Percentage of teachers trained who have increased at least one English language proficiency band (Cambridge Placement Test or CPT equivalent) | 100% | 73.3%* | 73% | 73% | 0.5 |
| 12 | Head teachers/principals exceeding target | | | | | |
| | Primary school | 4% | 5.98% | 150% | 100% | 1.0 |
| | Secondary school | 4% | 6.64% | 166% | 100% | 1.0 |
| 13 | Percentage of teachers evaluated using the unified instrument | 100% | 24.2% | 24% | 24% | 0 |
| | **TOTAL** | | | **99%** | **89%** | **65%** |

\* result is based on 4,177 teachers that sat for both pre- and post-Aptis tests. A total of 4,626 teachers were trained.

## REDUCING CRIME

| No. | KPI | Target (FY) | Actual | Method 1 | Method 2 | Method 3 |
|-----|-----|-------------|--------|----------|----------|----------|
| 1 | Reduce overall reported Index Crime (Reduction from 2012 baseline) | 5% | 4.3% | 86% | 86% | 0.5 |
| 2 | Reduce reported House Break-Ins (Reduction from 2012 baseline) | 5% | 6.5% | 130% | 100% | 1.0 |
| 3 | Develop New Safety Perception Index | 100% | 100% Outcome: 47%* | 100% | 100% | 1.0 |
| 4 | Increase investigation papers opened brought to trial | 35% | 38.2% | 109% | 100% | 1.0 |
| 5 | Public satisfaction with police front-line performance | 70% | 85.7% | 122% | 100% | 1.0 |
| | **TOTAL** | | | **110%** | **97%** | **90%** |

## FIGHTING CORRUPTION

| No. | KPI | Target (FY) | Actual | Method 1 | Method 2 | Method 3 |
|-----|-----|-------------|--------|----------|----------|----------|
| 1 | *Indeks Prestari Integriti Nasional* (IPIN) Corruption Index Score | 6.9 | 6.8 | 99% | 99% | 0.5 |
| 2 | Transparency International (TI) - Global Corruption Barometer (GCB) score | 60% | 31% | 52% | 52% | 0.5 |
| 3 | TI - Corruption Perception Index (CPI) score | 55 | 50 | 91% | 91% | 0.5 |
| 4 | Increase conviction rate for corruption cases | 80% | 84.1% | 105% | 100% | 1.0 |
| 5 | Complete prosecution of corruption cases within 1 year | 85% | 81.8% | 96% | 96% | 0.5 |
| 6 | Amendment of Societies Act 1966 to be tabled in Parliament and Regulations to be gazetted and made effective to further regulate political financing | 100% | 0 | 0% | 0% | 0.0 |
| 7 | Tabling of AuG Report in every Parliament Session | 100% | 66.7% | 67% | 67% | 0.5 |
| 8 | To publish direct negotiation contracts online:<br><br>i. Technical<br>ii. Emergency<br>iii. Bumiputra<br>*Excluding Strategic and Security | 100% | 100% | 100% | 100% | 1.0 |

* This Safety Perception Index outcome (47%) will act as 2013's baseline for 2014. This number indicates that 47% of those surveyed felt safe living in Malaysia.

| No. | KPI | Target (FY) | Actual | Method 1 | Method 2 | Method 3 |
|---|---|---|---|---|---|---|
| 9 | Set up of Corruption Prevention Secretariats (*Sekretariat Pencegahan*) in 27 Teachers Training Colleges (*Institut Pendidikan Guru*) | 27 | 27 | 100% | 100% | 1.0 |
| 10 | Percentage of Member of Parliament (MP) attendance at the Integrity Training for MPs | 50% | 33% | 66% | 66% | 0.5 |
| | **TOTAL** | | | **78%** | **77%** | **60%** |

# GLOSSARY

## #

| | |
|---|---|
| **10MP** | 10th Malaysia Plan |
| **1AZAM** | Akhiri Zaman Miskin |

