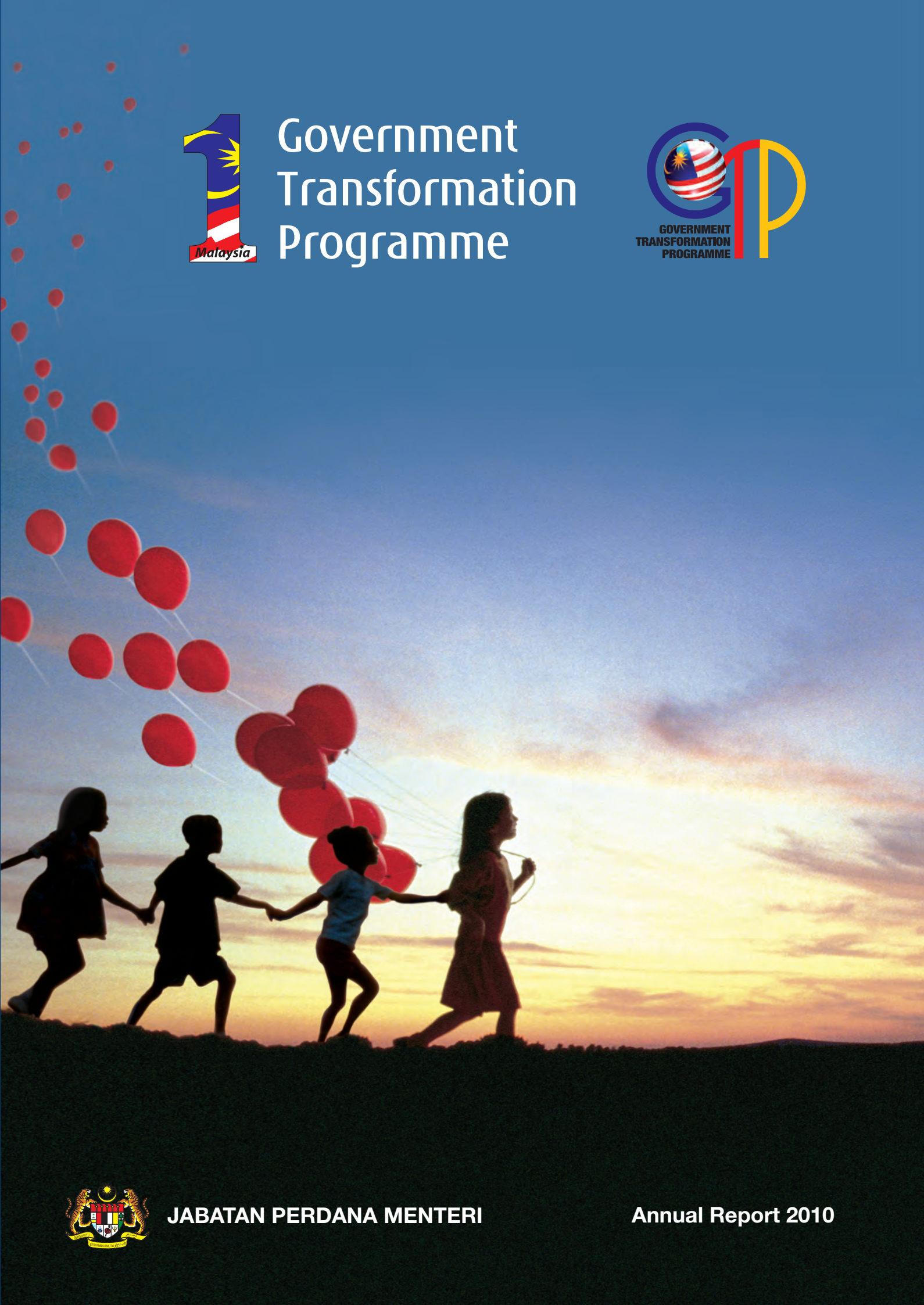
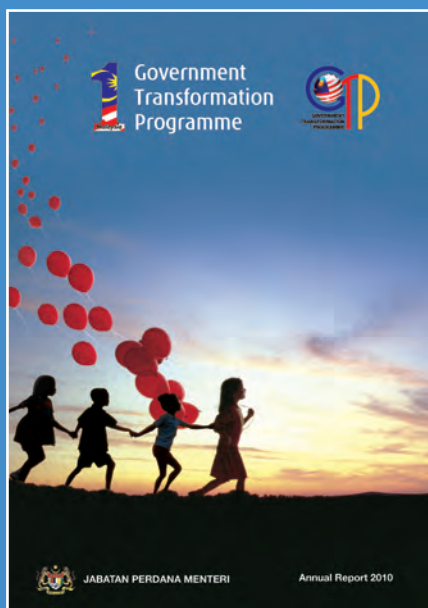




# Government Transformation Programme





2010 marked the introduction and implementation of Malaysia's Government Transformation Programme (GTP) and a new chapter in our young nation's history. This bold and unprecedented programme aimed to radically transform the way the Government worked so we could better serve the rakyat, regardless of race, religion or social status. In embracing change, we learnt how to listen more effectively, speak more openly, see things for what they really are, develop a positive course of action and deliver tangible solutions. These efforts have laid strong foundations for the future progress of our nation and given the rakyat the assurance of a better future.

This inaugural annual report of the GTP serves as a narrative of all that transpired in 2010. It records our many successes as well as shortcomings, outlines the key lessons learnt and the next steps we will take to achieve Vision 2020. As the GTP continues to impact upon and transform the lives of the rakyat for the better, the Government will continue to learn from its achievements and limitations, set higher goals and dream bigger dreams.

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## Progress of the Government Transformation Programme

# PERSPECTIVES FROM THE TOP



On behalf of the Government of Malaysia, it is my pleasure and privilege to share the performance and progress of the Government Transformation Programme (GTP) with you.

In 2010, we set ourselves an impossible challenge of moving Malaysia forward in an unprecedented manner. To this end, we rolled out the GTP, a bold programme aimed at radically transforming the way the Government worked so we could deliver real solutions to real issues and make strong advances forward as a nation.

The GTP was established based on the concerns of the people, or the rakyat, about several key issues afflicting the nation. As a roadmap for improving service delivery to the people, the GTP's focus is to quickly deliver tangible outcomes that can be felt and experienced by all Malaysians. The roadmap itself spells out detailed drilled down programmes with specific sets of initiatives as opposed to just being a macro plan. This entire programme is based on the premise of the government's commitment to "People First, Performance Now" under the 1Malaysia banner.

There are six pillars or National Key Result Areas (NKRAs) in the GTP based on the rakyat's most pressing concerns. These are Reducing Crime, Fighting Corruption, Improving Student Outcomes, Raising Living Standards of Low-Income Households, Improving Rural Basic Infrastructure and Improving Urban Public Transport. It is our goal, in line with the spirit of 1Malaysia, to pursue these NKRAs and address them with unrelenting conviction and dedication to create a modern, prosperous, peaceful and high-income nation. Our objective is to improve the lives of all Malaysians regardless of race, religion and social status.

This inaugural annual report of the GTP takes stock of all that transpired in Year 1 of Horizon 1 (2010-2012) of the GTP. It highlights our many successes as well as our shortcomings, the key lessons learnt and next steps we will take to get to where we need to achieve Vision 2020. In rolling out the GTP, we have listened and dialogued with the rakyat, opened our eyes to see things for what they are, drawn up a positive course of action and aggressively implemented tangible solutions.

More than a year has passed and both behind the scenes and in full public view, the GTP has seen significant success in all the NKRAs. Naturally, some areas have shown more progress than others but that is the reality of any large-scale programme. What was particularly significant about the first year of the GTP was that it brought with it the winds of change that swept through the entire government machinery. It ignited a new passion and enthusiasm among many civil servants as well as challenged others to realise their full potential and responsibility to the rakyat.

After one year of implementation, it is now time for us to present the results of our initiatives. I am proud to say that the GTP, led by the Performance Management and Delivery Unit (PEMANDU) within the Prime Minister's Department, has delivered many positive outcomes. The GTP has registered many "firsts" that have directly or indirectly, enhanced the lives of millions. We have broken new ground and are on the verge of greater accomplishments. However, we are also mindful that we should not declare victory before achieving our goal of becoming a developed country and as such, will strive to set higher goals for ourselves moving forward.

Many of the targets set under the GTP were ambitious – developed through a collaborative process between the best minds in the government and the private sector. We have shown that in fulfilling the wishes of the people, the government is committed to doing our utmost to deliver positive outcomes. Our results have also been verified by prominent, independent third parties, including credible international experts from reputable organisations. Their endorsement and vote of confidence adds further credence to our efforts over the last one year.

While the GTP has of course had its share of sceptics, the ultimate judge of our performance and progress has been the people that matter the most – the rakyat. We trust that this inaugural GTP Annual Report document will serve as a testament of how the Malaysian government is working for the people and driving the many efforts undertaken to transform our country.

As promised, the performance of the GTP and the NKRAs for 2010 has been published in its entirety in the public domain in an unbiased manner. In ensuring accountability and transparency, the government wishes to share the story in full - the victories, shortcomings, setbacks and lessons learnt - with all stakeholders.

I am positive that through the GTP roadmap, the NKRAs, the Economic Transformation Programme (ETP) which has at its core the National Key Economic Activities (NKEAs) to drive economic growth and the Strategic Reform Initiatives (SRIs) to enable growth, as well as a host of other initiatives, we will be on track to achieve the aspirations of Vision 2020. The journey forward will undoubtedly be challenging, perhaps even more so than the last one year, but we are up to the task – ready and willing to champion the cause of bringing tangible and positive outcomes to the rakyat.

Going forward, the GTP will continue to pinpoint real problems and deliver tangible solutions aimed at transforming our nation and impacting the rakyat, regardless of whom, what and where they are. As we make strong strides forward together as a united nation, rest assured that no Malaysian will be left behind.



**Dato' Sri Mohd Najib bin Tun Haji Abdul Razak**  
Prime Minister  
Malaysia

27 March 2011

## An Overview of Year 1, Horizon 1 of the GTP

# THE YEAR THINGS CHANGED



2010 was a year of new beginnings for Malaysia. It was the year the government launched the Government Transformation Programme (GTP) and subsequently, the Economic Transformation Programme (ETP), both aimed at transforming the destiny of this nation in a significant manner.

With just 9 years left to go until Vision 2020, we set in motion the wheels to drive change and evolve Malaysia into a developed nation. We kick-started the GTP and immediately began racing full speed ahead at a pace that the government was not accustomed to. Our intention was to deliver big and tangible results very quickly and we did just that to some extent.

The GTP is all about building a future for all Malaysians regardless of whom, what and where they are. It is about holding on to the hope that we can truly become a nobler, more compassionate and more harmonious nation. It is about developing a sustainable future where all Malaysians will enjoy the benefits of a better quality of life, a highly effective and efficient level of service, as well as a thriving and globally competitive economy.

By driving such initiatives as providing educational opportunities for all on a nationwide basis, building basic infrastructure in rural areas, and improving urban public transport in the Klang Valley, among other initiatives, we are taking the first steps towards providing a better quality of life for the rakyat in these areas. These are not simple tasks as there are many challenges to overcome, but the government is determined to put in place sustainable building blocks that will provide a hope and a better future for all Malaysians.

Upon the GTP's introduction, there were many questions as to how the whole GTP concept would be executed. To this end, PEMANDU was set up and tasked with overseeing the implementation of the GTP as well as facilitating and supporting the delivery of both the National Key Result Areas (NKRAs) and Ministerial Key Result Areas (MKRAs).

We would not have achieved what we did achieve in 2010 without the determination and commitment of the various Ministries and the entire government machinery working closely together with the private sector and the rakyat. Openness, teamwork, close collaboration, as well as a resolve to avoid working in silos while ensuring continuous dialogue, were the essential ingredients for our success. We were both humbled and thrilled to see so many disparate groups coming together as one force to deliver such stellar results over the first year of the GTP.

We are well pleased with the progress of the six NKRAs driven by the respective Ministries and supported by many parties. The commitment shown by the Ministries, as well as the results presented in this Annual Report are quite remarkable given the short period we have had to do all that we have done.

As promised during the launch of the GTP Roadmap in early 2010, this Annual Report clearly spells out the National Key Performance Indicators (NKPis) for the Ministries responsible for the NKRAs as well as their many successes and achievements to date. It also highlights the challenges we faced, as despite our best efforts, every NKRA encountered difficulties or experienced certain shortfalls. It also takes stock of the key lessons learnt over 2010 and puts in writing our commitment to the next stages of the GTP. All in all, the inaugural Annual Report of the GTP is an apt illustration of the fast-tracked evolution of Malaysia over a period of one year.

As we stride forward into 2011, we are determined to make continuous improvements and set even higher targets for ourselves. While we have made some strong inroads in many areas, there is still a lot of important work to be done. We trust that all stakeholders will lend us their full support as we work together to drive positive change for our nation.

We remain committed to working hand in hand with all Malaysians, regardless of race, religion or social status for a better future in line with the principles of “1 Malaysia, People First and Performance Now”. As we look forward to an even more challenging year ahead with higher targets to meet, we are confident of delivering on all that we have promised.



**Tan Sri Dato' Haji Muhyiddin bin Mohd Yassin**  
Deputy Prime Minister  
Malaysia

27 March 2011

# Big Results Fast

## DELIVERING BIG RESULTS FAST

If one desires different or better results, one must do things differently. If we wish to see change by leaps and bounds and not just incrementally, then a bold action plan is needed. This in essence is the inherent purpose of the GTP. We purposefully chose goals that were more ambitious than the ones we had set before. In pushing the envelope and challenging ourselves to do better, the GTP yielded quick and big wins like never before, making a positive impact on the lives of millions. In all six NKRA's, the early impressions clearly prove that we have achieved unprecedented success, the results of which speak for themselves.

## REDUCING CRIME NKRA

35%  
REDUCTION  
IN STREET  
CRIME

15%  
REDUCTION  
IN INDEX  
CRIME

NATIONWIDE CRIME  
REDUCED FOR THE  
FIRST TIME  
IN 4 YEARS

Street Crime and Index Crime down by 35% and 15% respectively, the highest drop ever since Independence. This significant reduction of crime rates in high crime neighbourhoods shows a real commitment to optimal manpower usage.





## LARGEST NUMBER OF VIOLENT CRIME BACKLOG CASES CLEARED IN ONE YEAR

A total of 2,001 additional violent crime backlog cases were cleared in 2010. This is one of the most challenging NKPIs set as clearing for both backlog and current cases must occur concurrently and multiple stakeholders need to be engaged to achieve results.

**2,001**  
ADDITIONAL VIOLENT  
CRIME BACKLOG CASES  
CLEARED IN 2010



## EVERY POLICE STATION RANKED ON PUBLIC SERVICE DELIVERY FOR THE FIRST TIME EVER

All 753 police stations nationwide ranked for the first time ever based on performance and service delivered to the public.

**753**  
POLICE STATIONS RANKED  
FOR THE FIRST TIME



## LARGEST NUMBER OF DESK PERSONNEL MOBILISED TO FRONTLINE DUTY TO ENHANCE OMNIPRESENCE

14,222 officers and 7,402 back-office personnel redeployed to street and patrol duty while PGA personnel reassigned with support from the army to the fight against crime. Together with other mobilisation strategies, this was instrumental in reducing overall crime rates.

**14,222**  
OFFICERS REDEPLOYED TO  
50 CRIME HOTSPOTS

**7,402**  
BACK-OFFICE PERSONNEL  
REASSIGNED TO FRONT LINE

## FIGHTING CORRUPTION NKRA

### GROUNDBREAKING WHISTLEBLOWER PROTECTION ACT INTRODUCED



The creation of Malaysia's Whistleblower Protection Act 2010 encourages whistleblowers to come forward with reports of improper conduct by granting them protection of their identity, immunity from criminal or civil liability as well as protection against any detrimental action taken against them.

284

OFFENDERS WERE  
LISTED – SURPASSING  
THE TARGET OF 84

### CREATION OF THE REGION'S MOST DETAILED DATABASE OF CORRUPT OFFENDERS



The MACC Name-and-Shame online database is created bearing the names, pictures, identity card numbers and case details of convicted offenders. By end 2010, 284 offenders were listed – surpassing the target of 84.

OVER  
3,500  
GOVERNMENT CONTRACTS  
AND TENDERS LISTED

### FIRST MYPROCUREMENT WEBSITE LAUNCHED TO REFLECT GOVERNMENT'S COMMITMENT TO TRANSPARENCY



Lists more than 3,500 government contracts as well as advertised / awarded tenders, dates and values of the contracts as well as winners of tenders.



## MORE MALAYSIANS VIEW GOVERNMENT'S FIGHT AGAINST CORRUPTION AS EFFECTIVE

Results of Transparency International's Global Corruption Barometer show that within one year of joint efforts to fight corruption in law enforcement agencies, increase transparency in Government procurement and improve the institutional framework, there has been an almost two-fold increase in the percentage of people who viewed the Government's actions in fighting corruption as being effective – from only 28% in 2009 to 48% in 2010.

ALMOST  
**TWO-FOLD**

INCREASE IN PERCENTAGE  
OF PEOPLE WHO VIEW THE  
GOVERNMENT'S ACTION IN  
FIGHTING CORRUPTION AS  
BEING EFFECTIVE

## IMPROVING STUDENT OUTCOMES NKRA



## MALAYSIA'S FIRST SCHOOL RANKING SYSTEM INTRODUCED

This comprehensive ranking system tracks individual secondary and primary school performance to ensure the development of quality schools within the system.

MORE THAN  
**700,000**  
PRE-SCHOOLERS BENEFIT  
FROM EARLY EDUCATION

## LARGEST EVER INCREMENT OF PRE- SCHOOLERS IN A YEAR IN MALAYSIA'S HISTORY

More than 700,000 pre-schoolers in the 4+ and 5+ age groups are able to enter pre-schools. This is an increment of 54,569 pre-schoolers from 2009, whom up till now could not attend pre-school for the lack of schools in their areas.



**20**  
HIGH PERFORMING  
SCHOOLS SELECTED

## THE NATION'S FIRST EVER HIGH PERFORMING SCHOOLS (HPS) LIST IS CREATED

14 secondary and six primary schools make Malaysia's first ever High Performing Schools (HPS) list.



## RAISING LIVING STANDARDS OF LOW-INCOME HOUSEHOLDS NKRA

**44,643**  
EXTREME POOR  
HOUSEHOLDS REDUCED  
TO ZERO PERCENT

## 44,643 EXTREME POOR HOUSEHOLDS REDUCED TO ZERO PERCENT

This, the single largest, most successful poverty eradication exercise for Malaysia led to the reduction of 44,643 extreme poor households nationwide to zero percent, with the remaining total brought to just 108 (0.2%) as at 31 December 2010.





2,000 WOMEN  
ENTREPRENEURS TRAINED  
WHICH RESULTED IN THEIR  
INCOME **INCREASING**  
BY 78.6%

2,000 women entrepreneurs were successfully trained and their income increased from an average of RM750 per month to RM3,500 per month or more (for a consecutive period of three months).

2,000

WOMEN ENTREPRENEURS  
WERE TRAINED



RECORD NUMBER  
OF HOMES OFFERED  
TO THE NEEDY

For the first time in history, 35,095 low cost units were offered for sale to deserving families at a subsidised price that was 75% less than the market value.

35,095

LOW COST UNITS WERE  
OFFERED FOR SALE TO  
DESERVING FAMILIES  
AND INDIVIDUALS

## IMPROVING RURAL BASIC INFRASTRUCTURE NKRA



**MOST RAPID,  
LARGE SCALE**  
RURAL DEVELOPMENT

By the end of 2010, the following fast-track results were achieved:

- Over 35,000 rural households connected to clean water supply
- Over 27,000 rural households connected to 24-hour electricity supply
- Over 16,000 houses built or restored for the rural poor; and
- Over 750km of rural roads laid nationwide...  
thereby touching the lives of over 2 millions Malaysians.

2million

LIVES TOUCHED THROUGH  
RURAL DEVELOPMENT  
INITIATIVES

## IMPROVING URBAN PUBLIC TRANSPORT NKRA

DIVERSION OF OVER

500

EXPRESS BUSES FROM KL  
CITY DAILY HELPS  
DECONGEST KL

### A KL CITY BEGINS TO DECONGEST AS INTEGRATED TRANSPORT TERMINAL (ITT) IS INTRODUCED



Opened in January 2011, with connections to the ERL, KTM and LRT rail networks, the first ITT at Bandar Tasik Selatan is already reducing congestion by diverting over 500 express buses away from the Kuala Lumpur city centre daily.

634

KLANG VALLEY  
BUS-STOP  
REFURBISHED

### MOST LARGE SCALE REFURBISHMENT OF BUS STOPS IN THE KLANG VALLEY



To provide better shelter and comfort to passengers, 634 bus-stops in Ampang Jaya, Shah Alam, Subang Jaya, Selayang, Sepang, Kajang and Petaling Jaya were refurbished through unprecedented inter-agency co-operation. This is the first time such a large scale refurbishment of Klang Valley bus stops has taken place.



## OVER 2 MILLION PASSENGER INCREASE IN LRT RIDERSHIP

MORE THAN  
**2million**  
INCREASE IN  
LRT RIDERSHIP

The use of new four-car train sets at the Kelana Jaya line (PUTRA Line) resulted in an additional 2.43 million ridership. These new train sets are helping to enhance convenience, comfort and reliability.

## MINISTERIAL KEY RESULT AREAS (MKRAs)



## FOR THE FIRST TIME EVER - CREATING MINISTERIAL ACCOUNTABILITY VIA MKRAs

For the first time in Malaysia, the government has made Ministers accountable for their performances via result-oriented targets i.e. MKRAs and Ministerial Key Performance Indicators (MKPIs). The MKRAs and MKPIs clearly define the desired outcomes that Ministers must achieve and be accountable for. Ministers are given a scorecard reviewed by the Prime Minister twice yearly.

# Overview of the Government Transformation Programme (GTP)

## INTRODUCTION TO THE GTP

The Government Transformation Programme (GTP) is an ambitious, broad based initiative aimed at addressing key areas of concern to the rakyat while supporting Malaysia's transformation into a developed and high-income nation as per Vision 2020.

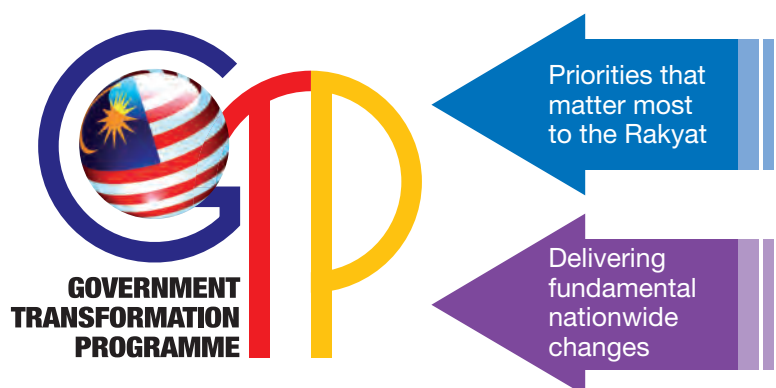
It is aligned to the New Economic Model (NEM) and the Tenth Malaysia Plan (10MP) and should be viewed together with these initiatives as part of one cohesive effort to transform Malaysia into a progressive, harmonious and high-income nation.

The two main features of the GTP are:

- Centred on the priorities that matter most to the rakyat i.e. People First.
- Creating fundamental changes on a nationwide basis to deliver big results fast i.e. Performance Now.

In achieving the abovementioned objectives, six National Key Result Areas (NKRAs), requiring big and fast results, have been conceived. Each NKRA has its own National Key Performance Indicators (NKPIs) – specific targets to be achieved in the interests of the people or rakyat.

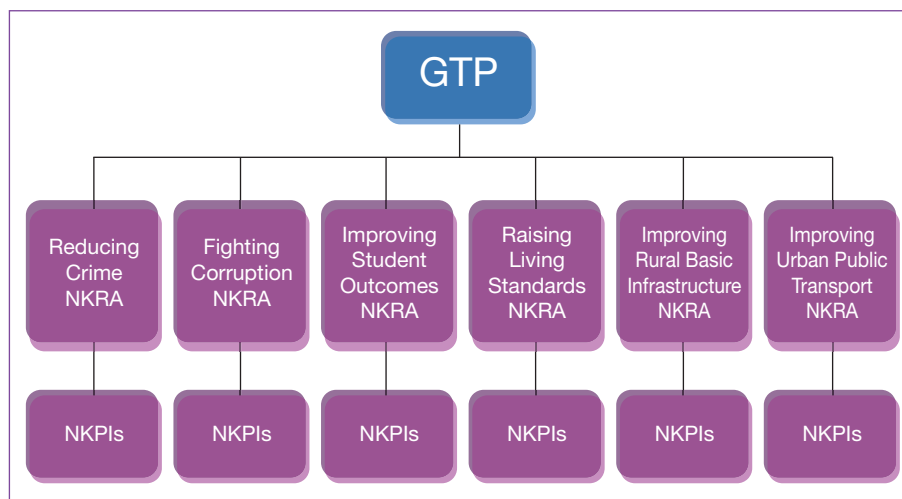
The entire GTP initiative is led by the Prime Minister and his Cabinet, supported by the Chief Secretary to the Government (KSN) and the civil service. It is driven by the Performance Management and Delivery Unit (PEMANDU) within the Prime Minister's Department.



### GTP – AN UNPRECEDENTED EFFORT FOR MALAYSIA

The GTP, as a transformation engine is unlike any other initiative ever implemented in Malaysia. While drawing from past experience, it has significant differences that allow the plan to be categorised as a first-of-its-kind programme for the nation.

#### Overview of the GTP, NKRA and NKPIs



The most outstanding feature of the GTP is its endgame objective: delivering Big Results Fast that matter to the people immediately in line with the overarching concept of “People First, Performance Now”.

This means delivering many “firsts” for Malaysia – never before achieved results via ambitious targets, where substantial improvement is felt quickly by the people.

In realising this ambition, the GTP unlike other initiatives in the past, relies on “stretched targets” – challenging NKPIs under each NKRA to bring about the desired positive outcomes.

The Government has resisted the tendency to set modest, “soft” targets, which will defeat the purpose of delivering quick and significant improvements and the development of a high-performance culture in the government. Only when you challenge yourself, are you propelled to grow and facilitate ground-breaking results.

The differences in the GTP compared to past initiatives are also visible in the areas of target and strategy formulation, execution and implementation of measures, the extent of public involvement and government participation, as well as the measurement of results.

It also looks to break new ground in terms of service delivery within the government, the creation of a people-oriented mindset within the public sector and as mentioned earlier, a high performance culture.

Perhaps the most telling distinction of the GTP is the results achieved thus far. Despite 2010 being only in the first year of implementation, there have been many big and quick wins in all NKRA's. Throughout the six NKRA's, there have been many Malaysian historic firsts.

Many NKPIs have met or over-exceeded their targets. The many outcomes achieved may be viewed in greater detail under the respective NKRA's.

## **FUELLING UNPRECEDENTED LEARNING OPPORTUNITIES FOR GOVERNMENT**

While the GTP has delivered significant results, the nature of stretched targets means that we are likely to fall short in certain areas. We accept this as part of the journey of transformation. If all NKPIs were achieved, it can only mean that we have not stretched ourselves far enough.

In the true spirit of transparency, accountability and unbiased disclosure, the performance of the GTP is published in this Annual Report. This report provides an accurate account of wins and shortcomings and how we plan to continue improving in the interests of the rakyat.

We welcome public feedback and debate as we look to fine-tune our targets and efforts in the pursuit of even better results in 2011 and 2012.

### **A Paradigm Shift in the Bureaucracy and Government Mindset**

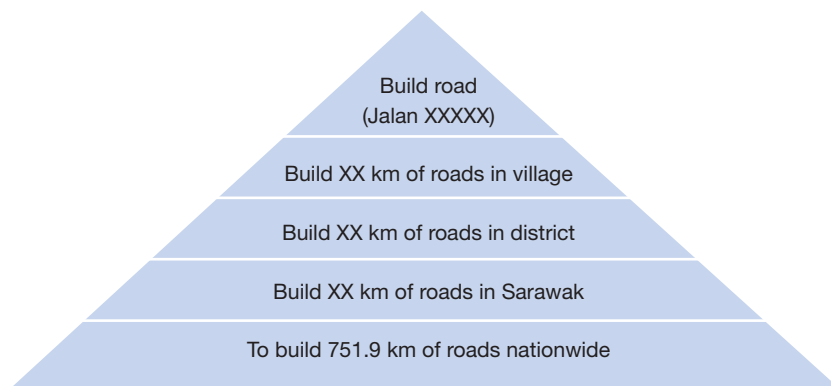
The GTP, by virtue of being an integrated, drilled down programme rather than a macro-plan, has fuelled tremendous learning opportunities.

One of the key features is that we are able to drill down from the biggest to the smallest detail of every NKRA and NKPI. Every implementation stage, tactical initiative and action plan; as well as individual persons or locations can be identified, tracked and monitored. Data, statistics and figures reflect the true nature of the situation without any round-ups. In essence, we have adopted a high degree of precision and accountability in the implementation of the GTP.

For example, under the Rural Basic Infrastructure or RBI NKRA, we set out to build 751.9 km of roads nationwide. From this broad objective, we have cascaded targets into how many roads in each state, district, town and village, right down to the individual road name, we will build. After each road was confirmed completed by our contractors, a team of assessors would visit locations to ensure that the roads were truly built as claimed.

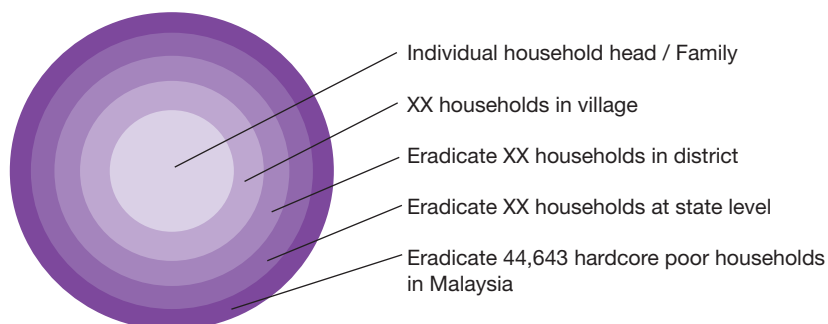
The same methodology was applied to the connection of water and electricity supply as well as the building of houses – with exact numbers identified for each, beginning with a nationwide figure and then segmented into state, regional, district, town / village and individual homes.

### A Comprehensive Drilled Down Programme for the RBI NKRA



In improving the lives of low-income households (LIH), we are able to identify each household head for 44,643 extreme poor families; how many family members each individual household had; and the amount of aid disbursed to each family from a specific programme (e.g. AZAM Niaga, AZAM Tani, etc).

### A Comprehensive Drilled Down Programme for the LIH NKRA



With such an initiative governing our management and execution, the teams involved in the GTP naturally developed a sharp focus on results. As one could see the visible effects of results, there was greater self-motivation to maintain the momentum of success and to drive projects forward.

### **Ensuring Every Sen is Well Spent**

Perhaps one of the biggest revelations would be the development of a new approach towards budget expenditure. Under the GTP, budget exhaustion was not viewed as a sign of achievement or progress. Instead, we went against the prevailing “use it or lose it” mindset to encourage budget savings, without compromising our targets.

In the course of implementing the various NKRA's under the GTP, we have found that by being diligent, conscientious and maintaining a view that taxpayers' funds must be well spent, we have achieved savings throughout the various stages of the programme.

This was achieved in many areas. In the case of rural basic infrastructure (roads, electricity, water and houses), we have over-exceeded our targets with budget savings. As the result of the interlinkages between several of the NKRA's, initiatives carried out under one NKRA impacted positively on another, thereby further ensuring every sen was well spent.

This is one key lesson that we hope to make as a best practice for the government going forward.

## **TIMELINES**

As a broad based programme, the GTP comprises three horizons:

### **Horizon 1 (2010-2012)**

Establish a new engine for change and deliver substantial outcomes for the rakyat quickly. This includes setting and achieving targets within NKRA's and Ministerial Key Result Areas (MKRA's), so as to address the priorities of the rakyat.

Existing efficiency measures to improve government productivity are expected to continue. In addition, we are committed to publishing an Annual Report in the first quarter of each following year (this report being our inaugural one), incorporating public feedback and debate, and instituting performance management mechanisms to ensure delivery of NKRA and MKRA targets. PEMANDU has also been established within the Prime Minister's Department to oversee and support the delivery of these outcomes.

