

RM115b a year from public-private partnership
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Minister in the Prime Minister's Department, Nor Mohamed Yakcop, is confident that the Public Private Partnership Unit (UKAS) can help fulfill the target of attracting private sector investment of at least RM115 billion annually throughout the 10th Malaysia Plan (10MP).

Speaking to Bernama recently, Nor Mohamed said various methods have and are being undertaken in this regard, including promoting Malaysia overseas.

"What is important is, we must create a conducive environment from various aspects, including economic and political, to provide confidence for investors both at home and from overseas.

He expressed confidence that the target can be met although many countries globally are still experiencing an economic downturn.

He said UKAS had the capability of meeting the target via among others, the RM20 billion Facilitation Fund allocated as a "tipping point" for the agency to assist in financing private sector projects.

As a federal agency, UKAS, formed in April 2009, has been given the responsibility to plan and coordinate Public Private Partnership (PPP) programmes.

The unit was previously instituted as the Privatisation and Private Finance Initiative (PFI) section under the Economic Planning Unit (EPU), in line with the need to enhance relations between the public and private sectors to accelerate the country's economy.

Meanwhile, UKAS director general Ali Hamsa said the Facilitation Fund alone is expected to attract private investments of not less than RM150 billion for the duration of the 10MP.

"The fund is aimed at closing the private sector viability gap for strategic impact projects and those which provide a big economic spillover effect," he explained.

He said the work goals of UKAS had become more challenging under the 10MP, including having to manage 52 high impact projects worth RM62 billion identified for implementation.

These include seven highways estimated to cost RM19 billion and among which are the West Coast Expressway, Guthrie- Damansara Expressway, Sungai Dua-Juru Expressway and Paroi-Senawang-KLIA Expressway.

According to Ali, also involved are two electricity generating plants using coal and worth about RM7 billion.

He also disclosed that since the Privatisation Policy was introduced in 1983 and until the middle of this year, a total of 511 public private partnership projects had been successfully implemented.

He said with privatisation, a total of 113,440 workers had been transferred to the private sector, with the government having saved capital expenditure of RM164.23 billion.

Ali also said that as of December 31, 2009, market capitalisation developed by the private

sector had reached RM182.45 billion or 18.25 per cent of the market capital of Bursa Malaysia.

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