

**ETP merely a 'morale boosting' exercise?**  
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The nine entry-point projects which kicked off the Economic Transformation Programme (ETP) roadmap on Monday may show that the much touted programme is off on the right foot.

But according to Ratings Agency Malaysia chief economist Yeah Kim Leng, many of these projects were likely already part of the private sector's expansion or investment plans, and have little to do with the ETP.

The ETP, he said, is more a case of repackaging things already in the pipeline for "morale boosting" and to create investor interest.

"It is part of parcel of the investment actions of the private sector, given that every year there are always companies expanding as well as setting up new ventures.

dr yeah kim leng "It has been that way for the past years, too, but what the ETP has done is to focus attention on a number of (these projects)," Yeah (left) said.

Minister in the Prime Minister's Department and the man behind the ETP Idris Jala has thus far has maintained that these projects are mostly the fruit of the laboratories held in May.

However, those who follow business news would realize that many of nine projects announced Monday were in the works even before that.

The Johor Premium Outlet, for example, is a joint-venture between Genting Indahpura and Simon Property which was initiated in 2009.

Speaking to reporters after the ETP launch, Genting Simon Sdn Bhd director Justin Leong, too, admitted that the 50-50 joint venture between Genting and US' largest real estate company Simon Property was four years in the works.

Similarly, the six star St Regis Hotel, for example, received approval for 1.4 million square feet of the development site near KL Sentral as early as 2008.

Met at the launch, chief executive officer of One IFC, the contractor for the hotel, Carmen Chua said that the project was listed under the ETP because of the impact it is expected to have in terms of Gross National Income contribution and jobs.

A glorified investment prospectus?

y4c ethnic forum 280307 lim teck ghee 1The ETP roadmap, essentially a list of projects and suggestions for investors, may wow some with talks of billion ringgit investments, but Centre of Public Initiatives director Lim Teck Ghee (right) is not impressed.

"For the private sector big boys to repackage investments and projects is to be expected but what is unacceptable is the way the government has accepted them without much scrutiny or concern for public interest," he said.

While the government may not be so upfront about their approach by selling these projects

as laboratory outcomes, Yeah believes that all is not lost.

By spotlighting these projects, the government can signal to the market that they are serious about transformation and that the economy is good enough that others are already investing.

"There is also a crowding in effect, whereby when many of these projects happen at the same time, companies will be able to learn from each other," he said.

Similarly, the government can use the experience of these project owners to fix bureaucracy issues and understand what the government needs to do to facilitate business, he said.

Would there be bailouts?

Lim, however, is harder to convince. "My impression is that the Government has presented us with an alphabet soup of projects which has been prepared by too many crooks; sorry, I mean cooks.

"The key question which should be asked is who the cooks are for this alphabet soup, and what exactly is there in the soup before the Malaysian public is asked to approve it?" he asked.

While some of the projects are worthwhile, Lim wonders who vets the project owners to know if they are capable of taking on these projects and are not just promising big numbers to get on the ETP list.

Would the government, keen on meeting the targets it has announced to the world, step in to act as more than the "facilitators" they promised to be?

NONE On the possibility of bailout at the ETP roadmap launch, Idris Jala (left in coat in photo) just glossed over the question, saying that the government will have to act according to the conditions prevailing at the time.

And after millions already spent -it is estimated that close to RM23 million went for the labs alone mostly as fees to international consulting groups-not much is left to do but to wait and see.

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