## Horizon 2 (2012-2015)

The change within government is expected to be even more pervasive. The important aspects of daily life (defined here as NKRAs and MKRAs) should have improved significantly. The economic structure of the economy should have evolved in line with the New Economic Model into higher-value-added sectors, and government productivity should have been further advanced. The first shoots of a higher-income nation should be emerging.

## Horizon 3 (2015-2020)

Fundamental changes to Malaysian society as envisaged by Vision 2020 should have happened. The rakyat should be experiencing a new sense of being Malaysian, a higher level of prosperity and better public services.

It is expected that the Government would then be smaller, more agile, and work increasingly in partnership with the private sector to provide public services efficiently. Innovative and rakyat-centric models of public service delivery – centred on choice and competition – should be in place by then.

## NATIONAL KEY RESULT AREA (NKRA)

The GTP is supported by the National Key Result Areas or NKRAs and Ministerial Key Result Areas or MKRAs.

The NKRAs are deemed as priority areas for the nation – areas that require quick and big wins to address the urgent demands of the rakyat. The NKRAs were determined based on public feedback collected via various innovative channels.

The NKRAs are:

- Reducing Crime (led by the Minister of Home Affairs)
- Fighting Corruption (led by the Minister in the PM's Department, Law and Parliamentary Affairs)
- Improving Student Outcomes (led by the Minister of Education)
- Raising Living Standards of Low-Income Households (led by the Minister of Women, Family and Community Development)
- Improving Rural Basic Infrastructure (led by the Minister of Rural and Regional Development)
- Improving Urban Public Transport (led by the Minister of Transport).

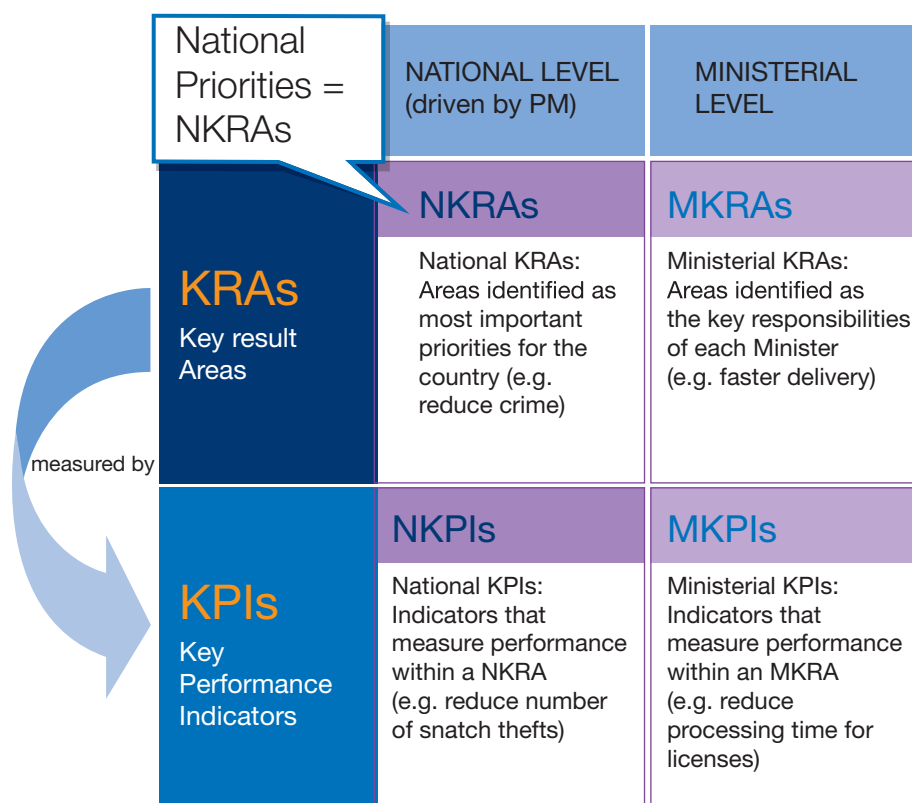
The NKRAs are collectively owned by the Cabinet, with accountability for delivery resting on a Lead Minister, who is appointed and formally monitored by the Prime Minister. They represent a combination of short-term priorities to address urgent rakyat demands and equally important long-term issues affecting the rakyat that require our attention now.

Areas not covered by the NKRA's but deemed important will receive attention from the Government at the ministerial level. These areas – the MKRAs – include targeted outcomes that the rakyat can see and feel (e.g. responding faster to public complaints and reducing the number of road traffic accidents).

The NKRA's are dynamic in nature. Over time, we expect their composition to be reviewed. In some cases, where targets have been met, they may no longer be priorities of the rakyat. If so, then new or additional focus areas will be deemed NKRA's. Alternatively, these six may remain NKRA's but the targets or focus areas within each NKRA will evolve. Ultimately, the GTP via the dynamic NKRA's will be aligned in response to the rakyat's wants and needs.

### THE FORMULATION OF THE NKRA'S

The NKRA's were formulated based on the rakyat's ideas, input and feedback, which were obtained through various channels. This included nationwide surveys, call for ideas via SMS, focus group and interviews sessions with key stakeholders, online feedback and Open Days.



## Overview of the GTP continued

Dedicated labs were also formed comprising 250 top civil servants from across Ministries as well as representatives from the private and social sectors. The labs worked for six weeks exclusively and intensively on defining detailed, implementable solutions for each NKRA. This involved intense problem-solving and collaboration across Ministries and agencies, together with participants from the private sector.

The Prime Minister, Cabinet Ministers and top leaders of the civil service spent significant amounts of time with these labs, to monitor progress and challenge the participants towards setting more ambitious goals and faster delivery times.

In detailing the initiatives, the labs solicited input from the rakyat as well as from experts in the respective areas. The results of the labs were then displayed during Open Days in Kuala Lumpur, Kuching and Kota Kinabalu, at which the rakyat were able to provide input and feedback on the targets, initiatives and implementation details. Based on public feedback, plans were further fine-tuned and then published in the GTP Roadmap on 28 January 2010.



### CREATING MINISTERIAL ACCOUNTABILITY VIA MKRAs

In parallel to the NKRAs, the GTP also includes MKRAs and the delivery of Ministerial KPIs (MKPIs) within those defined areas.

This is in line with the PM's commitment towards creating a performance-based leadership and accountability within government starting right from the Executive – the Cabinet.

The Ministers' performance were reviewed and assessed based on the achievements of the MKRA/MKPI. The Prime Minister had committed to conduct the PM-Minister Performance Review every six months to ensure each Minister's KPIs are progressing on track.

In 2010, the MKPIs were cascaded throughout the civil service. These efforts build upon previous efforts to establish KPIs for the most senior civil servants i.e. the Chief Secretary to the Government (KSN) and all Secretary-Generals (KSUs) and Director-Generals.

The MKPIs set were ambitious and outcome-based. Each Minister is assessed and scored based on his / her achievements of the MKPIs as well as the NKRAAs directly linked to his / her Ministry.

| Performance Management of Ministries |                                                                                                                   |
|--------------------------------------|-------------------------------------------------------------------------------------------------------------------|
| Achievement<br>(% of KPI<br>Targets) | Action                                                                                                            |
| • 90-100+                            | • Hold up as inspirational case study for other parts of government                                               |
| • 80-89                              | • Commend and challenge to raise aspirations                                                                      |
| • 70-79                              | • Provide appropriate support and resources to continue and upgrade delivery                                      |
| • 60-69                              | • Provide help, coaching and problem-solving support to meet targets                                              |
| • <60                                | • Provide extra help and activate consequence management (e.g. potentially change team structure and composition) |

For example, consider one of the targets of the Crime NKRA – reducing reported street crimes in 2010 by 20%. If the actual reduction is 18%, then the relevant Ministry scores 90%, i.e.  $18/20 \times 100$ . However, if the actual reduction is 12%, the Ministry only scores 60%, i.e.  $12/20 \times 100$ .

Alternatively, consider the Rural Basic Infrastructure target of constructing 338 kilometres of roads in Sabah and Sarawak in 2010. If 271 kilometres are built, then the relevant Ministry scores 80%, i.e.  $271/338 \times 100$ . If only 202 kilometres are built, then the Ministry scores only 60%, i.e.  $202/338 \times 100$ .

The performance bar has been set high. Our minimum expectations, in the examples above, are 12% fewer reported crimes, and 202 kilometres of roads to be built in Sabah and Sarawak (whereas from 2006 to 2008, an average of 220 kilometres were built or upgraded annually nationwide).

## MEASURING THE ACHIEVEMENTS OF THE GTP

Scoring for the GTP is measured at the individual NKPI level, the results of which are then tabulated to provide a composite scoring for the overall NKRA.

In ensuring, that the achievements under the respective NKRA were truly substantial and credible, three varying scoring methodologies were applied:

### Method One

- Scoring is determined by a simple comparison against set 2010 targets. Overall NKRA composite scoring is the average of all scores.

### Method Two

- Scoring is calculated by dividing actual results against set 2010 targets with an added rule:
  - If the scoring is less than 100%, score #2 is taken as the actual %.
  - If the scoring is equal or more than 100%, score #2 is taken as 100%.

The overall NKRA composite scoring is the average of all scores.

### Method Three

- Scoring is calculated by dividing actual results against set 2010 targets with an added rule:
  - If the scoring is equal and less than 50%, score #3 is indicated as 0.
  - If the scoring is more than 50% and less than 100%, score #3 is indicated as 0.5.
  - If the scoring is equal or more than 100%, score #3 is indicated as 1.

The overall NKRA composite scoring is the average of all scores.

The application of these three methodologies are reflected in the sample Reducing Crime NKRA in the next page. For a full perspective of the achievements of all NKRA's plus their expenditure against budget, please refer to pages 224 to 229 of this Annual Report.

## Sample of Scoring Methodology

### NKRA: Reducing Crime

| No.                       | NKPIs                                            | 2010 Target | Actual     | Method 1 |                  | Method 2 |                  | Method 3                    |                  | 2010 Budget (RM mil) | Actual Expenditure (Dec 2010; RM mil) | % of Expenditure |
|---------------------------|--------------------------------------------------|-------------|------------|----------|------------------|----------|------------------|-----------------------------|------------------|----------------------|---------------------------------------|------------------|
|                           |                                                  |             |            | Score #1 | Traffic Lights 1 | Score #2 | Traffic Lights 2 | Score #3 (Yes, Partial, No) | Traffic Lights 3 |                      |                                       |                  |
| 1                         | Reduction in reported Index Crime                | 5%          | 15%        | 300%     |                  | 100%     |                  | 300%                        | 1                |                      |                                       |                  |
| 2                         | Reduction in reported Street Crime               | 20%         | 35%        | 175%     |                  | 100%     |                  | 175%                        | 1                |                      |                                       |                  |
| 3                         | Reduce fear of becoming victims of crime         | 58.5%       | 52.8%      | 111%     |                  | 100%     |                  | 111%                        | 1                |                      |                                       |                  |
| 4                         | Additional violent crime offenders to trial      | 2000 cases  | 2001 cases | 100%     |                  | 100%     |                  | 100%                        | 0.5              |                      |                                       |                  |
| 5                         | Improved public perception on police performance | 35.8%       | 55.8%      | 156%     |                  | 100%     |                  | 156%                        | 1                |                      |                                       |                  |
| Overall composite scoring |                                                  |             |            | 168%     |                  | 100%     |                  | 90%                         |                  | 337.9                | 257.7                                 | 76.3%            |

## UNBIASED WITH FULL ACCOUNTABILITY & TRANSPARENCY

The government leveraging on the GTP has made commendable efforts to improve its performance delivery using a two pronged strategy. Firstly, we published the GTP Roadmap to promote transparency by setting out our promises in detail. Secondly, to engender accountability, we are communicating the NKPI results and their corresponding performance to the public in this Annual Report.

We have endeavoured to make the scoring system transparent, open and as precise as possible. From the collection of NKPI data to the tabulation of statistics and formulation of findings, precise care has been taken to ensure the performance measurements and process remains accurate and unbiased to preserve the integrity of the findings.

This includes appointing independent third parties to undertake data collection where appropriate. Our specific focus has been on presenting the data truthfully – reflecting both successes and shortcomings to gain a true picture of the GTP's performance.

To this end, PEMANDU engaged PricewaterhouseCoopers Malaysia (PwC), an independent party, to ensure the information and data inputs used in each of the reported NKPIs agreed with the information provided from the participating Ministerial agencies and departments. The respective NKPI calculations were also checked against the guidelines and formulae prescribed by PEMANDU.

NKPI RESULTS VALIDATED  
ACCORDING TO  
AGREED-UPON  
PROCEDURES BY  
**PRICEWATERHOUSECOOPERS**

PwC's findings highlighted a number of exceptions, which were subsequently addressed and reflected in the reported NKPIs. In conclusion, PwC confirmed that the 2010 NKPI actual results have been validated according to the agreed-upon procedures. PwC has also identified opportunities to improve processes and the quality of information. As such, PEMANDU, together with the relevant Ministries have agreed to take prescriptive actions to effect these improvements over the next twelve months.

INDEPENDENT  
OUTSIDE-IN VIEW  
OF THE GTP'S PROGRESS  
BY AN  
**INTERNATIONAL  
PERFORMANCE REVIEW  
COMMITTEE**

Going forward, PwC will work together with PEMANDU to set up an assurance framework to annually assess the quality of sources, processes and information provided. The results of these annual assessments will be shared and the recommendations will be implemented to continuously improve the data integrity and accuracy of these reported NKPIs. These annual assessment results will also be shared with the public in future annual GTP reports.

To ensure the transparency of the GTP results as well as to obtain an unbiased external evaluation and independent outside-in view of our progress, the government also sought the insights of a panel of international experts to review our efforts. These authoritative third parties were not to have any vested interests in the GTP but were to be able to assess, review, verify and critique the GTP results over Year 1 of Horizon 1 without fear or favour.

As such, various individuals from different backgrounds and areas of expertise were assembled together to form the International Performance Review (IPR) Committee. The profiles of the IPR Committee, their critical and constructive feedback, as well as their recommendations on new ideas and best practices to incorporate into the GTP, are highlighted in the section titled "Feedback from the International Performance Review Committee" (found on pages 191 to 206 of this Annual Report).

As the GTP moves into its second year, we will continue to ensure that we are accountable to the rightful stakeholder of this exercise – the rakyat. As such, we remain committed to presenting the data in its true nature in the interests of transparency and accountability.

## 2010 Results of the Six National Key Result Areas

Reducing Crime



Fighting Corruption



Improving Student Outcomes



Raising Living Standards of  
Low-Income Households



Improving Rural Basic Infrastructure



Improving Urban Public Transport



# Reducing Crime



## Reducing Crime



“ Crime affects all Malaysians, irrespective of race, religion, gender or income levels. To protect our loved ones, we have set ambitious targets to reduce crime levels significantly for which I, as the Lead Minister, am accountable for delivering. Achieving these targets will require concerted effort not only by all law enforcement and related government agencies, but more importantly, the help and involvement of all Malaysians.

While we are starting to see some positive signs at the nationwide level for street crime and overall index crime, we have much more to do to create a Malaysia where the fear of crime is substantially reduced. I humbly ask that all Malaysians join hands with all the agencies involved in fighting crime at all levels such that we can all live in a safer nation.

”

**Dato' Seri Hishammuddin bin Tun Hussein**  
**Minister of Home Affairs**



## SNAPSHOT OF 2010'S ACHIEVEMENTS

### Striking a Serious Blow to Crime

The government has heeded the call from the rakyat to take swift and decisive action to eradicate crime. Throughout 2010, the Ministry of Home Affairs via the Royal Malaysian Police Force (Polis DiRaja Malaysia or PDRM) and other agencies made fighting crime a priority. Unlike before, the approach undertaken was different with a focus on delivering quick and big wins that would have a direct and tangible impact on the lives of the rakyat.

The targets set were ambitious. However, having closely reviewed success models abroad, it was within our reach to set big goals in fighting crime and to achieve them. Equally important, the government wished to send a clear message that crime does not pay and that Malaysia will not tolerate criminal activities.

Throughout 2010, plans were put into action with significant results achieved. These included reductions in Index and Street Crime, clearing of violent crime backlog cases, the creation of Malaysia's first "Balai League Table" which ranked all 753 police stations based on performance and service delivered to the public.

### 2010 Big Wins

- 6,000+ confiscations and arrests from National Operations aimed at preventing vehicle thefts, snatch thefts and house break-ins
- 496 additional CCTVs installed throughout Malaysia, for crime fighting
- 5.7% less people who “Fear Becoming Victims of Crime” based on a TNS survey conducted in Quarter 3, 2010. TNS is a UK-based independent survey house
- 2,001 violent crime backlog cases cleared, and additional 5,222 new violent crime cases brought to trial
- 14,222 PDRM officers redeployed for patrolling in hot spot locations
- 7,402 back-office personnel deployed to the frontline for crime fighting
- 5,000+ RELA and JPAM members trained with PDRM as Police Volunteer Reserve (PVR)
- 2.6 million RELA members recruited and registered with KDN
- 20% increase in “Satisfaction with PDRM Services” based on a TNS survey conducted in Quarter 3, 2010.
- Safe City Programme, with additional 2,594 lighting posts, 343 safety mirrors, 33.1km of railings and bollards in 12 PBTs (Pihak Berkuasa Tempatan or local municipal councils)
- The creation of the Balai League Table (BLT) that ranks all 753 police stations nationwide to inculcate a performance-driven culture throughout the police force

In this nationwide effort, specific emphasis was placed on the four hotspot states – Kuala Lumpur, Selangor, Penang, and Johor.

The onus now is to build on the successes of 2010 and to take the fight against crime to our cities and streets with unrelenting conviction. The goal is to make Malaysia one of the world’s safest countries and our cities and streets peaceful and secure for all.

**Figure 1: Reduction of 32,297 Index Crime Cases vs. Last Year's Figure**

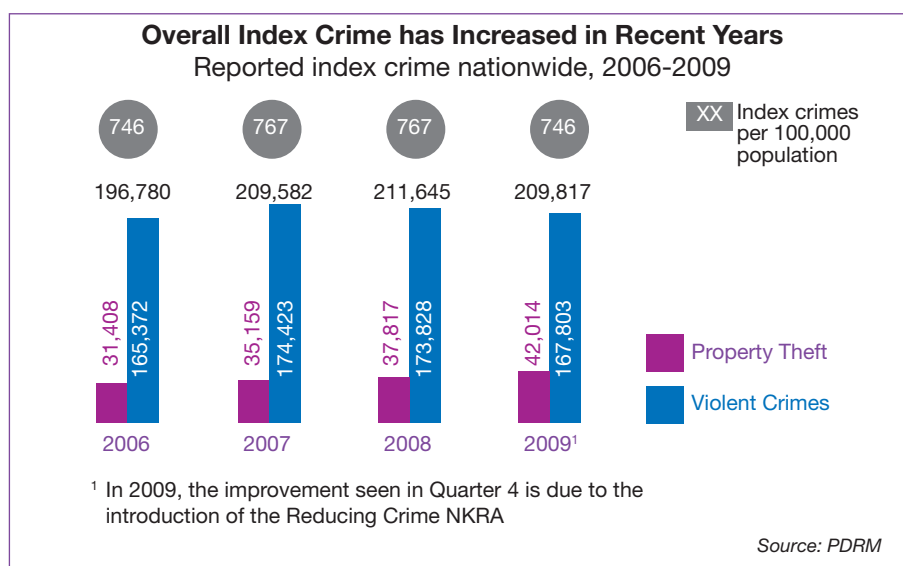


## GENERAL OVERVIEW

### The Case for the Reducing Crime NKRA

Since the 1970s, Malaysia has experienced a steady increase in Index and Street Crime. In the past four years, there has been a marked rise with Street Crime being one of the main contributing factors to this trend. The overall Index Crime rate<sup>1</sup> increased from 746 reported crimes per 100,000 population in 2006 to 767 in 2007 and 2008 – a rise of nearly 3%.

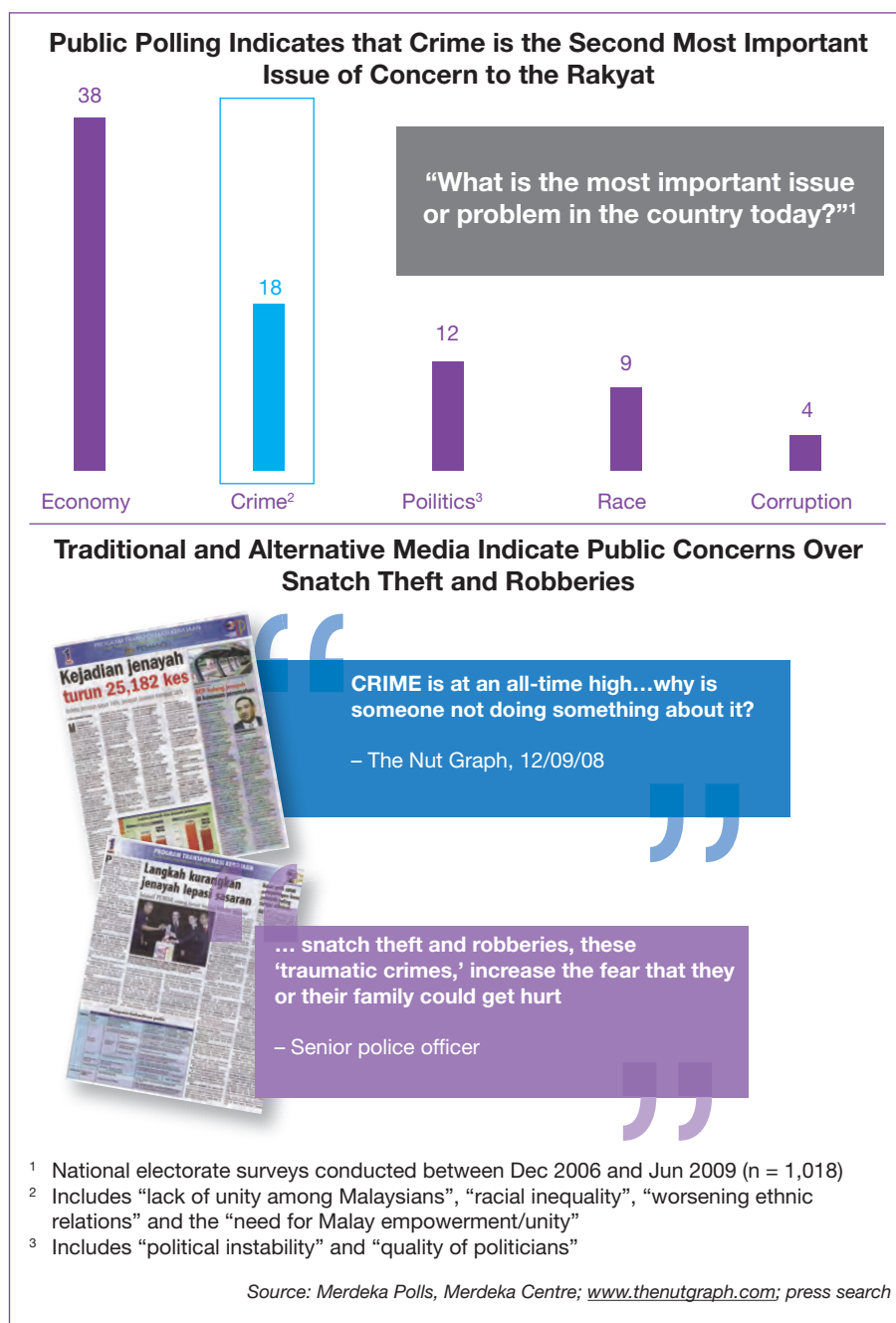
**Figure 2: Increase in Crime Rates from 2006 to 2009**



With crime dominating the headlines and becoming a common topic of everyday conversation, public confidence has eroded with the rakyat feeling unsafe in their own cities and streets. With growing security concerns, crime has become one of the foremost issues on the minds of the people.

<sup>1</sup> Based on Index Crimes, as measured by the Royal Malaysian Police/Polis DiRaja Malaysia (PDRM)

**Figure 3: Response from Public Opinion Polls**

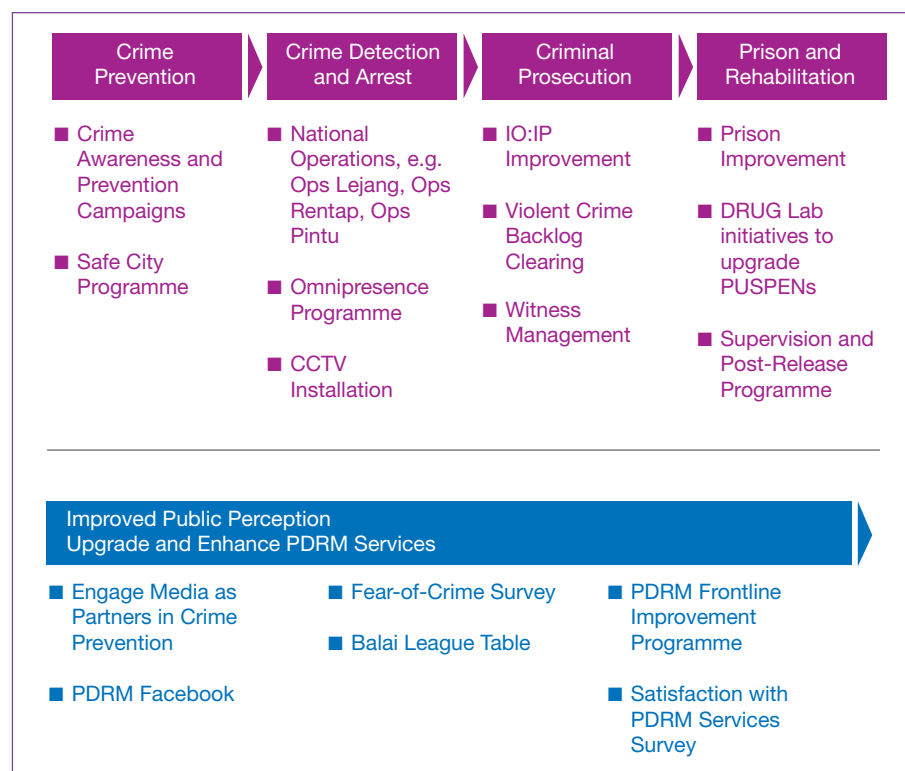


## The Government Responds

In line with developing safe, peaceful and united communities as envisioned under the 1Malaysia concept, the government has made reducing crime a National Key Result Area (NKRA). The rakyat should be able to enjoy the right to live in a safe and secure environment while enjoying a good quality of life without worrying about their safety.

In achieving this goal, National Key Performance Indicators (NKPIs) aimed at arresting crime rates have been identified. Specific plans have been put in motion with positive results achieved.

**Figure 4: CRIME NKRA Covers End-to-End Lifecycle and is Cross-Ministerial**



## Tackling Crime and Changing Perceptions

Apart from strategies and efforts to tackle the situation, the persuasion of hearts and minds are equally important to the overall success of the Reducing Crime NKRA.

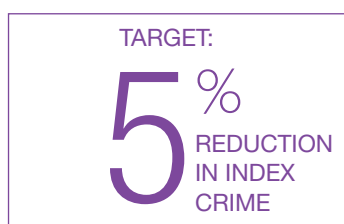
Not only should crime be tackled but the rakyat's confidence should also be restored. Confidence here is defined in terms of the perception that crime is being addressed and the environment has become safer, and that there is a more positive perception towards the police force and the courts (administration of justice).

Hence, the development of a two-step strategy where specific measures are implemented to address both crime and public perception and assess the success of the NKRA and its NKPIs.

## 2010 CRIME NKRA OBJECTIVES

### 2010 NKPIs

The following are the set NKPI targets for the Crime NKRA:



### 5% Reduction in Index Crime

Comprising 14 different crime categories, <sup>2</sup>Index Crime is defined as crimes which are serious in nature and which occur with sufficient frequency and regularity that they can serve as an index to the overall crime situation in Malaysia. Arresting Index Crime is a direct measure aimed at reducing the rakyat's daily exposure to potential crime. Success here will have a direct impact on crime rates and the overall index results. We set out to achieve a 5% reduction in overall reported Index Crime every year for the next three years:

<sup>2</sup> [Note: Index Crime are (1) theft, (2) snatch theft, (3) motorcycle theft, (4) car theft, (5) heavy machinery theft, (6) break-in day, (7) break-in night, (8) unarmed gang robbery, (9) unarmed robbery, (10) armed gang robbery, (11) armed robbery, (12) assault, (13) rape, (14) murder]

**Figure 5: 9 Key Initiatives to Reduce Index Crime**



Three critical areas were identified – motorcycle theft, car theft and house break-ins. Under the NKPI, aside from directly addressing Index Crime, other supportive measures were to be introduced. This included rewarding owners who invest in improved security features by encouraging insurers to adjust insurance premiums according to the security features installed; as well as increasing availability and usage of mobile access devices to enable police officers on patrol to check a vehicle's ownership status via a link to the Road Transport Department's vehicle registration number database.

TARGET:  
**20%**  
REDUCTION  
IN STREET  
CRIME

## 20% Reduction in Street Crime

Comprising three different crime categories – i.e. snatch theft, unarmed gang robbery, unarmed robbery – Street Crime is one of the most pertinent crime issues affecting the Rakyat and has significant impact on the public's perception on safety. As such, it was designated as the specific area which needed big, fast results immediately – hence the aggressive target to reduce Street Crime by 20%.

**Figure 6: Key Initiatives to Reduce Street Crime**



### Reduced Fear of “Becoming Victims of Crime”, and Improved Public Perception of Safety

Perception of safety is one of the most difficult issues to address, and the public can continue to remain in deep fear of crime despite reducing crime rates. Ultimately, the goal is to improve the quality of life for the rakyat, for which safety and being free from crime are necessary components.

### 2,000 Violent Crime Backlog Cases Cleared; 15% of Reported Violent Crime Cases Brought to Trial

The speedy action of bringing criminals to court and the clearing of backlog violent crime cases will help deliver a more efficient enforcement service while further bolstering public confidence that the government is serious about bringing perpetrators to justice.

TARGET:

2,000

VIOLENT CRIME BACKLOG  
CASES CLEARED

TARGET:

15%  
VIOLENT  
CRIME CASES  
BROUGHT  
TO TRIAL



A 15% target would translate into 5,500 violent crime cases brought to trial within 2010. With cases being swiftly tried and justice meted out, the rakyat can draw confidence that criminals will be answerable for their actions and that the courts are willing to mete out swift justice.

As part of the effort to clear both current and backlog violent crime cases, the strategy is to also look into deterring postponement of cases and ensuring that bailable offenders will not commit more crimes while their cases are awaiting trial.

### **Improved “Public Satisfaction with PDRM Services”**

In alignment with this objective, PDRM has implemented 12 specific initiatives aimed at creating a performance-driven culture in the police force, enhancing the professionalism of the force, and instilling a pride that stems from improved performance and outcomes. Another key component of public satisfaction is developing the perception of the PDRM as a people-friendly protector who is pro-active in engaging its constituents.

### **KEY PARTICIPANTS**

#### **A Collaborative Effort**

The combined resources and efforts of the Ministry of Home Affairs and collaboration from some 30 agencies such as PDRM, the Attorney-General’s Chambers (AGC) and the Federal Courts are working in cohesion to not just lower the crime rate, but to strengthen the criminal prosecution system.

The inclusive approach provides for greater effectiveness of the implemented measures, while creating adequate buy-in, optimises manpower and resources and also allows for improved co-ordination between the various bodies involved.

At the first lab for the NKRA, over 30 agencies were roped in for the purpose of developing ambitious targets and working relationships. These targets were supported by strategies focused on the three desired outcomes and detailed implementation plans were developed to achieve them.

#### **Working for the People**

In ensuring that plans are rolled-out and activities are put in motion and evaluated, The Ministry of Home Affairs has established a new NKRA Delivery Division headed by the Secretary General. Within the NKRA division, a Delivery Management Office (DMO) is led by En. Abd Aziz Md Nor who is the Under Secretary for the NKRA.

The DMO team oversees the implementation of all the Crime NKRA initiatives – supported by the CRIME NKRA team in PEMANDU. Under the DMO, there are four NKRA Delivery Units – which comprise a coordinator from DMO, staffed by key representatives from PDRM, the Federal Court, AGC, Agensi Anti-Dadah Kebangsaan (AADK), Ikatan Relawan Rakyat Malaysia (RELA), Jabatan Pertahanan Awam Malaysia (JPAM) and Kementerian Perumahan dan Kerajaan Tempatan (KPKT) representatives.



