WEBINAR

RANCANGAN MALAYSIA KE-12

#KELUARGA MALAYSIA

RMK12

2021 – 2025

MALAYSIA MAKMUR, INKLUSIF, MAMPAN

KE ARAH MEREALISASIKAN RMKE-12

Dirasmikan oleh:
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(Ekonomi)

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Malaysian Rating Corporation Berhad

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22 NOVEMBER 2021

8.45 PAGI

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INSTITUT TADBIRAN AWAM NEGARA (INTAN)

WEBINAR RANCANGAN MALAYSIA KE-12

#KELUARGA MALAYSIA

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Pengarah Eksekutif
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MAJLIS TINDAKAN EKONOMI

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MALAYSIAN RATING CORPORATION BERHAD

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- YBhg. Prof. Tan Sri Dato' Seri Dr. Noor Azlan Ghazali
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MAJLIS TINDAKAN EKONOMI

Webinar Rancangan Malaysia Ke-12

Anjuran Institut Tadbiran Awam Negara (INTAN)

22 November 2021

*image courtesy of Google

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Malaysia Makmur, Inklusif, Mapan: Cabaran & Keutamaan RMk12

Noor Azlan Ghazali
Executive Director
Secretariat of Economic Action Council (EAC)
INTAN, 22 November, 2021

NAG

RMK12 at a Glimpse

RMK 11 Selected
119 Targets

38

81

59

CHALLENGES

RMK 12
Framework

3

THEMES

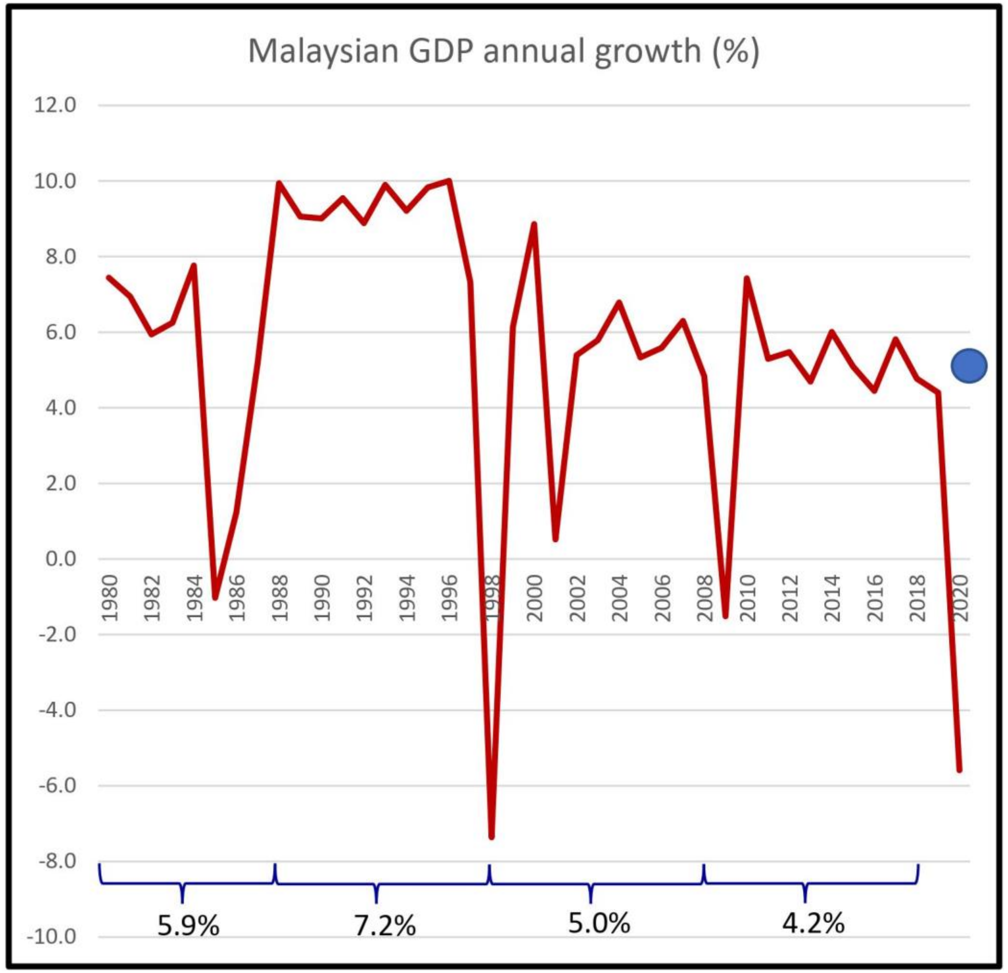
4

POLICY DRIVERS

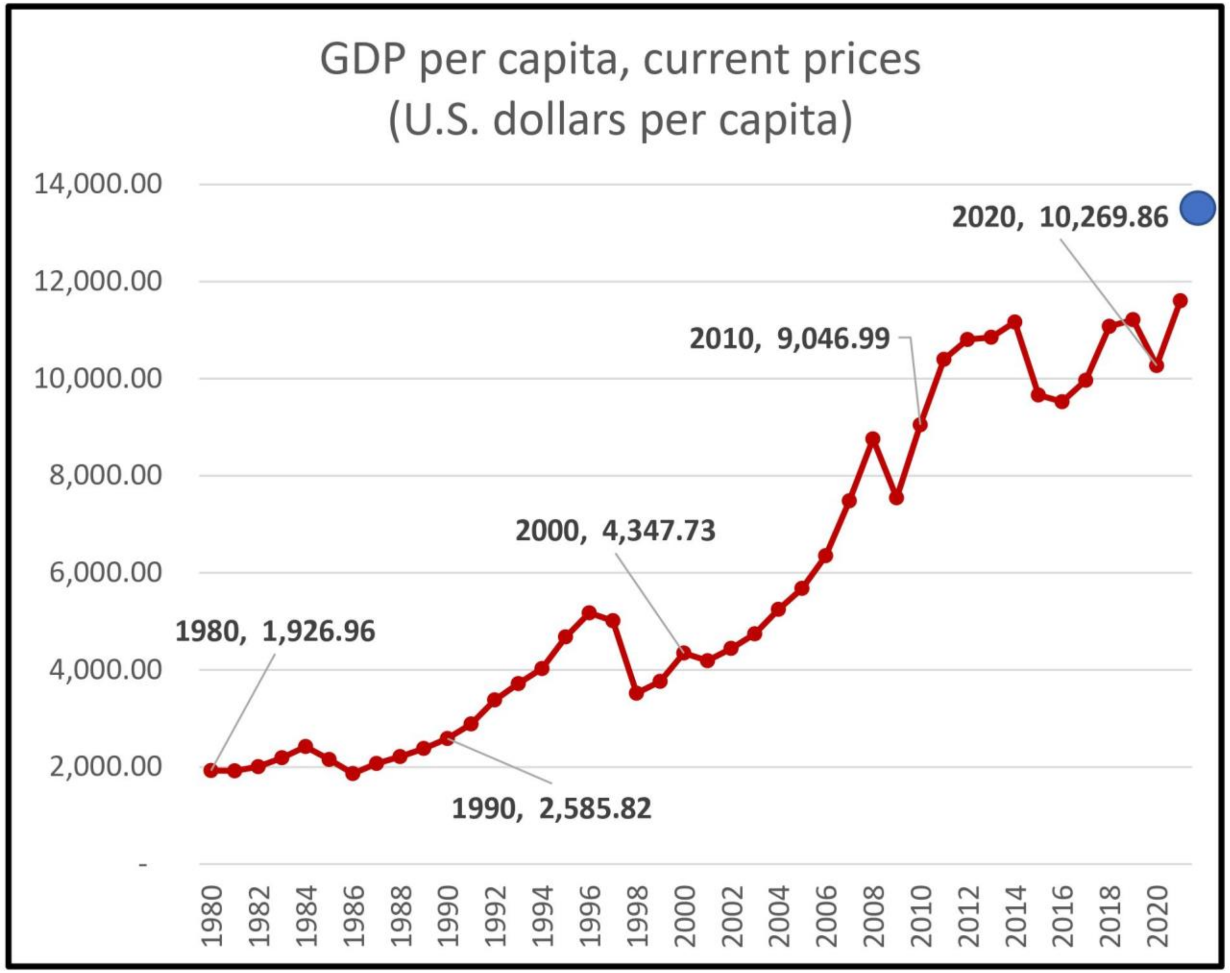
14

GAME CHANGERS

From 1980 to 2020, Malaysia recorded respectable GDP growth, averaging 5.6% annually, resulting in 5.3x multiplications in income per capita

