GTP and ETP Updates

Mesyuarat Menteri Besar Dan Ketua Menteri Ke 117

YB Senator Dato’ Sri Idris Jala

Minister in the Prime Minister’s Department
And CEO of Performance Management and Delivery Unit (PEMANDU)
NEW ECONOMIC MODEL:
Making Us A **Rich Country**, For **Everyone** & For A **Long Time**

- **High-Income**
  - Target USD 15,000 GNI per capita by 2020

- **Inclusiveness**
  - Enables all communities to benefit from the wealth of the country

- **Sustainability**
  - Meets present needs without compromising future generations

**Quality of Life**
GTP: Where are we now?

GTP1.0 Roadmap launched on 28 January 2010

GTP2.0 Roadmap launched on 15 September 2012

GTP1.0 2010-2012

GTP2.0
GTP2.0: 2013-2015
ETP: Where are we now?

2 years have passed (2011, 2012):
Rigorous execution and monitoring,
Progress updates, Problem Solving
Meetings

25 October 2010:
ETP Roadmap launched

30 March 2010:
NEM was announced by YAB PM

TODAY

2020
1. Strategic Direction
   Multiple Cabinet retreats to ascertain the direction needed/1000 person workshop

2. Labs
   Establish in detail what needs to be done

3. Open Day
   Share lab output with people and seek their feedback

4. GTP / ETP Roadmap
   Tell the people what we are going to do

5. KPI targets
   Setting KPIs for the whole Cabinet

6. Implementation
   Problem solving, on the ground implementation

7. IPR / Audit
   External validation on results achieved

8. Annual Report
   Tell the people what we have delivered

We are the only Government who is doing all of the above
3 year Results (phase 1)
Crime NKRA: Continued significant reduction in Index Crime

<table>
<thead>
<tr>
<th>Year</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>157,365</td>
<td>196,780</td>
<td>209,582</td>
<td>211,645</td>
<td>209,817</td>
<td>177,520</td>
<td>157,891</td>
<td>153,669</td>
</tr>
</tbody>
</table>

27% Reduction in 3 years
Corruption

Building Blocks showing encouraging results

Whistleblower Protection

- 11,665 Applications received
- 96 Awarded protection

Integrity Pacts

- 1,172 corruption offenders published in MACC website
- 142,268 Integrity Pacts have been signed

Naming & Shaming

- 6,688 government contracts published online

Corruption Courts

- 14 corruption courts Processed
- 496 cases

Political Financing

- Political Financing methods announced by Prime Minister

Improved Transparency International Results

Malaysia’s CPI Ranking:
2011: 60
2012: 54

* Score under new methodology is 49/100
4.3 million Malaysians in rural areas benefited in between 2010 to 2012

- **3,349 km of rural roads** have been completed
- **287,148** rural houses with clean/water supply
- **2.2 million people**
- **1.4 million people**
- **95,300** rural houses with electricity supply
- **480,000 people**
- **50,041 houses for rural poor** build & restored
- **250,000 people**

Touching the lives of more than **4.3 million people** living in the rural area in 3 years
### Key results for UPT from 2010-2012

<table>
<thead>
<tr>
<th>Category</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Bus</strong></td>
<td>• 470 new RapidKL buses stops</td>
</tr>
<tr>
<td></td>
<td>• 9 BET corridors</td>
</tr>
<tr>
<td></td>
<td>• 1374 new / refurbished bus stops</td>
</tr>
<tr>
<td></td>
<td>• Launch of GO-KL bus service</td>
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<tr>
<td></td>
<td>• Pasar Seni city bus terminus (HAB) begins operations</td>
</tr>
<tr>
<td><strong>Rail</strong></td>
<td>• 35 four car-sets injected into LRT Kelana Jaya line. AM Peak headway is less than 3 mins</td>
</tr>
<tr>
<td></td>
<td>• 37 six car-sets injected into KTM Komuter service. AM Peak headway is reduced from 30 to 15 mins</td>
</tr>
<tr>
<td><strong>Integration</strong></td>
<td>• ITT Bandar Tasik Selatan and IUTT Pudu Sentral begins operation</td>
</tr>
<tr>
<td></td>
<td>• 6,800 additional parking bays completed within KL rail network</td>
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<tr>
<td></td>
<td>• Single ticket journey made available between LRT KJ / Ampang lines</td>
</tr>
<tr>
<td><strong>Network</strong></td>
<td>• Heavy vehicles are restricted from CBD during peak hours</td>
</tr>
<tr>
<td></td>
<td>• Performance management hub system (PMHS) completed with ability to monitor over 1,500 buses within Klang Valley</td>
</tr>
</tbody>
</table>
Significant improvement in student/school performance

From 2009 to 2011...