*Courtesy of Info Centre, Menara Star, Star Publications (Malaysia) Bhd*

The Crime DMO updates the implementation status of all NKRA initiatives on a weekly basis and highlights problems to PEMANDU's CEO Dato' Sri Idris Jala at a Problem Solving Meeting (PSM). The PSM is held once every four weeks and deliberates on ways to remove roadblocks and resolve issues encountered by the DMO in the course of implementing the various initiatives.

Every six weeks, the Crime NKRA team together with Dato' Seri Hishammuddin bin Tun Hussein, the Minister of Home Affairs, reports on the progress made and highlights issues to the Prime Minister at the Delivery Task Force Meeting (DTF).

## INITIATIVES

### Omnipresence Programme

It is important to understand that the responsibility for combating crime does not only rest on PDRM, but must take the form of Public-Private-Police partnership approach.

As such, other agencies within the Ministry of Home Affairs have been mobilised to create an omnipresence of troops to patrol crime areas and supplement PDRM officers. For instance, we have the “Feet on Street” initiative which currently involves RELA and JPAM troops. In 2010, we had 4,979 members of RELA and JPAM on the ground trained as Police Volunteer Reserve (PVR) to assist PDRM.

Under 2,168 Skim Rondaan Sukarela (SRS), some 108,400 members have been roped in to do patrolling, while under Rakan Cop, 387,734 registered members are being utilised as the “eyes and ears” in our collective battle against crime.



*Courtesy of Info Centre, Menara Star, Star Publications (Malaysia) Bhd*

**Figure 7: Omnipresence Programme**

**Total Strength: 2,529,551**  
**New recruitment in 2010**  
- 1,589,912 (Overall Malaysia)  
- 964,634 (4 Hotspot States)  
**Total appointed and trained as PVR: 3,663**  
**Average daily patrolling: 553**

**Total Strength: 160,529**  
**New recruitment in 2010**  
- 72,589 (Overall Malaysia)  
- 14,876 (4 Hotspot States)  
**Total appointed and trained as PVR: 1,316**  
**Average daily patrolling: 379**

**Total Strength: 12,492**  
**Deployed to fight crime in hotspots**  
- 2,085 (2010 Actual)  
- 8,000 (2011 Target)

### Mobile Police Station (MPS)

|                                                                                            |                                                                                                                                       |
|--------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|
| <b>Total new vehicle: 90</b><br>- 30 buses<br>- 60 vans<br><b>Total cost: RM 19.35 mil</b> | <b>Deployment of MPS</b><br>- KL 7 buses 15 vans<br>- Selangor 8 buses 15 vans<br>- Johor 8 buses 15 vans<br>- Penang 7 buses 15 vans |
|--------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|

### First Response Motorcycles

|                                                                                                 |                                                                                            |
|-------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|
| <b>Total motorcycles: 812</b><br>- 408 reconditioned, 404 new<br><b>Total cost: RM 1.85 mil</b> | <b>Deployment of motorcycles</b><br>- KL 90<br>- Selangor 89<br>- Johor 135<br>- Penang 90 |
|-------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|

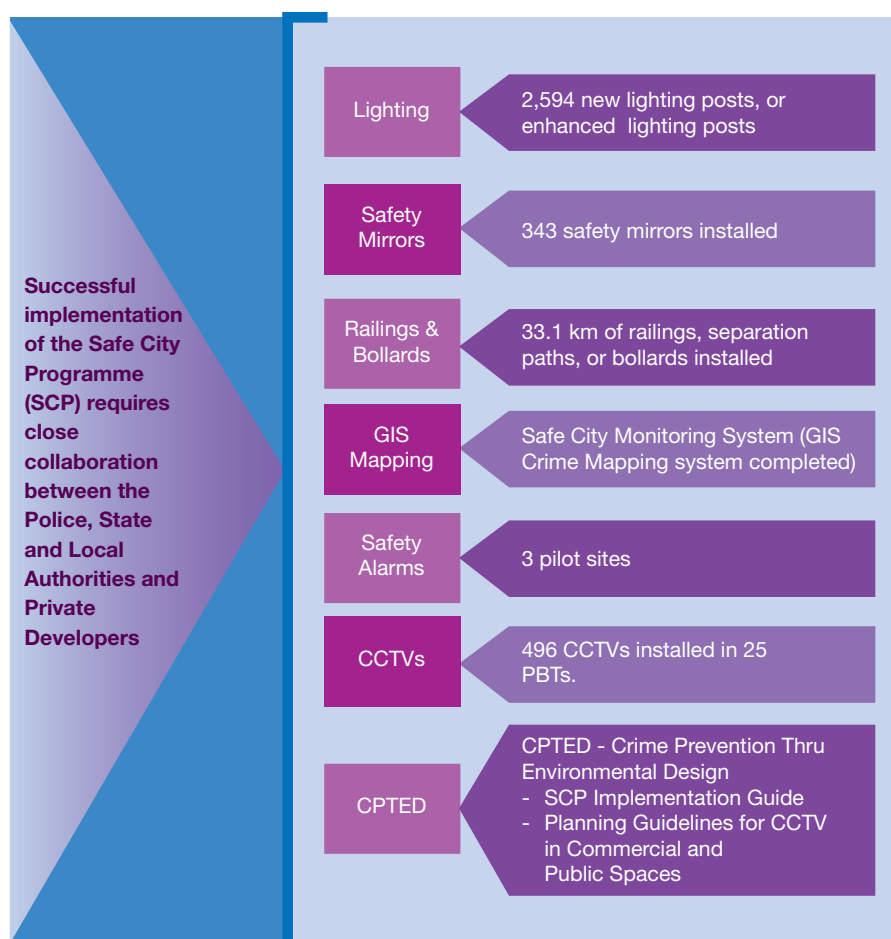
### PDRM

|                                                                      |                                                                                  |                                                                                |
|----------------------------------------------------------------------|----------------------------------------------------------------------------------|--------------------------------------------------------------------------------|
| <b>14,222 officers deployed to 50 crime hotspot area</b>             | <b>7,402 personnel reassigned from back-office to front-line</b>                 | <b>4,013 civil servants transferred to PDRM Balai back-office</b>              |
| - KL 2,892<br>- Selangor 5,223<br>- Johor 3,366<br>- P. Pinang 2,741 | - KL 829<br>- Selangor 1,225<br>- Johor 788<br>- P. Pinang 439<br>- Others 4,121 | - KL 197<br>- Selangor 462<br>- Johor 381<br>- P. Pinang 174<br>- Others 2,799 |

## Safe City Programme

In preventing crime – a target hardening initiative, a Safe City Programme or the SCP was launched in collaboration with local authorities and other bodies to deter crime. Under the SCP, several measures were outlined to make cities safer:

**Figure 8: Safe City Programme (SCP)**





The SCP brought together PDRM, local municipal councils (Pihak Berkuasa Tempatan or PBT), the National Anti-Drugs Agency (Agensi Anti-Dadah Kebangsaan or AADK), the Welfare Department (Jabatan Kebajikan Masyarakat or JKM) and other relevant bodies to tackle local problems with localised initiatives.

Presently involved in the SCP are Dewan Bandaraya KL, Majlis Bandaraya Shah Alam, Majlis Bandaraya Petaling Jaya, Majlis Perbandaran Subang Jaya, Majlis Perbandaran Ampang Jaya, Majlis Perbandaran Selangor, Majlis Perbandaran Klang, Majlis Perbandaran Johor Bahru Tengah, Majlis Bandaraya Johor Bahru, Majlis Perbandaran Pasir Gudang, Majlis Perbandaran Pulau Pinang and Majlis Perbandaran Seberang Prai.

### Balai League Table

The Balai League Table or BLT ranks all 753 Police stations across Malaysia with the objective of inculcating a performance-driven culture across PDRM. The stations are rated by per capita crime rate and improvement of crime fighting efforts.

The highest performing stations will be rewarded, and the lowest performers will be supported and monitored until their performance improves. The BLT has helped to boost morale, motivation and productivity within the respective police stations, thereby contributing to better service delivery to the public.

**Table 1: Balai League Table**

| <div>  <ul style="list-style-type: none"> <li>All 753 Balais ranked on <ul style="list-style-type: none"> <li>Per capita crime rate</li> <li>Improvement of crime fighting efforts</li> </ul> </li> <li>Prizes for winning Balai <ul style="list-style-type: none"> <li>#1: RM500 each staff</li> <li>#2: RM300 each staff</li> <li>#3: RM200 each staff</li> </ul> </li> <li>3 Series BLT completed</li> </ul> </div> |                                 |                                      |                                      |                                     |                                  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|--------------------------------------|--------------------------------------|-------------------------------------|----------------------------------|
| Balai League Table, Series #3 [For the period September to November 2010]                                                                                                                                                                                                                                                                                                                                                                                                                               |                                 |                                      |                                      |                                     |                                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Category 'A'                    | Category 'B'                         | Category 'C'                         | Category 'D'                        | Category 'E'                     |
| <b>Champion</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Petaling Brickfields, KL        | Perai, S. Perai Tengah, Penang       | Kg. Tawas Ipoh, Perak                | Bt. Arang, Gombak, Selangor         | Cendering Kuala Terengganu       |
| <b>2<sup>nd</sup> Place</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Bt. 9, Kajang Selangor          | Cabang 3, Kuala Terengganu           | Jelapang Ipoh Perak                  | Manir, Kuala Terengganu             | Air Hangat, Langkawi, Kedah      |
| <b>3<sup>rd</sup> Place</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Jinjang, Sentul, KL             | Pandamaran Klang Selangor, Selangor  | Bachok Kelantan                      | Bunut Susu, Pasir Mas, Kelantan     | Kuala Teriang, Langkawi, Kedah   |
| Balai League Table, Series #2 [For the period May to August 2010]                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                 |                                      |                                      |                                     |                                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Category 'A'                    | Category 'B'                         | Category 'C'                         | Category 'D'                        | Category 'E'                     |
| <b>Champion</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Petaling, Brickfields, KL       | Pandamaran, Klang Selangor, Selangor | Luyung, Kota Kinabalu, Sabah         | Batang Kali, Ulu Selangor, Selangor | Changkat Jering, Taiping, Perak  |
| <b>2<sup>nd</sup> Place</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Dang Wangi, KL                  | Chukai, Kemaman Terengganu           | Bkt. Sentosa, Ulu Selangor, Selangor | Air Hitam, Jempol, N. Sembilan      | Aulong, Taiping, Perak           |
| <b>3<sup>rd</sup> Place</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Cheras, KL                      | S. Jaya, S. Perai Tengah, Penang     | Bidong, Kuala Myda, Kedah            | Putatan, Penampang, Sabah           | Bukit Indah, Nusajaya, Johor     |
| Balai League Table, Series #1 [For the period January to April 2010]                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                 |                                      |                                      |                                     |                                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Category 'A'                    | Category 'B'                         | Category 'C'                         | Category 'D'                        | Category 'E'                     |
| <b>Champion</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Puchong Jaya, Puchong, Selangor | Sg. Senam, Ipoh, Perak               | S. Renggam, Kluang, Johor            | Belaga, Sarawak                     | Air Hitam, Kubang Pasu, Kedah    |
| <b>2<sup>nd</sup> Place</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Petaling Jaya, Selangor         | Pandamaran, Klang, Selangor          | Senai, Kulai, Johor                  | Asa Raya, Samarahan, Sarawak        | S. Empat, Alor Gajah, Melaka     |
| <b>3<sup>rd</sup> Place</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Kota Bahru, Kelantan            | CPS, Sibu, Sarawak                   | Gurun, Kuala Kedah, Kedah            | Wakaf Baru, Tumpat, Kelantan        | Tmn Pasir Putih, Sri Alam, Johor |

## SUCCESSSES AND ACHIEVEMENTS

The overall results of the NKPI targets set for 2010 are shown in the table below.

**Table 2: Results of the 2010 National Key Performance Indicators**

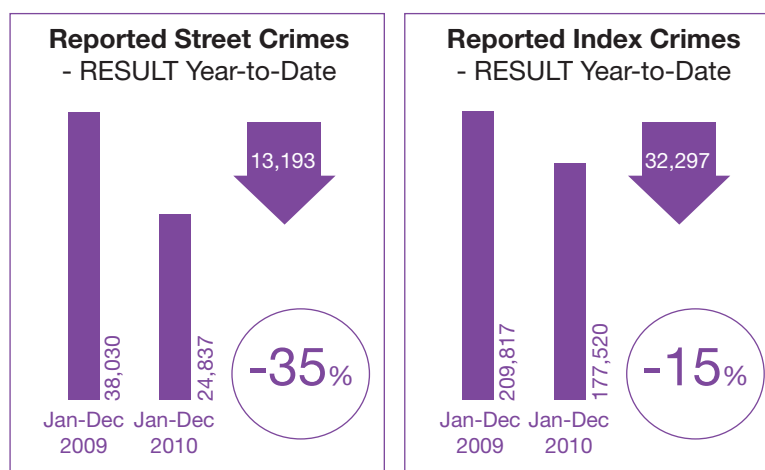
| No. | NKPIs                                            | 2010 Target | Actual Results | Remarks                                                   | Traffic Lights                                                                       |
|-----|--------------------------------------------------|-------------|----------------|-----------------------------------------------------------|--------------------------------------------------------------------------------------|
| 1.  | Reduction in reported Index Crime                | 5%          | 15%            | Reduced 32,297 cases to 177,520 cases.                    |    |
| 2.  | Reduction in in reported Street Crime            | 20%         | 35%            | Reduced 13,193 cases to 24,837 cases.                     |  |
| 3.  | Reduced fear of becoming victims of crime        | N.A         | 52.8%          | Reduced from 58.5% (Dec '09) to 52.8% (Sept '10)          |  |
| 4.  | Additional violent crime offenders to trial      | 2000 cases  | 2001 cases     | Average 250 violent crime backlog cases cleared per month |  |
| 5.  | Improved public perception on police performance | N.A         | 55.8%          | Improved from 35.8% (Dec '09) to 55.8% (Sept '10)         |  |

 Achievement of 90% and above
  Achievement of 51% to 89%
  Achievement of 50% and below

## Reduction in Index and Street Crime

As of 31 December 2010, the NKPI target of reducing incidents of Index Crime by 5% and Street Crime by 20% by 2010 have been exceeded. For Index Crime, there has been a reduction of 32,297 cases (15%) while Street Crime has dropped by 13,193 cases (35%).

**Figure 9: Reduction in Index & Street Crime**



**6,000+**  
CONFISCATIONS AND  
ARRESTS IN 2010

The positive results can be attributed to 12 specific initiatives and big ideas. These included national level operations such as Operations Lejang (targeting motorcycle theft), Operations Rentap (targeting snatch theft and wayside robbery) and Operations Pintu (targeting house break-ins). These operations, mounted nationwide have led to 6,000+ confiscations and arrests in 2010.

The tactical use of stake-outs and decoys at crime prone areas were a key success factor of the national-level operations. For instance, in the arrest of motorcycle thieves, a decoy bike was placed in a crime prone location with police personnel monitoring some distance away. Where possible, the use of CCTVs was also incorporated into operations to provide added evidence for prosecution. The same modus operandi has also been applied with great effect to reduce car theft and house break-ins.

The clamping down of illegal workshops by local councils also had a substantial effect on crime reduction. Often these illegal operations are part of the supply chain for stolen vehicle parts. By targeting these focal points, several criminal networks have effectively been crippled.

Increased police patrols in crime prone areas and housing areas also proved effective. Conducted by police personnel in squad cars or motorcycles, these routine rounds allowed for a regular police presence on the ground and served as a deterrent to criminal activities while instilling public confidence.

The use of Mobile Access Card Devices enabled enforcement personnel to check vehicle registration number, vehicle number/chassis/engine number, etc, thus allowing easy identification and tracking of stolen vehicles.

### **CCTV Deployment, Safe City Programme Implementation and the Success of “Police Omnipresence” Programme in Crime Hotspot Areas**

Notably, the presence of an additional 496 additional CCTVs installed in 50 hot spot locations, have helped enforcement personnel to be more effective in performing monitoring and surveillance activities, as well as responding to crime. It has also allowed for more efficient deployment of police personnel on patrol.

The footage from CCTV cameras has allowed public prosecutors to strengthen their case against criminals – helping to increase the probability of conviction.

**Janelle Lee,**  
Petaling Jaya Resident

“There are now more police patrols around my neighbourhood in Section 17. They patrol my neighbourhood during the wee hours of the morning in teams of four every day. It is a good showing by the cops. I heard from my friends that they arrive at situations faster now.”

**Fairus Zulkifli,**  
Teacher

“The initiatives by the police such as patrols (Skim Rondaan Sukarela or SRS) in public spots, the placement of police personnel in hotspots and the use of CCTV cameras, have made me feel safer.”



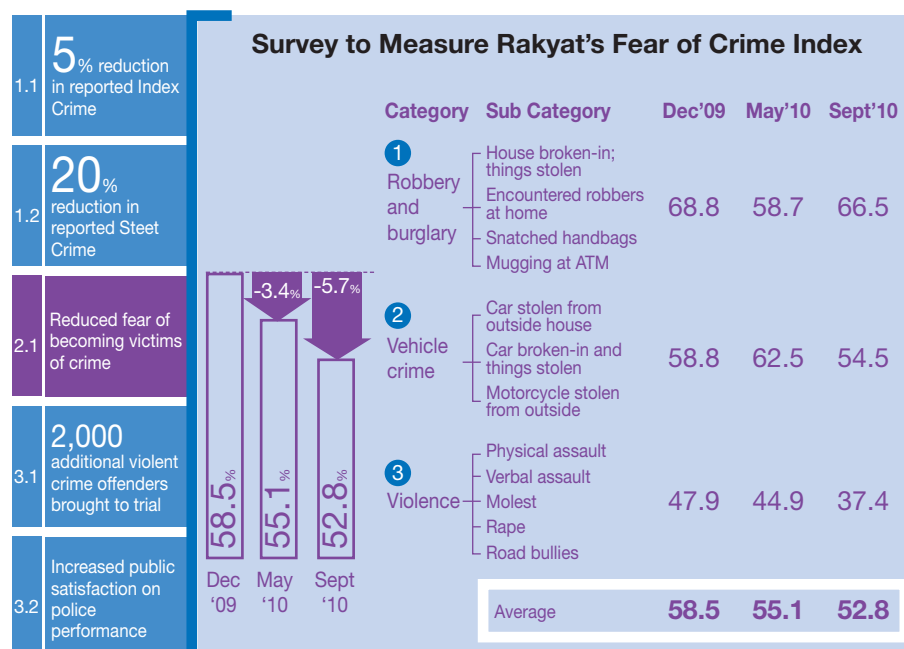
*Courtesy of Info Centre, Menara Star, Star Publications (Malaysia) Bhd*

### Reduced Fear of “Becoming Victims of Crime”; Improved Public Perception of Safety

In assessing the results of efforts in a non-biased manner, TNS was commissioned to conduct a study to gauge public perception levels. The findings showed that the fear of becoming victims of crime among the public has decreased by 5.7%.

| Survey                                    | Q 2009 | Q3 2010 | Improvement |
|-------------------------------------------|--------|---------|-------------|
| <b>Fear of Becoming Victims of Crimes</b> | 58.5%  | 52.8%   | 5.7%        |

**Figure 10: Reduced Fear of Becoming a Victim of Crime**



The survey on page 48 was conducted diligently based on quantitative analysis techniques with data collected via face-to face interviews with respondents. Random sampling selection was used with interview respondents selected from across Malaysia in both urban and rural areas. Demographically the survey was confined to Malaysian citizens aged 18 years and above, resident in Malaysia at the time of the survey (de facto basis.)

**Table 3: Sampling and Sample Size Allocation**

| Sampling and Sample Size Allocation                                                                                                                                                 |                  |                                                 |       |       |                         |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|-------------------------------------------------|-------|-------|-------------------------|
|                                                                                                                                                                                     | State            | No. of Sampling Blocks<br>(Electoral Districts) |       |       | Total<br>Sample<br>Size |
|                                                                                                                                                                                     |                  | Urban                                           | Rural | Total |                         |
| <ul style="list-style-type: none"> <li>This study is confined to households in private living quarters. A multi-stage probability sampling design was used for the study</li> </ul> | Selangor         | 18                                              | 3     | 21    | 210                     |
|                                                                                                                                                                                     | W.P Kuala Lumpur | 7                                               | 0     | 7     | 70                      |
|                                                                                                                                                                                     | W.P Putrajaya    | 2                                               | 0     | 2     | 20                      |
| <ul style="list-style-type: none"> <li>Sample Allocation and Coverage</li> <li>A sample of 1,200 persons aged 18 years and above was covered in 16 states nationwide</li> </ul>     | Negeri Sembilan  | 3                                               | 2     | 5     | 50                      |
|                                                                                                                                                                                     | Melaka           | 2                                               | 1     | 3     | 30                      |
|                                                                                                                                                                                     | Johor            | 9                                               | 5     | 14    | 140                     |
|                                                                                                                                                                                     | Kedah            | 4                                               | 5     | 9     | 90                      |
|                                                                                                                                                                                     | Perak            | 7                                               | 4     | 11    | 110                     |
|                                                                                                                                                                                     | Perlis           | 0                                               | 1     | 1     | 10                      |
|                                                                                                                                                                                     | Pulau Pinang     | 6                                               | 1     | 7     | 70                      |
|                                                                                                                                                                                     | Pahang           | 3                                               | 4     | 7     | 70                      |
|                                                                                                                                                                                     | Terengganu       | 3                                               | 2     | 5     | 50                      |
|                                                                                                                                                                                     | Kelantan         | 2                                               | 4     | 6     | 60                      |
|                                                                                                                                                                                     | Sabah            | 5                                               | 5     | 10    | 100                     |
|                                                                                                                                                                                     | Sarawak          | 6                                               | 5     | 11    | 110                     |

*Note: Sample distribution is proportionate to the estimated number of citizens aged 18-64 years old in each state (urban / rural) based on Population Estimate 2008*

As mentioned earlier, changing perception is a challenging task, especially when one continues to hear of crime in the newspapers or via word of mouth. Hence, this improvement is a significant win in convincing the rakyat that our streets, homes and places of work have indeed become safer. The survey results also reveal that the various measures implemented throughout 2010 have been effective in winning the hearts and minds of the rakyat.

# 14,222

PDRM OFFICERS WERE  
REDEPLOYED FOR  
PATROLLING AT 50 CRIME  
PRONE AREAS IN FOUR  
HOTSPOT STATES

These initiatives include:

**“Feet on Street”** – PDRM is establishing a more visible physical presence by going on the ground to combat crime, 24/7 at hotspot locations. In 2010, 14,222 PDRM officers were redeployed for patrolling at 50 crime prone areas in the four hotspot states.

One key feature is the assignment of senior police officers (inspector ranked and above) to patrol together with beat policemen. The presence of higher ranked personnel will help reassure the rakyat and motivate regular beat policemen.

**“Stop n Talk”** – This public engagement effort encourages police officers on patrol to greet and talk to the public for 10 to 15 minutes of every hour during regular patrol. This helps to project a more people-oriented image of the police force while clearly indicating the presence of police officers in the area. It also allows the public to raise concerns and get to know their local officers

**Use of Mass and Social Media** – Mass media is being utilised to publicise successful police busts, arrests and other activities, while social media is also being leveraged on. The creation of PDRM’s Facebook page for instance has received over 25,000 “likes” thus far.

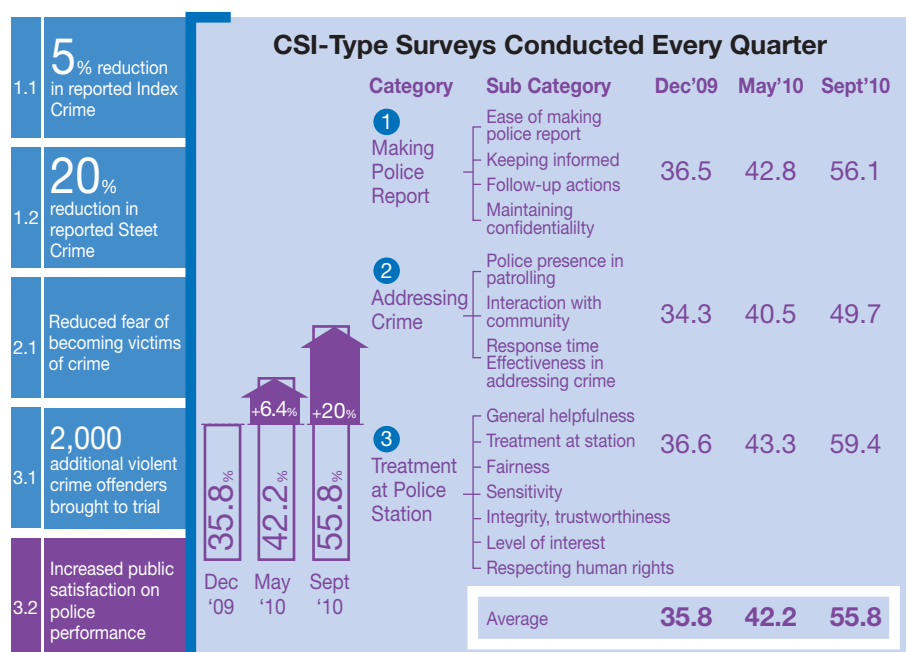


### Improved “Public Satisfaction with PDRM Services”

A second independent survey by TNS was commissioned to assess the public’s perception towards PDRM. The results of this survey also showed a significant improvement of 20% in public satisfaction towards PDRM.

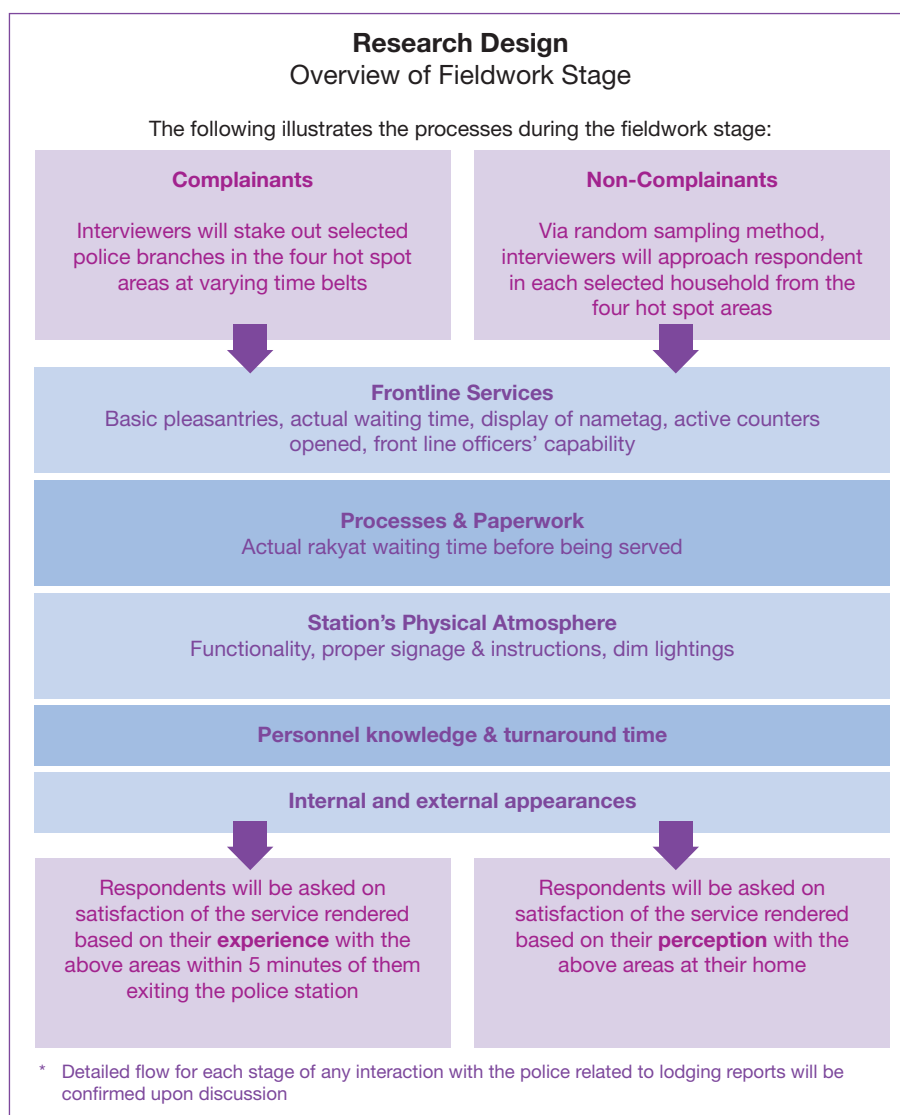


**Figure 11: Improved Satisfaction with PDRM’s Services**



The above survey was conducted using comprehensive methodology to ensure accuracy. A sample population consisting of complainants and non-complainants were selected via random sampling from police stations in the four hotspot states – Johor, Kuala Lumpur, Penang and Selangor. Data was collected via face-to-face interviews at three different time belts – morning, afternoon and night – and during both weekdays and weekends.

**Table 4: Research Design – Overview of Fieldwork Stage**



The survey results revealed that public satisfaction with the police is largely driven by three elements:

- Response time to a distress call;
- Ease of making a police report; and
- Effectiveness in addressing crime

The results indicate that the various initiatives undertaken by PDRM such as first response via motorbike, 99 caller tracking and lodging reports with police on patrol (POL 55) as well as the Balai League Table have contributed to improved service delivery in the minds of the rakyat. This survey will be repeated every six months to monitor changes in public satisfaction as our improvement initiatives get underway.

### **2,001 Violent Crime Backlog Cases Cleared; 5,222 Violent Crime Cases Brought to Trial**

Throughout 2010, a total of 2,001 violent crimes cases were cleared and 5,222 violent crime cases were brought to trial. This is one of the most challenging NKPIs set as clearing for both backlog and current cases must occur concurrently. Secondly, the nature of backlog cases generally makes them harder to address with some cases stretching back to five years.

The toughest area to address is when multiple stakeholders need to be engaged to achieve results. The clearing of Violent Crime Backlog requires close tri-party cooperation between the Federal Courts, AG's Chambers and PDRM. Despite these difficulties, the measures introduced have allowed us to successfully reduce the backlog.

2,001

VIOLENT CRIME BACKLOG  
CASES CLEARED

5,222

VIOLENT CRIME CASES  
BROUGHT TO TRIAL



*Courtesy of Info Centre, Menara Star, Star Publications (Malaysia) Bhd*

These measures included:

**Increasing the number and efficiency of Investigating Officers (IOs).** This was achieved by re-hiring retired, high performing IOs; creating of flying squads or specialist teams of high-performing judges; and accelerating the bill on Criminal Procedure Code (CPC) amendments, including those to implement plea bargaining and tendering of witness statements.

**Reducing the ratio of investigating officers to investigation papers to 1:5 per month.** The current number of IOs investigating criminal cases is too high (interview data indicate a minimum of 1:20 per month), which is further compounded by non-core tasks that could affect investigation quality. Increasing the number of IOs by widening the pool (e.g. bringing back retired high-performing IOs) will reduce the ratio. A bigger pool will also enable greater specialisation in the long run, as IOs would have the opportunity to specialise in certain types of cases.

**Sourcing IOs from other departments.** Manpower was increased by sourcing IOs from narcotics, traffic, forensics and other units.

**Using standard operating procedures for violent crime cases.** This is helping ensure that IOs gather all the necessary evidence, thus increasing the chance of successful prosecution.

**Enhancing collaboration between the PDRM and the AG's Chambers during investigations.** This is enabling IOs to receive sufficient guidance from the DPPs as to the evidence required to charge for an offence. In addition, supervision from DPPs and senior IOs will ensure the quality of investigation remains high.

**Setting up of special courts for street crimes.** Currently, cases involving street crimes are subject to a new system using a special code (J Code) between PDRM, the AG's Chambers and Courts so that these cases are recognised as priority and given more attention accordingly.

**Enabling specialised DPPs for trial and clearing IPs.** DPPs today perform two major tasks: clearing IPs and handling trials. Enabling specialised DPPs to only handle trials will reduce the overall DPP workload and enable them to develop expertise in conducting trials, thus improving the overall effectiveness of the prosecution.

**Expanding the court recording and transcribing system to improve operational efficiency.** With proceedings being recorded by typists or transcribers, judges can quickly approve the trial notes, which can then be distributed to the lawyers, saving time and expediting trial completion.