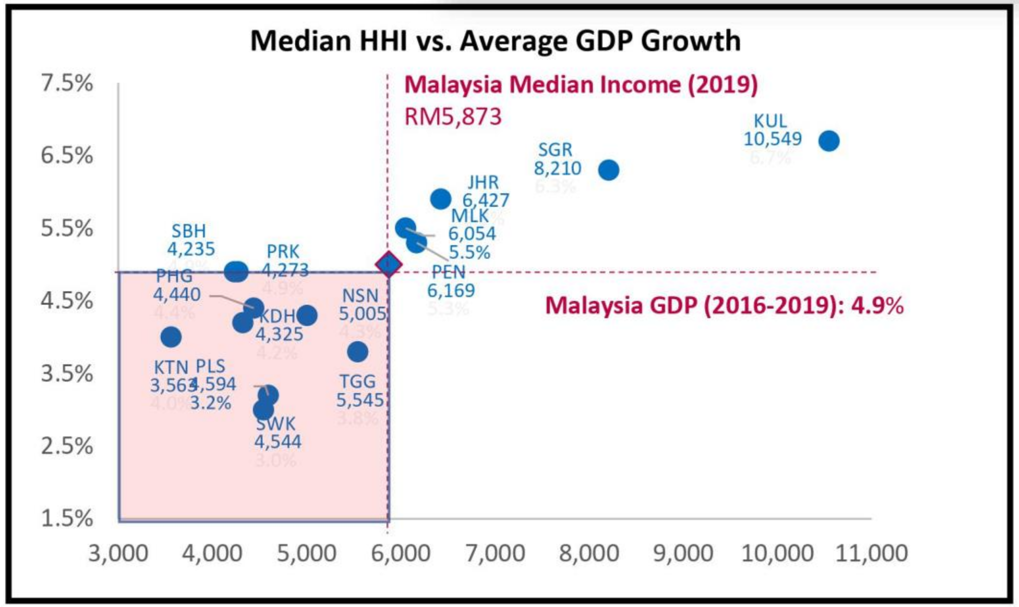


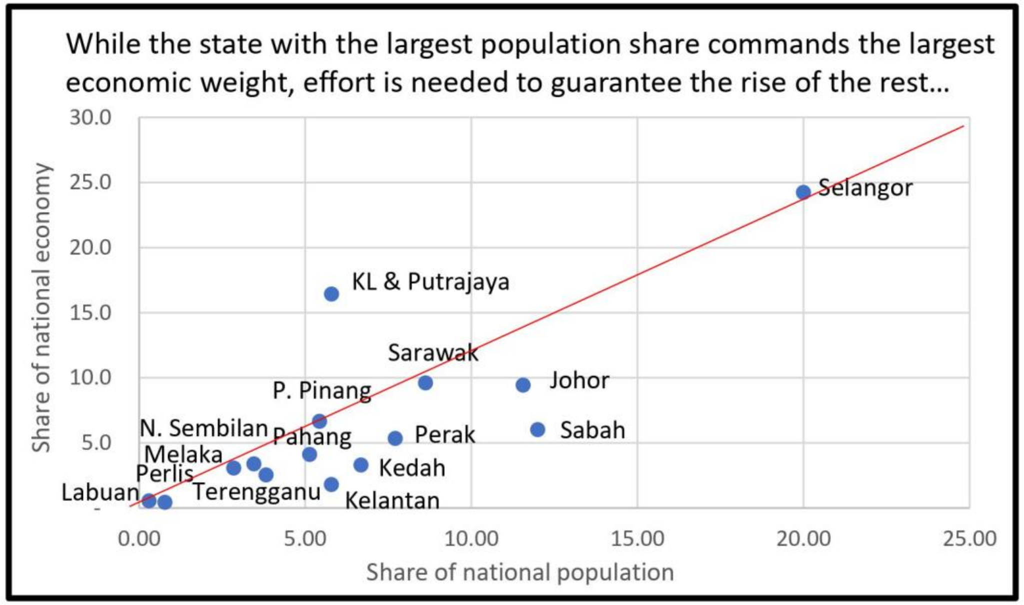
Sasaran RMk12: 4.5% – 5.5%



RMk12: USD13, 845 (estimated)

1. Regional Gaps: Spreading the Growth





Source: DOSM

- Despite respectable national growth of 4.9% from 2016 to 2019, 9 states are laggards (low growth-low income) where 54% of our population resides.
- In 2019, 63.5 % of national output comes from the advance states/KL and only 36.5% generated by laggard states
- In 2019, GDP contributions of 7 states are not proportionate to the population (off 45 degree line)

REGIONAL GAPS: 6 CHALLENGES
1. Jurang Pembangunan antara Negeri yang Melebar
2. Pembangunan Perindustrian yang Tidak Seimbang antara Wilayah
3. Pembangunan Wilayah yang Tidak Seimbang
4. Jurang Pembangunan antara Luar Bandar dan Bandar
5. Jurang Digital Semakin Melebar
6. Kekurangan Peluang Ekonomi di Kawasan Sempadan

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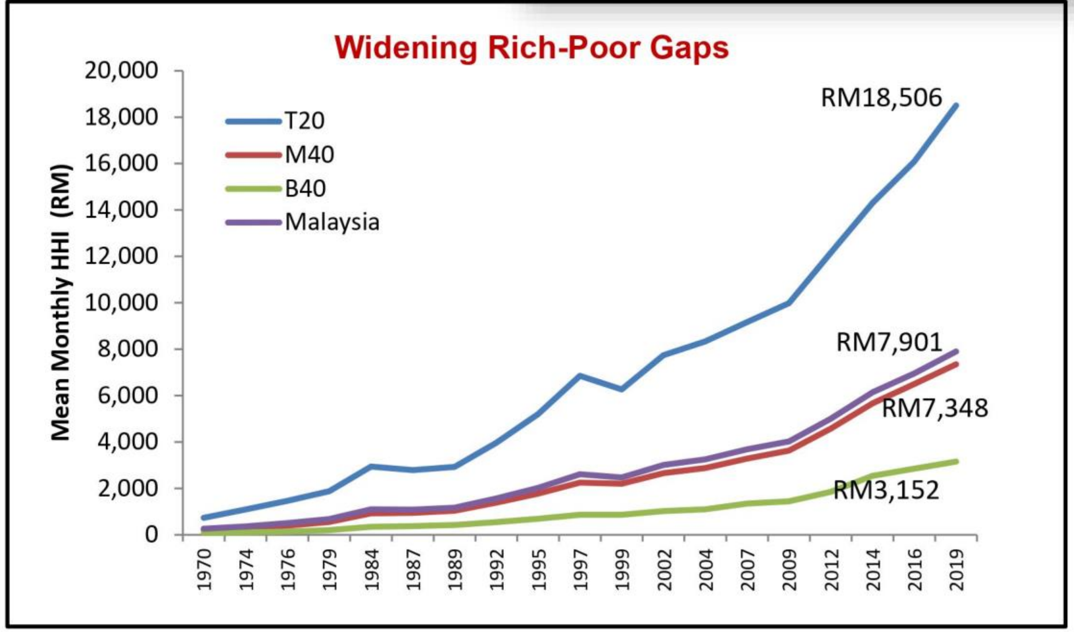
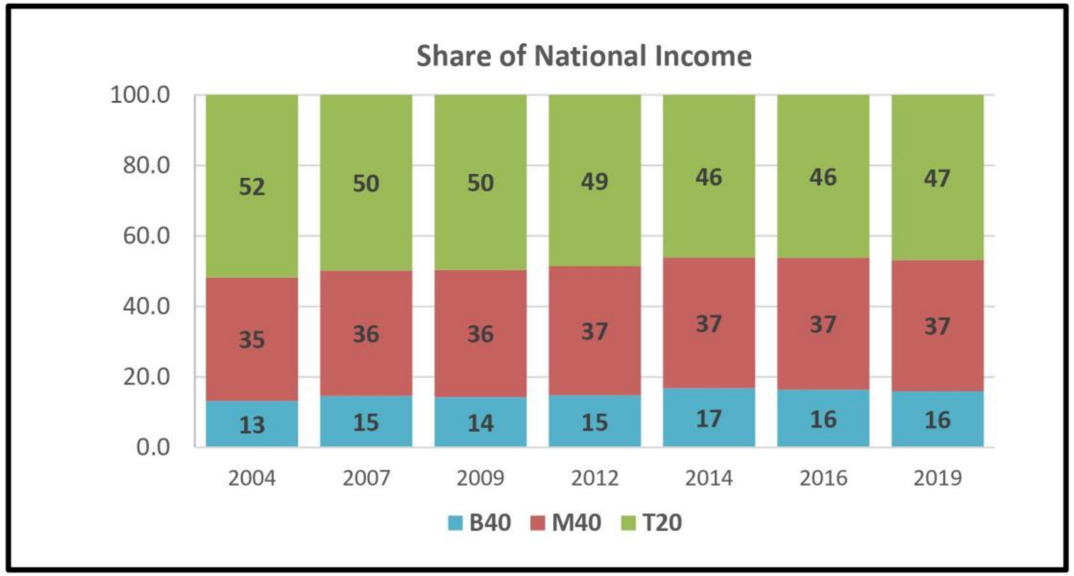
2. Income & Distribution: Enhance Quality and Well-Distributed Income



- Income gap between T20 and B40 widened from RM985 in 1974 to RM15,354 in 2019.
- In 2019, only 16% of national incomes goes to B40, and 47% goes to Top 20.
- Due to the Covid-19 pandemic, about 3.1 mil households (40.8% from 7.6m household) witnessed a decline in income:
  - B40 : 0.9 mil (31%)
  - M40 : 1.6 mil (54%)
  - T20 : 0.2 mil (35 %)



INCOME AND DISTRIBUTION: 7 CHALLENGES
1. Insiden Kemiskinan
2. Perbezaan yang Ketara dalam Kalangan B40
3. Cabaran yang Dihadapi oleh Kumpulan M40
4. Ketidaksaksamaan Keberhasilan Sosioekonomi Bumiputera
5. Pembangunan Sosioekonomi Orang Asli yang Ketinggalan
6. Ketersisihan Sosial Kumpulan Sasar Khusus
7. Cabaran dalam Pembangunan Inklusif