- **66% reduction** of Band 6 & 7 schools
- **57% increase** of Band 1 & 2 schools
- **Zero** Band 7 secondary school
- **216 (2.35%)** schools are Band 6 & 7 in 2011

The successes enjoyed by SIP in GTP 1.0 can be credited to the following initiatives...

- **School Improvement Toolkit**
  - A self-help tool to equip principals identify weaknesses in their schools

- **School Improvement Partners**
  - 244 leaders guide principals in low performing schools

- **Specialist Coaches**
  - 217 excellent teachers facilitate teachers in low performing schools

- **School Examination Analysis System**
  - National level web-based data system for all public schools
Results have been encouraging!

<table>
<thead>
<tr>
<th>Category</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reducing Crime</td>
<td>121%</td>
<td>131%</td>
<td>109%</td>
</tr>
<tr>
<td>Anti-Corruption</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Rural Basic Infrastructure</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Urban Public Transport</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Low Income Household</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Education</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Cost of Living</td>
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</tbody>
</table>

Overall composite scoring
What is next in GTP2.0?

1. GTP 1 initiatives that continues in GTP2.0
   - eg. Maintenance of Rural Basic Infra built under GTP1.0, Political Financing

2. Expansion of the existing GTP 1 success
   - eg. Increasing curriculum & assessments to international standards (Edu NKRA), Involve NGOs to assist in LIH NKRA

3. New ground breaking initiatives
   - eg. 21st Century Village (Rural Development NKRA), Online tracking system for police reports (Crime NKRA)
2 year Results (2011 - 2012)
Malaysia’s target of becoming a high income nation by 2020

2009 GNI
USD 6,700

2020 GNI Target
USD 15,000

Nominal GNI (USD)
Recap of how GNI target was derived

1. Took World Bank’s current threshold for high income economy
   **US$12,476**

2. World Bank’s published historical global inflation figure
   **2%**

**Projection**: **US$15,000** in 2020
To Become A **High-Income Nation**, We Need:

**COMPETITIVENESS**

We Need “Enablers”
To Ensure Competitiveness

- **SRIs**
  - 51 Strategic Reform Initiatives

&

**FOCUS**

We need “Drivers” to ensure focus on high-impact areas

- **NKEAs**
  - 12 National Key Economic Areas
Competition Act
Enforced on 1 January 2012
Remove Anti-Competitive Agreements
Remove Abuse Of A Dominant Position
Liberalisation
Of Sub-Sectors
Up to 100% foreign equity participation will be allowed

15 sectors fully liberalised:
- Accounting/Taxation;
- Courier;
- Dental Specialist;
- Departmental & Specialty Stores;
- Incineration;
- Int’l Schools;
- Legal;
- Medical Specialist;
- Private Hospital;
- Private Universities;
- Skills Training;
- Telco ASP;
- Telco NFP & NSP;
- Technical & Vocational Schools;
- Technical & Vocational Schools (for special needs students);
MRT Making Good Progress

Work Package Tender Status

- Awarded
- In Progress
- To Be Called

- 53
  (RM22.31b)
- 24
- 8

NKEA: Greater KL
Pengerang Integrated Petroleum Complex (PIPC)

ILLUSTRATIVE

PETRONAS RAPID
- RM60 billion
- 6,500 acres
- Refinery
- Petrochemicals
- 2016 commissioning

Potential Investor B
- RM30 billion
- 4,000 acres
- Refinery
- Petrochemicals

Total Potential
- RM170+ billion of investment
- 22,000 acres of industrial area

DIALOG-VOPAK
- RM9 billion
- 500 acres reclaimed land
- Petroleum Terminal
- LNG Regasification Plant
- 2014 Phase 1 commissioning

Potential Investor A
- RM24 billion
- 2,000 acres
- Refinery
- Petrochemicals (future phase)

2020 GNI and Job creation from Oil & Gas investment in Pengerang
- 2020 GNI impact: RM17.7 Billion
- Total job creation: 8,500
Improving the Livelihood of more than 1000 Sundry Shop Owners - TUKAR

1,087 shops transformed since 2011
(519 in 2011 + 568 YTD in 2012)

~30% average revenue growth within several months post transformation of stores!
Progress To-Date

2011
110 Projects
Investment: RM179.2 b
GNI in 2020: RM129.5 b
Jobs: 313,741

2012
39 Projects
Investment: RM32.1 b
GNI in 2020: RM6.6 b
Jobs: 94,702

Total
149 Projects
Investment: RM211.3 b
GNI in 2020: RM136.1 b
Jobs: 408,443
Overall ETP Results

- Oil, Gas & Energy
- Palm Oil & Rubber
- Financial Services
- Agriculture
- Communications Content & Infra
- Healthcare
- Business Services
- Tourism
- Education
- Wholesale & Retail
- Electrical & Electronics
- Greater KL