**Improving witness management.** In ensuring the security of witnesses and to make it easier for them to testify, several initiatives were introduced. These include separate entrances to prevent intimidation by the accused, as well as dedicated units handling witnesses in the PDRM to help reduce the frequency of witness no-shows. These initiatives will thus help expedite case disposition as well as reduce the number of DNAA verdicts.

**Community sentences to deter repeat offenders.** Minor and some first-time offenders will be subjected to tough community sentences that are designed to rehabilitate them as well as punish them for their crimes, so that they are less likely to become repeat offenders.

## OTHER WINS

### 5,000+ RELA and JPAM Members Trained with PDRM as Police Volunteer Reserve (PVR)

A special programme was initiated whereby selected RELA/JPAM members attended two weeks of basic police training at RELA/JPAM training centres and were then absorbed into the PVR. The additional manpower helped to increase the number of personnel on patrol duty thus giving PDRM the additional resources to establish an effective street presence in deterring crime and instilling public confidence.



*Courtesy of Info Centre, Menara Star, Star Publications (Malaysia) Bhd*

2.6million

RELA MEMBERS RECRUITED  
AND REGISTERED WITH KDN

2,594

NEW OR ENHANCED  
LIGHTING POSTS  
INSTALLED IN 12 PBTS

343

SAFETY MIRRORS  
INSTALLED IN 12 PBTS

33.1 km

RAILINGS AND BOLLARDS  
INSTALLED IN 12 PBTS

## 2.6 million RELA Members Recruited and Registered with KDN

The Safe City Programme was also a success with an additional 2,594 lighting posts, 343 safety mirrors, 33.1km of railings and bollards installed in 12 PBTS.

These initiatives no doubt, have had a positive impact in reducing street crime, as well as helping to create a positive perception among the public. Through these tangible actions, it has further helped to convince the rakyat that the government is serious about safeguarding the public and is taking concrete action to prevent crime.

## Public Participation – Empowerment through Volunteerism

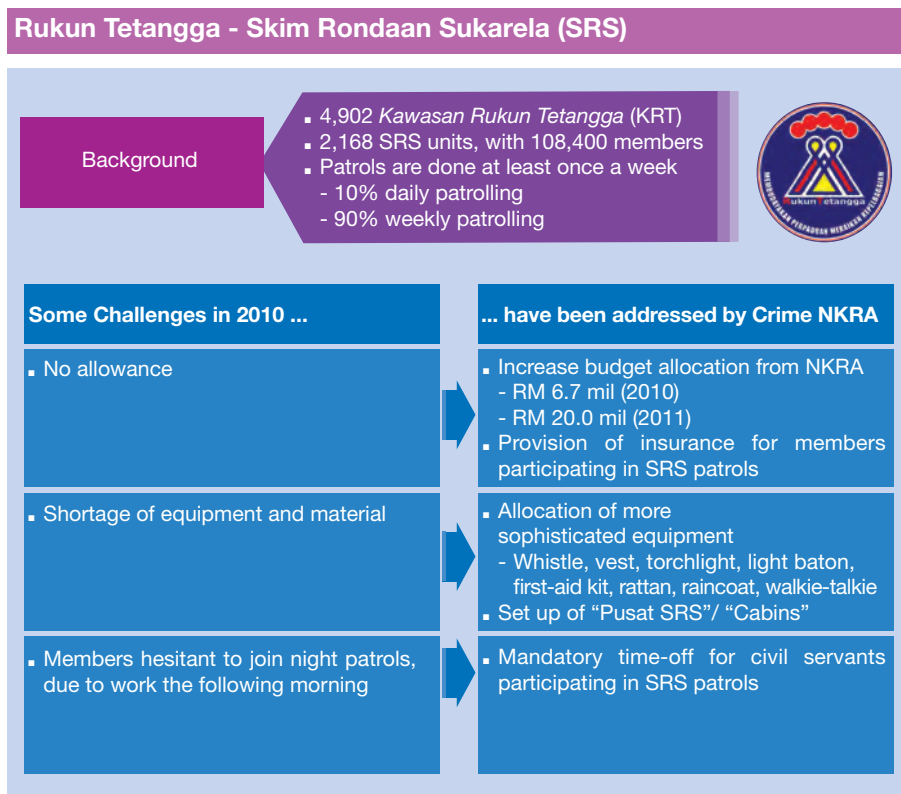
As it has been stated before, public safety cannot be achieved without public support. The rakyat has a role to play, in tandem with the enforcement authorities. Volunteerism has been a key component of the Crime NKRA. The expansion of existing schemes such as the SRS, Rakan Cop and other public initiatives such as the Residents' Associations (RAs), have been key features in garnering public participation.

Several efforts were made to increase volunteerism throughout 2010. This included expanding Rukun Tetangga (RT) and providing incentives for the public to join as members. At present, incentives include insurance coverage, night duty allowance and time off for civil servants on the next day, with the private sector encouraged to follow suit.



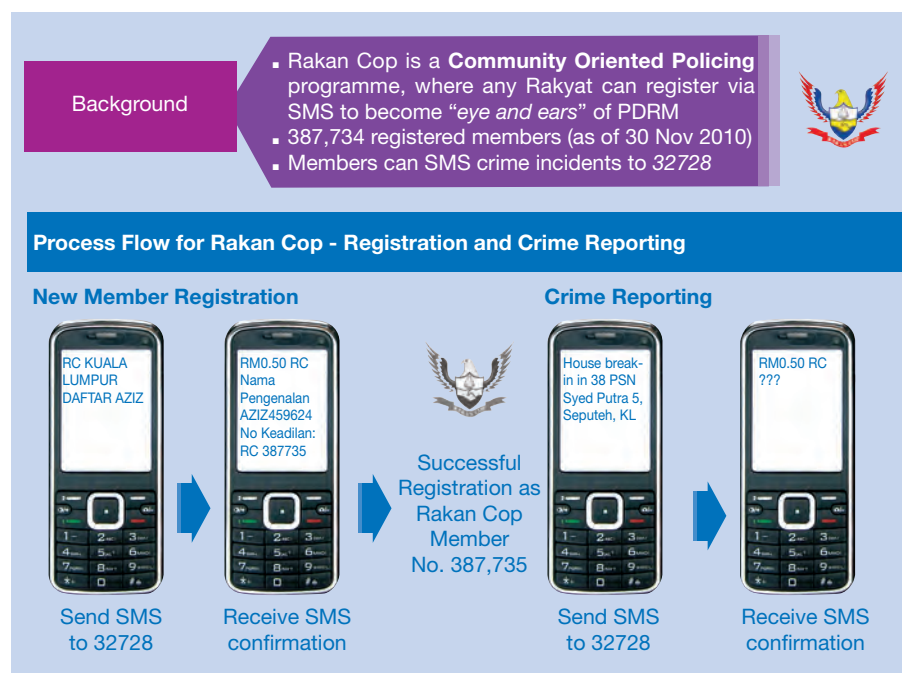
*Courtesy of Info Centre, Menara Star, Star Publications (Malaysia) Bhd*

**Figure 12: Rukun Tetangga**



*Courtesy of Info Centre, Menara Star, Star Publications (Malaysia) Bhd*

**Figure 13: Rakan Cop**



## PUBLIC PERCEPTION

### Winning Hearts & Minds – Restoring Public Confidence

We are aware that the challenge of changing public perceptions and re-instilling public confidence is not an overnight affair. There is no magic bullet for changing the rakyat’s sentiments, especially for crime which is an issue that is personal to many.

However, as mentioned earlier, there is a 5.7% reduction among the rakyat with regards to “Becoming Victims of Crime” and improved public perception of safety, as well as a 20% perception improvement in public satisfaction towards PDRM’s services.

This is an encouraging starting point within the first year of Horizon One (2010-2012). We will double our efforts to continue improving on these results. Winning over the rakyat will require the consistent and concerted effort of all parties. It will also require that the momentum of positive results continue until 2012.

In addition to these surveys, the Reducing Crime NKRA is also actively engaging with the public through the Malaysian Crime Prevention Foundation, NGOs as well as via other regular panel discussions and roundtable sessions with members of the media to continuously gauge the pulse of the nation, with respect to crime fighting efforts.

## CHALLENGES

### SHORTCOMINGS

The successes achieved thus far confirm that we are on the right direction towards reducing crime. In certain areas, such as reducing Index Crime and Street Crime, we have exceeded our set targets. But we must also double our efforts to close the gaps in other aspects of fighting crime.

#### **Addressing Public Perception**

While incidences of crime have dropped, convincing the rakyat that our cities and streets have become safer remains a continuous challenge. Perception is generally difficult to change, more so when crime has become so entrenched in the minds of people.

The scenario is further compounded by various external factors. These include the continued publicising of high-profile cases in the mass media, the popularity of crime cases as topics of conversation among neighbours and friends and the highlighting of crime in blogs and so on. These factors give the impression that crime is still rampant or worse, unchecked.

In actual fact, the 2010 results from the Reducing Crime NKRA show a significant reduction in Index and Street Crime – the first in four years. It is also our biggest drop in crime since Independence.

We recognise the challenge that lies ahead of us and are constantly looking at means and ways to tackle the issue of perception. Current efforts include engaging the media, increasing public visibility and presence of law enforcement agencies and public outreach activities.

The NKRA is still in its first year. We believe that with time, the benefits of the Reducing Crime NKRA will cascade down and will be felt by the rakyat. With that, we are confident of winning the battle for hearts and minds in the coming years.

## LESSONS LEARNT

### Meeting the Needs of the Police Force

While the fight against crime is a public focussed campaign, the NKRA must also consider the needs of a key stakeholder – that of the men and women in blue. It is important that as the nature of crime and criminals has become increasingly sophisticated, our personnel must also be equipped with the training, competencies and resources to accomplish their mission.

Equally important is to ensure that their needs are well met and their families are able to enjoy comfortable lives. As such, for the remainder of Horizon 1, we will continue to seek ways to better the lives of the men and women in the Police Force and their families; as well as to provide more training opportunities and better equipment.



*Courtesy of Info Centre, Menara Star, Star Publications (Malaysia) Bhd*

## GOING FORWARD INTO 2011

### Prevention – An Effective First Step

Throughout 2010, it was evident that the stronger presence of police personnel was a major factor in deterring crime. The increase in patrols by police officers whether in squad cars or on motorbikes or even on foot helped to prevent incidences of crime. Going forward into 2011, additional police personnel will be deployed for such purposes. This will be achieved by depending on both existing manpower and recruitment and training of new personnel.

For 2011, these new NKPI targets<sup>1</sup> have been outlined:

- 5% reduction in Index Crime vs. 2010
- 40% reduction in Street Crime vs. 2009 Baseline
- 50% of respondents “Fear Becoming Victims of Crime”
- 20% of Investigation Papers opened are brought to trial
- 60% of respondents “Satisfied with PDRM Services”

**Table 5: Outlined NKPIs for 2011<sup>2</sup>**

|     | NKPI                                               | Highlights of Key Initiatives                                                                                                                                                                                                                                         |
|-----|----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.1 | Reduce overall Index Crime                         | <ul style="list-style-type: none"> <li>• Mobile Access Devices</li> <li>• 4 National-Level Rentap, Pintu, Lejang, Lusu</li> </ul>                                                                                                                                     |
| 1.2 | Reduce Street Crime                                | <ul style="list-style-type: none"> <li>• Safe City Programme</li> <li>• AADK Drug Rehab Programme</li> <li>• Special Task force to round-up OKP</li> </ul>                                                                                                            |
| 2.1 | Reduce fear of becoming a victim of crime          | <ul style="list-style-type: none"> <li>• Omnipresence, incl. Feet-on-Street, RELA, JPAM, Rukun Tetangga-SRS</li> </ul>                                                                                                                                                |
| 3.1 | 20% of IP's opened are brought to trial            | <ul style="list-style-type: none"> <li>• Additional IO's for investigation</li> <li>• Witness Management Programme</li> <li>• Specialised DPPs for IP review, and for handling of trials respectively</li> <li>• Additional Courts for Violent Crime Cases</li> </ul> |
| 3.2 | Increase public satisfaction on police performance | <ul style="list-style-type: none"> <li>• Accelerate PDRM Re-assignment</li> <li>• Balai League Table</li> <li>• PDRM Front-line Service Improvement</li> <li>• Wellbeing of PDRM Officers</li> </ul>                                                                  |

<sup>1,2</sup> Targets being reviewed due to unexpectedly strong outcomes in 2010

**50%**  
RESPONDENTS  
“FEAR  
BECOMING  
VICTIMS OF  
CRIME”

**20%**  
OF  
INVESTIGATION  
PAPERS  
OPENED ARE  
BROUGHT  
TO TRIAL

**60%**  
OF  
RESPONDENTS  
“SATISFIED  
WITH PDRM  
SERVICES”

**5%**  
REDUCTION IN  
INDEX CRIME  
VS. 2010

**40%**  
REDUCTION IN  
STREET CRIME  
VS. 2009  
BASELINE

Based on the results achieved in 2010, as well as the lessons learnt, the Ministry of Home Affairs believes the above mentioned targets are achievable. The execution strategy will comprise existing methods and the introduction of new initiatives to improve performance.

The focus for 2011 is to potentially expand the scope of crime reduction from just Street Crime to also include house break-ins, machinery thefts and high-profile crime. In addition, one of the key themes for 2011 will be to significantly enhance the frontline performance of PDRM, i.e. fulfilling the people-oriented focus of the police force.

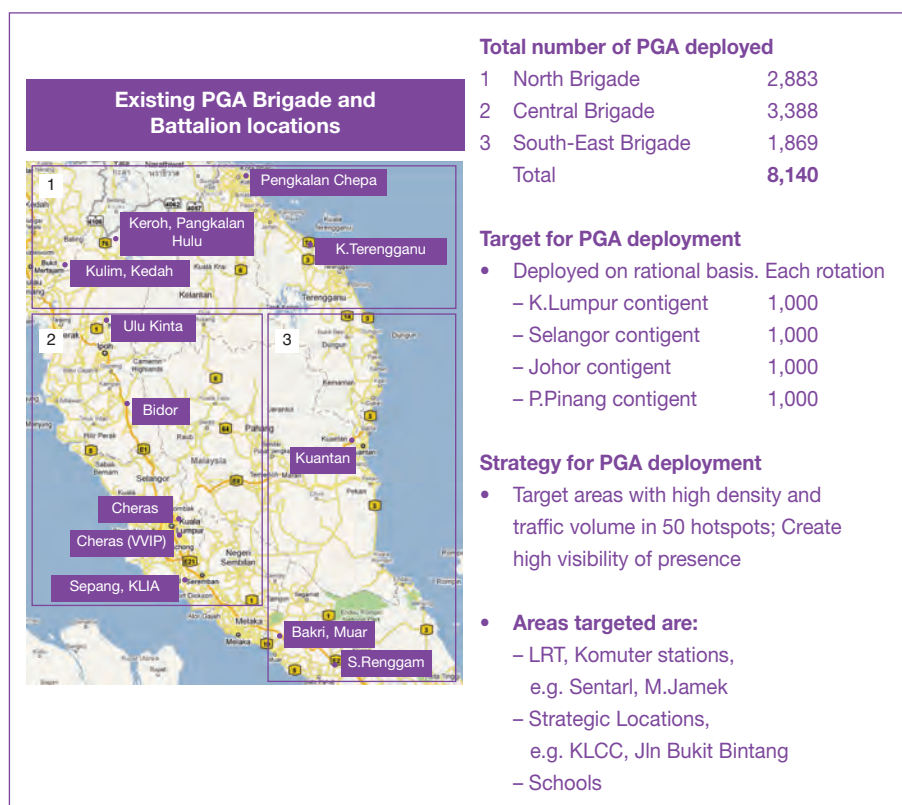
This includes report-taking at police stations, response rate to take actions taken to track down cases, and better engagement with public during beat-and-patrol, MPV and High Profile Policing, among others.

The 4P programme which was introduced end of 2010, will be continued within the police force with the goal of enhancing professionalism and performance. The 4P principle incorporates the elements of being protective, proactive, performance and people-oriented in order to provide the best service to the rakyat.

Equally important is the implementation of periodic performance reviews to ensure efforts throughout the year are on track. In line with this, we will be conducting quarterly performance reviews, where findings will be released to the public domain in the spirit of transparency.

In the next phase, we are deploying a total of 8,140 troops from three brigades of PGA (Pasukan Gerak Am, also known as the General Operations Force) to target areas with high density and traffic volume in 50 hotspots. Whilst the PGAs are deployed to urban areas, members from the armed forces would replace them on an interim basis till the PGAs return to their original positions. The deployment of 1,000 troops to each hotspot state (Penang, JB, KL and Selangor) will be on a rotational basis. This will create high visibility of presence and hopefully deter crime.

**Figure 14: Leveraging PGA to Fight Crime in Urban Hotspots**



## Encouraging Volunteerism

In the future, the government is considering introducing a privilege card for Rukun Tetangga members and other benefits which will entitle them to retail benefits. The government will continue to encourage volunteerism in 2011 and 2012.

## Reducing Crime – the Responsibility of All Malaysians

It is important to understand that the responsibility of combating crime does not rest solely with the Ministry of Home Affairs or PDRM. It is a multi-party effort involving the public, the media and the government. Even though the Index Crime rate has dropped by 15%, there are still 177,520 cases reported as of December 2010. This shows crime is still occurring.

**Willie Tan,**  
Sea Park SS2/B,  
Neighbourhood Watch  
Deputy Chairperson

"A few years ago nobody would dare to walk around past 7pm. It's different now. Residents feel much safer, and this is because the police are more proactive than before. They now respond to any report of suspicious activity in less than 15 minutes. The close ties formed by the neighbourhood watch and the Sea Park police officers have proven that the people cannot just sit there and insist the police protect them as they are using taxpayers' money. I would advise residents to be proactive also – try policing with the police to protect your neighbourhood and not wait for the police to come. We have to be the eyes and ears of the police."

The public must play its role in practicing greater vigilance, filing police reports if required and keeping a watchful eye over happenings within their neighbourhood. Attending PDRM briefings and meet-the-public sessions are also encouraged as this is when one gets to build rapport and provide feedback to the men in blue. In addition, the public will also get a better understanding of the workings of the police force while a better two-way relationship is forged in the interest of combating crime.

Working together, we can defeat crime together for all Malaysians. The government is doing its part. We urge all Malaysians to also contribute to the cause for a safer and better Malaysia.



# Fighting Corruption



# Fighting Corruption



“ With the implementation of the initiatives under the Fighting Corruption NKRA, the Government has continued to demonstrate dedication towards eliminating corruption and graft in the nation. The recent Global Corruption Barometer results reflect this, and although I am confident that we are on the right path, we will not be complacent and will step up our efforts towards achieving our targets and objectives in 2011. ”

**Dato' Seri Mohamed Nazri bin Abdul Aziz**  
**Minister in the Prime Minister's Department**



*Courtesy of Info Centre, Menara Star, Star Publications (Malaysia) Bhd*

## SNAPSHOT OF 2010'S ACHIEVEMENTS

### Tackling the Roots of Corruption

It cannot be denied that corruption is one of the major concerns of the Malaysian public. If left unchecked, the problem can become endemic and take root throughout the public and private sector and among society at large. The unfortunate result of this would be that we as a nation will lose out both in material and intangible ways.

Surveys such as the Merdeka Centre National Youth Survey 2008 had indicated that Malaysian society identified corruption as a priority concern for the government to tackle. As such, the Fighting Corruption NKRA and the NKPI targets within it were developed to stem the tide of corruption perceived to be permeating Malaysian society. Despite the many challenges faced in 2010, several major successes were achieved.

### Big Wins

- Development of the Convicted Corruption Offenders Database with a listing of 284 offenders – thus surpassing the initial target of 84 names
- Development of the MyProcurement portal, which lists more than 3,500 contracts on the website and other pertinent information such as advertised and awarded tenders and dates, values of contracts and winners of tenders
- Guidance on support letters i.e. the issuing of a circular providing guidance to civil servants on support letters
- The establishment of compliance units in each of the five key enforcement agencies. The Royal Malaysian Police Force (PDRM or the Police), the Immigration Department (Immigration), the Royal Malaysian Customs Department (Customs), the Road Transport Department (Jabatan Pengangkutan Jalan Malaysia or JPJ) and the Malaysian Anti-Corruption Commission (MACC) have set up compliance units and sent officers to be centrally trained by the MACC
- The introduction of the Whistleblower Protection Act 2010
- The expediting of corruption trials with 14 special Corruption Sessions Courts and four special Corruption High Courts established and the amending of the Criminal Procedure Code (CPC) to speed up trials
- The implementation of Integrity Pacts (IPs) through the Ministry of Finance directive
- The use of closed-circuit television cameras at Customs and Immigration “hot spot” checkpoints



*Courtesy of Info Centre, Menara Star, Star Publications (Malaysia) Bhd*

Some of these measures are unprecedented firsts for Malaysia and aim to bring us on par with the developed nations. The measures will improve our international standing, and more importantly, will provide a sound base upon which the government can initiate further measures to address the issue of corruption.



*Courtesy of Info Centre, Menara Star, Star Publications (Malaysia) Bhd*

## GENERAL OVERVIEW

### Corruption and Public Perception

Compared to other crimes, in particular physical crimes involving persons or property, corruption takes on less tangible manifestations, and its occurrence is not always easily detected. Corruption is therefore correspondingly more complex to measure and quantify empirically. Given this, a number of key international experts refer to the perception of corruption as a suitable measure of corruption, and in particular Transparency International's Corruption Perception Index has over the years gained prominence as an internationally recognised measure.

Based on Malaysia's score and placing in Transparency International's Corruption Perception Index over the past decade or so, international business people and country experts perceived a gradual rise in corruption in Malaysia. This was reflected in the country's Corruption Perception Index score which dropped from 5.28 in 1995 to 4.5 in 2009.

Similarly, the perception of corruption among the rakyat too has been deteriorating, with the Transparency International Global Corruption Barometer survey showing that in 2009, only 28% of the rakyat viewed the Government's actions in fighting corruption as being effective, as compared to 53% in 2007.

As a response to calls from the public to address these concerns and to halt the perceived increase in corruption within the country, the government made fighting corruption one of its top priorities, by including "Fighting Corruption" as a NKRA under the GTP.

By specifically addressing corruption through a NKRA, the appropriate level of focus and resources can be brought to bear on the problem, whilst setting in motion a slew of initiatives to effectively address the existing scenario.

Since commencing with initiatives, the Fighting Corruption NKRA and other independent efforts by the government have begun to generate growing positive sentiment from various stakeholders.

At the launch of the Global Corruption Barometer 2010 results in December, President of Transparency International Malaysia, Datuk Paul Low, noted that more Malaysians had begun to regard the government's anti-corruption measures as effective. The survey, which involved 1,000 people nationwide, reported that 48% felt that the government's measures to fight corruption were effective. Another 32% were neutral on this point while 20% felt that the government's actions were ineffective.

Datuk Low was supportive of the initiatives proposed by the government to fight corruption, which he believed contributed to the positive public perception. This is despite the fact that the government did not meet its 4.9 target for its Corruption Perception Index score. He highlighted that Malaysia's current score of 4.4 is almost the same as last year's 4.5 mark.



“ This is a drastic turnaround from 2009 where 28% thought the government's actions were effective, 6% were neutral and 67% deemed the government's measures ineffective. The 48% mark substantially exceeds the government's key performance indicator of 37%. ”

**Datuk Paul Low**  
**President of Transparency International Malaysia**

## 2010 FIGHTING CORRUPTION NKRA OBJECTIVES

### 2010 NKPIs

#### Sub Areas within the NKRA

In 2010, the following were identified as the key areas that needed to be addressed:

- The poor perception of regulatory and enforcement agencies, whereby the Police, Customs, Immigration and JPJ were the Federal Government agencies that had the highest number of corruption cases under MACC investigation. These departments also had the lowest perceived integrity scores among the business community and the public. In addition to the four agencies, the MACC itself had also come under scrutiny.
- The poor perception of government procurement practices, where there was little awareness of existing practices that would lead to meritorious, economically sound decisions.



*Courtesy of Info Centre, Menara Star, Star Publications (Malaysia) Bhd*

- The perception that corruption amongst high-powered individuals was going unpunished, where there were insufficient repercussions for those with influence.

The year 2010 saw several NKPI targets being set to address these issues as well as improve perception on corruption in Malaysia (as per the Transparency International Corruption Perception Index score) and the effectiveness of government actions in fighting corruption (as per the Transparency International Global Corruption Barometer survey). To this end, several NKPI targets were set under the Fighting Corruption NKRA and grouped under three main areas with specific aims and initiatives:

**Table 1: The Three Sub-areas of the Fighting Corruption NKRA**

|                   | Law Enforcement and Regulatory Agencies                                                                                                                                                                            | Government Procurement                                                                                                                                                        | Grand Corruption                                                                                                                                                                      |
|-------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Aims</b>       | <ul style="list-style-type: none"> <li>• Greater deterrents and effective enforcement against corruption by public officials</li> <li>• Enhance the system for delivery of justice for corruption cases</li> </ul> | <ul style="list-style-type: none"> <li>• Reduce leakages of public funds</li> <li>• Better transparency and accountability in the award and execution of contracts</li> </ul> | <ul style="list-style-type: none"> <li>• Regain public confidence in law enforcement agencies</li> <li>• Reduce opportunities for abuse of power by law enforcement agents</li> </ul> |
| <b>Initiative</b> | e.g. strengthen and empower compliance units                                                                                                                                                                       | e.g. define parameters of support letters<br><br>e.g. disclose details of government procurement contracts                                                                    | e.g. endeavour to complete prosecution of corruption cases within one year, particularly for cases of public interest                                                                 |

## Law Enforcement and Regulatory Agencies

To ensure the effectiveness of law enforcement and regulatory agencies in carrying out their duties and obligations, they were to be evaluated on their success in fulfilling the following:

- The number of summons settled vs. the number of summons issued by JPJ.



- The number of summons issued per hour of operations (PDRM Traffic)<sup>1</sup>.
- The number of cases charged vs. the number of arrests and detention under Immigration Law<sup>2</sup>.
- Taxes that can be claimed on goods and services that were not properly declared<sup>3</sup>.
- The number of charges brought vs. the number of arrests (investigation papers) for drug trafficking and possession under the Dangerous Drugs Act<sup>4</sup>.

## Government Procurement

To reduce maladministration in the government procurement process, the Procurement Accountability Index was established whereby progress was to be measured by the number of Ministries scoring above 90%<sup>5</sup>.

<sup>1,2,3,4</sup> These are revised NKPIs. Refer to pages 97-98: “The Achievements of Regulatory and Enforcement Agencies”

<sup>5</sup> This is a revised NKPI. Refer to page 96: "Procurement Accountability"

## Grand Corruption

To enhance the speed and effectiveness of detection, prosecution and punishment of corruption, there would be a focus on the percentage of corruption trials completed within one year and the number of people listed in the MACC database of convicted offenders.

In 2010, we also targeted to increase Malaysia's Corruption Perception Index score from 4.5 to 4.9 and the percentage of respondents agreeing that the Government's action in fighting corruption is effective in Transparency International's Global Corruption Barometer from 28% to 37%.

Throughout the ongoing, iterative process of refining and implementing the NKRA initiatives, as well as continuous engagement with the key agencies responsible for the NKRA, it was discovered that not all the NKPIs that had initially been identified in the GTP Roadmap were the most suitable or appropriate to measure the desired outcome. Where this was the case, the NKPIs were refined as follows:

**Table 2: Refinements to the Original 2010 KPIs\***

| Focus Area                          | KPIs in Roadmap                                                                                                    | Period 2010 KPIs                                                                                                                                | Baseline | 2010 Target |
|-------------------------------------|--------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|----------|-------------|
| Public Perception                   | TI's Corruption Perception Index Score                                                                             | -                                                                                                                                               | 4.5      | 4.9         |
|                                     | TI's Global Corruption Barometer                                                                                   | -                                                                                                                                               | 28%      | 37%         |
| Regulatory and Enforcement Agencies | Number of cases charged versus number of arrests for drug trafficking and possession under the Dangerous Drugs Act | Number of charges brought versus the number of arrests (investigation papers) for drug trafficking and possession under the Dangerous Drugs Act | 75%      | 80%         |

\* Refinements were made in 2010 to the original KPIs identified in the GTP Roadmap

| Focus Area               | KPIs in Roadmap                                                                       | New KPIs                                                                       | Baseline    | 2010 Target |
|--------------------------|---------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|-------------|-------------|
| Law Enforcement Agencies | Number of summons settled versus number of summons issued for JPJ                     | -                                                                              | 60%         | 78%         |
|                          | Number of summons settled versus number of summons issued for PDRM Traffic            | Number of summons issued versus total hours of operation                       | 10          | 10          |
|                          | Number of cases charged versus number of arrests and detentions under Immigration Law | -                                                                              | 53%         | 60%         |
|                          | Tax recovered from under-declared goods                                               | Tax that can be claimed on goods and services that were not properly declared  | 118 million | 186 million |
| Government Procurement   | Number of audit findings on maladministration of procurement per ministry sampled     | Number of Ministries scoring above 90% on the Procurement Accountability Index | -           | 13          |
| Grand Corruption         | Percentage of trials completed within one year                                        | -                                                                              | 8.5%        | 30%         |

For a full account of refinements, amendments, targets and baselines for 2010, please refer to pages 96 - 102 of this Annual Report.

## KEY NKRA PARTICIPANTS

Unlike in some of the other NKRAs, where a single ministry is adequately positioned as the single authority required to drive its initiatives, fighting corruption requires the collaboration of many Ministries and agencies. At the end of the six-week-long lab on corruption involving top civil servants and representatives from the private and public sectors, a total of 26 different parties from various Federal Ministries, agencies and commissions were listed as being required to play some role (ranging from having a consultative role to being an owner of a complex project).

As the NKRA initiatives were cross-jurisdictional and needed to be executed at each agency or ministry involved, a cross-functional NKRA team had to be constituted to manage the initiatives.

No single ministry, however, had overarching jurisdiction over anti-corruption as a specific issue, within which to house the team. Yet an existing entity was required to house the NKRA team in order to leverage on pre-existing logistics and administrative infrastructure.

After much deliberation and following the initial hosting of the NKRA team in the Legal Affairs Division (Bahagian Hal Ehwal Undang-Undang) within the Prime Minister's Department, the MACC was identified as the most appropriate entity within which to house NKRA efforts.

From within the MACC, the NKRA team worked together with the following entities on the key initiatives that formed the focal points for 2010's efforts:

**Table 3: Key 2010 Initiatives and Relevant Stakeholders**

| No. | Initiative                                                                     | Projects                                                     | Relevant Agency/<br>Ministry                                                  |
|-----|--------------------------------------------------------------------------------|--------------------------------------------------------------|-------------------------------------------------------------------------------|
| 1.  | Stiffer punishment for givers and receivers of bribes                          | Amending the General Orders for Discipline of Civil Servants | MACC<br>Attorney-General's Chambers (AGC)<br>- Legal Reform<br>JPA - Services |
| 2.  | Creating a database of corruption offenders that can be accessed by the public | Corruption Offenders Database                                | MACC - ICT<br>MACC - Integrity Management Department                          |

| No. | Initiative                                                                                                                                        | Projects                                                                                          | Relevant Agency/<br>Ministry                                                |
|-----|---------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|
| 3.  | Completing the prosecution of corruption cases within a year                                                                                      | Additional Corruption Courts                                                                      | AGC<br>Federal Courts<br>Legal Affairs Div                                  |
|     |                                                                                                                                                   | Public Prosecutors Directive to complete cases within a year                                      | AGC                                                                         |
|     |                                                                                                                                                   | "Speedy Trial" Act                                                                                | AGC                                                                         |
| 4.  | Whistleblower Protection Act                                                                                                                      | Creating Whistleblower Protection Act Framework (guideline SOPs etc.)                             | AGC<br>MACC<br>Police<br>Customs<br>Immigration<br>JPJ<br>Legal Affairs Div |
| 5.  | Political Funding                                                                                                                                 | Amendments to regulations to encourage societies to have greater accountability for party funding | MACC<br>RoS<br>IIM<br>EC<br>MoF                                             |
| 6.  | Publishing awards of government contracts, including relevant details such as the amount of the contract and information about the winning bidder | Design and development of a website                                                               | MoF<br>MAMPU                                                                |
|     |                                                                                                                                                   | Circular to direct all Ministries to channel all procurement details to MoF                       | MoF                                                                         |
|     |                                                                                                                                                   | Implementation in all Ministries                                                                  | Relevant Ministries                                                         |
| 7.  | Circular to civil servants to guide them on how to handle support letters                                                                         | Draft a circular/directive letter and ensure compliance                                           | MACC<br>MAMPU<br>AGC<br>JPA<br>MoF                                          |

| No. | Initiative                                                                      | Projects                                                                                                      | Relevant Agency/<br>Ministry                           |
|-----|---------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|
| 8.  | Establishing Compliance Units in all regulatory bodies and enforcement agencies | Establish Compliance Units                                                                                    | JPA<br>MACC<br>Police<br>Customs<br>Immigration<br>JPJ |
| 9.  | Integrity Pacts for government procurement                                      | To implement Integrity Pacts whereby both parties to a government contract commit not to engage in corruption | MoF<br>EPU<br>All relevant Ministries/<br>Agencies     |

Fighting Corruption NKRA initiatives were kicked off early in 2010, with meetings chaired by the NKRA team or the relevant owners of the projects. From there on, follow-up meetings were held to keep in touch with project owners or implementers. These ranged from formal meetings to discussing general cross-jurisdictional issues and direction, to informal sessions to identify and address everyday obstacles.