Source : Household Income Table, DOSM

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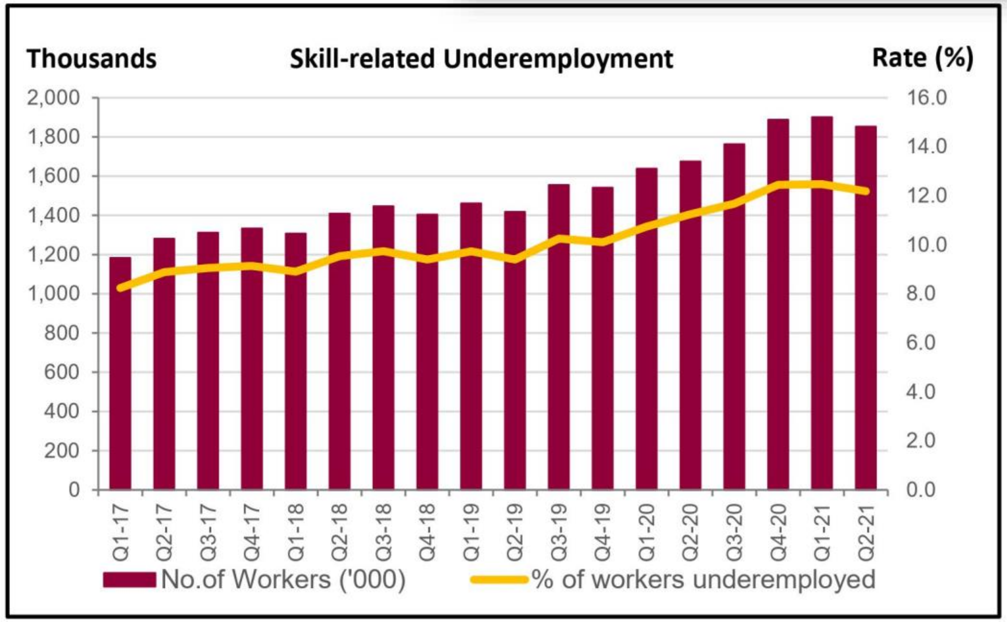
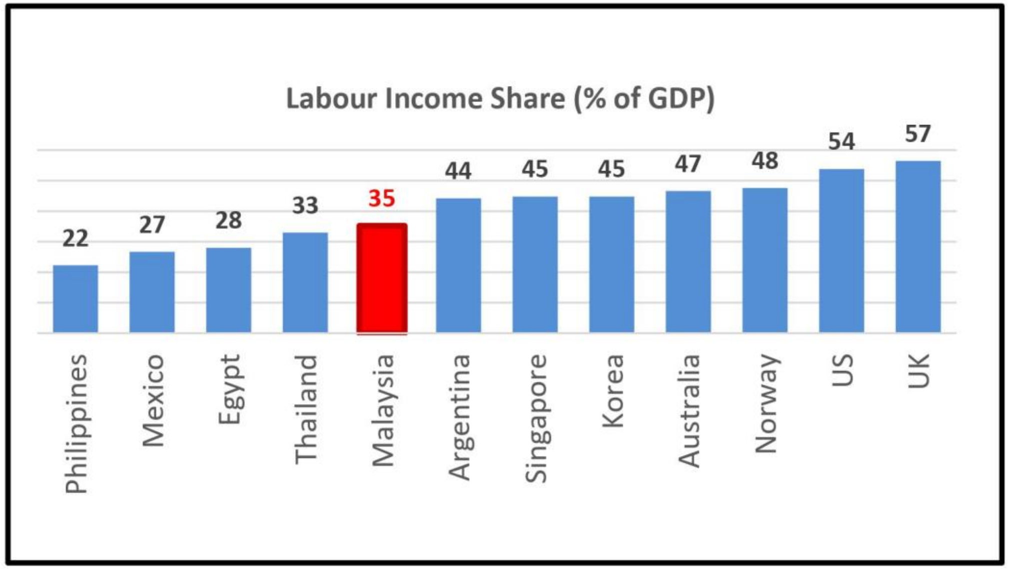
3. Talents & Employment: Create More Talents & Quality Employment





- On average (Q1-17 to Q2-21), 1.4 millions workers are underemployed by skills (in 2020; 31.2% of graduates undermployed!)
- In 2018, only 35% of national income goes to workers & across all major sectors workers are underpaid
- As of Oct 2021, 74 % of job vacancies posted in MyFuture Job Portal requires SPM and lower.
- In May 2021, Youth (age 15-24 yrs) are having difficulties to find jobs with youth unemployment reach 13.6% in (328,000 youths).

TALENTS & EMPLOYMENT: 8 CHALLENGES
1. Akses kepada Pendidikan dan Latihan yang Terhad
2. Outcome Pelajar yang Rendah
3. Akses Pendidikan yang Terhad bagi Murid Berkeperluan Khas dan Orang Asli
4. Cabaran dalam Pembangunan Bakat
5. Bahagian Pampasan Pekerja yang Rendah
6. Ketidaksamaan dalam Pampasan Pekerja dan Penyertaan Tenaga Buruh
7. Ketidakcekapan Pasaran Buruh
8. Perubahan Pasaran Buruh Disebabkan Pandemik COVID-19

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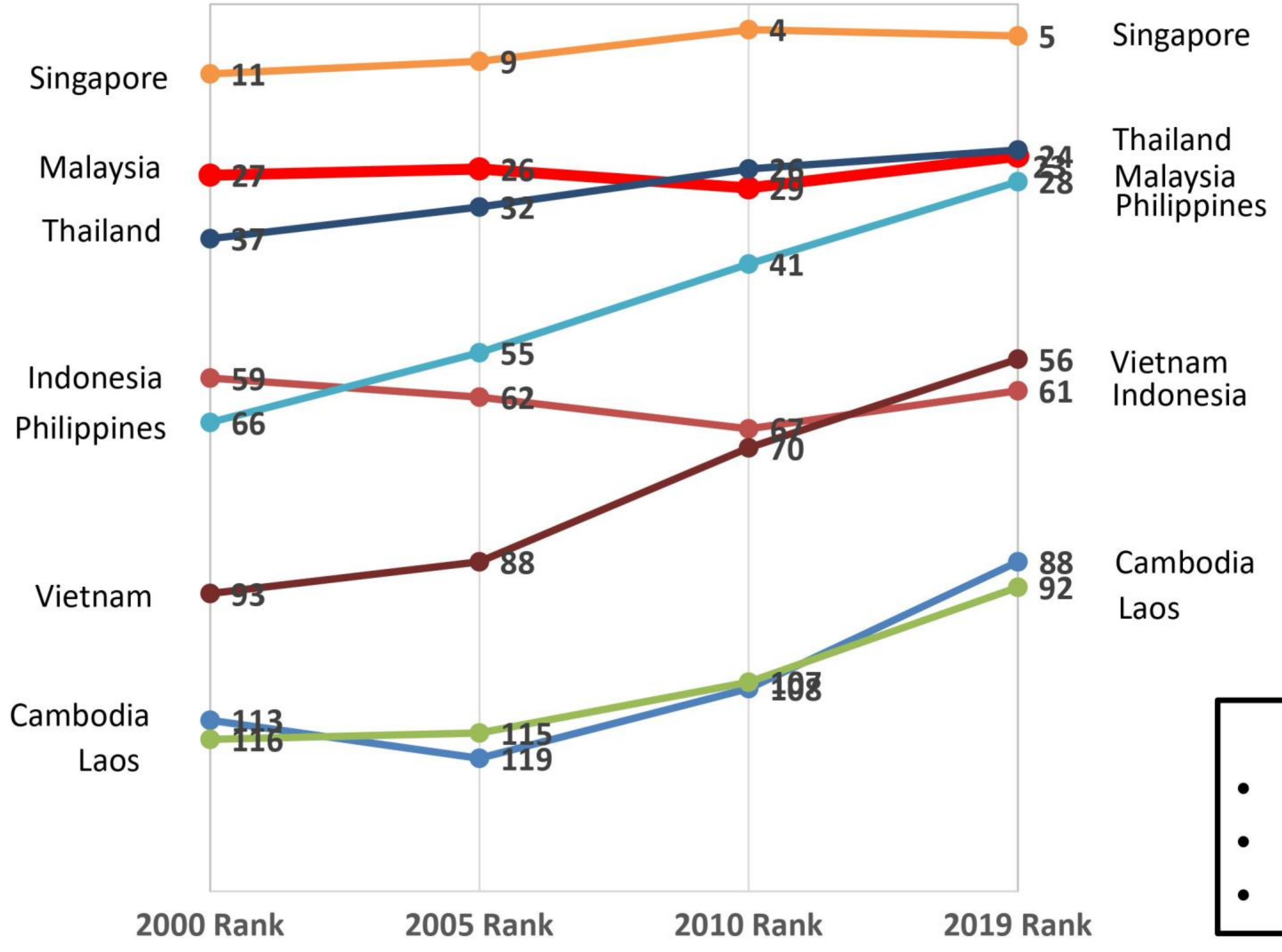
4. Engine of Growth: Increase Complexity & Advance the Engines of Growth

Complexity Ranking



Complexity Ranking

	2010	2019
• Singapore	11	5
• Malaysia	27	25
• Thailand	37	24
• Indonesia	59	61
• Philippines	56	28
• Vietnam	99	56
• Cambodia	112	88
• Laos	116	92

Malaysia Competitiveness Ranking

	2010	2019
• World Competitiveness (IMD)	10	25
• Global Competitiveness (WEF)	26	27
• Global innovation Index	28	35

NAG

4. Engine of Growth: Increase Complexity & Advance the Engines of Growth

ENGINES OF GROWTH: 17 CHALLENGES
1. Pertumbuhan Ekonomi yang Perlahan
2. Kualiti Pelaburan yang Rendah
3. Peralihan Struktur Ekonomi yang Perlahan
4. Manfaat yang Terhad daripada Penyertaan Rantaian Nilai Global
5. Ekosistem yang Tidak Kondusif untuk Inovasi
6. Kekurangan Pelaburan dalam Penyelidikan, Pembangunan, Pengkomersialan dan Inovasi
7. Cabaran dalam Penerimagunaan Teknologi Revolusi Perindustrian Keempat
8. Produktiviti dalam kalangan Perusahaan Mikro, Kecil dan Sederhana yang Rendah
9. Produktiviti Rendah
10. Akses Pasaran yang Rendah dan Firma Kurang Berdaya Saing
11. Pembangunan Industri yang Kurang Memberangsangkan
12. Perusahaan Mikro, Kecil dan Sederhana yang Kurang Berdaya Saing
13. Pertumbuhan Ekonomi Digital yang Perlahan
14. Industri Pengangkutan dan Logistik yang Kurang Berdaya Saing
15. Tadbir Urus dalam Pengangkutan dan Logistik yang Lemah
16. Ketersambungan Batuan Pertama dan Akhir yang Kurang Cekap
17. Perubahan Pesat dalam Landskap Kewangan

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5. Government Efficiency 6. Quality of Living 7. Environmental Sustainability

GOVERNMENT EFFICIENCY: 7 CHALLENGES
1. Tadbir Urus dan Mekanisme Pelaksanaan yang Kurang Berkesan
2. Kekurangan Kerjasama dan Ketidakcekapan Penyampaian Perkhidmatan
3. Penyelarasan dan Tadbir Urus yang Kurang Mantap
4. Cabaran dalam Ekosistem Tadbir Urus
5. Cabaran dalam Pengurusan Projek
6. Kekurangan Infrastruktur dan Perkhidmatan
7. Konsolidasi Fiskal Jangka Sederhana yang Tertangguh