## A

| | |
|---|---|
| **AADK** | Agensi Anti-Dadah Kebangsaan (National Anti-Drug Agency) |
| **ADB** | Asian Development Bank |
| **AES** | Automated Enforcement System |
| **AFC** | Automated Fare Collection |
| **AGC** | Attorney General Chambers |
| **AIM** | Amanah Ikhtiar Malaysia |
| **AKPK** | Agensi Kaunseling dan Pengurusan Kredit (The Credit Counselling and Debt Management Agency) |
| **Anti-COR NKRA** | Anti-Corruption National Key Result Area |
| **ASEAN** | Association of Southeast Asian Nations (ASEAN) |
| **ATP** | Automatic Train Protection |
| **AUP** | Agreed-upon procedures |

## B

| | |
|---|---|
| **BB1M** | Bantuan Buku 1Malaysia |
| **BET** | Bus Expressway Transit |
| **BFR** | Big Fast Results |
| **BHEUU** | Bahagian Hal Ehwal Undang-undang (Legal Affairs Division) |
| **BLT** | Balai League Table |
| **BPH** | Bahagian Pengurusan Hartanah (Property Management Division) |
| **BPI** | Bribe Payer Index |
| **BR1M** | Bantuan Rakyat 1Malaysia |
| **BRT** | Bus Rapid Transit |

## C

| | |
|---|---|
| **CBD** | Central Business District |
| **CCI** | Communications Content and Infrastructure |
| **CCSC** | Care and Cure Service Centre |
| **CCTV** | Closed-circuit television |
| **CEFR** | Common European Framework of Reference for Languages |
| **CF** | Certificates of Fitness |
| **CIDB** | Construction Industry Development Board |
| **CIP** | Corporate Integrity Pledge |
| **CISM** | Corporate Integrity System Malaysia |
| **COL NKRA** | Cost of Living National Key Result Area |
| **COMBI** | Communication for Behavioural Impact |
| **CPC** | Certificate of Practical Completion |
| **CPI** | Corruption Perceptions Index |
| **CPO** | Chief Police Officer |
| **CPTED** | Crime Prevention Through Environmental Design |
| **CRI NKRA** | Reduction of Crime National Key Result Area |
| **CSI** | Corporate social investment |
| **CSO** | Community Service Organisation |
| **CSR** | Corporate Social Responsibility |
| **CSRM** | Customer Service Rating Machines |
| **CTSS** | Centralised Taxi Service System |

## D

| | |
|---|---|
| **DBKL** | Dewan Bandaraya Kuala Lumpur (Kuala Lumpur City Hall) |
| **DIG** | Deputy Inspector General |
| **DMO** | Delivery Management Office |
| **DoS** | Department of Statistics |
| **DTF** | Delivery Task Force |

# E

| | |
|---|---|
| **ECCE** | Early Child Care Education |
| **EDU NKRA** | Education National Key Result Area |
| **EIU** | Economist Intelligence Unit |
| **EO** | Emergency Ordinance |
| **EPP** | Entry Point Projects |
| **EPU** | Economic Planning Unit |
| **ERL** | Express Rail Link |
| **ETP** | Economic Transformation Programme |

# F

| | |
|---|---|
| **FDI** | Foreign direct investment |
| **FELDA** | Federal Land Development Authority |
| **FLET** | Financial Literacy Education Training |
| **FMCG** | Fast-moving consumer goods |

# G

| | |
|---|---|
| **GCB** | Global Corruption Barometer |
| **GCR** | Global Competitiveness Report |
| **GDP** | Gross Domestic Product |
| **GIS** | Geographical information system |
| **GMM** | Global Movement of Moderates |
| **GNI** | Gross National Income |
| **GPI** | Global Peace Index |
| **GPS** | Global Positioning System |
| **GTP** | Government Transformation Programme |