Where problems could not be resolved among agencies with the help of the NKRA team, the monthly Problem Solving Meetings were used to discuss and agree on possible solutions, and when necessary, cross-ministry issues were raised and resolutions agreed upon at the monthly Delivery Task Force meetings. In addition, monthly coordination meetings were chaired by the MACC, for the NKRA team and PEMANDU to track ongoing initiatives and identify the next steps to ease the progress of each initiative.



Parallel with this cycle of engagement and interaction to track initiatives, the NKRA Unit and PEMANDU worked with key agencies responsible for each of the NKPIs to discuss data necessary to report on the NKPIs, as well as the problems and operational issues relating to the data and the suitability of the data for tracking and reporting.

## INITIATIVES

Following on from the plans set out in the GTP Roadmap and over the course of 2010, these initiatives were identified to tackle specific issues:

## To Regain Public Confidence in Regulatory and Enforcement Agencies

The loss of public confidence in regulatory and law enforcement agencies can be addressed by ensuring that corruption does not adversely influence officers of these agencies to dissuade them from carrying out their duties and obligations effectively.

### **Key Initiative One: To Strengthen and Empower Compliance Units**

Compliance units of specific departments within key regulatory and enforcement agencies should be established and strengthened to improve their effectiveness. The agencies and the relevant departments are the Police (Criminal Investigation, Commercial Crimes Investigation, Narcotics, and Internal Security and Public Order), Customs (Enforcement and Customs Divisions), Immigration (Enforcement, Foreign Workers, Visa Pass and Permit, Passport and Security) and the JPJ (Enforcement).

**Tan Sri Lim Wee Chai**  
Chairman,  
Top Glove Corporation

"Corruption levels in Malaysia are still relatively high compared with our neighbouring countries. On a positive note, I see that there have been various government initiatives over the past one year to eradicate corruption... These include public disclosure of all government procurement plans and privatisation contracts and reformation of the political system."

## **To Reduce Leakages in the Government Procurement Process**

The results of the Merdeka Centre's Malaysian Transparency Perception Survey 2007 show that the public perceives a lack of transparency in the current procurement process, or system used for awarding major government projects. Some 54% of respondents from the public and 71% from the corporate sector believed that there was 'no transparency or openness' in the government procurement system.

The government has pledged to reduce the leakage of funds allocated for national development and operational expenditure and to ensure transparency in the award of contracts. To this end, several objectives and targets were set for 2010.

### ***Key Initiative Two: To Define Parameters of Support Letters***

The government aimed to address the practice of support letters, as it had been hypothesised that these were often used to exert pressure on civil servants to evade standard government policies and processes in obtaining contracts, leading to unmeritorious awards.

To this end, instructions were to be issued to civil servants to disregard unmeritorious support letters and not to be pressurised into making decisions based on the support letters, rather than the merits of the case.

### ***Key Initiative Three: To Disclose Details in Government Procurement Contracts***

There had already been a requirement for disclosure in the government procurement process, whereby all tender decisions were to be made public on each implementing agency's website as well as on the government portal. However, disclosure compliance had been lax and access to the information was difficult. To remedy this, the Government had planned means to ensure information was disclosed in an accessible manner, including:

- Details on awarded projects including names of the successful contractors, contract sums and project periods.
- Procurement processes including main procurement processes for tenders (open and selective), quotations and direct purchases as well as guidelines on the selection of tender committee and evaluation criteria and code of ethics.

## Tackling Grand Corruption

On an institutional level, corruption at all levels needed to be tackled, not just in relation to the everyday experiences of the rakyat, but also in the criminal justice system.

### ***Key Initiative Four: To Enforce Existing Political Laws and Conduct a Study on Revamping Political Funding***

To improve accountability in the political funding process, work was proposed to increase transparency of funding for political parties, through requirements under the Societies Act 1966.

### ***Key Initiative Five: To Announce a Zero-tolerance Policy Supported by a Robust Whistleblower Protection Framework***

To support the government's commitment against corruption, a comprehensive framework to protect whistleblowers, consisting of strong legislation and effective implementation mechanisms, is to be established.

### ***Key Initiative Six: To strengthen the independence of key institutions***

The GTP Roadmap called for studies to look into strengthening the effectiveness of key institutions such as the Judicial Appointment Commission (JAC), Auditor-General's Office and the MACC by looking into characteristics such as independence. To this end, studies were planned for 2011 to develop recommendations to achieve this.

### ***Key Initiative Seven: Endeavour to Complete Prosecution of Corruption Cases within One Year, Particularly for Public Interest Cases***

The target set by the government to resolve corruption cases in court is one year compared to the average time identified at the end of 2009 of eight and a half years for trial and appeal. The GTP Roadmap stated that these lengthy trials and appeals had increased the opportunity for material witnesses to go missing or turn hostile or for a witness and evidence to be tampered with.

In line with this, the establishment of 14 Special Corruption Sessions Courts and four Special Corruption High Courts was planned for 2010.

**Datuk Seri Abu Kassim Mohamed,**  
Chief Commissioner,  
Malaysian Anti-Corruption  
Commission (MACC)

"While MACC is at the forefront of the fight against corruption, true effectiveness requires everyone to play a part – including the Government, the rakyat and the business community. The efforts under the Corruption NKRA, bringing together the many strands of work to combat this crime, has been a tremendous step in the right direction."

### Key Initiative Eight: Enforce Stiffer Punishment

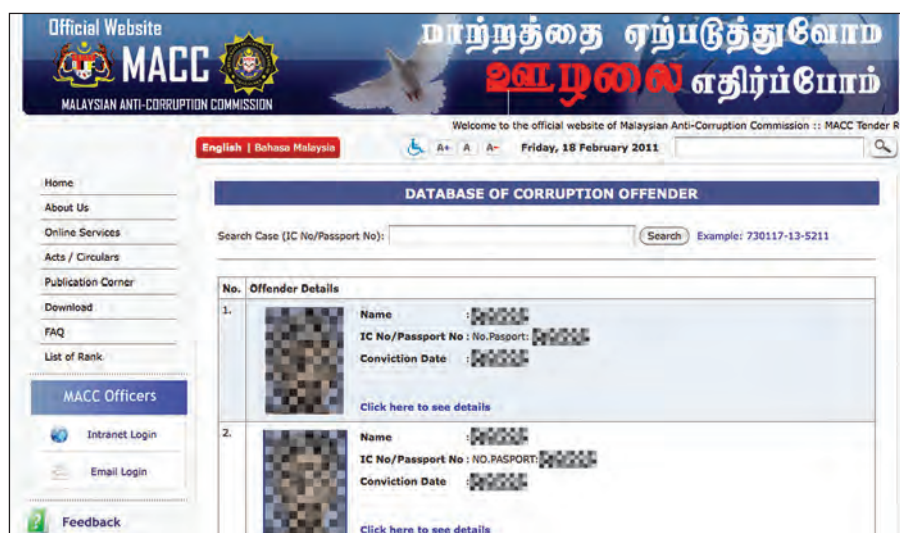
When analysis was conducted in late 2009 as to root causes for corruption, a hypothesis that developed was that the consequences for corrupt practices were an insufficient deterrent. It was initially thought that the statutory punishment under the law for corruption offences needed to be revised to impose a stiffer minimum sentence, but further examination in 2010 found that this would not have the impact needed, as minimum sentences were not seen as a mark of a progressive legal system and that it tended to dissuade persons from admitting guilt.

However, it was also found that with regards to penalties for civil servants who were found to have committed corrupt practices but for which there was insufficient evidence to bring a criminal charge, insufficient administrative action was being taken, with some only receiving warnings either by letter or verbally.

To this end, the government aimed to introduce stiffer punishment for corruption in the civil service through its human resource administration.

### Key Initiative Nine: Develop a Name-and-shame Offender Database

As with the initiative for stiffer punishment, greater deterrents against corruption were required. It was agreed that introducing a “name and shame” list of convicted corruption offenders would not only create the appropriate societal pressure to deter people from corruption, but it would also be a valuable reference point and resource for employers and other members of the public.



## SUCCESSSES AND ACHIEVEMENTS

The overall results of the NKPI targets set for 2010 are shown in the table below.

**Table 4: Results for 2010 National Key Performance Indicators**

| No. | NKPIs                                                                                                                  | 2010 Target | Actual Results   | Remarks                                                      | Traffic Lights                                                                       |
|-----|------------------------------------------------------------------------------------------------------------------------|-------------|------------------|--------------------------------------------------------------|--------------------------------------------------------------------------------------|
| 1.  | Number of Ministries scoring above 90% in the Procurement Accountability Index                                         | 13          | 14               |                                                              |    |
| 2.  | Number of cases charged vs. Number of arrests (Investigation Papers) for drug trafficking and possession under the DDA | 80%         | 79.9%            |                                                              |  |
| 3.  | Number of cases charged vs. Number of arrests and detentions under Immigration Law                                     | 60%         | 36.2%            | Cases compounded also tracked to reflect Immigration policy* |  |
| 4.  | Number of people in the database of convicted offenders                                                                | 84          | 284 <sup>6</sup> |                                                              |  |
| 5.  | Number of summons issued vs. Total hours of operation                                                                  | 10          | 10.5             |                                                              |  |

\* Please refer to page 96

<sup>6</sup> Upon review, it was found that 299 cases were available for upload for 2010 but due to incomplete information, as at 31 December 2010, 284 cases were uploaded. This has subsequently been updated.

| No. | NKPIs                                                                                                             | 2010 Target | Actual Results   | Remarks | Traffic Lights                                                                        |
|-----|-------------------------------------------------------------------------------------------------------------------|-------------|------------------|---------|---------------------------------------------------------------------------------------|
| 6.  | Number of summons settled vs. Number of summons issued by JPJ                                                     | 78%         | 47% <sup>7</sup> |         |    |
| 7.  | Percentage of trials completed within a year                                                                      | 30%         | 36.8%            |         |    |
| 8.  | TIs Corruption Perception Index                                                                                   | 4.9         | 4.4              |         |    |
| 9.  | TIs Global Corruption Barometer survey on government actions to fight corruption. Percentage answering effective. | 37%         | 48%              |         |  |
| 10. | Tax that can be claimed on goods and services that were not properly declared.                                    | RM186 mil   | RM175 mil        |         |  |

<sup>7</sup> This is based on figures from June to December 2010 only because updated data management systems have now allowed the actual number of summons settled out of the summons issued to be tracked from June. Using total number of summons outstanding and total summons settled, regardless of when issued, from January, this figure would be 57.7%.

|                                                                                     |                              |                                                                                      |                           |                                                                                       |                              |
|-------------------------------------------------------------------------------------|------------------------------|--------------------------------------------------------------------------------------|---------------------------|---------------------------------------------------------------------------------------|------------------------------|
|  | Achievement of 90% and above |  | Achievement of 51% to 89% |  | Achievement of 50% and below |
|-------------------------------------------------------------------------------------|------------------------------|--------------------------------------------------------------------------------------|---------------------------|---------------------------------------------------------------------------------------|------------------------------|

The NKRA team and PEMANDU worked together with the key agencies responsible for each of the NKPIs to discuss the steps required to implement initiatives successfully and to track the data necessary to report on the NKPIs. All parties also worked hard to resolve the problems and operational issues relating to rolling out implementation plans and refining data collection processes as well as the suitability of the chosen data for tracking and reporting on achievements.

## **To Regain Public Confidence in Regulatory and Enforcement Agencies**

### ***The Setting Up of Compliance Units in Each Enforcement Agency***

The initiative to establish a compliance unit within each enforcement agency saw the five key enforcement agencies (the Police, Customs, Immigration, JPJ and the MACC) setting up compliance units and sending officers to be centrally trained by the Malaysian Anti-Corruption Academy (MACA). Integrity Testing Unit training was held from 1 to 3 November 2010 and was facilitated by Professor Dr. Michel Girodo, a member of the Interpol Group of Experts on Corruption (IGEC). On 2 August 2010, the Malaysian Anti-Corruption Academy (MACA) launched training for Certified Integrity Officers (CeIO).



*Courtesy of Info Centre, Menara Star, Star Publications (Malaysia) Bhd*

### ***The Use of Closed-circuit Television Cameras***

Enforcement agencies are also embracing the use of technology to combat corruption with CCTVs being installed at Customs and Immigration “hotspot” checkpoints to ensure that officers comply with procedures and enforce the law. The progress of the initiative will continue to be monitored and both the agencies are to report once the CCTVs are online, and MACC will inspect the control rooms from time to time.

### ***Rotation of Staff in “Hot Jobs”***

To lower the risk of the incidence of corruption, staff in “hot jobs”, or those located in high-risk areas have been rotated on a regular basis to prevent unhealthy relationships from forming and to strengthen good governance and values.

Customs has implemented a successful programme where those categorised as being at high risk, are not placed in “hot locations” or given “hot jobs”. An e-Placement system keeps track of all Customs staff and will have mechanisms in place to highlight all “hot staff” and keep track of the length of service of staff in “hot spots”. Any staff located in a particular “hot spot” for longer than three years will be flagged for relocation.

### ***Strengthening Key Institutions***

Preliminary discussions have taken place relating to the initiative to look into the strengthening of key institutions, in preparation for proper studies to be conducted as planned in 2011. The preliminary benchmarking and analysis in relation to strengthening the MACC found that at this time, focus should be placed on transforming and improving the operations of the MACC. Thus the creation of an external Director of Prosecution function within MACC was not found to be a necessary, priority step. Nevertheless, based on preliminary assessment, a focus area to be developed in 2011 will be on improvements relating to strengthening the Auditor-General’s functions.

### **To Reduce Leakages in The Government Procurement Process**

#### ***The MyProcurement Portal***

On 1 April 2010, the government launched a website to address transparency in public procurement. Known as the MyProcurement portal which can be accessed at <http://myprocurement.treasury.gov.my/>, it aims to be a government procurement information centre.

As at end - 2010 it listed more than 3,500 contracts on the website citing information on both advertised and awarded tenders, including dates, values of the contracts and winners of the tenders. The portal also displays other procurement-related information, such as government procurement policies and principles. It has helped create a greater sense of accountability on government spending and helped create transparency and accountability in public procurement.

Privatisation projects are also undergoing a similar disclosure procedure with the launch of the MyPartnership portal on 25 August 2010. This aims to increase the transparency of the Public Private Partnership Unit (UKAS).

**MyPROCUREMENT**  
PUSAT MAKLUMAT PEROLEHAN KERAJAAN  
KEMENTERIAN KEWANGAN MALAYSIA

Laman Utama

"Objektif perolehan Kerajaan adalah untuk memastikan semua perolehan Kerajaan adalah berdasarkan dasar dan prinsip perolehan yang menjamin perolehan yang terbaik dan berkesan"

**Menu Utama**

- [Kata-kata Azlan YAB Menteri Kewangan](#)
- [Maklumat Am Perolehan Kerajaan](#)
- [Dasar Perolehan Kerajaan](#)
- [Prinsip Perolehan Kerajaan](#)
- [Kategori Perolehan](#)
- [Pendaftaran Syarikat/Pihak Perolehan/Kontraktor](#)
- [Pusat Perolehan Perolehan Kerajaan](#)
- [Rujukan Dalam Perolehan Kerajaan](#)
- [Gedung Perolehan d. Sektor Kewangan](#)

**Pengenalan**

Portal MyPROCUREMENT Pusat Maklumat Perolehan Kerajaan merupakan gerbang utama maklumat perolehan Kerajaan yang akan memaparkan senarai iklan tender dan keputusan tender terkini bagi setiap Kementerian. Portal ini juga merupakan saluran informasi mengenai dasar, prinsip dan tatacara semasa perolehan Kerajaan.

**Iklan Tender Terkini**

| Tajuk Tender                                                      | Tarikh Tutup |
|-------------------------------------------------------------------|--------------|
| 1. TENDER BAGI PERKHIDMATAN PROMOSI DAN PENGELOMBAHAN KEMPAK BELL | 21/01/2011   |
| 2. IKLAN TENDER PROJEK MEMBAHUTUTUK SEMBILAN MENAKUTAP DAN M.     | 11/01/2011   |
| 3. TENDER MEMERBELI MENCIKAT DAN MEMERBELI BUKU Teks KESK BANGSA  | 26/03/2011   |

**Keputusan Tender Terkini**

Jumlah Keputusan: 96202

**Proses Pelaksanaan Tender**  
Aktiviti dan tempoh masa proses pelaksanaan tender

**Tatacara Perolehan Tender**  
Pekeliling/Arahan berkaitan tatacara perolehan tender

**Carta Aliran Proses Tender**  
Carta Aliran Tender Terbuka Bagi Perolehan Kerja  
Carta Aliran Tender Terbuka Bagi Perolehan Bekalan/Perkhidmatan

**Arkib Tender Kerajaan**  
Simpanan maklumat iklan dan keputusan tender terdahulu

### **Guidance on Support Letters**

Another initiative that was achieved quickly was the measure to issue guidance on support letters. A circular issued by MAMPU on 2 April 2010 can be found at [http://www.mampu.gov.my/pengumuman/02-04-2010-gp\\_sokong604.pdf](http://www.mampu.gov.my/pengumuman/02-04-2010-gp_sokong604.pdf). It helped provide guidance to civil servants who may feel that they are under pressure from persons of influence through support letters in areas ranging from procurement to licensing.



Following the circular, civil servants should now be able to proceed with their work without feeling the need to succumb to this influence. Phrases like “sila pertimbangkan” (please consider) or “disokong kuat” (strongly supported) cannot be considered as a basis, merit or qualification for the government to make its decision as all decisions are now being made on the basis of merit.

### **Integrity Pacts**

The implementation of Integrity Pacts (IPs) was another key initiative in 2010. The first steps were taken with the Treasury Directive Letter issued by the Ministry of Finance on 1 April 2010 available at <http://www.treasury.gov.my/pekeliling/sap/sap2010-04-01.pdf>. The directive requires all Government agencies to implement the Integrity Pact and sets out three objectives – to avoid corrupt practices between bidders and government; to require bidders and government to report any corrupt practices to the authorities; and to ensure there is no need for the government to pay for unnecessary costs. The implementation under the directive calls for all the bidders to sign a Bidders’ Declaration.

Following this the successful bidder would sign a Successful Bidders' Declaration and the Government Agency is to ensure that the contract contains an Anti-Corruption in Government Procurement clause.

On 16 December 2010, the Ministry of Finance further issued the Guidelines for Integrity Pact Implementation in Government Procurement. This is available at [http://www.treasury.gov.my/index.php?option=com\\_docman&task=doc\\_download&gid=3609&Itemid=28&lang=my](http://www.treasury.gov.my/index.php?option=com_docman&task=doc_download&gid=3609&Itemid=28&lang=my). It provides in further detail the undertakings and declarations to be made by various persons, including public officials and various other counterparts depending on the stage of contracting and type of contractual relation.

The development of guidelines for the application of integrity tools in the private sector is also being looked into by engaging with Institut of Integrity Malaysia, Bursa Malaysia, the Securities Commission, the Companies Commission of Malaysia, and Transparency International, Malaysia, among others.

## **Tackling Grand Corruption**

### ***Database of Convicted Offenders***

One of 2010's big wins was the implementation of the Convicted Corruption Offenders Database or more popularly known as the MACC's "name and shame" list launched on 4 March 2010. Highlighting the names, pictures, identity card numbers and case details of convicted offenders, the database has created greater public awareness and helped encourage the stigma of corruption by making all the details of offenders available in the public sphere.

The target list of 84 offenders by 2010 has been surpassed with some 284 names on the database as at end 2010. The database consists of the full names of offenders from 1 January 2010, when the MACC Act came into effect. The database of offenders can be accessed by the public, including employers, intending to conduct background checks on certain individuals. Offenders' names will only be removed from the database after three years if there are no repeat offences.

### *The Introduction of Whistleblower Protection Legislation*

A culture of intolerance towards corruption supported by a robust whistleblower framework was an important initiative and another big win for 2010. The Whistleblower Protection Act 2010 was drafted by the Attorney-General's Chambers and passed by the Dewan Rakyat with the Dewan Negara following suit on 6 May 2010. The Act was gazetted on 10 June 2010 and came into force on 15 December 2010.

Bahagian Hal Ehwal Undang-Undang (BHEUU), or the Legal Affairs Division has convened roundtable discussions with the five key enforcement agencies to develop a set of guideline Standard Operating Procedures (SOPs) to aid all Ministries and other enforcement agencies subject to the Act to develop an implementation mechanism.



### *Speeding up Trials*

With the GTP Roadmap highlighting the problems caused by lengthy corruption trials and appeals, measures were taken to ensure that corruption cases were completed within one year, particularly in cases of public interest. As such, work on a total of 14 special Corruption Sessions Courts and four special Corruption High Courts were completed and will be operational in February 2011.

Another measure was to amend the Criminal Procedure Code (CPC) to speed up trials. The amendments were passed in Dewan Rakyat on 22 April 2010 and in Dewan Negara on 6 May 2010 and gazetted on 10 June 2010.

The amendments included the introduction of the Pre-trial Conference, which aims to shorten the trial. At this platform, the accused can discuss issues and reach an agreement on plea bargaining with the public prosecutor before the commencement of the case management process. Case management must be held within 60 days from the date the accused is charged, while the trial must be held within 90 days from the date the accused is charged.

## OUTCOMES

Transparency International's (TI) Corruption Perception Index (CPI) was released on 26 October 2010. The 2010 target was a CPI score of 4.9. However the actual score fell short, with Malaysia scoring 4.4. The TI CPI measures the perception of country/risk/expert analysts and business people and aims to provide an understanding of the levels of public sector corruption. Although the TI CPI is measured annually, some of the input from the constituent surveys used was conducted in 2009, before any of the programmes under the NKRA were rolled out. Any impact from the NKRA programmes would have been unlikely to be felt by the survey respondents, or reflected in the CPI score.

Three of the constituent surveys that formulate part of the CPI used results from both 2009 and 2010. These are the International Institute for Management Development's (IMD) World Competitiveness Yearbook 2009 and 2010; the World Economic Forum's (WEF) Global Competitiveness Report 2009 and 2010; and the Political and Economic Risk Consultancy (PERC)'s Asian Intelligence Newsletter survey.

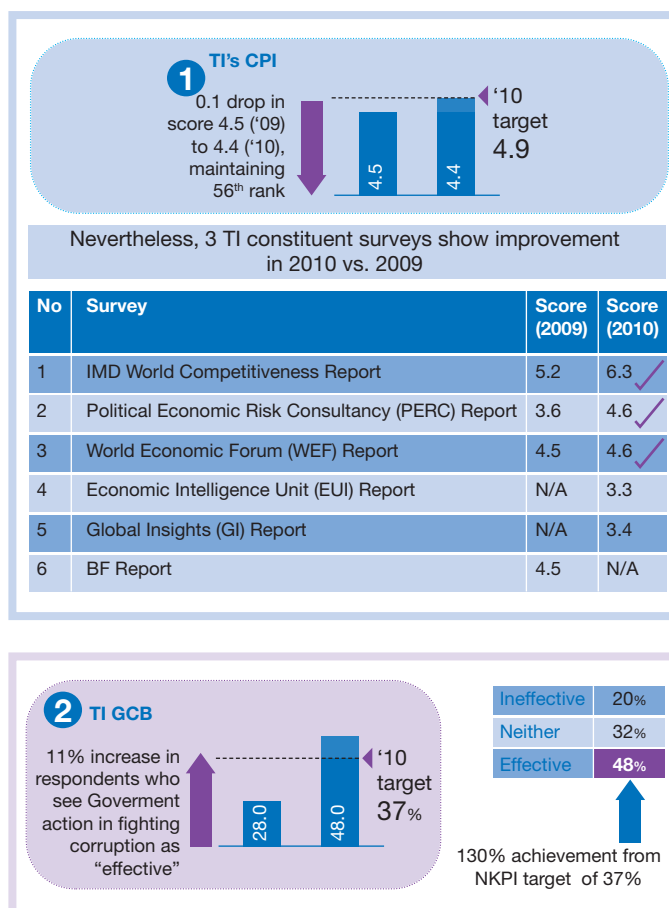
There was an increase from 2009 to 2010 in all the surveys with the IMD score registering the biggest rise from 5.2 to 6.3, the WEF score rising from 4.5 to 4.6 and the PERC scores, from 3.6 to 4.6. This is an indicator that the business community feels that the initiatives are on the right track and are slowly showing effect.

The target for the Global Corruption Barometer (GCB) was a score of 37% which was an extrapolated target formulated at the lab. On the GCB score, conversely, the NKPI target was not only met but surpassed, proving further that the initiatives in place are slowly having an impact on the rakyat.

On the question “how would you assess your government’s actions in fighting corruption”, some 48% from Malaysia answered “effective” which was almost a two-fold increase from the previous year (28%) and clearly surpassed the NKPI target of 37%.

**Figure 1: Surveys Conducted by Transparency International (TI)**

**Our Key NKPIs Demonstrate that We are on the Right Track, although We have Much More to Do in Order to Achieve Targets**



## CHALLENGES

### SHORTCOMINGS AND LESSONS LEARNT IN 2010

#### Imperfect Communications

Due to the fast-paced and dynamic nature of NKRA initiatives as well as the cross-functional nature of the work required, communications relating to NKRA decisions and action items could have been better, given the many parties whose cooperation was required.

With the new, rapid nature of NKRA actions, some decisions took time to be acted upon when it came to operationalising initiatives. Similarly, in order to adhere to proper procedures, formal letters and communications needed to be secured by recognised sources of authority with jurisdiction over the subject matter before decisions could be acted upon.

Due to the cross-functional nature of the NKRA, and in order to meet timelines, decisions were on occasion, made with imperfect information. This resulted in delays due to the need to unwind the decision after more accurate facts were made known.

In addition, delays in gathering and reporting data remain, as agencies and Ministries require time to begin to use certain data for the purpose of performance management and therefore need to continue working on developing an entrenched system to capture the data in an efficient manner.

Nevertheless, the “discipline of action” in following through on decisions and acting upon instructions can be seen to be developing gradually. Some agencies are remarkably impressive with their responsiveness, and have been most effective when working-level follow up is made immediately after a high-level decision. Furthermore, by way of natural progression, as channels of communication have opened up and networks for information to flow have been built with increased engagement between all stakeholders of the NKRA, communications and efficiency have clearly begun to improve.

**Tengku Nordianda  
Tengku Yunus,**  
Teacher

“Before this, it seemed like only the small fry was brought to justice. Now, we see even individuals of power and influence also being arrested and brought to trial.”

## View of the Public

The government's stand is that corruption is a serious offence, whether conducted on a large or small scale and the initiatives under the NKRA are meant to be overarching measures to tackle the issue of corruption as a whole. An example of this approach would be the initiative to complete prosecutions of corruption offences within a year. This encompasses all corruption offences, not just those above a certain threshold.

However, the public perceives a distinction between less important cases involving “small fish” or less significant personalities, and those involving “big fish” or famous politicians or personalities holding high positions.

The often-heard grouse among the rakyat is that only the “small fish” are arrested and punished, while more prominent politicians or civil servants are not caught but are permitted to carry on with their improper practices. One of the main issues faced therefore has been tackling this perception, and communicating to the public that the role of the Fighting Corruption NKRA is to create zero tolerance for corruption at all levels and not to interfere with the court and investigation process to target “big fish”.

In 2011, the Fighting Corruption NKRA plans to revamp its communications strategy in order to more effectively engage with the public in order to tackle the issue of perception. Through various channels, we hope to further educate the public on the continued work being done to tackle the issue of corruption. It is hoped that through these efforts, the public will have a better understanding of all the issues we face and what is being done to address them.



*Courtesy of Info Centre, Menara Star, Star Publications (Malaysia) Bhd*

### **Administrative Procedures**

During the implementation of this NKRA, adherence to administrative processes and procedures that had not been accounted for occasionally led to delays. This was primarily due to a poor estimation of the time required to obtain approvals and a lack of understanding of the intricacies involved in the procedures required.

An example is the area of human resource management. In regard to the hiring, creation of posts and adaptation to special circumstances, parties were not able to be as flexible as perhaps the private sector would be. It was also observed in the area of budget expenditure and allocation, strict financial management procedures had to be adhered to, which required adaptation of timelines for execution.

As the cross-functional nature of the NKRA initiatives mean that they would be cross-jurisdictional, it was also challenging for agencies to identify the proper unit or officer who could own the delivery process within the agency. This created challenges in terms of having the flexibility and the ability to adapt to the new scope of work or for the administrative infrastructure to embrace new job descriptions.

### **Finite Resources**

There were also problems due to finite resource allocation. This sometimes made it a challenge to make decisions regarding the prioritisation of budget and manpower allocations.

While enhanced capabilities and more flexible working terms and conditions may enable this issue to be overcome, the rigidity of entrenched resource allocation methods currently do not fully support this.

The performance under a number of initiatives may not have been optimal, due to the difficulty in securing resources in order to carry them out successfully. For example, with compliance units, there were resourcing issues which meant that new officers could not be employed in order to staff these units. However, the solution for this situation was to redeploy officers to staff the compliance units.

With the establishment of the special corruption courts, a number of issues were faced as well. Extensive discussions had to be held with all stakeholders in order to secure appropriate staffing for the courts.

## MOVING FORWARD INTO 2011

### Targets and NKPIs for 2011

Having reviewed the implementation of initiatives, and based on findings and lessons learnt in 2010, there have been several refinements and improvements to NKPIs and targets for 2011.

#### *Targets for Transparency International Indexes/Surveys*

The 2011 target for Malaysia's score on TI's CPI is the same as that in 2010, which is a score of 4.9.

For TI's Global Corruption Barometer survey, the target for 2011 had originally been that 45% of respondents should agree that the government's anti-corruption initiatives are "effective". The target for last year was 37%, which was exceeded by an actual score 48%. Based on the actual achievement for the year, as well as Malaysia's historical achievements, the target for 2011 has now been revised upwards to 50%.

#### *Procurement Accountability*

Originally, in 2010, the NKPI for greater transparency and accountability in Government procurement was the number of findings of maladministration of procurement per ministry sampled. This NKPI was to be measured annually, and the target for 2010 was to reduce the number of audit findings to 10.6 in 2010 from 11.2 in 2009.

This method, however, was abandoned in August 2010 when it was found to be an unsuitable measure. Among the reasons for this were that there was no universally agreed definition of what would constitute "maladministration" and furthermore the audit was based on random sampling and would not be necessarily comparable year-on-year.

After further discussion, a more suitable and accurate measure was created based on results of the annual "Accountability Index" audit conducted on all Ministries by the Auditor General. By extracting elements of the audit relating to procurement management, a "Procurement Accountability Index" was created, that scored Ministries on a 100% scale of how well procurement management is conducted at the Ministry. A proposed target for 2010 at the time was then set at 13 out of 25 Ministries scoring 90% and above.

### ***The Achievements of Regulatory and Enforcement Agencies***

In 2010, the Police found that upon further discussion and analysis, the number of arrests was not an appropriate denominator for the ratio of “cases charged versus number of arrests”, as there was not necessarily a constant correlation between arrests and charges – multiple arrests could lead to only a single charge, depending on the facts of the case.

The better relationship would therefore be between charges that could be made for any number of investigation papers opened leading from arrests. For simplicity, and to demonstrate that the same concept behind the NKPI is used, this is expressed as “number of cases charged versus the number of arrests (Investigation Papers or IP) for drug trafficking and possession under the Dangerous Drugs Act”.