QUALITY OF LIVING: 8 CHALLENGES
1. Jurang dalam Penyampaian Perkhidmatan Penjagaan Kesihatan
2. Akses kepada Perkhidmatan Penjagaan Kesihatan yang Terhad
3. Peningkatan Ancaman Terhadap Keselamatan dan Ketenteraman Awam
4. Cabaran dalam Keselamatan dan Ketenteraman Awam
5. Kelemahan Pengurusan Pembangunan Bandar
6. Rumah Mampu Milik yang Belum Mencukupi
7. Kesepaduan Sosial dan Perpaduan Rakyat
8. Potensi Sukan untuk Kehidupan Aktif Belum Diteroka Sepenuhnya

ENVIRONMENTAL SUSTAINABILITY: 6 CHALLENGES
1. Amalan Penggunaan dan Pengeluaran yang Tidak Mampan
2. Kehilangan Biodiversiti
3. Kekurangan Persekitaran yang Menyokong Pertumbuhan Hijau
4. Kekangan dalam Sektor Tenaga untuk Menyokong Pertumbuhan
5. Pengurusan Sektor Air yang Kurang Berkesan
6. Pertumbuhan Ekonomi yang Memberi Kesan kepada Alam Sekitar

7 Major Challenges for RMK12

*image courtesy of Google

NAG

THANK YOU & BEST WISHES

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*Views and opinions expressed in this presentation are solely those of the presenter

WEBINAR RANCANGAN MALAYSIA KE-12

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- Profesor Kehormat
- Institut Kajian Etnik,
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Webinar Rancangan Malaysia Ke-12

Anjuran Institut Tadbiran Awam Negara (INTAN)

22 November 2021

RANCANGAN MALAYSIA KE-12 & CSO

Oleh Prof. Datuk Dr. Denison Jayasooria

Institut Kajian Etnik (UKM), Malaysian CSO SDG Alliance & Sekretariat APPGM-SDG

PENGENALAN

- Di dalam RMK-12, tema Pendekatan Seluruh Negara atau *"Whole of Nation Approach" (*27 Kali)
- Di dalam teks pengenalan, YB Dato' Sri Mustapa Mohamed menyeru bagi komitmen kukuh daripada semua pihak berkepentingan, termasuk kumpulan masyarakat sivil (CSO) (ms vi)
- Terdapat 43 rujukan dibuat kepada CSO di dalam dokumen ini
- Pendekatan Seluruh Negara di dalam RMK-12 dilihat sebagai pemangkin dasar & penggalak kepada perubahan (ms 1-18)
- Terdapat rujukan kepada proses pembuatan keputusan berdasarkan rakyat sendiri (ms 1-13)
- Penglibatan & kerjasama dengan sektor swasta, ahli akademik & CSO akan lebih dipergiatkan (ms 8-26)
- Kerjasama & dialog dasar mengenai Pembangunan Lestari (ms 8-26)

6 Bidang Kerjasama dengan CSOs di dalam RMK-12

- Pembangunan Perusahaan
- Kesihatan & Kesejahteraan
- Perpaduan & Keharmonian Negara
- Kemiskinan & Masyarakat Inklusif
- Pemuliharaan Alam Sekitar
- Penyampaian Sektor Awam

1. PEMBANGUNAN PERUSAHAAN

- Strateginya adalah untuk memanfaatkan kkoperasi dan perusahaan sosial - rakyat & ekonomi
- Mempromosi gerakan koperasi dalam kalangan masyarakat luar bandar & miskin bandar
- Perusahaan sosial & koperasi - aktiviti ekonomi berasaskan komuniti dan pedenkatan perniagaan inklusif (ms 5-21)

2. KESIHATAN & KESEJAHTERAAN

- CSO, perkhidmatan penjagaan kesihatan (ms 1-16) & merekabentuk semula penjagaan kesihatan (ms 2 - 7)
- CSO di dalam penjagaan kesihatan semasa pandemik covid-19 (ms 4 - 7)
- CSO dalam menangani kebimbangan kesihatan mental termasuk bunuh diri (ms 4 - 21) dan penjagaan warga emas (ms 4-21)
- CSOS dalam memperkukuh pengurusan bencana (ms 4-7)
- CSO & perkhidmatan alternatif (Pencegahan Dadah) (ms 4-18)
- CSO & penguatkuasaan komuniti (ms 4-17)
- CSO & pemerdagangan manusia (ms 4-18)
- CSO & banduan (Integrasi semula di dalam masyarakat) (ms 4-18)

3. PERPADUAN & KEHARMONIAN NEGARA

- CSO di dalam menyelesaikan isu komuniti (ms 4-9) & program pembangunan kapasiti - kemahiran pengantaraan, pndamaian dan perundingan (ms 4-30)
- Peranan pemimpin peringkat akar umbi, pemimpin agama - berperanan dalam pengantaraan isu masyarakat dan menggalakkan perpaduan (ms 4-30)
- Program-program berkaitan perpaduan (dialog, perbincangan kumpulan berfokus dan maklumat awam) (ms 4-30)
- Mempelbagaikan sumber pembiayaan CSO (ms 4-30)
- Badan sukan berasakan komuniti (ms 4-27)
- Literasi perlembagaan (ms 4-29)

4. KEMISKINAN & MASYARAKAT INKLUSIF

- CSO di dalam program kemiskinan bandar (Program Pemerkasaan Ekonomi Komuniti Bandar (PPEKB) (ms 5-8)
- CSO & keganasa rumah tangga (ms 5-11)
- Menubuhkan unit khas penyelarasan kemiskinan (agensi pusat) (ms 5-22)
- Data E-Kasih & PDPS ekasih & PDPS data (ms 5-24)
- Tingkatkan penglibtan CSO & CBO, pendekatan dari Bawah ke Atas (ms 5-24)
- Kemiskinan Pelbagai Dimensi (KPD) & semua pihak berkepentingan (ms 5-24)
- Pendekatan dari Bawah ke Atas dan berasaskan komuniti - meningkatkan kapasiti dan keupayaan B40 (ms 5-25)
- CSO & sekolah komuniti untuk Orang Asli community school for Orang Asli (ms 5-35)
- Bekerjasama dengan CSO untuk meningkatkan pendaftaran orang kurang upaya (ms 5-38)
- Menambahbaik tadbir urus dalam pembangunan luar bandar dengan CSO (ms 6-22)
- CSO di dalam inisiatif pembangunan luar bandar (ms 6-22)

5. PEMULIHARAAN ALAM SEKITAR

- CSO & pemuliharaan (membendung pencerobohan, pemburuan & aktiviti haram) (ms 8-6)
- CSO & kelestarian alam sekitar (ms 8-11)
- CSO untuk menyokong peralihan kepada negara rendah karbon (ms 8-12)
- CSO & pengurusan risiko bencana berasaskan komuniti (ms 8-21)
- CSO & perkongsian data di dalam Pusat Data Setempat" (ms 8-26)
- CSO & dana bantuan bencana alternatif (ms 8-28)
- Termasuk kerjasama pihak berkepentingan: perlindungan dan pemuliharaan alam sekitar. Contoh; Inisiatif Rakan Sungai (ms 8-28).
- Memperkasakan manusia. Program didorong komuniti dalam pemuliharaan alam sekitar - sektor pengairan (ms 9-18)

6. PERKHIDMATAN SEKTOR AWAM & PERANAN CSO

- Kerajaan berpaksikan rakyat dalam memajukan pendekatan keseluruhan kerajaan (ms 13-14)
- Kerjasama erat dan penyelarasan dengan pihak berkepentingan dalam pembangunan sosio-ekonomi (ms 13-15)
- Kerjasama rapat dengan CSO dalam memerangi rasuah (ms 13-18)
- Tadbir urus dan data terbuka adalah kunci utama (ms 13-16)
- Penubuhan Ombudsman dengan perundangan baharu (ms 13-15)

KONKLUSI

- CSO berdasarkan RMK-12 adalah rakan kongsi pembangunan
- Kakitangan dan agensi kerajaan mesti mewujudkan ruang dan keadaan bagi perkongsian pintar
- Penggal pertengahan RMK-12 akan menunjukkan bagaimana perkongsian ini berkembang

WEBINAR RANCANGAN MALAYSIA KE-12

#KELUARGA MALAYSIA RMK12

- Encik Firdaos Rosli
- Ketua Penganalisis Ekonomi
- Malaysian Rating Corporation Berhad

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MALAYSIAN RATING CORPORATION BERHAD

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22 November 2021

#whatwethink:
The 12th Malaysia Plan

FIRDAOS ROSLI
Chief Economist
Monday, 22 November 2021

MALAYSIAN RATING CORPORATION BERHAD
Solutions Beyond Risk

Summary

1. **THE REPORT:** RMK-12 is a commendable effort in rethinking Malaysia's development policies. While it sets the record straight on what the country needs to achieve holistically, details on how to reach the desired goals is scant. As a result, the private sector remains passive and disinterested, maintaining its wait-and-see attitude.