# H

| | |
|---|---|
| **HAB** | Hentian Akhir Bandar |
| **HDPE** | High-density polyethylene |
| **HDR 2011** | Human Development Report 2011 |
| **HOTS** | Higher Order Thinking Skills |
| **HPS** | High Performing School |

# I

| | |
|---|---|
| **ICT** | Information Communications Technology |
| **ICPS** | Integrated Cashless Payment System |
| **ICU** | Implementation Coordination Unit |
| **IDEAS** | Institute of Democracy and Economic Affairs |
| **IGP** | Inspector General of Police |
| **IIM** | Institute of Integrity Malaysia |
| **ILU** | International Liaison Unit |
| **IO** | Investigating Officer |
| **IPIN** | Indeks Persepsi Integriti Nasional (National Integrity Perception Index) |
| **IPG** | Institut Pendidikan Guru (Teachers Training Institute) |
| **IPR** | International Performance Review |
| **IRB** | Inland Revenue Board |
| **ITT** | Integrated Transport Terminal |
| **ITT BTS** | Integrated Transport Terminal Bandar Tasik Selatan (also known as Terminal Bersepadu Selatan) |

# J

| | |
|---|---|
| **JAIS** | Jabatan Agama Islam Selangor |
| **JAKOA** | Jabatan Kebajikan Orang Asli (Orang Asli Welfare Department) |
| **JHEV** | Jabatan Hal Ehwal Veteran Angkatan Tentera Malaysia |
| **JKJR** | Road Safety Department |
| **JKM** | Social Welfare Department |
| **JKR** | Public Works Department |
| **JNJK** | School Inspectorate of Malaysia |
| **JNJK** | Jemaah Nazir dan Jaminan Kualiti (School Inspectorate) |
| **JPA** | Jabatan Perkhidmatan Awam Malaysia (Public Service Department of Malaysia) |
| **JPAM** | Jabatan Pertahanan Awam Malaysia (Malaysian Civil Defence Department) |
| **JPBD** | Town and Country Planning Department |
| **JPJ** | Jabatan Pengangkutan Jalan Malaysia (Road Transport Department) |
| **JPM** | Jabatan Penjara Malaysia (Prison Department of Malaysia) |

| | |
|---|---|
| **JPNIN** | Jabatan Perpaduan Negara dan Integrasi (Department of National Unity and Integration) |
| **JPPJ** | Jabatan Pencegahan dan Pembanterasan Jenayah (Department of Crime Prevention and Suppression) |
| **JPW** | Jabatan Pembangunan Wanita |
| **JTK** | Labour Department |

# K

| | |
|---|---|
| **K1M** | Klinik 1Malaysia |
| **KAR1SMA** | 1Malaysia Rakyat Welfare Programme |
| **KBS** | Kementerian Belia dan Sukan Malaysia (Ministry of Youth and Sports) |
| **KDN** | Ministry of Home Affairs |
| **KEDA** | Lembaga Kemajuan Wilayah Kedah |
| **KEDAP** | Kelas Dewasa Untuk Orang Asli dan Penan (Adult Classes for Orang Asli and Penan) |
| **KEJORA** | Lembaga Kemajuan Johor Tenggara |
| | Lembaga Kemajuan Kelantan Selatan |
| **KEMAS** | Department of Community Development |
| **KETENGAH** | Lembaga Kemajuan Terengganu Tengah |
| **KeTTHA** | Ministry of Energy, Green Technology and Water |
| **KK1M** | Kedai Kain Rakyat 1Malaysia |
| **KKLW** | Kementerian Kemajuan Luar Bandar dan Wilayah (Ministry of Rural and Regional Development) |
| **KKMM** | Ministry of Communication and Multimedia |
| **KPI** | Key Performance Indicator |
| **KPKT** | Kementerian Perumahan dan Kerajaan Tempatan (Ministry of Housing and Local Government) |
| **KPWKM** | Kementerian Pembangunan Wanita, Keluarga dan Masyarakat (Ministry of Women, Family and Community Development) |
| **KR1M** | Kedai Rakyat 1Malaysia |
| **KSN** | Chief Secretary to the Government |
| **KTMB** | Keretapi Tanah Melayu Berhad |
| **KWPKB** | Kementerian Wilayah Persekutuan dan Kesejahteraan Bandar (Ministry of Federal Territories and Urban Wellbeing) |