After discussion with PDRM, the 2011 target for this NKPI remains at 80%. From a historical perspective and due to operational issues, PDRM would not likely be able to go beyond this threshold. As it is a constant struggle to maintain the target, we will continue to keep this target constant.

For the Immigration Department, the NKPI for 2010 was originally set as the number of cases charged versus the number of arrests and detention under Immigration Law. The 2010 target was 60% and this NKPI target was not met (the actual achievement was only 36.2%).

This trend was identified early on in the year and further analysis and discussions with Immigration officers revealed that this number was due not to a lack of action by the officers but because many cases were being compounded. Therefore, numbers of compound cases were also tracked and this showed that cases were being dealt with appropriately. Nevertheless, as this tracking was thought to be of an operational nature and did not reflect the NKRA efforts to reduce corruption, for 2011, it has been decided that this NKPI will no longer be tracked as part of the NKRA. In its place, a perception survey will be run to monitor the perception of the rakyat as to what extent Immigration officers are affected by corruption.

For the Traffic Police, after further discussion, it was decided that the initial measure proposed for 2010 of the ratio of summons settled against summons issued, which depended to some extent on the public's willingness to let their summonses remain unsettled, should be revised. Instead, the NKPI that was identified as more suitable was the number of summonses issued per hour of operations, to ensure that officers' time during operations was properly accounted for. The target for 2011 will be 12 summons issued versus total hours of operation, a slight increase from 2010's target of 10.

For the JPJ, the NKPI was the number of summons settled versus the number of summons issued, where the 2010 target was 70%. The target for 2011 will be 85%.

For the Customs Department, the original 2010 NKPI was based on a narrower scope of goods on which tax that were payable were recovered, from amounts due to underdeclarations. Therefore the target was only RM21 million. After more detailed discussion with Customs, the scope of the measure was broadened to include tax that can be claimed on all goods and services that were not properly declared, with a baseline measure of RM118 million.



*Courtesy of Info Centre, Menara Star, Star Publications (Malaysia) Bhd*

Therefore the 2010 target was revised to RM186 million based on the new baseline and definition. Nevertheless, for 2011, it was felt that while the tracking of taxes payable is a good operational measure, it would not necessarily be impacted directly by the NKRA initiatives to fight corruption. In its place, a perception survey will be run to monitor the perception of the rakyat as to what extent Customs officers are affected by corruption.

The Government is also considering a revamp of a number of NKPIs of the enforcement agencies. At this moment, work is being done to revise the precise measures and targets, which will be announced at a later date.

### ***Grand Corruption***

The percentage of trials that are completed within a year had a target of 30% this year. The 2011 has been greatly stretched to 70%, but this is to reflect the coming into operation of the special corruption courts which is hoped to greatly expedite the trial process.

Although the number of convicted offenders in the convicted corruption offender's database was surpassed this year, this was largely due to MACC running an operation which targeted the "giver", which is far easier to prove and prosecute. Therefore, the 2011 target is already stretched as compared to the baseline figure for this year.

### **Different Approaches for 2011**

In 2011, the government plans to shift its focus on engaging the public on their perceptions and attitudes towards corruption and to raise awareness on the measures being taken to fight corruption. This engagement will run in addition to ongoing work to develop the infrastructure to fight corruption. The Fighting Corruption NKRA will engage with the business community to educate them on the creation of a transparent, open, competitive and level playing field through the avoidance of corrupt practices. It will also seek to encourage intolerance toward favours given and asked for as a means of competitive advantage in business.

The new approach includes targeting the rakyat through media initiatives. All levels of society will be targeted: from the education of school children, to instil a sense of integrity in them from a young age; to foreign analysts and the business community, in order to bolster the understanding of the ease of doing business in this country.

## **2011 Targets and Refinements to NKPIs**

Corruption is more abstract in nature when compared to the other NKRA's, and thereby it is slightly more difficult to formulate measurements of a tangible nature. Therefore, the team is in a constant process of reviewing and refining the NKPIs in order to find the best possible method of measuring the initiatives under the NKRA.

For 2011, there will be a number of changes to the NKPIs, in order to make them more relevant to the initiatives that were carried out throughout 2010. The aim of these new NKPIs would be to measure the achievements of the initiatives thus far, which the 2010 NKPIs did not accurately do.

There will be two new NKPIs in 2011 with regards to Integrity Pacts. One of the initiatives in the GTP Roadmap was the implementation of Integrity Pacts, and this was achieved, in part, with the issuing of the Treasury Directive Letter by the Ministry of Finance which stated that all Government bodies had to include the Integrity Pact in their contracts. Therefore, it was seen to be particularly pertinent to start measuring the success rate of this initiative, given that it has been implemented for some time now.

The other NKPI will be to measure the next phase in the implementation of a broader score of integrity efforts, which is in the private sector. It is likely that a NKPI to track the number of private sector participants in this will be developed.

Another NKPI to be introduced is the number of cases reported under the Whistleblower Protection Act 2010. The Whistleblower Protection Act was gazetted on December 15, 2010 and this provides an ideal situation where the implementation of the Act can be measured from its commencement.

It was also thought to be important to track the effectiveness of the implementation of the Act. Therefore, the percentage of cases closed (investigated) and the percentage of cases closed (action taken) will also be tracked.

Also being measured is the initiative to set up compliance units in enforcement agencies. In 2010, the five leading enforcement agencies have established compliance units and completed the first round of training for their compliance officers.

**Table 5: 2010 NKPIs Retained for 2011**

| NKPI                                                                              | 2010 Target | 2010 Achievement | 2011 Target |
|-----------------------------------------------------------------------------------|-------------|------------------|-------------|
| TI's Corruption Perception Index Score                                            | 4.9         | 4.4              | 4.9         |
| TI's Global Corruption Barometer survey on government actions to fight corruption | 37%         | 48%              | 50%         |
| Number of Ministries scoring above 90% on the Procurement Accountability Index    | 13          | 14               | 19          |
| Percentage of trials completed within one year                                    | 30%         | 36.8%            | 70%         |
| Number of people in the database of convicted offenders                           | 84          | 284              | 100         |

**Table 6: 2010 NKPIs to be Revised / Modified / Dropped in 2011**

| 2010 NKPIs                                                                                                                     | Status                                                                                                                                 | Targets for 2011 |
|--------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|------------------|
| Number of cases charged versus number of arrests (Investigation Papers or IP) for drug trafficking and possession (PDRM – DDA) | To be double reported as NKPI as well as MKPI under the Ministry of Home Affairs, PDRM also to be measured with TNS Perception Survey. | 80%              |
| No. of summons issued per hour of operations (PDRM – Traffic)                                                                  |                                                                                                                                        | 12               |
| Number of summons settled versus number of summons issued (JPJ)                                                                | To be double reported as NKPI as well as MKPI for MoT, JPJ also to be measured with TNS Perception Survey.                             | 85%              |
| Tax that can be claimed on goods and services that were not properly declared (Customs)                                        | Dropped – using TNS perception survey                                                                                                  | N/A              |
| Number of cases charged and compounded versus number of arrests under Immigration Law (Immigration)                            |                                                                                                                                        |                  |

**Table 7: New 2011 NKPIs Being Proposed**

| New 2011 NKPIs           | Details                                                                                                                                  |
|--------------------------|------------------------------------------------------------------------------------------------------------------------------------------|
| Integrity Pacts          | Number of Ministry of Finance Integrity Pacts signed<br>Number of private sector integrity pledges signed                                |
| Whistleblower Protection | Number of cases reported (for five key enforcement agencies)<br><br>% of cases closed (investigated)<br>% of cases closed (action taken) |
| Perception               | Using locally conducted TNS Perception Survey which mirrors the GCB                                                                      |
| Compliance Units         | Number of compliance unit cases or training man-hours                                                                                    |

The Corruption Perception Index, Global Corruption Barometer, Procurement Accountability Index, the number of offenders listed in the MACC Convicted Corruption Offender Database and the percentage of trials that are completed within a year shall be retained.

The new 2011 NKPIs measure initiatives that are the first of their kind to be carried out, and were not in place anywhere before. Therefore, unlike the 2010 NKPI targets, there is no baseline which can be used as a basis to determine a 2011 target. Also, many of 2011 NKPIs targets are to be reported in absolute numbers (e.g. number of MoF IPs). Therefore at this point appropriate targets will need to be discussed in consultation with the parties involved in carrying out the initiatives as they proceed in 2011.

### **The Future for Malaysia**

Malaysia still has much work to do in its fight against corruption if measures such as TI's CPI score are to begin registering a positive change. Malaysia's score in 2010 dropped slightly from 4.5 to 4.4 out of 10 (with 10 being the least corrupt) with its ranking remaining the same as in 2009, at 56 out of 178 countries. While the score is not quite a cause for celebration, it need not be seen as a negative development. The progress at the Ministries and agencies to date should be acknowledged, as a lot has been achieved under the GTP. It is still rather early for signs of change to be seen.

At the same time, the government will continue to strengthen its efforts towards more serious and effective action in 2011, with greater intensity and focus on driving out corrupt practices. The increase in certain scores under the CPI - namely from the IMD World Competitiveness Yearbook, WEF's Global Competitiveness Report and PERC's Asian Intelligence Newsletter surveys are indicators that we are moving in the right direction.

The slight decline of TI's CPI score should however be fully acknowledged and be treated as a sign that the Government still has lots of work to do if we are to be successful in fighting corruption by 2012.

# Improving Student Outcomes



# Improving Student Outcomes



“ Raising the standards of education is key to creating a better future for our nation. We are determined to reach a greater level in ensuring that every child gets the opportunity to gain an affordable and quality education. That is our commitment to the rakyat in building a globally competitive Malaysia. ”

**Tan Sri Dato' Haji Muhyiddin bin Mohd Yassin**  
**Minister of Education**



*Courtesy of Info Centre, Menara Star, Star Publications (Malaysia) Bhd*

## SNAPSHOT OF 2010'S ACHIEVEMENTS

### Delivering Significant Improvements in Education

The importance of education to the wellbeing of a country cannot be denied, especially in today's modern, knowledge-based economy. Providing educational opportunities for all regardless of race, religion or income levels is a pre-requisite for optimising our human capital and building a progressive, forward thinking society equipped to thrive in today's competitive world. Investing in education is akin to safeguarding Malaysia's future as we look to develop the minds, talents and capabilities of our next generation.

The Education NKRA was established to support this aspiration by addressing the various issues and challenges faced in pre-school, primary and secondary education. The Lead Ministry, the Ministry of Education places an emphasis on providing opportunities as well as nurturing quality and excellence on the principles of merit. By focusing on both rural and urban constituents to ensure all Malaysian children have the right to quality education, we wanted to ensure the greatest reach possible.

EXCEEDED  
**72** %  
TARGET FOR  
PRE-SCHOOL  
ENROLMENT

ACHIEVED  
**85** %  
LITERACY  
SCORE

ACHIEVED  
**91** %  
NUMERACY  
RATE

OVER  
**700,000**  
PRE-SCHOOLERS BEGIN  
EARLY EDUCATION

Through the implementation of the various strategies formulated under the Education NKRA, several big wins were achieved in 2010:

## Big Wins

- 72.42% enrolment for pre-schools by December 2010 – exceeding our target of 72% for 2010
- Roll-out of 1,500 pre-school classes by the Ministry of Education, Jabatan Kemajuan Masyarakat (KEMAS), Jabatan Perpaduan Negara & Integrasi Nasional (JPNIN) and the private sector, enabling over 700,000 pre-schoolers aged 4+ and 5+ to begin early education
- Roll-out of the National Pre-school Curriculum to harmonise standards and the setting up of the National Pre-school Council to refine and implement policies that directly affect pre-schools
- Successful ranking of 9,814 primary and secondary schools for the first time in Malaysian history
- Achieved score of 85% Literacy and 91% of numeracy rates for Primary 1 children in our final Literacy and Numeracy Screening (LINUS) in September 2010
- The award of High Performing Schools or HPS status to 20 schools in recognition of top schools across the country
- 7.7% of primary school Head Teachers received New Deals awards, exceeding our target of 2% for 2010

While there have been shortfalls, not due to lack of effort or commitment, we consider these to be part of the learning curve to eventual success. Spurred on by our successes and the lessons learnt, the Ministry of Education will continue to drive efforts to achieve the NKPIs for 2011.



*Courtesy of Info Centre, Menara Star, Star Publications (Malaysia) Bhd*

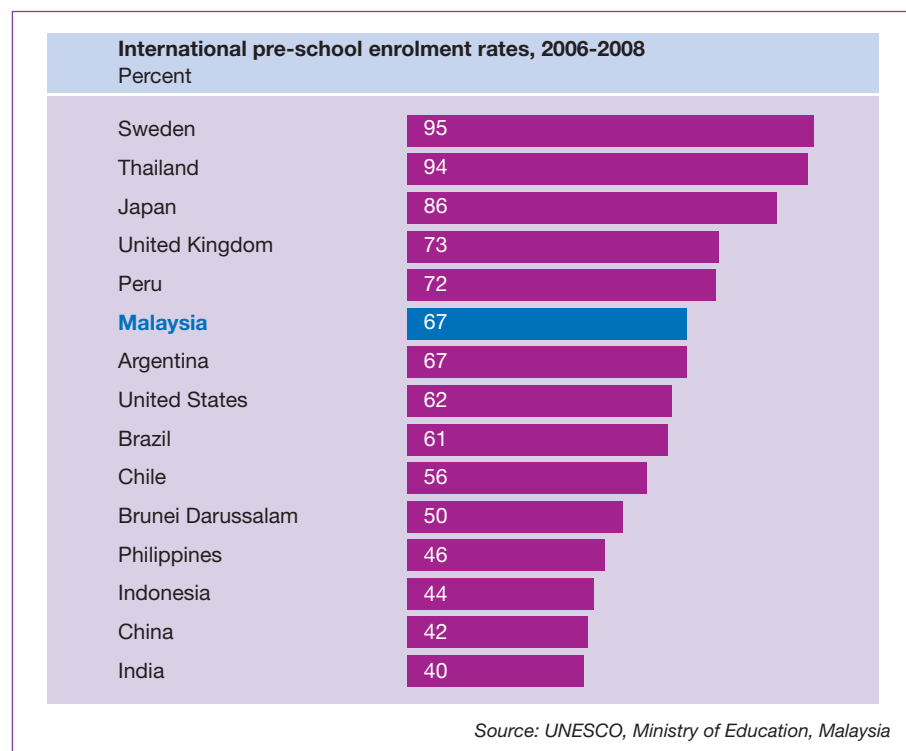
## GENERAL OVERVIEW

### Providing Greater Access to Affordable and Quality Education to All

The United Nations Development Programme (UNDP) in its Human Development Report 2010 (HRD2010) highlighted that people around the world today have much higher levels of education than ever before. An average person of age 15 or older in 1960 had fewer than four years of schooling and by 2010-this number had doubled globally and more than tripled in developing countries.

In Malaysia, there have been tremendous achievements in our education system over the past 50 years. Our adult literacy rate is now above 92%. Among the developing countries, we have one of the fastest growth rates in secondary school enrolment and we have also achieved universal primary enrolment.

**Figure 1: International Comparison of Pre-school Enrolment Rates**



Nevertheless, we must aggressively push ourselves to continue raising the bar on education and workforce competitiveness or we risk being left behind. In fact, compared to countries like Hong Kong, Singapore and South Korea, our country's student outcomes have declined. About 20% of Malaysian students failed to meet the minimum Trends in International Mathematics and Science Study (TIMSS) benchmarks for Math and Science in 2007, an alarming dip compared to just 5% to 7% in 2003. The widening gap within Malaysian student outcomes is a cause for concern as higher education levels correlate consistently with long-term economic growth.



*Courtesy of Info Centre, Menara Star, Star Publications (Malaysia) Bhd*

HRD2010 further stated that being educated empowers people to advance their interests and resist exploitation. The report also highlighted that educated people are more aware of how to avoid health risks and live longer and more comfortable lives, while earning higher wages and have better jobs.

## 2010 EDUCATION NKRA OBJECTIVES

### 2010 NKPIs

#### Improving Student Outcomes and Developing a Quality Workforce

The overall objectives for 2010 were to increase access to basic education and to improve student outcomes. 2010's NKPI targets were as follows:

**Table 1: NKPI Targets for Education**

| Focus area                                 | KPI                                                        | Baseline                   | 2010                       |
|--------------------------------------------|------------------------------------------------------------|----------------------------|----------------------------|
| Pre-school education                       | Enrolment Rate (4+ and 5+)                                 | 67%                        | 72%                        |
| Literacy and Numeracy Rates                | Literacy Rate<br>Numeracy Rate                             | Year-1: 87%<br>Year-1: 76% | Year-1: 90%<br>Year-1: 90% |
| High Performing School                     | Number                                                     | -                          | 20                         |
| New deals for head teachers and principals | % of head teachers and principals who exceed target        | 7.7%*                      | 2%                         |
|                                            | % of head teachers and principals who perform below target | -                          | Not more than 10%          |

*N.B. – Literacy and numeracy rates achieved in 2010 may be lower from 2009 due to a different standard of measurement (KIA2M).*

*\* Data used is current for Primary Schools, while the Secondary School achievement will be made known after the announcement of the 2010 SPM results.*

#### Pre-schools and LINUS

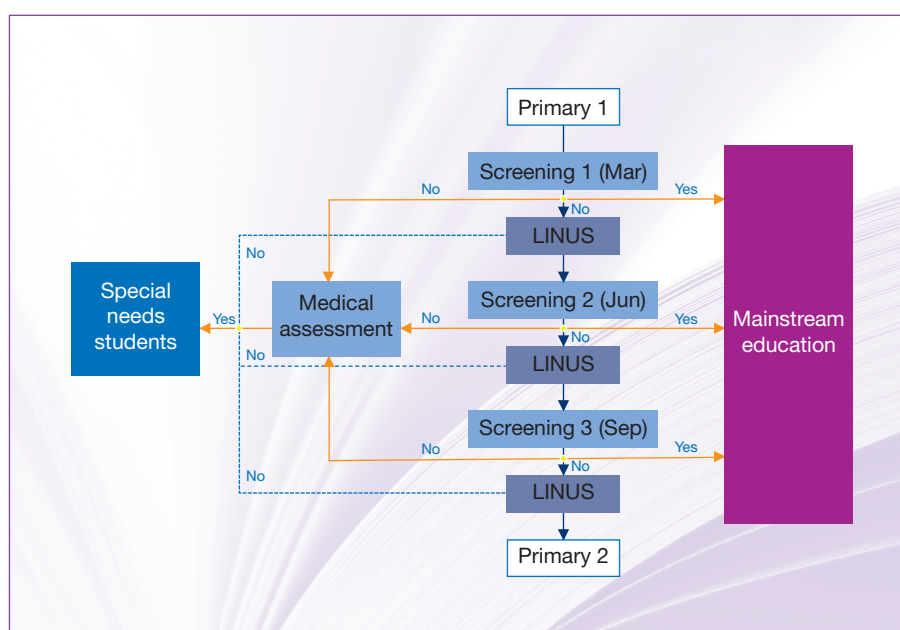
The overarching rationale for the Education NKRA is to increase access to and quality of basic education in the country. The Pre-school and LINUS initiatives are designed to uplift the basic standards of education in the country, by ensuring that every child has a high-quality head start, through early childhood education and an opportunity to be fully literate and numerate.

**72%**  
PARTICIPATION  
RATE OF PRE-  
SCHOOL AGE  
CHILDREN

The first initiative was to increase the enrolment rate of pre-school age children to 72%, from the 67% achieved the year before, as well as improve the quality of pre-schools across the country.

We also set out to increase basic literacy and numeracy rates among Primary 1 children to 90% by introducing screening tests and remedial classes. The Literacy and Numeracy Screenings (LINUS) programme that was introduced by the Ministry of Education aims to achieve 100% literacy and numeracy for all Malaysian school children without learning difficulties by the time they reach Primary 3.

**Figure 2: LINUS Screening Process, 2010**



**20**  
HIGH PERFORMING  
SCHOOLS SELECTED

### High Performing Schools and New Deals for Head Teachers

In order to raise the bar for the overall system, 20 High Performing Schools (HPS) which are internationally benchmarked were selected. These “crème de la crème” of schools are primary and secondary schools that have met stringent criteria including academic achievement, strength of alumni, international recognition, network and linkages with external entities. They are also defined as schools with ethos, character and a unique identity which enable the schools to excel in all aspects of education.

Another objective was to develop the New Deals for Head Teachers, a new performance-based assessment for head teachers in the system, ensuring that at least 2% exceed their targets for 2010. Prior to the implementation of the NKRA initiatives, there was no performance-based system for the teaching force in the country except for a generic assessment system for civil servants. The new performance-based assessment in place is therefore dedicated to head teachers and linked to the ranking of schools. Teachers now have real performance benchmarks to measure their performances and improvements accordingly with the introduction of the new and objective measurement of school performance. The teachers received the NKRA initiatives positively as it is a good source of motivation based on merit and self-initiative.



*Courtesy of Info Centre, Menara Star, Star Publications (Malaysia) Bhd*

**Lim Ai Pin,**  
Teacher,  
SJK (C) Yu Chai in Perak

"I teach at a Chinese primary school, and the students are interested in Mathematics. They suffered, however, when it came to learning Mathematics in Bahasa Malaysia. The LINUS programme helped improve their proficiency in Bahasa Malaysia and they can now attempt Mathematics questions in this language.

"Before this, our students were only able to understand Mathematics questions in Mandarin. I would say there has been a 70% improvement in their command of the language. They can now read and write in Bahasa Malaysia. One of the things I did was to use games in my lessons, which helped them overcome their fear of Bahasa Malaysia."

### KEY PARTICIPANTS

#### A Collaborative Effort

The Ministry of Education worked together with numerous agencies such as KEMAS (under the Ministry of Rural and Regional Development) and JPNIN (in the Prime Minister's Office), especially under the Pre-schools NKPI, to ensure a successful path in achieving the targets set for the Education NKRA. The Ministry also worked closely with the private sector in the fields of teacher training and pre-school operations in order to improve quality and access of the entire school system. For the other NKPIs, the Ministry also collaborated with State and District Education Offices to ensure the success of LINUS and HPS initiatives.

**Muhammad Zammri bin Ishak,**  
Chairman  
Tadika Bijak Gemilang in  
Penang (private school  
with a total of 32 students)

“Since attending preschool, our students are more independent and outspoken. The difference is clear – they can read, write and socialise easily. One of our students, a six-year-old boy, was switching from one kindergarten to the next because he had trouble fitting in. When he came to our school, we were able to give him the extra attention he needed and by the end of 2010 he was able to read and write. His parents are thrilled with the results.

“We could reach out to him because we had taken a training course offered by the Government. We picked up new approaches in teaching young children, for instance in the areas of psychotherapy, ICT and psychology. These courses helped us better understand and tailor programmes for our students.

“We teach three languages – English, Bahasa Malaysia and even Arabic as a foundation for Islamic education. Besides that, outdoor activities are high on my list of priorities and I plan to organise a big family day in 2011 to strengthen the bond between parents and children. I believe that education begins at home. It is not just schoolteachers but also parents who play a part in helping their children love learning.”

## INITIATIVES

The following are among the initiatives taken in 2010 towards achieving our targets:

### Supporting Pre-school Agencies and Operators

In order to increase the enrolment rate of pre-school age children in the country, several different measures were taken. The Ministry of Education worked closely with two other government agencies, KEMAS and JPNIN that operate pre-schools throughout the country, to ensure that quality standards, fee structures and meal grants were standardized across government pre-schools. Private pre-school operators throughout the country were not left without ministry support. Fee assistance was given to 24,179 children from low-income families who attended private pre-schools with fees of less than RM150 per month. In addition, the Ministry partnered with private teacher training colleges to up-skill approximately 7,000 private pre-school teachers in order to improve the overall quality of teachers in the system.

### Literacy and Numeracy Screenings

Approximately 450,000 Primary 1 children throughout the country underwent three screenings for basic literacy and numeracy skills in 2010. 380,363 (85%) children of the entire Primary 1 cohort passed the basic literacy screening, while 406,980 (91%) children passed the basic numeracy screening. We also trained 15,500 LINUS teachers responsible for teaching remedial classes for the under-performing children. On top of this, we deployed FasiLINUS (dedicated facilitators who provide professional support), into every school district in order to monitor, facilitate and support LINUS Teachers.

### Selection of High Performing Schools

In 2010, we selected 20 HPS by the end of the year, with a goal of selecting 100 HPS in total by 2012. A HPS school will have more autonomies in decision-making when it comes to instruction methods, flexibility in adapting curriculum, as well as the selection and deployment of teachers and allocation of funds. In addition to this, a financial grant is given to each HPS school each year to be used on student development, infrastructure, and other important elements in school excellence.

### **New Deals for Principals and Head Teachers**

Under the New Deals initiative, schools are categorised into seven bands. Band 1 is for the best performing schools while Band 7 is for the lowest performing schools. The top 2% of high-achieving principals and head teachers will be given a cash incentive of RM7,500, while the teachers in their schools will also be rewarded. The top 5% of teachers in their school will receive RM1,800 while the rest will receive RM900. In 2010, Head Teachers, teachers and support staff from 586 primary schools around the country received New Deals rewards. This makes up 7.7% of primary head teachers receiving the award, high above our expected target of 2%.

### **School Improvement Programme (SIP)**

The School Improvement Programme (SIP) aims to transform every school into an excellent educational institution by challenging, motivating and lending support to all schools, especially under-performing schools. School improvement throughout the system is crucial if we are to develop a globally competitive workforce or enable every Malaysian to improve his or her standard of living by gaining access to quality education.

The SIP will support all 10,000 schools in the system, while focusing on low performing schools nationwide, especially schools in the rural areas.

Under the SIP, we introduced a centralised data collection system and self-help tool called the School Improvement Toolkit (SIT) to allow head teachers to keep track of their schools' performance and plan the way forward. The SIT will assist school heads to recognise the challenges they face. It will also lend support through appropriate tools and systems in order for school heads to prioritise, plan and allocate resources.

Furthermore, for the lowest-performing schools in Bands 6 and 7, the Ministry has designed support and service lines to lift their performance and motivate the personnel in those schools. These support lines are made up of excellent teachers and coaches who make planned and strategic visits to the lowest-performing schools in order to motivate and support the teachers and principals in these schools. We plan to continue these support systems throughout 2011, to reduce the gap between the best schools and lowest-performing schools.

## SUCCESSSES AND ACHIEVEMENTS

The overall results of the NKPI targets set for 2010 are shown in the table below.

**Table 2: 2010 National Key Performance Indicators**

| No. | NKPIs                      | 2010 Target | Actual Results | Remarks                                                                                           | Traffic Lights                                                                        |
|-----|----------------------------|-------------|----------------|---------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|
| 1.  | Pre-school enrollment rate | 72%         | 72.42%         | We have exceeded the enrollment rate for 2010 (701,144 pre-school)                                |    |
| 2.  | LINUS Literacy rate        | 90%         | 85%            | Literacy rate was short of 5% of this year's target . 380,363 students met basic literacy         |  |
| 3.  | LINUS Numeracy rate        | 90%         | 91%            | Numeracy rate for Primary 1 cohort has exceeded target by 1%. 406,980 students met basic numeracy |  |
| 4.  | High Performing Schools    | 20          | 20             | 20 HPS schools were announced in January 2010                                                     |  |
| 5.  | New Deals                  | 2%          | 7.7%*          | Announcement of new teachers who received the new deals was made in February 2011                 | N/A                                                                                   |

\* Data used is current for Primary Schools, while the Secondary School achievement will be made known after the announcement of the 2010 SPM results.

|                                                                                     |                              |                                                                                      |                           |                                                                                       |                              |
|-------------------------------------------------------------------------------------|------------------------------|--------------------------------------------------------------------------------------|---------------------------|---------------------------------------------------------------------------------------|------------------------------|
|  | Achievement of 90% and above |  | Achievement of 51% to 89% |  | Achievement of 50% and below |
|-------------------------------------------------------------------------------------|------------------------------|--------------------------------------------------------------------------------------|---------------------------|---------------------------------------------------------------------------------------|------------------------------|

## Pre-schools

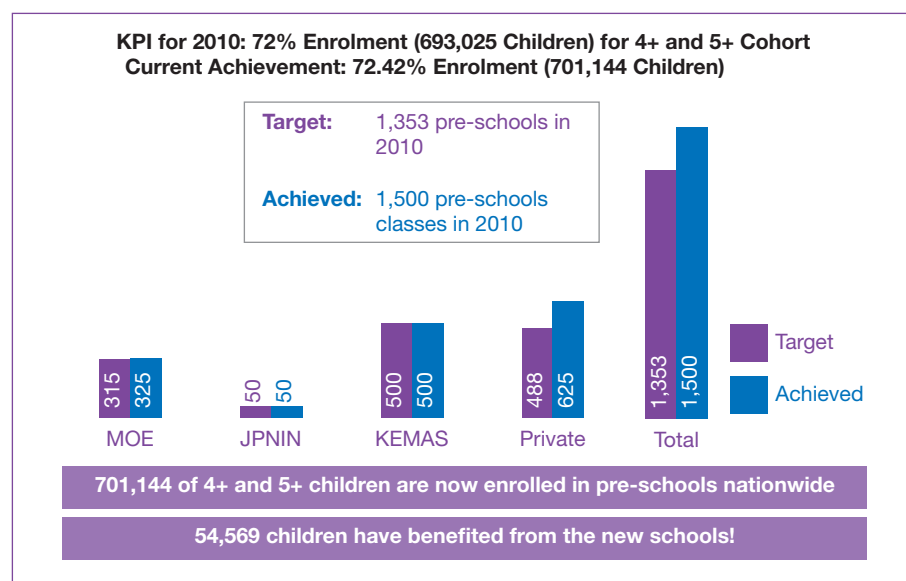
In 2010, we exceeded our target enrolment of 72% for pre-schools, by achieving 72.42% enrolment by December 2010. We have achieved this with the roll-out of 1,500 pre-school classes by the Ministry of Education, KEMAS, JPNIN and the private sector.

This is a tremendous achievement as now 701,144 pre-schoolers in the 4+ and 5+ age groups are able to enter pre-schools. This is an increment of 54,569 pre-schoolers from 2009, whom up till now could not attend pre-school for the lack of schools in their areas. The pre-school NKPI out-performed its target, building 1,500 new pre-schools classes, over the 2010 goal of 1,353 classes.

We are also pleased with the roll out of the National Pre-school Curriculum to harmonise standards and the setting up of the National Pre-school Council to refine and implement policies that directly affect pre-schools.

In building new pre-schools in 2010, the students in very remote areas in Sabah and Sarawak were not forgotten with the opening of four pre-school classes in longhouses in Sri Aman, Sarawak and five classes in community centres in Sabah.

**Figure 3: Pre-school Enrolment for 2010**



**San Yuk Ching,**  
Principal of Tadika  
Wawasan Ranau, 20  
students in total

“Our parents and teachers have heard about the NKRA Education initiative. So far, the feedback between parents and teachers has been very positive. Our parents believe that an early education is essential to their children’s wellbeing.

“We have adopted the ‘learning and playing’ style of teaching and seen encouraging growth in the children month by month. For example, many who first came to us did not know how to hold a pencil, socialise, or use the toilet – they still wore diapers. By mid-year, they did not wear diapers and came to school without their parents forcing them to.

“I think we are doing the right thing and helping the children grow in the right direction. I also plan to ask the Jabatan Pendidikan Negara for new methods, courses and ideas on how to cope with autistic and special needs children. That is my plan for 2011.”

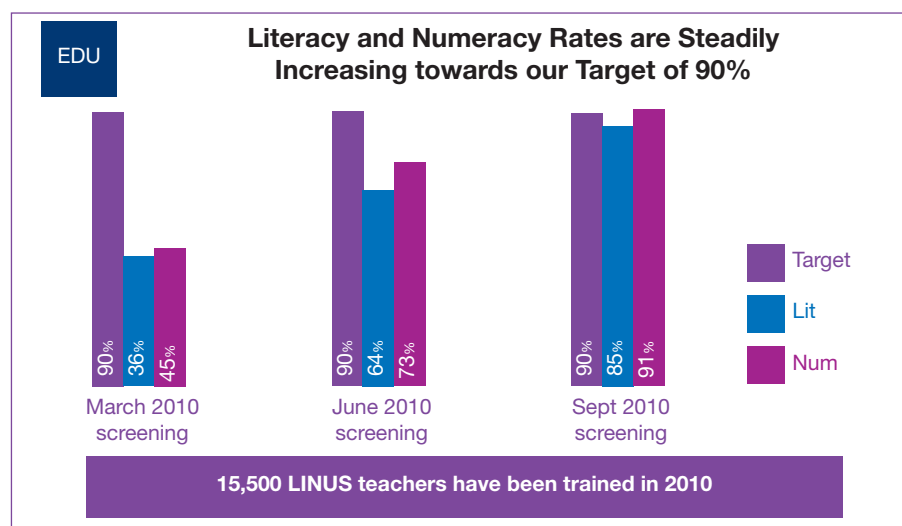
**91%**  
NUMERACY  
RATES FOR  
PRIMARY 1  
CHILDREN

RM1.44 million was also disbursed to SeDIDIK, an organisation under the Sarawak Economic Development Corporation, which operates 58 pre-schools throughout in Sarawak. The objective of ensuring wide access to pre-school education was achieved with the multi-pronged approach taken leveraging on the efforts made by the Ministry, and related pre-school agencies such as KEMAS, JPNIN and SeDIDIK. The private sector too played its part in contributing strongly to the pre-school enrolment ramp up.