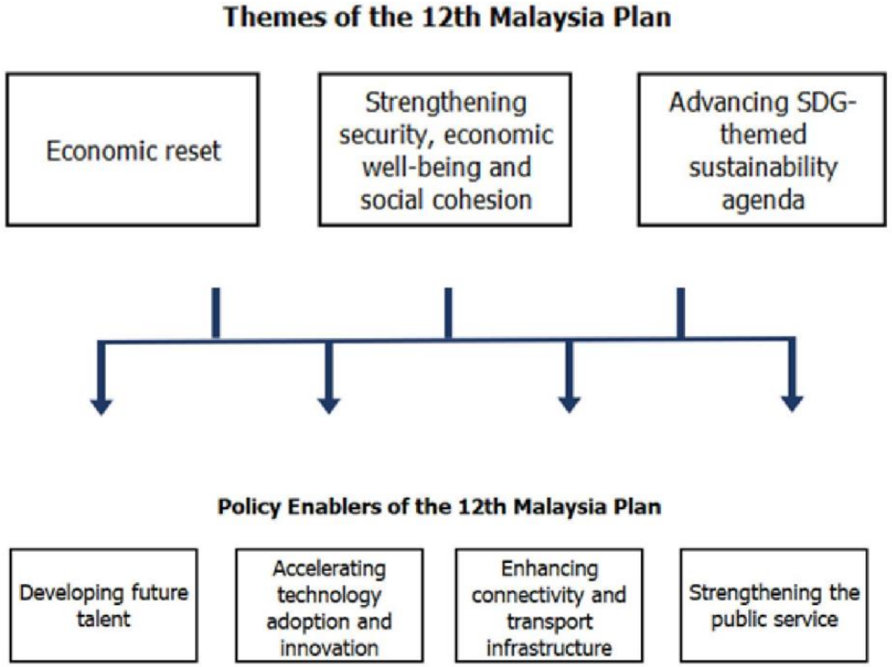
2. **THE PLANNER:** It appears that the government is easing its central planning practice by allowing respective ministries to set the tone for reforms instead. "Decentralisation" will offer a lot of room for ministers to manoeuvre policies that suit the here-and-now imperatives, thus unleashing the benefits of bottom-up planning. This approach appears to be politically palatable and beneficial to the common man. However, it is easy to miss the forest for the trees at the aggregate level, especially at times of crisis. At the same time, EPU may unwillingly appear as a "book-keeping" agency rather than an all-powerful planning unit it once was.

3. **THE ACTORS:** Granted, development planning is never easy, let alone during a crisis. That said, we cannot ignore the fact that the private sector sees downside risks to planning when RMK-12 and the political cycle are not aligned. E.g. Following GE14, many mega projects were either stalled or stopped altogether amid the regime/leadership change. The government is at risk of over-estimating/under-delivering its long-term targets and may even prolonging reforms now into the next 5-year plan. Therefore, the successful implementation of RMK-12 hinges very much on pragmatic and strong political leadership.

RMK-12: In a nutshell

Sources: SPV2030, MARC Economic Research

Themes and policy enablers of the 12th Malaysia Plan



Source: 12th Malaysia Plan

12MP is an overarching policy document, an amalgamation of Malaysia's annual budgets from 2021 to 2025.

11th and 12th Malaysia Plans' performance and targets

Indicator	11th plan performance	12th plan target
GDP growth, per annum	2.7%	4.5% - 5.5%
GNI per capita, end period	RM42,503.00	RM57,882.00
Labour productivity growth, per annum	1.1%	3.6%
Compensation of employees, end period (% of GDP)	37.2%	40.0%
Average monthly household income	RM7,160	RM10,065
Malaysian wellbeing index growth, per annum	0.5%	1.2%

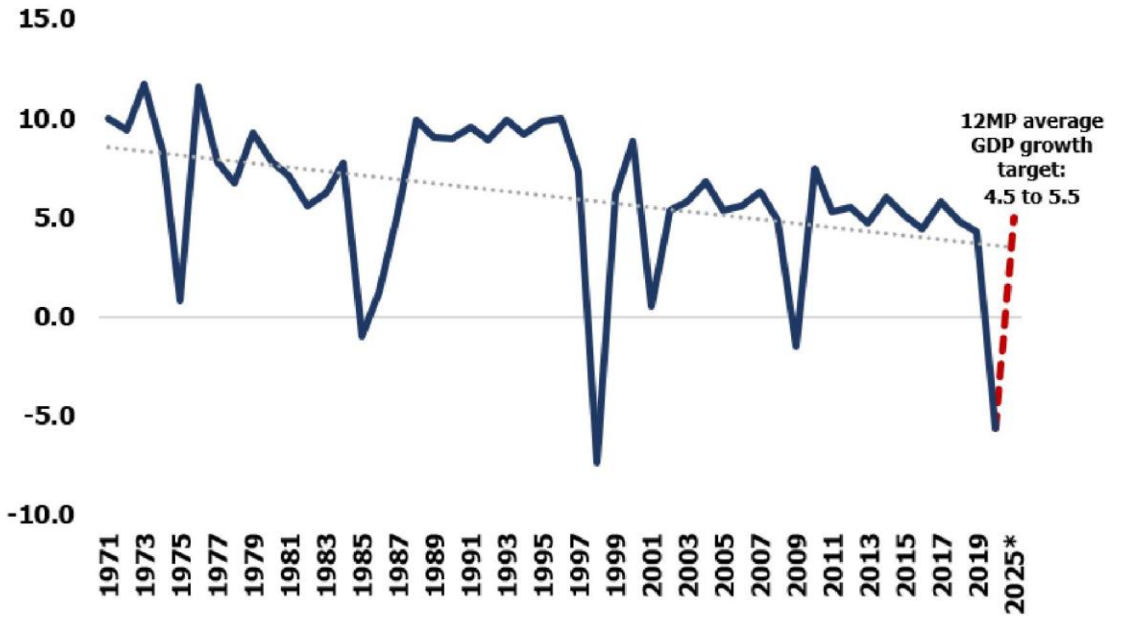
Sources: Economic Planning Unit (EPU), MARC Economic Research

The government is **<u>less critical</u>** of 11MP's performance in the 12MP than in past plans. Out of the six multidimensional goals set in the 11MP, the government had only managed to achieve the labour productivity target. **<u>No critical examination as to why past targets were unmet</u>**.

Sources: SPV2030, MARC Economic Research

Growth and inflation

Past real GDP growth vs 12MP's growth target

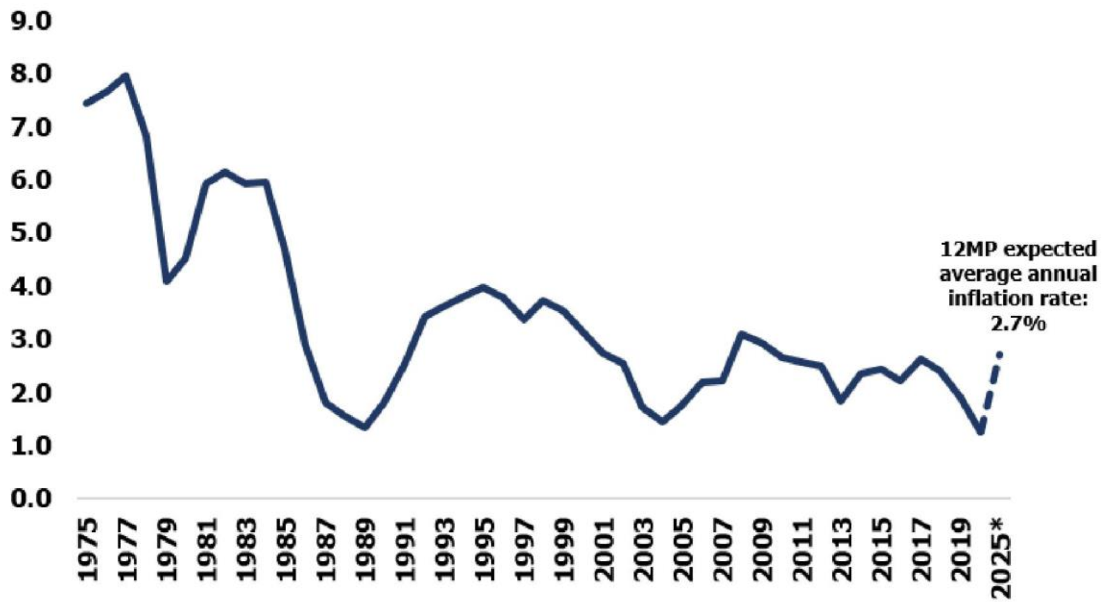


**12th Malaysia Plan target*

Sources: EPU, Department of Statistics Malaysia (DOSM), MARC Economic Research

Average real GDP growth target is expected to grow at **4.5% to 5.5% in 2025**. The growth target is feasible **if** the Malaysian economy enters a sturdier recovery path by 2Q2022 while the global economy avoids any speed bumps during 2021-2025.

5-year moving average of inflation rate (% y-o-y)