# L

| | |
|---|---|
| **LIH** | Low-Income Households |
| **LIH NKRA** | Low Income Households National Key Result Area |
| **LINUS** | Literacy and Numeracy Screening |
| **LPG** | Liquid petroleum gas |
| **LPPKN** | National Population and Family Development Board |
| **LRT** | Light Rail Transit |

# M

| | |
|---|---|
| **MACA** | Malaysian Anti-Corruption Academy |
| **MACC** | Malaysian Anti-Corruption Commission |
| **MAMPU** | Malaysia Administrative Modernisation and Management Planning Unit |
| **MARDI** | Malaysian Agricultural Research and Development Institute |
| **MARRIS** | Malaysia Road Record Information System |
| **MCAD** | Mobile Computerise Access Devices |
| **MCPF** | Malaysian Crime Prevention Foundation |
| **MBPJ** | Majlis Bandaraya Petaling Jaya |
| **MBSA** | Majlis Bandaraya Shah Alam |
| **MDHS** | Majlis Daerah Hulu Selangor |
| **MDKL** | Majlis Daerah Kuala Langat |
| **MDKS** | Majlis Daerah Kuala Selangor |
| **MDTCC** | Ministry of Domestic Trade, Cooperatives and Consumerism |
| **MEB** | Malaysian Education Blueprint |
| **MITI** | Ministry of International Trade and Industry |
| **MKPI** | Ministerial Key Performance Indicator |
| **MKRA** | Ministerial Key Result Area |
| **MoA** | Ministry of Agriculture and Agro-Based Industry |
| **MoE** | Ministry of Education |
| **MoF** | Ministry of Finance |
| **MoH** | Ministry of Health |
| **MOHA** | Ministry of Home Affairs |
| **MOSTI** | Ministry of Science, Technology and Innovation |
| **MOT** | Ministry of Transport |
| **MP** | Member of Parliament |

| | |
|---|---|
| **MPIC** | Ministry of Plantation Industries and Commodities |
| **MRCB** | Malaysian Resources Corporation Berhad |
| **MRR2** | Middle Ring Road 2 |
| **MRT** | Mass Rapid Transit |

# N

| | |
|---|---|
| **NBOS** | National Blue Ocean Strategy |
| **NBTS** | New Bus Ticketing System |
| **NEM** | New Economic Model |
| **NGO** | Non-governmental organisations |
| **NKEA** | National Key Economic Area |
| **NKPI** | National Key Performance Indicator |
| **NKRA** | National Key Result Area |
| **NPCS** | National Pre-school Curriculum Standard |
| **NPE** | New Pantai Expressway |
| **NUTP** | National Union of the Teaching Profession |

# O

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|---|---|
| **OBB** | Outcome-Based Budgeting |
| **OCPDs** | Officer-in-Charge of Police District |

# P

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|---|---|
| **PAC** | Public Action Committee |
| **PACOS** | Partners of Community Organisations |
| **PADU** | Education Performance and Delivery Unit |
| **PBT** | Pihak Berkuasa Tempatan (Local Municipal Councils) |
| **PCA** | Prevention of Crime Act 1959 |
| **PDRM** | Polis DiRaja Malaysia (Royal Malaysian Police Force) |
| **PEMANDU** | Performance Management and Delivery Unit |
| **PERHEBAT** | Perbadanan Hal Ehwal Angkatan Tentera |
| **PGA** | Pasukan Gerak Am |
| **PIAM** | Persatuan Insurans Am Malaysia (General Insurance Association of Malaysia) |
| **PIS** | Passenger Information Systems |
| **PISA** | Programme for International Student Assessment |

| | |
|---|---|
| **PMhS** | Performance Monitoring hub System |
| **PPD** | District Education Office (Pejabat Pelajaran Daerah) |
| **PPP** | Public-Private Partnership Unit |
| **PR1MA** | Projek Rumah 1Malaysia |
| **PUSPEN** | Pusat Pemulihan Penagihan Narkotik |
| **PVR** | Police Volunteer Reserve |
| **PwC** | PricewaterhouseCoopers Malaysia |