It is also notable that seats in all of the government-operated pre-school classes operated by Ministry of Education, JPNIN and KEMAS were available for free, while fee assistance was provided to 24,179 students in 611 private pre-school classes in Peninsular and East Malaysia.

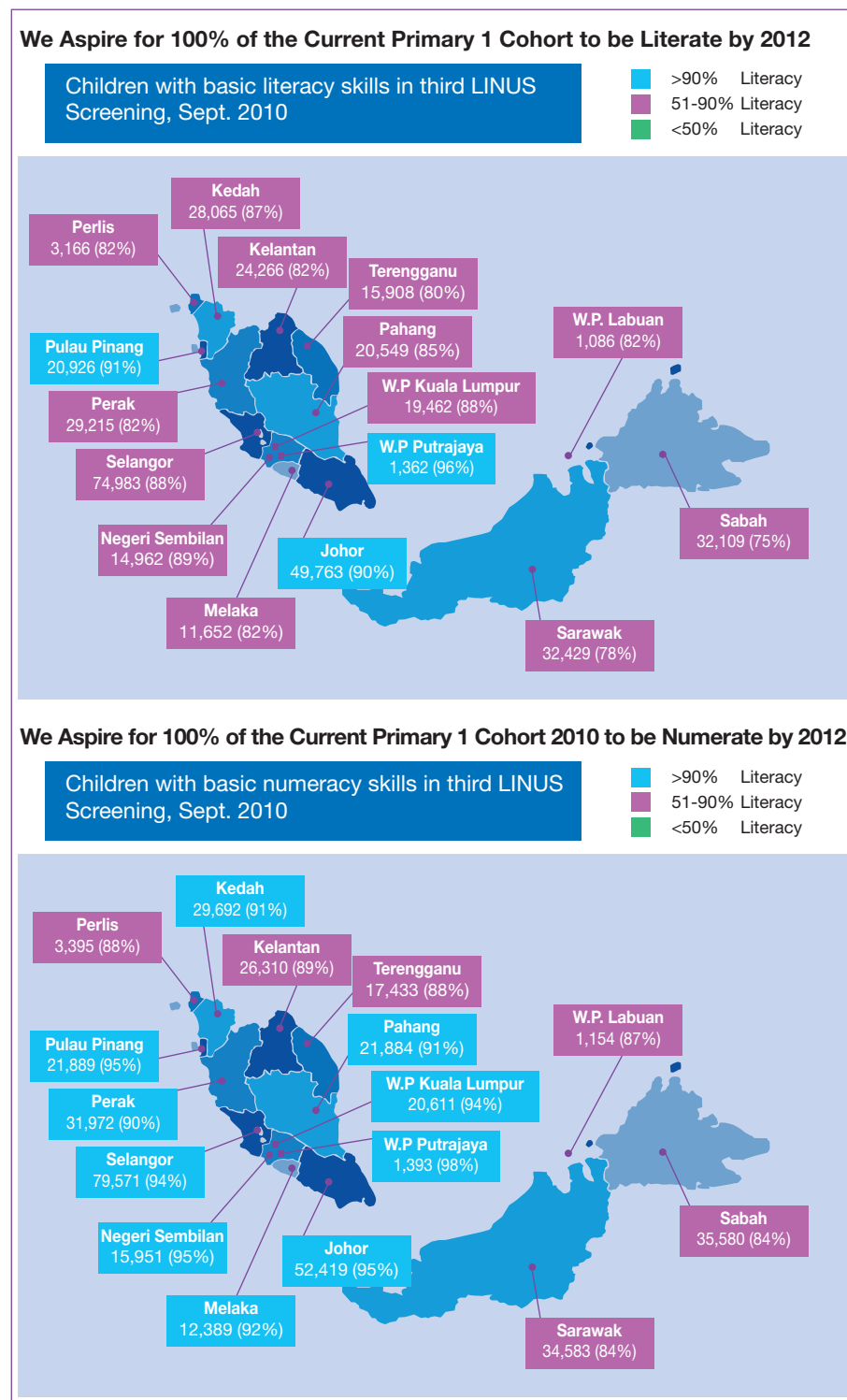
In our third LINUS screening in November 2010, we achieved 85% Literacy and 91% of numeracy rates for Primary 1 children, compared to our target of 90% for both literacy and numeracy rates. It is important to note that the benchmark from the earlier Kelas Interaksi Asas Membaca dan Menulis (KIA2M) programme, which also tested for basic literacy and numeracy, was completed with final scores of 87% and 76% for literacy and numeracy respectively based on the Kelas Interaksi Asas Membaca dan Menulis (KIA2M) instrument.

**Figure 4: Nationwide LINUS Screening Results, 2010**



More importantly, the wider implication of the three LINUS screenings was that the Ministry now has extensive nationwide data on the literacy and numeracy rates. This enables the Ministry to identify at a granular level, the states and districts where the numeracy and literacy rates are at the lowest and they are thus able to take targeted action to lift standards.

**Figure 5: Third LINUS Screening Results by State, Sept 2010**



### High Performing Schools

The award of HPS status to 20 schools is a significant milestone as it recognises the top schools in the country while enabling them to receive a grant of RM700,000 as well as additional financial and curricular autonomies. The schools are then able to hire additional teachers on contract, as well as offer additional subjects from foreign curricular or examination boards. However, with the additional autonomy, the schools are also subject to greater accountability.

The HPS NKPI aims to create world-class schools each with their own unique ethos and character. These 20 HPS comprise 14 secondary schools and 6 primary schools, which are located in various states across the country. A further 30 HPS will be identified in 2011 and another 50 HPS in 2012. This will give us a total of 100 HPS by the end of 2012.

**Table 3: List of 20 Chosen HPS**

#### 6 HPS Primary Schools

|   | Name of school           | Location     | Area of Speciality                                                                                             |
|---|--------------------------|--------------|----------------------------------------------------------------------------------------------------------------|
| 1 | SK Seri Bintang Utara    | Kuala Lumpur | <ul style="list-style-type: none"> <li>• Chess</li> <li>• Hockey</li> </ul>                                    |
| 2 | SK Bukit Damansara       | Kuala Lumpur | <ul style="list-style-type: none"> <li>• Environmental Programmes</li> </ul>                                   |
| 3 | SK Taman Tun Dr Ismail 1 | Kuala Lumpur | <ul style="list-style-type: none"> <li>• Scouts</li> <li>• Tenpin Bowling</li> </ul>                           |
| 4 | SK Convent Kota          | Perak        | <ul style="list-style-type: none"> <li>• Artistic Performance</li> <li>• Language Spoken Activities</li> </ul> |
| 5 | SK Zainab 2              | Kelantan     | <ul style="list-style-type: none"> <li>• Poetry and Short Stories</li> <li>• Archery</li> </ul>                |
| 6 | SK Bandar Uda 2          | Johor        | <ul style="list-style-type: none"> <li>• Mathematics Olympiad</li> <li>• Robotics</li> </ul>                   |

**Table 4: 14 HPS Secondary Schools**

|    | Name of school               | Location        | Area of Speciality                                                                                                       |
|----|------------------------------|-----------------|--------------------------------------------------------------------------------------------------------------------------|
| 1  | SMK Aminuddin Baki           | Kuala Lumpur    | <ul style="list-style-type: none"> <li>• English Essay Writing</li> <li>• Swimming</li> </ul>                            |
| 2  | SMK Sultanah Asma            | Kedah           | <ul style="list-style-type: none"> <li>• Band</li> <li>• Poetry and Songs</li> </ul>                                     |
| 3  | SMK (P) St George            | Pulau Pinang    | <ul style="list-style-type: none"> <li>• Entrepreneurship</li> <li>• Music</li> </ul>                                    |
| 4  | SMK (P) Sri Aman             | Selangor        | <ul style="list-style-type: none"> <li>• English Writing</li> <li>• Green Project</li> </ul>                             |
| 5  | Sekolah Sultan Alam Shah     | Putrajaya       | <ul style="list-style-type: none"> <li>• Rugby</li> <li>• Wind Orchestra</li> </ul>                                      |
| 6  | Kolej Islam Sultan Alam Shah | Selangor        | <ul style="list-style-type: none"> <li>• Silat</li> <li>• Nasyid</li> </ul>                                              |
| 7  | Sekolah Tun Fatimah          | Johor           | <ul style="list-style-type: none"> <li>• Hockey</li> <li>• Band</li> </ul>                                               |
| 8  | Sekolah Dato' Abdul Razak    | Negeri Sembilan | <ul style="list-style-type: none"> <li>• Rugby</li> <li>• Foyer Programme</li> </ul>                                     |
| 9  | Tunku Kurshiah College       | Negeri Sembilan | <ul style="list-style-type: none"> <li>• Leadership</li> <li>• Innovation and Invention</li> </ul>                       |
| 10 | Malay College Kuala Kangsar  | Perak           | <ul style="list-style-type: none"> <li>• Rugby</li> <li>• Basketball</li> </ul>                                          |
| 11 | Sekolah Seri Puteri          | Cyberjaya       | <ul style="list-style-type: none"> <li>• Wind Orchestra</li> <li>• Basketball</li> </ul>                                 |
| 12 | SM Sultan Abdul Halim        | Kedah           | <ul style="list-style-type: none"> <li>• Rugby</li> <li>• Wind Orchestra</li> </ul>                                      |
| 13 | SM Sains Muzaffar Syah       | Melaka          | <ul style="list-style-type: none"> <li>• Green Technology and Agriculture</li> <li>• Robotics and Electronics</li> </ul> |
| 14 | SM Sains Tun Syed Putra      | Perlis          | <ul style="list-style-type: none"> <li>• Innovation and Invention</li> <li>• Soccer</li> </ul>                           |

Each school is responsible for setting annual academic and holistic goals, which aims to raise the overall performance of the school, while the newly-formed HPS unit in Ministry of Education is tasked with helping the schools achieve those targets through strong support and constant monitoring.

These incentives have impacted on performance of the 20 HPS, resulting in better students' outcome. By creating a performance culture in our schools and providing incentives, schools in the Band 1 category will compete to be among the next batch of HPS, achieving the objective of lifting the overall performance of the schools.

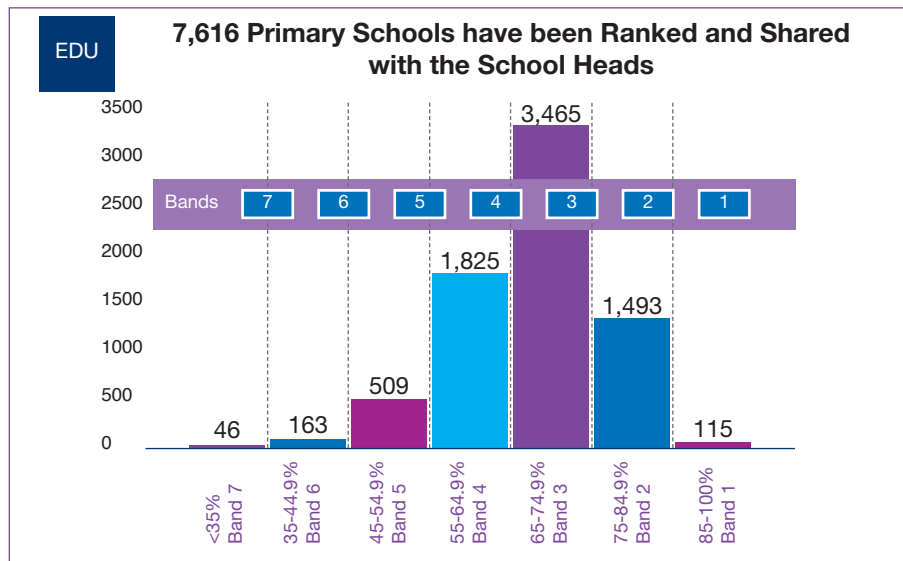
#### **New Deals for Head Teachers and School Improvement Programme (SIP)**

In the New Deals, the proposed reward to the top 2% of head teachers and principals is expected to result in improvements in student outcomes. An incentive culture where Head Teachers /Principals and Teachers are rewarded for performances will spur Head Teachers/Principals to innovate, improve and deliver even better performance. In 2010, the Primary School achievement for Head Teachers exceeded the target of 2% of head teachers receiving rewards, when 7.7% of head teachers from primary schools nationwide received the New Deals targets. The awards also included teachers and support staff from those schools.

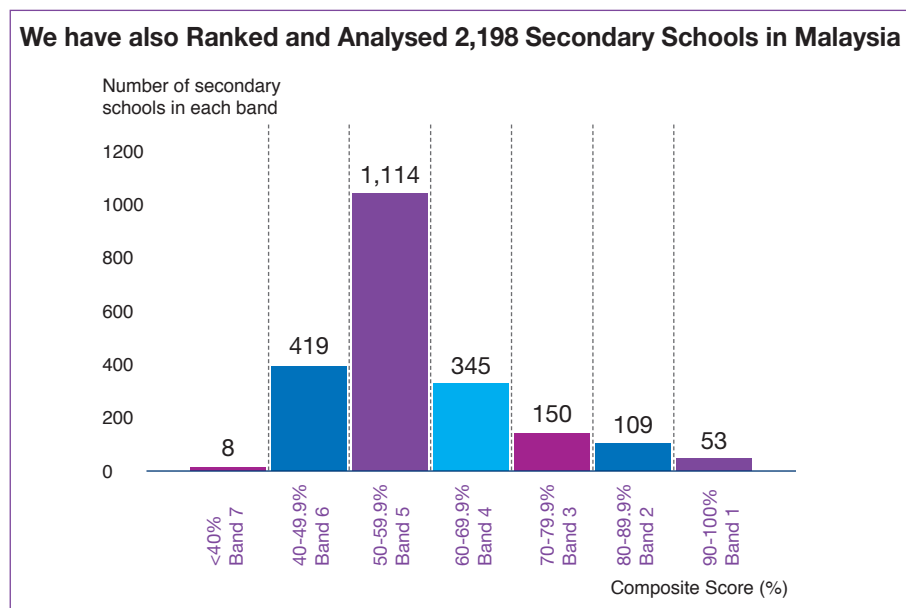
More specifically, high-achieving principals and head teachers are offered a cash incentive of RM7,500 while teachers in their schools are also rewarded. The top 5% teachers within the same schools will receive RM1,800 while the rest will receive RM900. The schools selected for the financial incentives will also receive increased autonomy as well as increased recognition. The achievement of the 586 schools is made even more significant by the fact that 437 of these schools are located in small towns or rural areas.

Under the New Deals NKPI, we have ranked 9,814 primary and secondary schools for the first time in Malaysian history. Using a composite score that measures for both academic excellence and holistic achievement, the schools have been ranked in seven bands from highest (Band 1) to lowest performing (Band 7). The score will help the stakeholders determine yearly improvements for each school nationwide.

**Figure 6: Ranking of Primary Schools, 2010**



**Figure 7: Ranking of Secondary Schools, 2010**



With the introduction of the School Improvement Toolkit (SIT) under the SIP in 2010, every Head Teacher and Principal will be provided the tools to identify areas of weaknesses in their schools and seek the necessary support from the Ministry of Education, parents, teachers and the community at large, to address these issues quickly.

Low performing schools in Band 6 and 7 are given special assistance with partners assigned to all 209 primary schools under the category. Meanwhile, 88 secondary schools are also receiving assistance through the SIP and a second rollout, which targets a further 340, will be done soon. Out of 209 primary schools, at least 140 schools have registered improvement in their GPS score with some reaching as high as 40% improvement.

### Trust Schools

Meanwhile, in December 2010, the Deputy Prime Minister and Education Minister launched the Trust School, which is a Public Private Partnership (PPP) where Public Schools are jointly managed by qualified private partners and civil service principals under the umbrella of the Ministry.

Trust Schools maintain their public status and funding from the Government but management is transferred to a private partner that meets certain criteria set by the Ministry. In 2010, 10 Trust Schools selected across the performance spectrum, were launched as trust schools under Yayasan AMIR, a non-profit foundation under Khazanah Nasional Berhad.

**Table 5: Yayasan AMIR Trust School Chain**

|    | Name of School         | Location |
|----|------------------------|----------|
| 1  | SK Bandar Baru Uda (2) | Johor    |
| 2  | SK Kampung Layau       | Johor    |
| 3  | SJK (T) Kangkar Pulai  | Johor    |
| 4  | SMK (FELDA) Semenchu   | Johor    |
| 5  | SMK Gelang Patah       | Johor    |
| 6  | SM Sains Kuching       | Sarawak  |
| 7  | SK Kg Empila           | Sarawak  |
| 8  | SK Combine             | Sarawak  |
| 9  | SK Tabuan              | Sarawak  |
| 10 | SMK Bandar Kuching (2) | Sarawak  |

These trust schools will be accorded certain autonomies in areas of curriculum, finance, procurement and human resources to give more flexibility and encourage innovation in return for accountability in outcomes.

## OUTCOMES

The GTP has been positively welcomed by the rakyat as the initiatives gain traction and momentum. The weekly reports on the six NKRA in major dalties keeps the rakyat abreast of the latest progress and achievements of the NKRA. This is augmented by continuous flow of news through media such as TV, radio, social media to name a few. The confidence of the Rakyat has grown from the results shown by Education NKRA, which is no small feat.

PEMANDU and the Ministry of Education too have gone down to the ground to the state, district and school levels to educate target audiences on the Education NKRA. We did this, through the initiatives such as Schools Ranking, SIP and SIT, which impacted all 10,000 schools (both Primary and Secondary).

When the District Education Officers together with the School improvement Partners and School Improvement Specialist Coaches went down to the schools to roll out the SIP and SIT, the Head Teacher/Principals, Teachers and Parents Teachers Association (PTAs) were educated on the importance of the GTP as a national agenda as well as the objectives of the Education NKRA. These key stakeholders are involved in ensuring that the aspiration and targets of the NKRA are achieved.



## Public Perception towards the Education NKRA

Public perception towards our initiatives in 2010 was generally positive. Take the example of Noriah, a parent of a five year old who has benefitted from a new private pre-school built under the Education NKRA in 2010. She is quite happy to be sending her son to Tadika Saga in Kota Kinabalu, Sabah as he is learning quickly. He only started classes in August 2010 instead of at the beginning of the year but he has managed to catch up to the other children.

Noriah said Tadika Saga uses the Montessori teaching method which combines learning and playing, thus the children are able to better absorb what they are taught. "I have already registered my three-year-old in Tadika Saga through the kindergarten's early registration. I want to ensure that she too gets a good head-start in her education. Overall, I would say that I am very impressed with this kindergarten," she said.

## CHALLENGES

### SHORTCOMINGS

As the main provider of public education in the country, the Ministry of Education has had its share of challenges in providing education for all Malaysia's children, given the wide spectrum of needs and capabilities especially between students in rural and urban areas. In trying to harmonise standards across the system, the Education NKRA has also faced several challenges including:

#### Improving Standards of 7,000 Private Pre-School Teachers via Training and Re-Skilling

The majority of private pre-schools employ teachers who only have SPM qualifications. We have managed to train approximately 7,000 JPNIN and private pre-school teachers with help from all the IPG, IPTA and IPTS, to ensure all children receive the best quality of teaching possible.

Coordinating such a large training project did put a strain in the training and project management resources of the Ministry of Education, in addition to the day-to-day activities of the training division. However, with the help of additional training support from the private sector, the training was completed successfully in December 2010, before the start of the new school year.

#### Policy Shifts

The majority of the initiatives under the Education NKRA require big fast results, which have occasionally been difficult to implement given the amount of red tape for any exercise within the Ministry of Education. Long and arduous procedures are especially present for any initiative that requires additional job appointments or a change in financial procedures.

#### Rural Versus Urban School Standards

We realised it would be more effective to use different ranking tables for urban and rural schools and other categories that may affect a school's performance. While the same ranking systems are used, we will look into using categories for the ranking tables, in order to improve transparency and equity among the school system.



**Terence Idang,**  
Village Head, Bisaya  
Community, Sarawak

"I think it is important for us to improve our standard of English here. The children must master the language to further their studies. Unfortunately, I have been told some English teachers themselves are making many grammatical errors during class. If that is so, how will our children improve? I understand teachers do not even speak English among themselves.

We need good English teachers so our students can be more proficient in the language and speak English with more confidence. If we want Malaysia to improve and think global, improving our English is essential.

## New Promotion Methods

We will also be looking into changing promotion methods for the teaching force in the country, as we have noted that 70% of teachers retire only two rungs from their starting grade.

## LESSONS LEARNT

If we have learnt one major lesson from this year's implementation of the NKRA, it is that all projects should start as soon as possible (at least six months before the deadline) to allow for slow and painstaking procedures.

Meanwhile, we concluded that the 5% shortfall in the achievement of the literacy rate target was due to lack of support to students with learning disabilities and students in vernacular schools, Orang Asli schools and schools in remote areas, especially in Sabah and Sarawak. The students were facing difficulties in meeting the requisite literacy standards. The lesson learnt is to provide more support, for example, by posting additional remedial/LINUS teachers to these schools and/or coaching the LINUS teachers to identify specific issues faced by the schools.

We noted that children with learning disabilities were not identified quickly enough due to shortage of nurses and/or medical officers with expertise to identify learning disabilities. In 2011, we will be in discussions with the Ministry of Health, to identify a system by which children with learning disabilities can be quickly identified and placed in special education classes.



**Siti Noraisyah binti Rosli,**  
12-year-old student from  
Kampung Awat-Awat,  
Sarawak

"My father is a fisherman and my mother is a housewife. I have seven siblings. I did well in UPSR (3As+2Bs) because my teachers guided me in my studies, especially the more important subjects.

"My favourite subject is Mathematics and when I grow up, I want to be doctor so I can help sick people. My high school is Sekolah Kebangsaan Meragang, which is two hours by car from my village.

There is also the need to raise teacher entry standards. In 2010, we carried out two mini labs called the Teacher Quality Lab and the Curriculum Lab, both of which have long-term policy implications on improving the quality of the teaching force as well as our taught curriculum. As a result of the mini labs, Teach for Malaysia, a Non-Governmental Organisation initiative, was launched in December 2010 as the result of an idea hatched by the Economic Planning Unit and the Ministry of Education. Modelled after Teach for America in the US as well as Teach for All in the UK, top students in the local universities and overseas will teach in high-need schools for two years.

## GOING FORWARD INTO 2011

### 2011 NKPI TARGETS

We have raised the targets for the sub-NKRAs even higher in 2011 compared to 2010.

1. Pre-school: To increase enrolment of age 4+ and 5+ children in pre-schools across the country from 72% in 2010 to 80% in 2011.
2. LINUS: To increase literacy and numeracy rates to 95% of children in Year 1 and Year 2, compared to 90% target for Year 1 in 2010
3. High Performing Schools (HPS): Award HPS status to 30 additional schools, in addition to the 20 schools awarded in 2010
4. Extend the New Deals to 3% of Head Teachers and Principals in 2011 compared to only 2% of Head Teachers and Principals in 2010

### New NPKIs in 2011

Based on our new targets as mentioned earlier, in implementing the pre-school programme in 2011, we will be complementing the initiatives under the NKRA and NKEA for optimal results. For example, in reaching the 80% pre-school enrolment target under NKRA, we will also leverage on the initiative under NKEA, where there is an entry point project (EPP) for the scale up of private pre-school operators.

In 2010, approximately 7,000 private pre-school teachers were trained by both public and private teachers' training institutions. In 2011, another cohort of approximately 7,000 pre-school teachers will be trained, with opportunities given to public and private teacher training institutions to train these teachers. The partnership of the Ministry of Education with both the public and private teacher training institutions is to raise the quality of pre-school teachers, with the ultimate aim of raising the professionalism of these educators in the ECCE sector. This is key to ensuring Malaysia produces quality human capital and leaders in the years to come.

In 2010, pre-school fee assistance was intended for students from low-income households registered in the e-Kasih database. The fee assistance programme totalling RM10.3 mil reached 24,179 students. The pre-school fee assistance scheme was extended to include those from low-income families (i.e. the bottom 40% of the national household income distribution with a monthly household income of RM2,300).

FEE ASSISTANCE  
PROVIDED TO  
**24,179**  
STUDENTS

In 2011, we will look at providing incentives for more private school operators to scale up by shifting government funding from the supply side to the demand side in the form of pre-school fee assistance. We will also address the roadblocks faced by the private sectors such as easing the licensing process and improving access to supply side financing, to encourage more private sector investment in pre-schools. We are optimistic that the pre-school enrolment rate in 2011 will be achieved through higher participation from the private sector in 2011, in tandem with scale up by Ministry of Education, KEMAS and JPNIN.

In 2011, the LINUS Programme will enter its second year, where we will continue with the three screenings in March, June and September 2011. However, as we have the data of the three screenings conducted in 2010, our efforts and resources in 2011 will be targeted at the schools that require improvement in their literacy and numeracy rates. The Ministry will identify schools that are under performing in their LINUS programmes, to ensure the weak students from the 2010 Year 1 cohort will be literate and numerate and not fall back into remedial classes as they enter Year 2. More LINUS teachers will be deployed in these schools and existing LINUS teachers will receive additional training to improve their teaching and learning skills.

### **Sharifah Kasmani**

Teacher from SK Bukit Tumbu, Terengganu

"The LINUS programme has shown very encouraging results. A majority of our students who could not read before the programme are now much better – we have achieved an 89% literacy rate.

"I would like to push this further and achieve a 100% literacy rate by 2012. The LINUS programme has succeeded in getting the full attention and support of all parties – JPN, PIBG, teachers – because of the good results it has had on the students."

In regard to the HPS, we will add another 30 schools to the 20 schools awarded with status in 2010. We will, in 2011, monitor the achievement of the KPIs imposed on the 20 HPS, to gauge the effectiveness and impact of the grants and autonomy to school performance and student outcomes. We will raise the bar for these 20 HPS by instituting KPIs on academic achievements. KPIs will also be imposed on the 30 additional schools selected in 2011, to ensure greater accountability and priority on student outcome. We will continue with the annual ranking of primary and secondary schools nationwide.

The annual ranking for all schools will include public examination results and the SQEM (Standards Quality of Education in Malaysia).



*Courtesy of Info Centre, Menara Star, Star Publications (Malaysia) Bhd*

With all the above in place and together with our 2011 KPIs and targets, we look forward to making strides forward. The Ministry of Education is fully committed to ensure all Malaysians benefit from this NKRA, be it in Peninsular or East Malaysia. While we are proud of our achievements in 2010, we are even more determined to aggressively push the envelope and provide quality education for the future leaders of Malaysia.

# Raising Living Standards of Low- Income Households



# Raising Living Standards of Low-Income Households



“ A very significant achievement in 2010 was that more than 44,000 households were taken out of extreme poverty. However, there is still a dire need to reduce the number of poor and low-income households. Our commitment is to ensure that even though we may not be able to eradicate poverty in the country, that we pursue this reduction in a steady and sure manner. We also commit to raising the living standards of the poor and low-income households, both the rural and urban folks. In all this, we will work to ensure that no single Malaysian gets left behind as the nation progresses forward.

”

**Dato' Sri Shahrizat Abdul Jalil**  
**Minister of Women,**  
**Family and Community Development**

## Raising Living Standards of Low-Income Households continued



*Courtesy of Info Centre, Menara Star, Star Publications (Malaysia) Bhd*

### SNAPSHOT OF 2010'S ACHIEVEMENTS

#### Real Results, Real Changes

While Malaysia has made remarkable progress in fighting poverty these last 40 years, however, just under 4% of the rakyat are still classified as living in poverty. In managing the divide between Malaysia's economically well-off and the disadvantaged, the raising of living standards of low-income households (LIH) was designated as a NKRA. In 2010, despite the many difficulties it encountered, the Lead Ministry for the LIH NKRA – the Ministry of Women, Family and Community Development (Kementerian Pembangunan Wanita, Keluarga dan Masyarakat or better known by the acronym KPWK) – successfully achieved most of its outlined NKPI targets.

## Raising Living Standards of Low-Income Households continued

For 2010, 44,643 extreme poor households were uplifted from this category (reduced to zero percent) while the number of poor households was also reduced significantly. The various measures introduced such as the 1AZAM programme, the provision of low-cost homes and other initiatives yielded positive results in uplifting those at the lower rungs of society. The following are some of the major LIH NKRA wins in 2010:

# 44,535

EXTREME POOR  
HOUSEHOLDS REMOVED  
FROM THE EXTREME  
POOR CATEGORY

# 15,868

POOR HOUSEHOLDS  
REMOVED FROM THE  
POOR CATEGORY

# 2,000

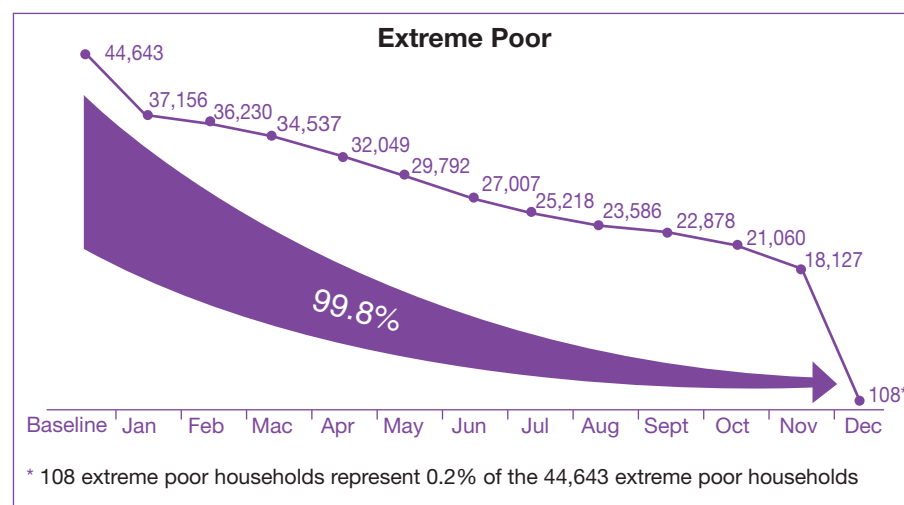
WOMEN ENTREPRENEURS  
TRAINED & DEVELOPED

### Big Wins

- 44,535 extreme poor households removed from the extreme poor category
- 15,868 or 34% poor households removed from the poor category
- 2,000 women entrepreneurs developed
- 35,095 (80%) Projek Perumahan Rakyat (PPR) and Perumahan Awam (PA) units under Dewan Bandaraya Kuala Lumpur (DBKL) offered for sale to current tenants
- Disbursement of RM1,163.07 billion. As of 9 December 2010, KPWKM had already disbursed 99.9% (RM415.23 million) of its Development Expenditure (DE) and 99.6% (RM747.84 million) of its Operational Expenditure (OE) in order to finance NKRA LIH programmes and activities

While we made some good progress in 2010, there is still much more to be done. Having reduced 44,643 extreme poor households to zero percent, we have set our sights on further reductions in the number of poor households. The lessons learnt and insights gained in 2010 will enable us to be successful for the remainder of Horizon 1 (2010-2012) of the GTP.

**Figure 1: Reduction of Extreme Poor Households**



## GENERAL OVERVIEW

### Successfully Managing Poverty since the First Malaysia Plan

In its Human Development Report 2010 (HDR 2010), the United Nations Development Programme (UNDP) highlighted that from 1970 to 2010, per capita income in developed or rich countries increased 2.3% a year on average compared to just 1.5% growth for developing countries. However, there were exceptions, with several developing countries – including Botswana, China, Malaysia and Thailand – identified as having grown faster than any developed country. In fact these countries were cited as having undergone truly spectacular economic growth: between 1970 and 2010, China's per capita income escalated twenty one-fold, Botswana's ascended more than nine-fold and both Malaysia's and Thailand's climbed more than five-fold.

