

DATE:26/10/2010

'ETP will move with the times'

KUALA LUMPUR: The Economic Transformation Programme (ETP) will evolve as the initiatives it sets out are starting points and it is not a definitive blueprint of economic activity in Malaysia for the next 10 years.

Many new initiatives and activities that have not even been thought of yet will emerge as reforms take hold, new opportunities emerge and markets develop, according to the book, *Economic Transformation Programme — A Roadmap for Malaysia*.

Led by the private sector, the ETP will transform the economy to become a high-income country with a per capita gross national income (GNI) of at least RM48,000 by 2020, with 74 per cent of this growth delivered by the National Key Economic Areas (NKEAs).

The ETP will create more than three million jobs, the majority of which will be middle-income or high-income jobs.

The ETP labs suggest that the Entry Point Projects can deliver up to 31 per cent of the required incremental GNI growth and a further 10 per cent through multiplier effects. Business opportunities could deliver an additional 33 per cent, while the remaining 26 per cent of incremental growth is expected from other non-NKEA sectors.

The government said four NKEAs — oil, gas and energy; financial services; palm oil and wholesale and retail — were projected to contribute 60 per cent of the incremental growth in the GNI among the 11 NKEA sectors, excluding the Greater Kuala Lumpur initiative.

The government also said many of the planned initiatives were centred around market liberalisation and an intensification of competition.

Economic growth will be spurred by innovation and a shift to higher value-added activities with greater focus on quality and improving standards. Within the NKEAs, growth will be concentrated in sectors where Malaysia has sustainable competitive advantage. By 2020, the structure of the economy would have changed significantly, where services will account for a bigger share of the economy at 65 per cent of gross domestic product (GDP) from the current 58 per cent.

Domestic consumption will be the key driver of growth, accounting for 59 per cent of the GDP by 2020 compared with the current 54 per cent. — Bernama



Prime Minister Datuk Seri Najib Razak (centre) launching the book, *Economic Transformation Programme — A Roadmap for Malaysia*, accompanied by other ministers. — NST picture by Effendy Rashid