# R

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|---|---|
| **RBB** | Results-Based Budgeting |
| **RBI** | Rural Basic Infrastructure |
| **RBM** | Results-Based Management |
| **RD NKRA** | Rural Development National Key Result Area |
| **RELA** | Ikatan Relawan Rakyat Malaysia (People's Volunteer Corps) |
| **RISDA** | Rubber Industry Smallholders Development Authority |
| **RoS** | Registrar of Societies Malaysia |
| **RTC** | Rural Transformation Centre |
| **RTD** | Road Transport Department |
| **RTM** | Radio Television Malaysia |
| **RUTF** | Ready to Use Therapeutic Food |

# S

| | |
|---|---|
| **SAIDI** | System Average Interruption Duration Index |
| **SAPS** | Sistem Analisis Peperiksaan Sekolah (School Examination Analysis System) |
| **SCMS** | Safe City Monitoring System |
| **SCP** | Safe City Programme |
| **SEB** | Sabah Electricity Board |
| **SEN** | Special Education Needs |
| **SESCO** | Sarawak Energy Supply Corporation |
| **SIP** | School Improvement Programme |
| **SIT** | School Improvement Toolkit |
| **SKPK** | National Pre-school Standard Quality |
| **SME** | Small and Medium Enterprises |
| **SMPK** | Sistem Maklumat Prasekolah Kebangsaan |

| | |
|---|---|
| **SPAD** | Suruhanjaya Pengangkutan Awam Darat (Land Public Transport Commission) |
| **SPIKES** | Sistem Pengurusan Integrasi Kawalan Efektif Substen |
| **SPM** | Sijil Pelajaran Malaysia |
| **SPNB** | Syarikat Perumahan Negara Berhad |
| **SPRINT** | Sistem Penyuraian Trafik KL Barat Sdn Bhd |
| **SPU** | Sarawak State Planning Unit |
| **SRS** | Skim Rondaan Sukarela |

# T

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|---|---|
| **TI** | Transparency International |
| **TI-M** | Transparency International Malaysia |
| **TIMSS** | Trends in International Mathematics and Science Study |
| **TLDM** | Tentera Laut DiRaja Malaysia (Malaysia's Royal Navy) |
| **TNB** | Tenaga Nasional Berhad |
| **TUKAR** | Transformasi Untuk Kedai Runcit |

# U

| | |
|---|---|
| **UAC** | United Against Crime Campaign |
| **UI** | Unified Instrument |
| **UKAS** | Public-Private Partnership Unit |
| **UNDP** | United Nation Development Programme |
| **UNWTO** | World Tourism Organisation |
| **UPEN** | Sabah Sabah State Economic Planning Unit |
| **UPT** | Urban Public Transport |
| **UPT NKRA** | Urban Public Transport National Key Result Area |
| **URB** | Unit Rondaan Bermotosikal |
| **UTC** | Urban Transformation Centre |

# V

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|---|---|
| **VPS** | Voluntary Patrol Scheme |
| **VTREC** | Vehicle Theft Reduction Council of Malaysia |

# W

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|---|---|
| **WCP** | World Class Policing |
| **WEF** | World Economic Forum |
| **WJP** | World Justice Project |

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Ministry of Education (MoE)

Ministry of Finance (MoF)

Ministry of Health (MoH)