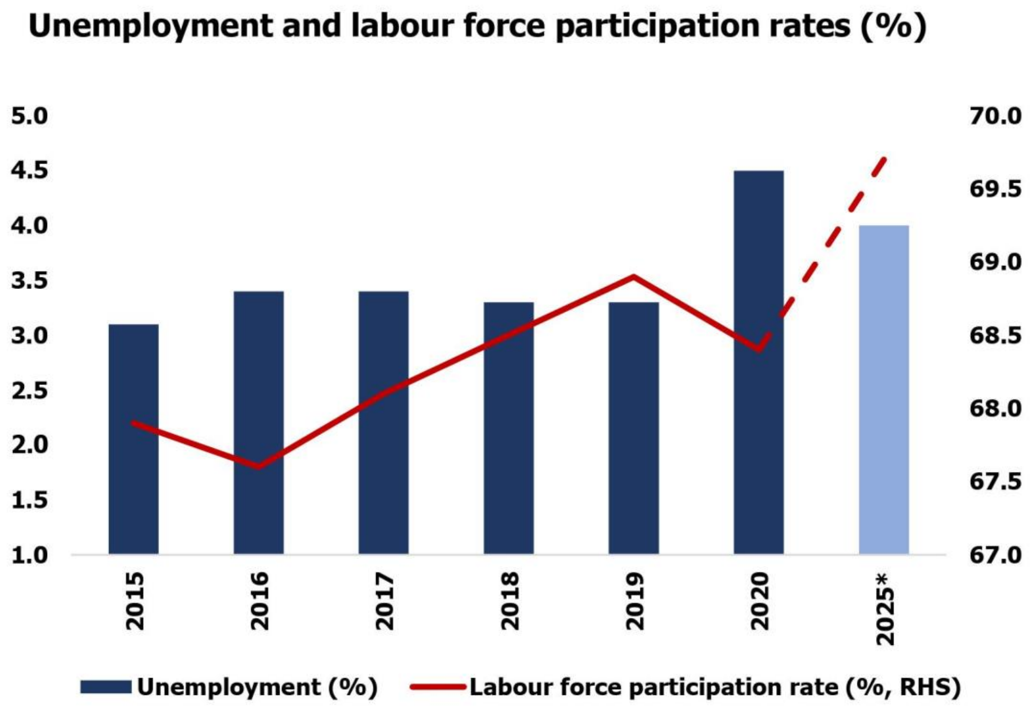
**12th Malaysia Plan target*

Sources: DOSM, MARC Economic Research

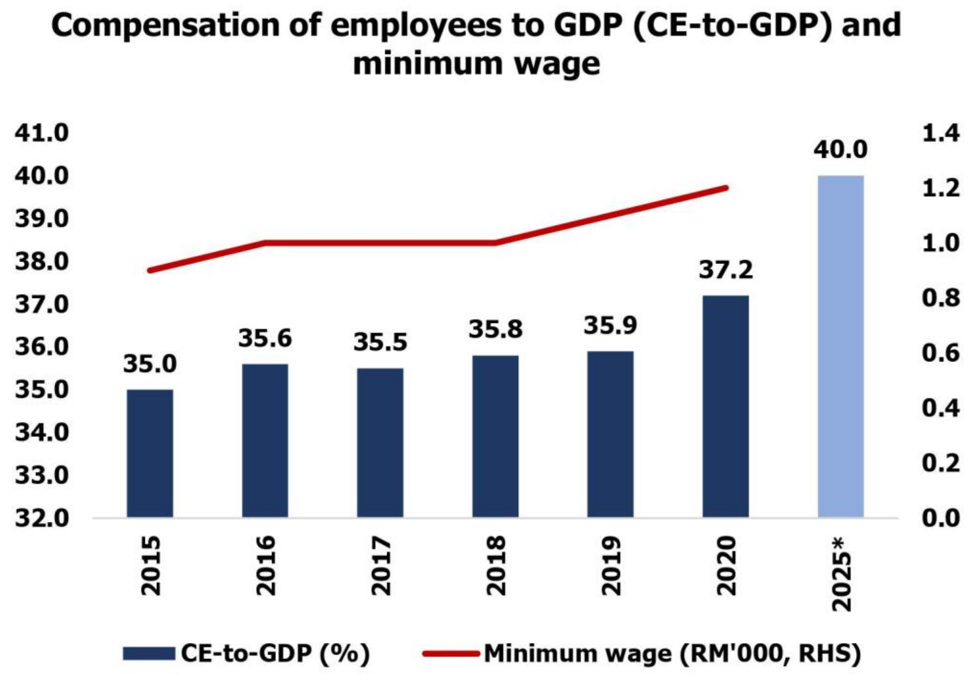
The government expects an annual average inflation rate of **2.7% throughout the 12MP duration**, mirroring the impact of higher aggregate demand.

However, considering that the **unemployment rate will continue to remain elevated throughout 12MP period (4%),** we believe that the government will keep inflation benign, which will affect the efficacy of the plan.

Labour market



Sources: DOSM, MARC Economic Research



Sources: DOSM, EPU, MARC Economic Research

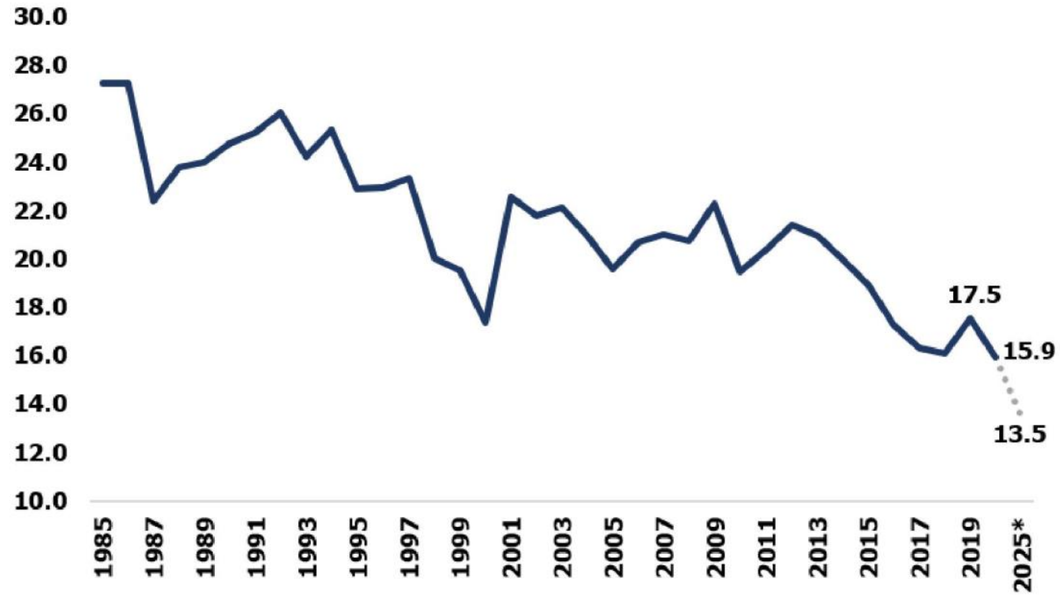
The government anticipates that the economy to return to full employment with an **unemployment rate of 4.0%** in 2025. Employment is expected to grow moderately at 1.4% per annum to reach 16.2 million by 2025, with an additional 1.1 million jobs created.

The COVID-19 pandemic has caused the unemployment rate to spike where it stands at 4.6% in August 2021. To mitigate the further scarring impact will remain challenging.

The government intends to push **CE-to-GDP from 37.2% in 2020 to 40% by 2025** but falls short of explaining **how** it will be achieved without addressing the supply side of labour market.

Government revenue and expenditures

Revenue (% of GDP)



**12th Malaysia Plan target*

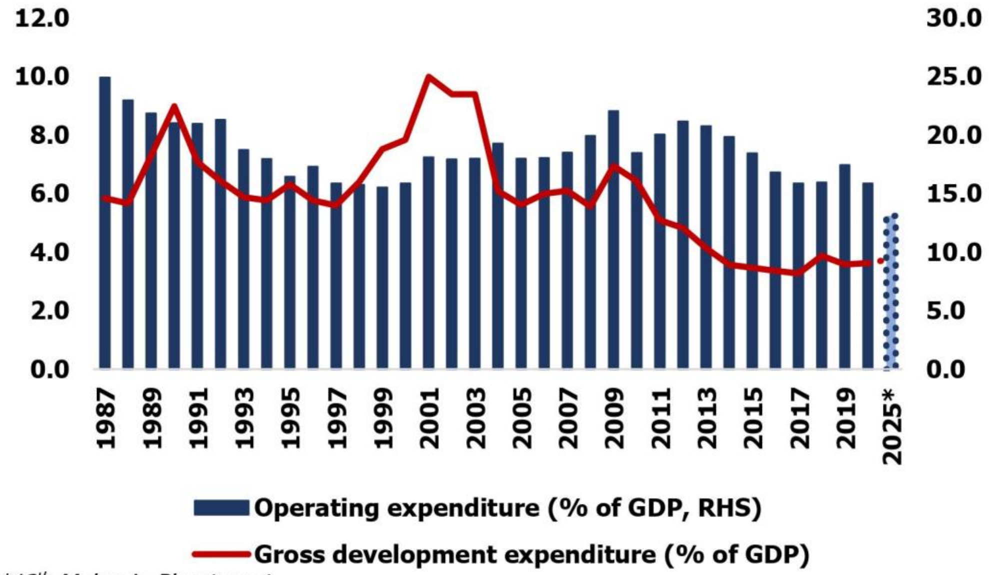
Sources: EPU, Ministry of Finance (MOF), MARC Economic Research

The government expects **<u>revenue-to-GDP to decline to 13.5% in 2025 (2020: 15.9%)</u>**. We think due to falling oil revenue, limited revenue sources and revenue leakages.

Furthermore **<u>no specific mention of shifting the revenue share from direct to indirect taxes</u>**, contrasting past Malaysia plans, in light of changing demographics.

This suggest that corporate and personal tax rates would remain while the return of the Good and Services Tax (GST) is **<u>uncertain</u>**.

Operating and development expenditure (% of GDP)



**12th Malaysia Plan target*

Sources: Bank Negara Malaysia (BNM), DOSM, MARC Economic Research

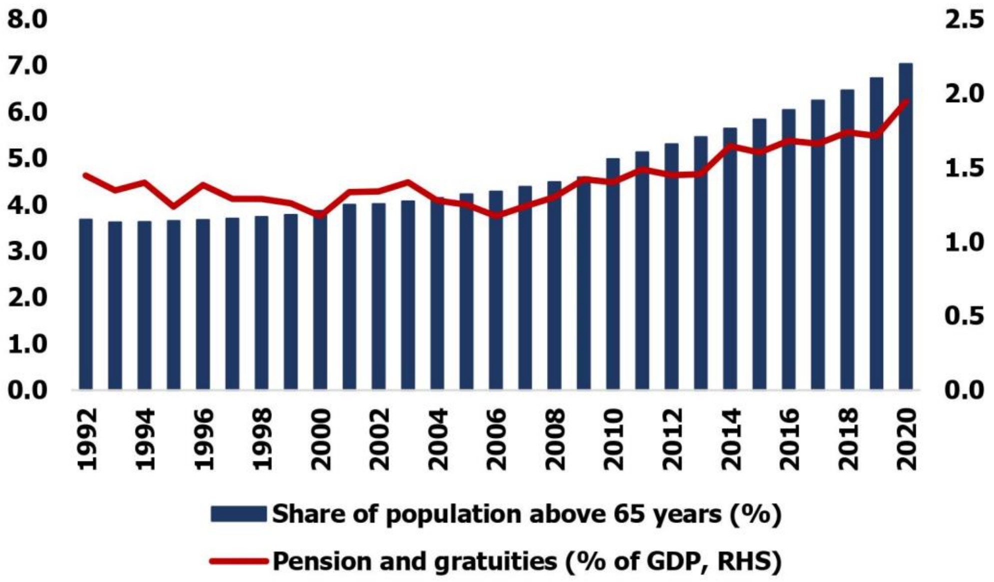
The government is projecting **<u>opex in in 2025 to return to pre-pandemic levels</u>**, which we think is grossly underestimated.