2011: 123%
2012: 117%

12 NKEAs
11 sectors
1 Geography
Public Perception on GTP/ETP

- Insitut Integriti Malaysia*: 72% (sample size: 13,602)
  *GTP only

- Frost & Sullivan: 82% (sample size: 3,041)
GTP, ETP Results Endorsed By
An International Panel & Audit Firm

Key takeaway:
• Great Progress
• Innovative
• Exciting
• High impact

• Continue GTP/ETP Integration
• Transformation process is gathering global recognition

“Sustain the Momentum!”
Live on National TV:
19th March 2013, 8.30pm

GTP & ETP Annual Report Launch
Key Economic Indicators
2012 Results Benchmarked Against Targets

Target = RM884 billion
Target = RM127.9 billion

GNI (nominal figure)
RM903.8 bil (102%)

Private Investment
RM139.5 bil (109%) (Full Year)

2012 GNI per capita: $10,075

Source: Department of Statistics, Ministry of Finance

Note: 2009 GNI per capita: $6,700
2011 GNI figures are after rebasing by BNM/MoF (before rebase: $9,500)
On track to achieve GNI target for 2020

In 3 years!

50%

Source: Department of Statistics
Projections: PEMANDU team Analysis
Encouraging Growth!

Real GDP Growth % (YoY)

Source: Department of Statistics, various news portals

<table>
<thead>
<tr>
<th>Country</th>
<th>Q3 yoy</th>
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<tbody>
<tr>
<td>APAC consensus for Malaysia (in Jan 2012)</td>
<td>3.8</td>
</tr>
<tr>
<td>Thailand</td>
<td>3.0%</td>
</tr>
<tr>
<td>Singapore</td>
<td>1.3%</td>
</tr>
<tr>
<td>South Korea</td>
<td>1.6%</td>
</tr>
<tr>
<td>Taiwan</td>
<td>1.0%</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>1.3%</td>
</tr>
</tbody>
</table>
Private Investment Growth *tripled* since the start of ETP

Investment growth (%)

- **22%** in 2011
- **12.2%** in 2010
- **6.7% average** before 2010

*Start of ETP*
Gradual Reduction in Fiscal Deficit...

<table>
<thead>
<tr>
<th>Year</th>
<th>Fiscal Deficit</th>
<th>Target 2013</th>
<th>Target 2015*</th>
<th>2020 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>6.6%</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>2010</td>
<td>5.6%</td>
<td></td>
<td></td>
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<tr>
<td>2011</td>
<td>4.8%</td>
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<tr>
<td>2012</td>
<td>4.5%</td>
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<tr>
<td>2013</td>
<td></td>
<td>4%</td>
<td></td>
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<tr>
<td>2015*</td>
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<td>3%</td>
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As percentage of GDP

*2015 Target as per 10th Malaysia Plan
Case studies on ETP & GTP in Ivy League Universities

Title: Economic Transformation: All About Focus, Competitiveness, and Execution
Published: November 2012
Author: Prof Diego Comin/Ku Kok Peng

Title: TYING PERFORMANCE MANAGEMENT TO SERVICE DELIVERY: PUBLIC SECTOR REFORM IN MALAYSIA, 2009 – 2011
Published: July 2011
Author: Deepa Iyer

For download: http://www.princeton.edu/successfulsocieties/content/focusareas/CS/policynotes/view.xml?id=160
**ETP: Evidence of success**

1. 45% increase in GNI per capita in 2 years
2. 5.6% GDP growth during global economic slowdown  
   (Thailand 3.0%, Singapore 1.3%, South Korea 1.6%, Taiwan 1.0%)*  
3. Reduction in fiscal deficit from 6.6% in 2009 to 4.5% in 2012  
4. Record GDP/GNI ensured record Govt revenue (RM 207bil)  
5. Private investment growth tripled since start of ETP  
   Average growth from 2000-2010: 6.6%, 2011: 12.2%, 2012: 22%  
6. Record private investment 10-year high (RM 139.5bil)  
7. Record stock market performance (1,692.65pts on 4th Jan 2013)  
8. Top 3 years in total trade (RM1,530 bil)  
9. Record private consumption (RM439.5 bil)  

*All figures are from 2012  
*Q3 growth
Connection between ETP & GTP..

1. ECONOMIC TRANSFORMATION PROGRAMME
   - 12 NKEAs + 6 SRIs
   - Grow the economy
   - Increase revenue
   - Increase job / income

2. GOVERNMENT TRANSFORMATION PROGRAMME
   - 7 NKRAs
   - Spend the revenue based on rakyat needs
   - Distribute the revenue (BR1M, RBI & LIH)

We are doing both
Thank You