Department of Higher Education

Perumahan Rakyat 1Malaysia (PR1MA) Berhad

## IMPROVING RURAL DEVELOPMENT

Department of Agriculture (DoA)

Department of Statistics (DoS)

Economic Planning Unit, Sabah

Federal Land Consolidation and Rehabilitation Authority (FELCRA)

Implementation and Coordination Unit (ICU)

Lembaga Kemajuan Johor Tenggara (KEJORA)

Lembaga Kemajuan Kelantan Selatan (KESEDAR)

Melaka State Government

Ministry of Finance (MoF)

Ministry of Rural and Regional Development (KKLW)

Ministry of Rural Development, Sabah

Ministry of Rural Development, Sarawak

Ministry of Toursim and Culture Malaysia (MOTAC)

National Water Services Commission

Office of the Sabah State Secretary

Office of the Sarawak State Secretary

Perak State Government

Perbadanan Labuan

Public Works Department (JKR), Malaysia

Public Works Department (JKR), Sabah

Public Works Department (JKR), Sarawak

Sabah Economic Development and Investment Authority (SEDIA)

Sabah Electricity Sdn. Bhd.

Sabah State Government

Sarawak Corridor of Renewable Energy (SCORE)

Sarawak Energy Berhad

Sarawak State Government

Sibu Water Board

State Water Department, Sabah

Tenaga Nasional Berhad (TNB)

## IMPROVING URBAN PUBLIC TRANSPORT

Ampang Jaya Municipal Council

Property and Land Management Division (BPH), Prime Minister's Department

Economic Planning Unit (EPU), Prime Minister's Department

Express Rail Link Sdn Bhd

Kajang Municipal Council (MPKJ)

Klang Municipal Council (MPK)

Keretapi Tanah Melayu Berhad (KTMB)

Kuala Lumpur City Hall (DBKL)

Land Public Transport Commission (SPAD)

Local Government Department (JKT)

Malaysian Highway Authority (LLM)

Malaysian Resources Corporation Berhad (MRCB)

Mass Rapid Transit Corporation Sdn Bhd (MRT Corp)

Ministry of Finance (MoF)

Ministry of Transport (MoT)

Ministry of Works (KKR)

Public Private Partnership Unit (UKAS)

Railway Asset Corporation (RAC)

Road Transport Department Malaysia (JPJ)

Road Safety Department (JKJR)

Shah Alam City Council (MBSA)

Selayang Municipal Council (MPS)

Sepang Municipal Council (MPSepang)

Subang Jaya Municipal Council (MPSJ)

State Economic Planning Unit (UPEN) Selangor

Syarikat Prasarana Negara Berhad (SPNB)

Touch 'n Go Sdn Bhd (TNGSB)

Urusbudi TRANSPLAN Sdn Bhd

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Agensi Kaunseling dan Pengurusan Kredit (AKPK) / The Credit Counselling and Debt Management Agency

Amanah Ikhtiar Malaysia (AIM)

Economic Planning Unit (EPU), Prime Minister's Department

Ministry of Health (MoH)

Ministry of Human Resources (MoHR)

EPIC Homes

Jabatan Kemajuan Orang Asli (JAKOA) / Department of Orang Asli Development, Ministry of Rural and Regional Development

Ministry of Agriculture and Agro-Based Industry

Ministry of Federal Territories and Urban Well-Being (MoA)

Ministry of Rural and Regional Development (KKLW)

Ministry of Women, Family and Community Development (KPWKM)

Sabah State Development Office

Sarawak State Development Office

Sarawak State Planning Unit

Office of the State Secretary, Sabah

Office of the State Secretary, Sarawak

Ministry of Rural Development, Sabah

Ministry of Agriculture and Food Industry, Sabah

Syarikat Perumahan Negara Berhad (SPNB)

Sarawak State Government

Sabah State Government

Implementation Coordination Unit (ICU), Prime Minister's Department

## ASSURING QUALITY EDUCATION

Cambridge ESOL, University of Cambridge, UK

Community Development Department (KEMAS)