One, **<u>unless</u>** all COVID-19 related social aids cease after their expiry in 2023, opex will rise much higher than offical estimates.

Two, due to economic scarring from prolonged lockdowns, it is impropable that **<u>the opex average annual growth during the 2020-2025 period (3.36%) would be lower than the pre-pandemic level during the 2015-2019 period of 4.96%</u>**, taking into account the elevated unemployment rate over the 12 MP period.

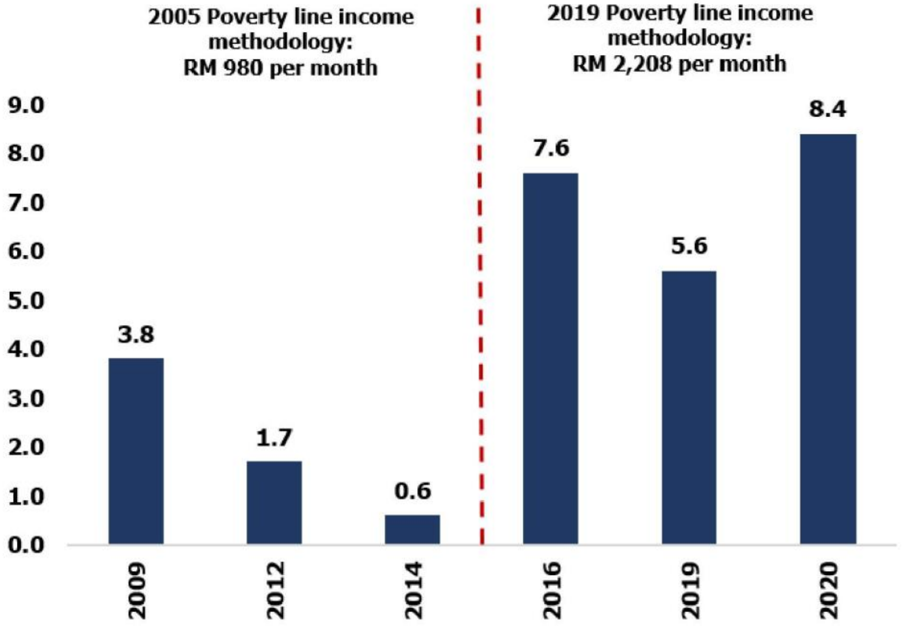
Ageing population and poverty rate

Increasing pension and ageing population



Sources: DOSM, MARC Economic Research

Malaysia's poverty rate (%)



Sources: DOSM, BNM, MARC Economic Research

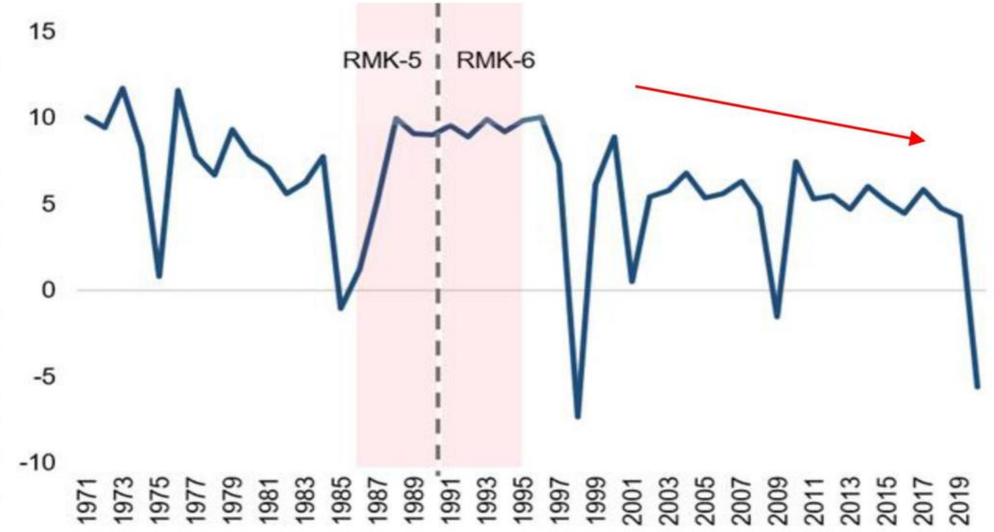
Malaysia's ageing population will eventually change the dynamics of OPEX in the coming years, leading **to higher emoluments, retirement charges and health and healthcare-related expenditures**. Pressure could also come from the **depleted retirement savings** in the Employees Provident Fund.

The document **does not mention structural issues relating to population ageing**, namely pension reforms, increasing retirement age and efforts to improve reemployment opportunities for pensioners.

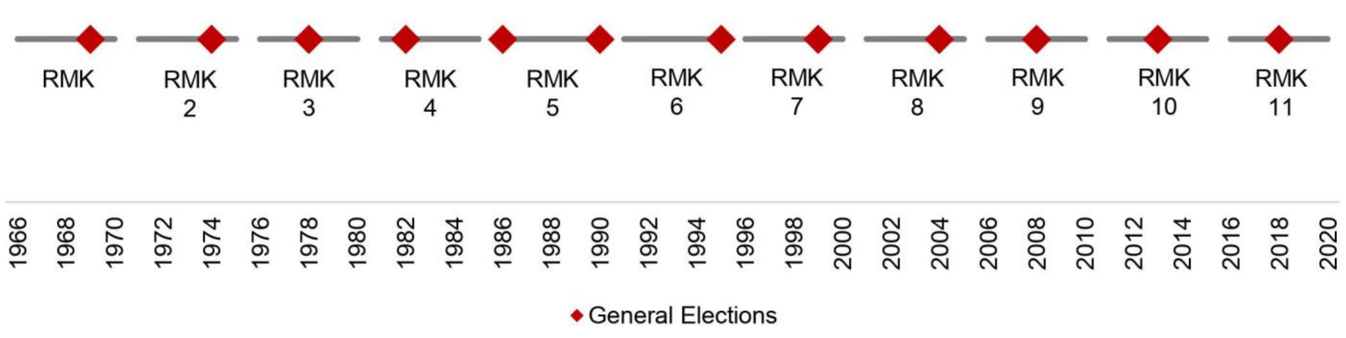
Poverty rate has spiked (2020: 8.4%, 2019: 5.6%), and it could take years to recoup the anti-poverty gains Malaysia has lost. Nevertheless, we are happy to note that the government is targeting a **1.2% per annum growth pace for the Malaysian Well-being Index in the 12MP period, upfrom 0.5% in the previous plan period.**

The reverse causality between economic prosperity and political stability

Real GDP growth since 1970 (% y-o-y)



General elections timeline versus RMKs



Malaysia's prosperity today results from **transitional growth** - a brief period of rapid economic growth - prior to the Asian Financial Crisis (AFC). The country's real GDP growth has slowed to around 5% per annum on average since 2001.

Malaysia's development cycles **do not necessarily fall within the political cycle**. A case in point: during the RMK-5 and RMK-6 periods, Malaysia's average annual GDP growth was at its highest (8.2% a year) because the two cycles were in alignment.

Sources: EPU, MARC Economic Research

MARC

12MP "new" projects

The Government will allocate **RM400 billion** to finance continuation projects and new projects during the Twelfth Plan.

Spillover projects from 11MP

1. The Klang Valley Double Track Phase One connecting Rawang to Salak Selatan is expected to be completed in 2022;
2. The Electrified Double Track Gemas to Johor Bahru which is the final stretch of the electrified double track from Padang Besar, Perlis to Johor Bahru, Johor is scheduled for completion in 2023;
3. The implementation of the East Coast Rail Link (ECRL) project continues and is expected to be completed in 2026;
4. The Rapid Transit System Link (RTS) project which connects Bukit Chagar station, Johor Bahru with Woodlands North station in Singapore will commence construction at the end of 2021;
5. The West Coast Expressway which stretches between the states of Selangor and Perak is expected to be completed by 2024;
6. The Central Spine Road project from Bentong, Pahang to Kuala Krai, Kelantan is scheduled for full completion in 2025; and
7. The Kota Bharu to Kuala Krai Highway is expected to be completed by 2025.
8. The construction of bridges and upgrading of 1,400 km of rural paved roads as well as completion of 1,150 km of the Pan Borneo Highway.

"Tentative projects" - mostly national defence-related and no specific budget mentioned

1. The Marine Police Sea Monitoring System in five maritime regions, the construction of Air Forces Bare Base Bintulu, Sarawak;
2. Military Hospital Terendak, Melaka; and
3. Military camp in Felda Sahabat, Camp 5 Brigade in Kota Belud and the General Operations Force Camp in Beluran, Sabah.

Source: PM's 12MP speech

12MP "new" projects (cont.)

<u>"New" projects</u>

1. The Government has allocated **<u>RM25.8 billion</u>** <u>for water infrastructure development</u> to enhance coverage and water services.

2. The provision of digital infrastructure involves investment by the public and private sectors, amounting to **RM28 billion** to improve the existing 4G network. To expedite the implementation of 5G nationwide, an additional **<u>RM15 billion will be invested by the private sector.</u>** The National Digital Identity initiative is being developed to establish a secure and reliable identity verification platform and electronic certification.

3. <u>Rural infrastructure</u> will be improved by constructing and upgrading 2,800 km of paved roads, among others:
   - *Jalan Nanga Tulie* to *Rumah Bujah, Nanga Pelagus* in Kapit, Sarawak, at a cost of **RM280 million;**
   - *Jalan Dudar* to *Taburan* to *Mendawang* in Kota Belud, Sabah, at a cost of **RM101 million**;
   - A rural road from *Simpang FELCRA Ulu Kerut* to *Kampung Orang Asli Bot-Bot* to *FELDA Jengka 7* to *Jalan Kilang Sawit Jengka 18* in Maran, Pahang, at a cost of **RM135.3 million**; and
   - A new road from *Kampung Gagu* to *Ulu Beranang* in Negeri Sembilan, at a cost of **RM179.2 million**.