Department of National Unity and Integration (JPNIN)

Department of Social Welfare (JKM)

District Education Offices

Early Childhood Care and Education (ECCE) Council

Implementation Coordination Unit (ICU), Prime Minister's Department

International Islamic University Malaysia

Ministry of Education (MoE)

Ministry of Health (MoH)

Public Service Department of Malaysia (JPA)

Pusat Asuhan Tunas Islam (PASTI)

SeDidik Sdn. Bhd., subsidiary of Sarawak Economic Development Corporation (SEDC)

Sekolah Menengah Seri Kembangan

State Education Offices

Yayasan Sabah

## REDUCING CRIME

Attorney General's Chambers (AGC)

Chief Registrar's Office, Federal Courts of Malaysia

Department of Information

Department of National Unity and Integration

Federal Department of Town and Country Planning

Immigration Department of Malaysia

Kuala Lumpur City Hall (DBKL)

Legal Affairs Division (BHEUU)

Malaysia Civil Defence Department

Ministry of Finance (MoF)

Ministry of Health (MoH)

Ministry of Home Affairs (MoHA)

Ministry of Housing and Local Government (KPKT)

Ministry of Information, Communications and Culture (KPKK)

Ministry of Youth and Sports (KBS)

National Anti-Drug Agency (AADK)

The People's Volunteer Corps (RELA)

Prisons Department of Malaysia

Public Service Department of Malaysia (JPA)

Royal Malaysian Customs Department

Royal Malaysian Police Force (PDRM)

Sarawak State Government

## FIGHTING CORRUPTION

American Malaysian Chamber of Commerce (AMCHAM)

Attorney General's Chambers (AGC)

Auditor General's Department

Bursa Malaysia Berhad

Central Bank of Malaysia (BNM)

Chief Registrar's Office, Federal Court Of Malaysia

Companies Commission of Malaysia (SSM)

Economic Planning Unit (EPU), Prime Minister's Department

Election Commission of Malaysia (SPR)

Embassy of the United States

High Commission of India

Institute for Democracy and Economic Affairs (IDEAS)

Immigration Department Malaysia

Implementation Coordination Unit (ICU), Prime Minister's Department

Institute of Integrity Malaysia (IIM)

Legal Affairs Division, Prime Minister's Department (BHEUU)

Local Government Department, Ministry of Housing and Local Government (KPKT)

Malaysia Administrative Modernisation and Management Planning Unit (MAMPU)

Malaysian Anti-Corruption Academy (MACA)

Malaysian Anti-Corruption Commission (MACC)

Malaysian Bar

Malaysian Communications and Multimedia Commission (MCMC)

Malaysia Institute Of Corporate Governance (MICG)

Malaysian National News Agency

Media Prima

Ministry of Finance (MoF)

Ministry of Foreign Affairs (KLN)

Ministry of Home Affairs (KDN)

Ministry of Housing and Local Government (KPKT)

Ministry of Communications and Multimedia Malaysia (KKMM)

Ministry of International Trade and Industry (MITI)

Ministry of Works

National Audit Department

National Institute of Public Administration (INTAN)

National Security Council (MKN)

Public-Private Partnership Unit (UKAS)

Public Services Commission Malaysia (SPA)

Public Service Department of Malaysia (JPA)

Public Works Department (JKR)

Radio Television Malaysia (RTM)

Registrar of Societies Malaysia (ROS)

Road Transport Department Malaysia (JPJ)

Royal Malaysian Customs Department
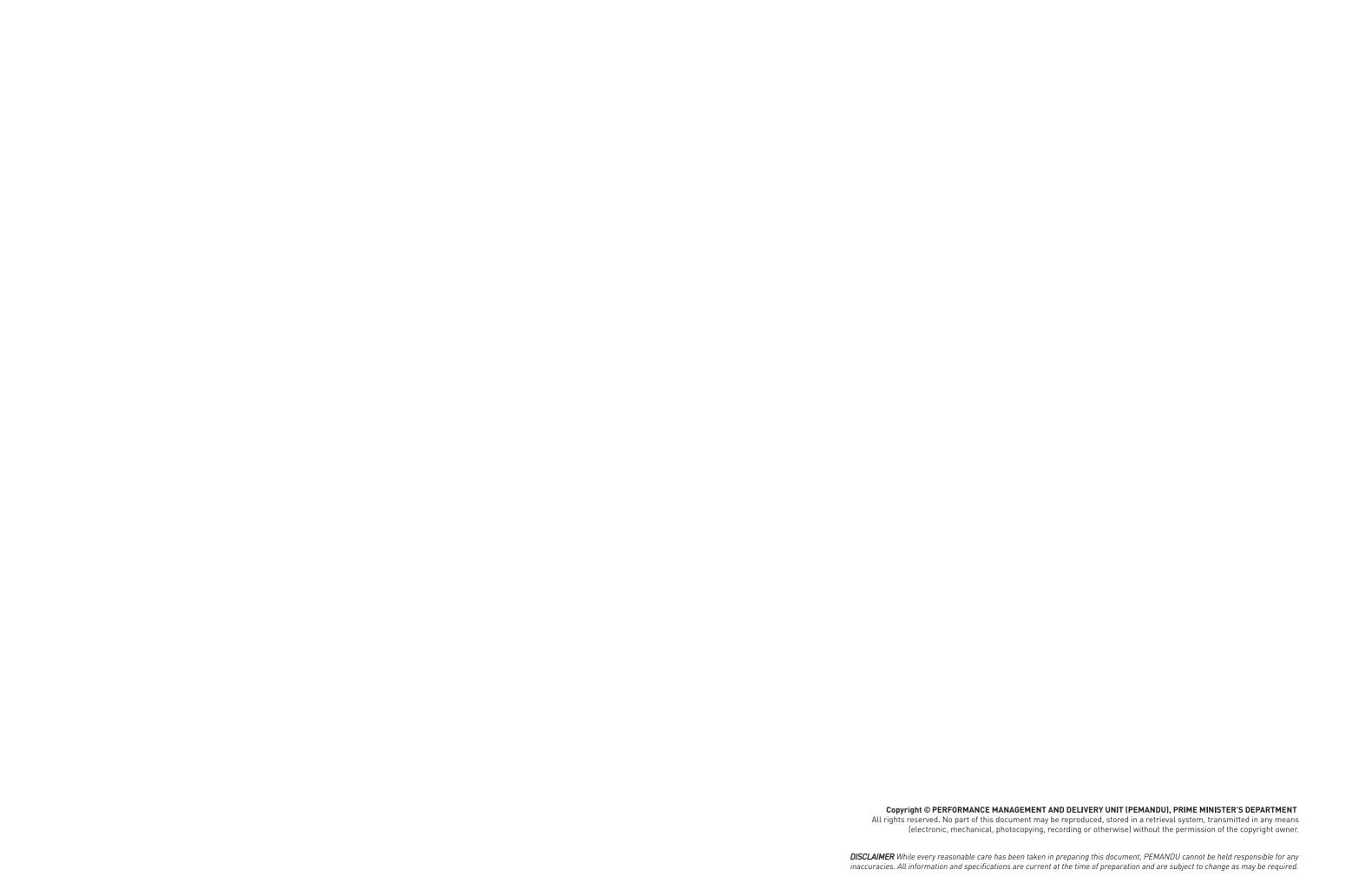
Royal Malaysian Police Force (PDRM)

Securities Commission Malaysia

Socio-Economic Research Centre (SERC)

Transparency International, Malaysia (TI-M)

United Nation Development Programme (UNDP)

The Malaysian-German Chamber of Commerce and Industry (MGCC)

NO
CORRUPTION