1. In addition, efforts will also be enhanced to ensure access to clean water supply reaches 98 per cent of the population and electricity supply 99 per cent. In order to intensify local socioeconomic activities, small rural projects will continue to be implemented such as *Program Ameniti Sosial with an allocation of **RM310 million** and the construction of Jalan Perhubungan Desa* with the cost of **RM1.6 billion**.

2. Several projects with a cost of **RM16 billion** will be implemented under <u>flood mitigation programmes, integrated river basin management and coastal erosion control</u> as well as flood forecasting and warning programmes.

Source: PM's 12MP speech

THANK YOU

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Anjuran Institut Tadbiran Awam Negara (INTAN)

22 November 2021

SALARIES AND WAGES. FOCUS SHOULD BE ON REAL INCOME. THIS WOULD MEAN RESOURCES SHOULD BE DIRECTED TO ENSURE THE IMPACT OF RISING PRICES CAN BE BEARABLE

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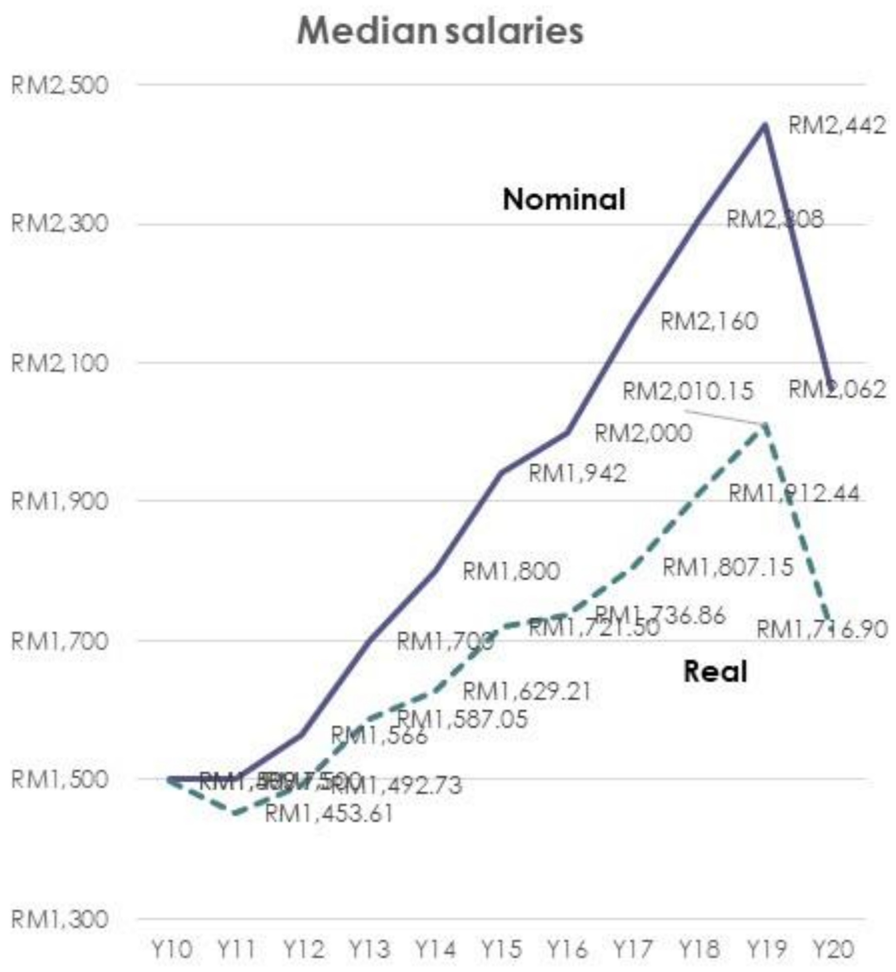

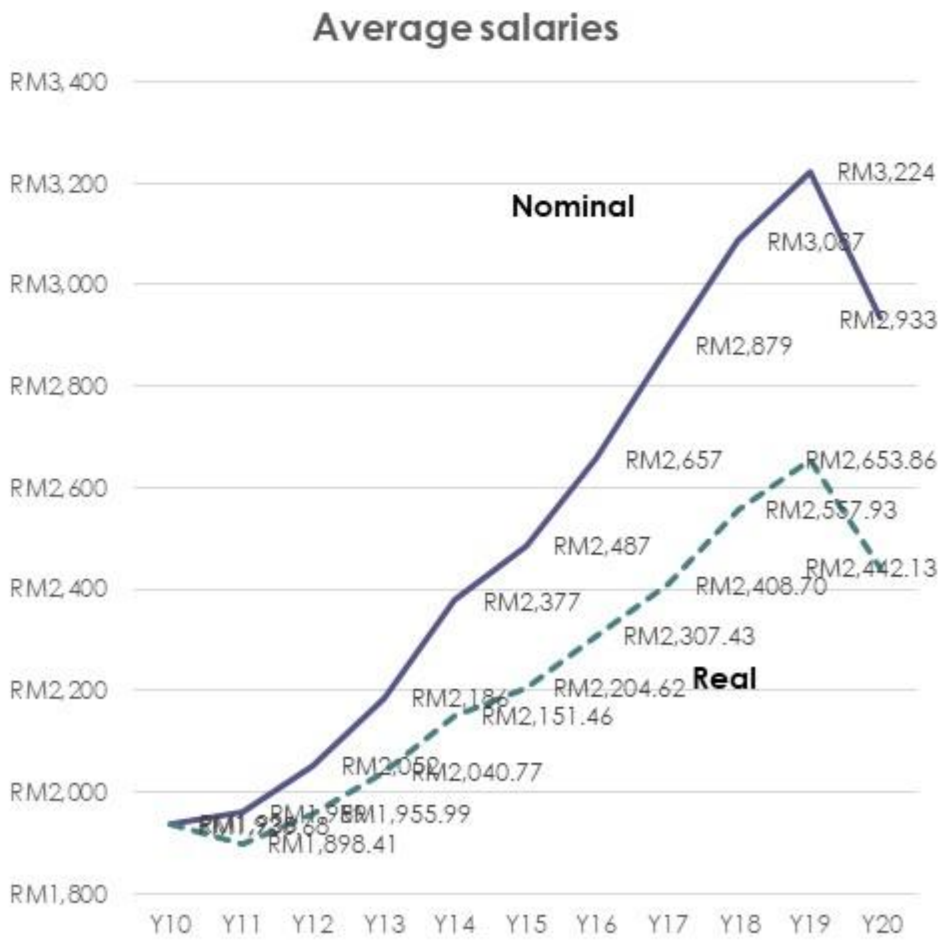

Sources: Department of Statistics Malaysia (DOSM) & Bank Islam Malaysia Berhad

PRICES ARE STICKY DOWNWARD. INFLATION RATE HAS BEEN AVERAGING AT 2.4% PER ANNUM BETWEEN 1985 AND 2020

Source: CEIC

SHARE OF PAID EMPLOYMENT HAS GONE DOWN WHILE SELF-EMPLOYED IS RISING. INCULCATING ENTERPRENEURSHIP IS ALSO KEY TO HIGHER INCOME AND EMPLOYMENT CREATION

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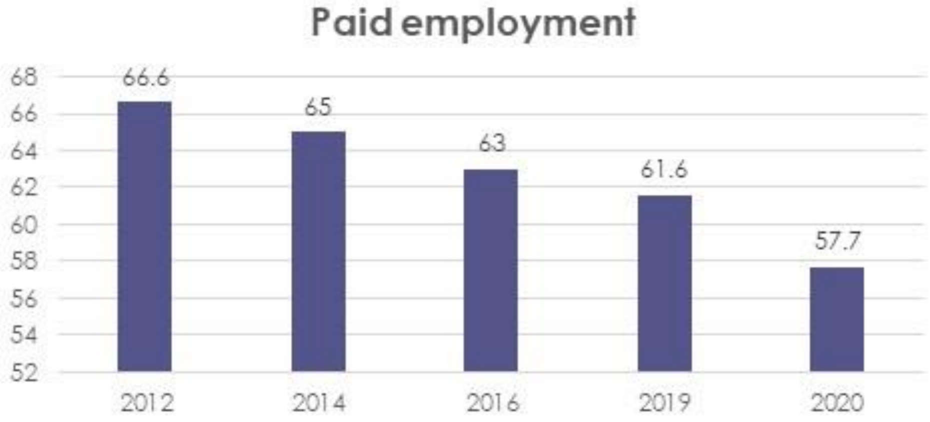

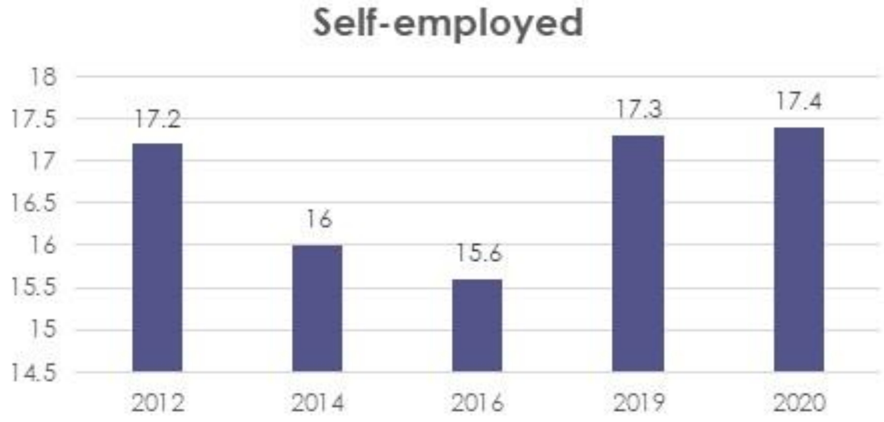

Sources: Department of Statistics Malaysia (DOSM)
* For 2020, there was no explicit indication on this ratio.

SEKIAN, TERIMA KASIH

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