Since the launch of the First Malaysia Plan in 1970, poverty nationwide has been progressively reduced from 50% in that year to 3.8% in 2009. The programmes and initiatives put in place have seen Malaysia realise its Millennium Development Goal on poverty well before the projected 2015 period. For its noteworthy achievements, Malaysia has won international accolades from the United Nations and World Bank, both of which regard Malaysia as a model for managing and reducing poverty.

### Despite Robust Growth, the Income Gap Persists

While these results are noteworthy, the HDR 2010 also called attention to the fact that many developing countries including Malaysia still have some way to go before they cross the threshold that separates the developed and developing countries. China's per capita income for instance, is only a fifth of the average for developed countries, while Botswana, Malaysia and Thailand are also far from this mark.

Malaysia has undoubtedly made tremendous progress in fighting poverty but still just fewer than 4% of the rakyat are classified as living in poverty. To manage the divide between the economically well-off and the disadvantaged, the raising of living standards of low-income households or LIH was designated as a NKRA. It called for us to set our sights on the ambitious goals of eradicating 44,643 extreme poor households by the end of 2010 and further reducing poverty between 2010 and 2012.

## Raising Living Standards of Low-Income Households continued



### 2010 LIH NKRA OBJECTIVES

#### 2010 NKPIs

The LIH NKRA calls for us to raise the living standards of low-income households in a sustainable manner, to ensure aid reaches the needy quickly and efficiently, and to create opportunities for low-income households to earn income independently. In line with this, we committed to achieving the following NKPI targets by the end of 2010:

**Table 1: 2010 NKPIs Targets**

- To eradicate 44,643 extreme poor households by 31 December 2010
- To reduce the incidence of poverty from 3.6% to 2.8% by 31 December 2010 (this NKPI was later modified)
- To train and develop 2,000 women entrepreneurs by 31 December 2010
- To offer 44,146 low-cost units under DBKL for sale to current tenants by 31 December 2010

## Raising Living Standards of Low-Income Households continued

In addressing poverty under the LIH NKRA, we further identified three key areas:

### *To Standardise the Definition of Low-Income Groups to Ensure we Target Support at the Right People*

The need for a common definition between low-income households, poor and extreme poor that could be adopted across the board by all ministries and agencies was critical not only for streamlining and co-ordinating working relationships within the Government, but also to ensure that aid and initiatives were targeted correctly at the appropriate communities. 2010 saw us successfully defining these categories of low-income groups in line with their monthly income.

**Table 2: Definition of Extreme Poor, Poor and Low-Income Households based on Monthly Income**

|                              | Peninsular Malaysia | Sabah             | Sarawak           |
|------------------------------|---------------------|-------------------|-------------------|
| <b>Extreme Poor</b>          | RM440 and below     | RM540 and below   | RM520 and below   |
| <b>Poor</b>                  | RM750 and below     | RM960 and below   | RM830 and below   |
| <b>Low-income Households</b> | RM2,000 and below   | RM2,000 and below | RM2,000 and below |



Courtesy of Info Centre, Menara Star, Star Publications (Malaysia) Bhd

## Raising Living Standards of Low-Income Households *continued*

### ***To Implement Quick, High-Impact Initiatives Immediately and Lay the Groundwork for Longer-Term Actions***

These initiatives will improve immediate welfare as well as build income-earning potential to ensure sustainability. Several visible measures that allowed for rapid effect were identified. These included welfare assistance programmes, housing support and the 1AZAM (Akhiri Zaman Miskin) programme. 1AZAM is a specific initiative that sets out to lift low-income households out of poverty through means of employment, entrepreneurship, agricultural activities and services.



### ***To Put Enablers in Place to Ensure that our Poverty Eradication Programmes are both Effective and Efficient***

The full effectiveness of any programme can only materialise when it is delivered with efficiency. With that in mind, the eKasih database has been designated as the sole database for low-income households and the Implementation Coordination Unit of the Prime Minister's Department as the sole manager for this database. This will facilitate easier identification, approval and tracking of low-income households.

### **Teaching Them to Fish**

Under the LIH NKRA, we set out to reduce poverty and eradicate extreme poverty by the end of 2010. We focussed our efforts on providing welfare assistance and housing support as well as increasing productivity through the 1AZAM programme. In approaching this NKRA, we have had to balance the polarities between providing direct aid to the needy and making economic opportunities available to them so that they become self-sustaining. In essence, we had to focus our efforts on not merely giving those in need a fish to feed them for a day, but we had to teach them to fish, to feed them for a lifetime.

## Raising Living Standards of Low-Income Households continued

### KEY PARTICIPANTS

#### A Collaborative Effort

The Ministry of Women, Family and Community Development, better known by the acronym KPWKM, is the designated Lead Ministry and coordinator for the LIH NKRA. Today, KPWKM continues to work in close collaboration with several other ministries and agencies to roll out the LIH NKRA initiatives. For instance, the Ministry of Agriculture & Agro-based Industry is responsible for the AZAM Tani initiative; the Ministry of Human Resources for AZAM Kerja; Amanah Ikhtiar Malaysia for AZAM Niaga and AZAM Khidmat; the Ministry of Health for the nutrition programme for children from low-income households; and the Ministry of Education for the dilapidated schools project.



#### Ancillary Support

In Sabah and Sarawak, the state agencies assist in the identification of 1AZAM participants and the implementation of the LIH NKRA initiatives. In Sabah, the agencies involved are Yayasan Usaha Maju, Jabatan Pertanian Negeri, Ko-Nelayan, Jabatan Perikanan Negeri, Koperasi Pembangunan Desa, Jabatan Hal-Ehwal Wanita, Jabatan Perkhidmatan Haiwan dan Perusahaan Ternak, Kementerian Pembangunan Masyarakat dan Hal Ehwal Pengguna and Jabatan Pembangunan Sumber Manusia, among others. In Sarawak, agencies such as the Department of Agriculture, Lembaga Kemajuan Ikan Malaysia, Unit Pembangunan Usahawan Bumiputera, Sarawak Economic Development Corporation, Giatmara, Sarawak Timber Industry Development Corporation, Bintulu Development Authority, Federal Agricultural Marketing Authority and Jabatan Tenaga Kerja have come forward with support.

## Raising Living Standards of Low-Income Households continued

The various community programmes and community projects undertaken by the National Welfare Foundation (Yayasan Kebajikan Negara) were also incorporated as part of the LIH NKRA. The foundation is chaired by the Minister of Women, Family and Community Development and consists of a Board of Directors from the fields of welfare and financial management. Yayasan Kebajikan Negara undertakes NKRA activities such as Programme Kemasyarakatan – Gempur NKRA, the Mindset Change Programme, Projek Sistem Kumbahan, Anjung Damai and an insurance initiative.

In addition to the efforts by the Government to raise the living standards of low-income households, government-linked companies such as PETRONAS have also provided assistance through their corporate social responsibility (CSR) programmes. PETRONAS, with cooperation from the MyKasih Foundation, is providing subsidies for low-income households through their Kedai Mesra convenient stores at selected PETRONAS petrol stations.



### KEY INITIATIVES IN 2010

#### Welfare Assistance

In empathising with the hardship of the poor and extreme poor, we committed to disburse federal welfare assistance on the first day of every month, rather than irregularly as before. The policy commenced on 1 September 2009 for Peninsular Malaysia and on 1 January 2010 for Sabah and Sarawak.

## Raising Living Standards of Low-Income Households continued

### Housing Support

Under Budget 2010, we allocated housing support to the needy. We offered to sell 35,095 Dewan Bandaraya Kuala Lumpur (DBKL) low-cost units to current tenants at a price of between RM 21,500 and RM 35,000 per unit – up to 75% less than the market value.

### 1AZAM Programme

To equip the poor and extreme poor with the means to increase their income, we intensified our programmes to build up the capabilities of these groups and create jobs for them. Our efforts included the 1AZAM programme to create jobs through a mixture of employment and entrepreneurship (social enterprise and productive welfare). It incorporated the various schemes announced in the 2010 Budget.

Specifically targeted were groups such as estate workers, rural farmers and fishermen as well as other segments through Peninsular Malaysia, Sabah and Sarawak. Four initiatives were specifically created under the 1AZAM programme:

**35,095**  
DBKL & JPN LOW-COST  
UNITS UP TO 75% LESS  
THAN THE MARKET VALUE

**Table 3: 1AZAM Initiatives**

| Type of 1AZAM Initiative | Description                            | Champion                                        |
|--------------------------|----------------------------------------|-------------------------------------------------|
| AZAM Tani                | Agricultural and agro-based activities | Ministry of Agriculture and Agro-based Industry |
| AZAM Niaga               | Small businesses                       | Amanah Ikhtiar Malaysia                         |
| AZAM Kerja               | Job matching/<br>job placement         | Ministry of Human Resources                     |
| AZAM Khidmat             | Services<br>(self-employment)          | Amanah Ikhtiar Malaysia                         |

## Raising Living Standards of Low-Income Households continued

From the 1AZAM Needs Analysis that was carried out, most of the low-income households were interested in participating in the AZAM Tani initiative followed by AZAM Niaga, AZAM Kerja and AZAM Khidmat. These four activities were selected based on the premise of tapping the inherent skills of the participants to uplift their social and economic status. These initiatives created opportunities for participants (based on their individual capabilities) to alleviate themselves from poverty and to ultimately become self-reliant enough to leave behind their lives of poverty.

**Table 4: 1AZAM Needs Analysis**

| Type of 1AZAM | Peninsular Malaysia | Sabah | Sarawak | Total  |
|---------------|---------------------|-------|---------|--------|
| AZAM Tani     | 7,747               | 1,466 | 3,908   | 13,121 |
| AZAM Niaga    | 7,631               | 2,150 | 361     | 10,142 |
| AZAM Kerja    | 3,845               | 300   | 697     | 4,842  |
| AZAM Khidmat  | 1,379               | 360   | 224     | 1,963  |



*Courtesy of Info Centre, Menara Star, Star Publications (Malaysia) Bhd*



*Courtesy of Info Centre, Menara Star, Star Publications (Malaysia) Bhd*

## Raising Living Standards of Low-Income Households continued

### eKasih Database

The 1AZAM initiative was offered to extreme poor and poor households registered in the eKasih database. This close monitoring of registered households was a key element in ensuring implementation of the LIH NKRA proceeded smoothly. All households registered in the eKasih database underwent verification by the Implementation Coordination Unit (ICU) of the Prime Minister's Department. Any household that was not registered could do so online by accessing the eKasih website ([www.ekasih.gov.my](http://www.ekasih.gov.my)), after which the ICU would conduct a verification process before registering the household.



In the case where someone registers on behalf of a low-income family, that person who registers the family must provide his/her name and identification details in order to avoid abuse of the online registration system. PETRONAS is also utilising the eKasih database to identify these low-income families for its own CSR programme.

### Delivering Opportunities to Escape Poverty

Musingah Ismun, 52 has indeed come a long way from her days of living in poverty. From not having a fixed income and having to borrow from relatives to make ends meet, the entrepreneur is now the proud owner of Mustika Hati Enterprise and enjoys a monthly income of RM9,000 from her frozen pau business in Sabak Bernam, Selangor.

This change was made possible thanks to funding from Amanah Ikhtiar Malaysia (AIM), which enabled Musingah to start up her own frozen pau business.

"Before this, I was a fulltime housewife who was struggling to make ends meet. But after the loan, our lives have changed dramatically. It feels good that our family can now afford a better life. I am grateful to AIM for the opportunity given to low-income earners like me," she shared.



Courtesy of Info Centre, Menara Star, Star Publications (Malaysia) Bhd

## Raising Living Standards of Low-Income Households *continued*

### Developing New Women Entrepreneurs

With start-up capital from AIM, Jumaiah Salim, 43, was able to pursue her dream of becoming an entrepreneur. The mother of three utilised this capital to expand her small-scale homemade traditional snacks business in Sungai Nipah, Selangor, into a commercial enterprise that is now thriving.

Jumaiah has this to say of the entrepreneur programme: "Running a dry food business is profitable and it guarantees a consistent income for my family. This kind of assistance proves that the government believes that women can also contribute to the wellbeing of our families."

In making the most of the opportunity to participate in the women entrepreneurs programme, Jumaiah was able to change her lifestyle and ease her family's financial burden.

### Raising Women Entrepreneurs

Under the LIH NKRA, KPWKM with the cooperation of Amanah Ikhtiar Malaysia (AIM) and Jabatan Pembangunan Wanita (JPW) set out to train and develop 2,000 women entrepreneurs from low-income households by the end of 2010 and a further 2,000 by 2012. Women entrepreneurs are defined as those with a net income of RM3,500 per month or more (for a consecutive period of three months). Opportunities and training are provided so that they may venture into fields such as agriculture, services, fishery, manufacturing, farming and business.

### Other Aid

The year under review also saw the Government providing aid in the areas of education and training; health (e.g. nutrition for children of low-income households); basic amenities (sanitation and hygiene projects); monetary support and assistance in-kind; advocacy (communication and awareness); transition and reintegration (halfway houses); public and community programmes; as well as insurance and housing support.

Aside from the initiatives implemented by KPWKM, several other initiatives were implemented including the 1Malaysia Clinics by the Ministry of Health. Some 50 1Malaysia clinics have been built to provide basic medical care for the lower income group. In addition, four 1Malaysia mobile clinics are now in place to serve rural areas such as estates on scheduled visits. The year's initiatives also included income-raising programmes by the Ministry of Rural and Regional Development (KKLW) and urban poverty programmes by the Ministry of Federal Territories and Urban Wellbeing (KWPKB).

With the cooperation of the Ministry of Education, RM50 million was provided for the repair and upgrading of dilapidated schools (sekolah dhaif). In terms of health, food baskets were provided to ensure children from low-income families had sufficient nutrition. This initiative, undertaken with the cooperation of the Ministry of Health, was allocated RM40 million under the LIH NKRA. For example, via the Majlis Gempur NKRA launched in Bukit Changgang, Rawang on 25 November 2010, a total of 91 extreme poor and poor households received food baskets through this programme.

## Raising Living Standards of Low-Income Households continued

In terms of family welfare, day-care centres were established for working mothers, while programmes on reproductive health were undertaken by the Population and Family Development Board (Lembaga Penduduk dan Pembangunan Keluarga Negara or LPPKN).

In the areas of sanitation and hygiene, RM12 million was provided to build toilets and septic tanks for low-income households. Other programmes included creating awareness via the 1AZAM bulletin; support for the Anjung Damai halfway-house for marginalised groups (including former drug addicts, HIV-AIDS sufferers, ex-convicts and juvenile delinquents); community programmes at religious and community centres by Yayasan Kebajikan Negara; insurance for low-income households and housing support with cooperation from DBKL and JPN. KPWKM also transferred RM2.3 million to Majlis AIDS Malaysia for the execution of the Anjung Damai programme.

### A Helping Hand to a Better Life

It was a difficult life for Lomimi Bonut, 45 of Penampang, Sabah and her nine children and three grandchildren. Sharing a small, one-room house, the family's sole income was Lomimi's earnings from selling farm produce, plus handouts from relatives. As the head of the household, Lomimi's biggest worry was how to feed her family on her meagre income.

As a result of initiatives under the LIH NKRA, Lomimi's burdens have eased. Registered as an extreme poor head of household on the eKasih list, she received monthly food baskets worth RM300 each over a six month period.

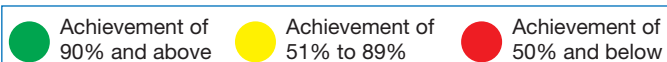


## SUCCESSSES AND ACHIEVEMENTS

The overall results of the NKPI targets set for 2010 are shown in the table below.

**Table 5: Results of the 2010 NKPI Targets**

| No. | NKPIs                                                                                     | 2010 Targets | Actual Results | Remarks                                                                                                                                                                                                                                                                                                             | Traffic Lights                                                                                   |
|-----|-------------------------------------------------------------------------------------------|--------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|
| 1.  | To eradicate 44,643 extreme poor households by 31 December 2010                           | 44,643       | 44,535         | 108 or 0.2% extreme poor households remain as at 31 December 2010                                                                                                                                                                                                                                                   | <br>(99.8%)   |
| 2.  | To reduce the number of poor households by 46,000 by 31 December 2010                     | 46,000       | 15,868         | This was modified from the original NKPI i.e. to reduce the incidence of poverty from 3.6% to 2.8% by 31 December 2010                                                                                                                                                                                              | <br>(34.5%) |
| 3.  | To train and develop 2,000 women entrepreneurs by 31 December 2010                        | 2,000        | 2,000          | 3,804 still under training                                                                                                                                                                                                                                                                                          | <br>(100%)  |
| 4.  | To offer 44,146 low-cost units under DBKL for sale to current tenants by 31 December 2010 | 44,146       | 35,095         | <ul style="list-style-type: none"> <li>•24,658 tenants (56%) agreed to purchase. 10,437 tenants (24%) continue to rent or did not respond to offer letters</li> <li>•9,051 units (20%) not offered for sale as these are reserved as transit units for squatters or rent by agencies (army &amp; police)</li> </ul> | <br>(79.5%) |



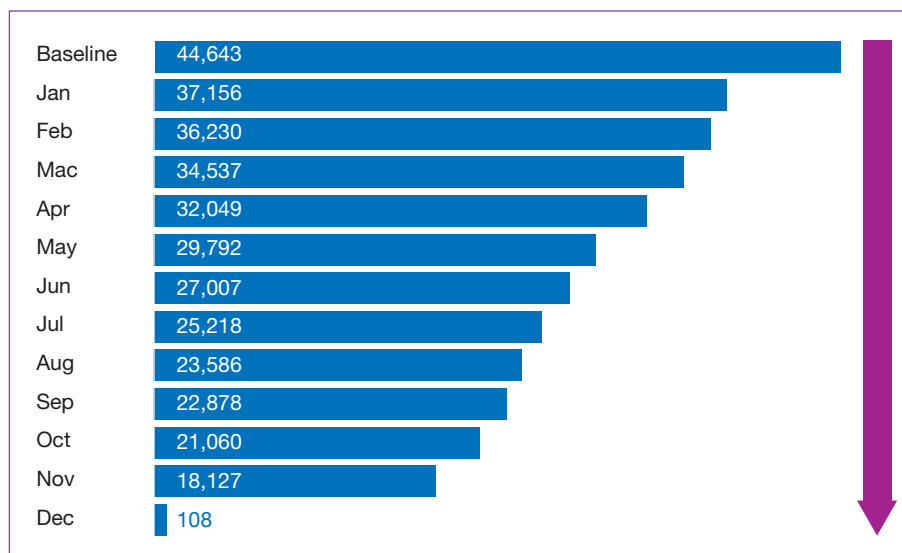
## Raising Living Standards of Low-Income Households continued

### Reduction of Extreme Poor Households

We are pleased to announce that we achieved our goal of reducing 44,643 extreme poor households to zero percent by the end of 2010. The Elaun Bulanan 1AZAM was successful in helping us achieve this NKPI target as was the initiative to leverage on the eKasih database to monitor and verify progress.

The Elaun Bulanan Sementara 1AZAM is a temporary cash assistance programme which was launched on 25 October 2010 by KPWKM. By the end of the year, 21,062 extreme poor households were eligible for the Elaun Bulanan 1AZAM which was made available to them via redemption at post offices and in the form of 1AZAM Pelaburan. Equally important is the fact that we are confident of sustaining the zero extreme poverty figure via 1AZAM. Specific measures have been instituted to track and measure the income levels of participants and to ensure they do not regress below the extreme poverty line.

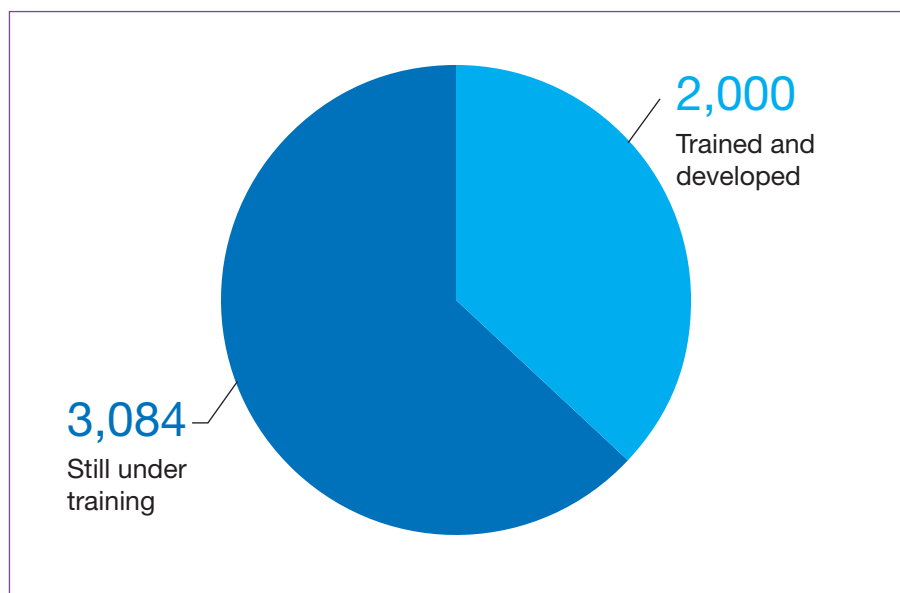
**Figure 2: Reduction of Extreme Poor Households**



### Training and Development of Women Entrepreneurs

Another major win that was achieved in 2010 was the training of women entrepreneurs. Thus far, KPWKM has trained and developed 2,000 women – thereby achieving our target for 2010. Another 3,804 candidates are currently undergoing training. Of this number, 1,000 are expected to complete their course by 2011 and the remainder thereafter. This places us on track to achieve our NKPIs for 2011 and 2012. The progress over 2010 is shown in Figure 3.

**Figure 3: Training and Development of Women Entrepreneurs**



## Housing Assistance

On the housing support front, under the supervision of DBKL, 35,095 low-cost units (80%) were offered for sale to DBKL's current tenants. The units were sold to them at a low price, i.e. between RM21,500 and RM35,000 per unit – up to 75% less than the market value.

## CHALLENGES

### SHORTCOMINGS

#### The Application of Differing Baselines

We faced several hurdles in trying to achieve the NKPI target of reducing the incidence of poverty from 3.6% to 2.8%. The figure of 3.6% used as the baseline by the LIH NKRA Lab in 2009 originated from the Household Income Survey (HIS) results for 2007. The Ministry relied on this figure as a more recent figure was not available (the 2009 figure was only released much later).

Upon the release of the 2009 HIS results in June 2010, incidence of poverty had risen from 3.6% to 3.8% (due to the global economic crisis between 2008-2009). With the increase, the Economic Planning Unit (EPU) of the Prime Minister's Department, which is responsible for the HIS, was of the view that the 2.8% mark could not be achieved by end of 2010.

If the 3.6% incidence of poverty baseline was based on an estimate of 208,000 households and the 2.8% target based on an estimate of 162,000 households, this translates to a reduction of 46,000 households ( $208,000 - 162,000 = 46,000$ ). If this reduction is used as the 2010 target for this NKPI, i.e. to reduce the number of poor by households 46,000, then this target was not reached, since the number of households categorised as "poor" in the eKasih database was only reduced by 15,868 (34.5%).

#### More Housing Required

In the area of housing, 35,095 low-cost units were offered for sale to the poor and extreme poor. The remaining 9,051 units are currently reserved for the army and the police and as transit units for squatters.

## LESSONS LEARNT

One lesson learnt during the execution stage of the LIH NKRA is the fact that not all recommended initiatives under the GTP can be implemented. This is due to geographical issues as well as resource and timeline limitations. Some GTP initiatives also had to be modified in order to suit the current situation and requirements.

It is fundamental that the LIH NKRA build upon the existing poverty eradication infrastructure that the government has. Only by coordinating with and leveraging on the expertise and resources of other ministries and agencies such as KKLW and KWPKB, can we be successful. A great deal of resources and coordination can be reduced and duplication avoided since both these agencies are key players in poverty eradication. Continuous engagement with the 1AZAM Champions is also another key element to ensure the success of the programme. Detailed tracking of the status of achievements will lead to better understanding of on-the-ground issues and will at the same time provide options on how to mitigate these difficulties.

## GOING FORWARD INTO 2011

These are the 2011 NKPI Targets committed to by KPWKM:

**Table 6: NKPIs for 2011**

To verify and register all eKasih open registration i.e. backlog cases by 31 March 2011 and new cases (i.e. cases from 1 January 2011) by 31 December 2011. The verification process is to take no longer than 14 days in Peninsular Malaysia and no longer than 28 days in Sabah and Sarawak

To train and develop 1,000 women entrepreneurs by 31 December 2011

To increase home ownership amongst poor households by 4,965 units by 31 December 2011

To ensure 57,793 eKasih-registered poor households participate in the 1AZAM initiatives by 31 December 2011

## Raising Living Standards of Low-Income Households continued

### New NKPIs in 2011

Going forward into 2011, two new NKPI targets have been introduced i.e. eKasih verification and 1AZAM participation. Following criticism that the verification process for the eKasih open registration is taking too long, a new NKPI target has been set for 2011. This aims to ensure that 2010's backlog is cleared by March 2011 and that all new 2011 cases are cleared in the same year. Introduced as a target, the eKasih verification process is to take no longer than 14 days in Peninsular Malaysia and no longer than 28 days throughout Sabah and Sarawak.

The other new NKPI target that has been introduced relates to participation in the 1AZAM initiative. This new target aims to significantly reduce the number of poor households in 2011. From 2011 onwards, the LIH NKPIs will only cover households under the poor category. Extreme poor households that have only recently been identified through open registration will be included under the poor category in 2011.



By the end of 2011, another wave of initiatives will be implemented, including:

- Providing training to eligible low-income households to improve their economic value;
- Developing a mechanism to provide micro-credit to eligible low-income households;
- Increasing the number of urban, rural and mobile health clinics; and
- Extending financial support for eligible low-income households to purchase artificial limbs and prosthetics.

## Raising Living Standards of Low-Income Households continued

### Empowering Lives

Rohani Yahya, 57, who hails from Menanti, Pasir Puteh, Kelantan, believes that her participation in the AZAM Niaga programme was indeed a blessing. Through the capital received from the AZAM Niaga initiative, the single mother of eleven started her food stall and is now earning RM500 per month. The added income is helping support three of her school-going children.

“As a single mother, I truly appreciate the assistance received through AZAM Niaga. It provides the motivation for me to work hard and to lift myself out of poverty. When I first started (the business), I was earning RM300 a month. Now it’s RM500 per month,” she shared.

Lastly, some medium-term initiatives will be implemented by the end of 2012, including:

- Providing additional hostel capacity to enable students who require accommodation (e.g. those from rural areas) to continue with their studies despite financial hardship;
- Intensifying assistance to patients requiring dialysis treatment. This will involve providing financial aid, setting up more dialysis centres and providing transportation to and from those centres; and
- Offering financial assistance to eligible low-income households who are neither recipients nor purchasers of low-cost homes provided by the Government.

A minimum wage policy is also being discussed so that all Malaysians will be able to earn at least the Poverty Line Income (PLI). This will require greater discussion with all parties before any decision is made.

### Ensuring Sustainable Progress

The Elaun Bulanan 1AZAM cash assistance scheme will only continue into 2011 for household heads or members of their family who take up the 1AZAM programme. From January 2011 onwards, if a household drops out of the 1AZAM programme, their Elaun Bulanan 1AZAM will be discontinued. This is in line with the government’s strategy of encouraging self-help so that each low-income household becomes self-sustaining over the long-term.



# Improving Rural Basic Infrastructure



# Improving Rural Basic Infrastructure



“ We are pleased that we achieved our 2010 objective of providing the rakyat with an ever-improving standard of rural basic infrastructure. The progress made last year was significant in terms of the sheer scale of infrastructure development and the vastly improved rate of implementation. The projects we have delivered are already showing positive results and bringing new and better opportunities for the rakyat. We are humbled to have been able to touch so many lives in the rural areas and we are looking forward to sustaining this good momentum in 2011. ”

**Dato' Seri Mohd Shafie bin Haji Apdal**  
**Minister of Rural and Regional Development**



*Courtesy of Info Centre, Menara Star, Star Publications (Malaysia) Bhd*

## SNAPSHOT OF 2010'S ACHIEVEMENTS

### Significant Progress in the Provision of Rural Basic Infrastructure (RBI)

Malaysia has had a long and successful history of rural development since Independence. Through the various Malaya and Malaysia Plans, the Government has made rural development a key item on the national agenda. The Rural Basic Infrastructure (RBI) NKRA follows this trend albeit with one distinction: the delivery of big and quick wins never achieved before in the history of Malaysia.

The rollout of development initiatives for roads, electricity, water and housing have been accelerated to bring the fruits of modernisation to the less developed areas of the country. Our aim is to ensure that the fruits of the country's development and prosperity are shared by all. As a whole, the various strategies and measures put into action for 2010 have delivered significant results. These include the following achievements:

## 12,000

KAMPUNGS ACROSS  
MALAYSIA WITH ENHANCED  
ROAD CONNECTIVITY

## 36,273

ADDITIONAL HOUSES  
SUPPLIED WITH CLEAN OR  
TREATED WATER

## 27,266

ADDITIONAL HOUSES  
CONNECTED WITH 24-HOUR  
ELECTRICITY SUPPLY

## 16,962

HOUSES FOR RURAL POOR  
BUILT OR RESTORED

### Big Wins

- 2 million Malaysian living in the rural areas have seen their lives significantly improved in 2010 with the provision of roads, water, electricity and houses.
- 783.1 km of rural roads were built and upgraded across the country (equivalent to the length of the North-South Highway)
- Over 12,000 kampungs across Malaysia with enhanced road connectivity
- Over 36,273 additional houses are now supplied with clean or treated water
- 27,266 additional houses connected with 24-hour electricity supply
- 16,962 houses for rural poor built or restored



*Courtesy of Info Centre, Menara Star, Star Publications (Malaysia) Bhd*

Ultimately, the vision of the Government is to ensure that 100% of the population is living within 5km of a paved road and have access to basic amenities, i.e. water, electricity and housing.

The challenge to deliver is significant and the targets are ambitious. We are now seeing the early signs of delivery. The Ministry of Rural and Regional Development, (Kementerian Kemajuan Luar Bandar dan Wilayah or KKLW) through various implementing agencies will continue to maintain this strong momentum to achieve all set NKPIs.

## GENERAL OVERVIEW

### Transforming the Rural Landscape like Never Before

The initiatives under the RBI NKRA comprise four components, namely roads, electricity, water, and housing. As outlined in the GTP, the access to basic infrastructure is a fundamental right of every Malaysian, no matter where they live. Approximately 35% of Malaysians currently live in rural areas.

This basic infrastructure is important as it lays the foundation for the introduction of social amenities such as schools and hospitals as well as economic opportunities in the rural areas. Subsequently secondary development such as wireless broadband, Internet services and so on can take place in the near future. This will further improve the quality of life for Malaysians living in rural areas.

The RBI NKRA is a big step for the Government as expenditure is now concentrated for rural development especially in Sabah and Sarawak unlike recent years. This large-scale development programme is unprecedented.

## 2010 RBI NKRA OBJECTIVES

### 2010 NKPIS

The RBI NKRA commits to provide rural basic infrastructure to the rakyat, to ensure an improved quality of life is attained and enjoyed by all Malaysians regardless of age, race and location. Most RBI projects involve a long lead-time. Hence, the targets are set across calendar years instead of on an annual basis.

In addressing the need for basic infrastructure to be in place for all Malaysians, specifically for those living in rural areas, four programmes within the RBI NKRA have been identified:

1. To build or upgrade 751.9km of Federal and State roads in rural areas
2. To provide clean or treated water connection to an additional 70,181 households
3. To provide 24-hour electricity supply to an additional 25,312 households
4. To build or restore 16,626 houses for the rural poor

CURRENTLY  
**35** %  
OF  
MALAYSIANS  
LIVE IN  
RURAL  
AREAS



#### Driving Economic Progress

"There are various road projects in construction now in this division. We believe that once the roads are completed, we will prosper as we can participate in economic activities like selling our produce. It will also be more affordable as we now have the option of using motorcycles instead of four-wheel drives."

Jangan anak Bakar, a civil servant from Limbang, Sarawak. Limbang is a remote division in the Northern part of Sarawak, adjacent to Brunei Darussalam.

This effort is all the more important in Sabah and Sarawak, due to its significant rural area, which has challenging terrain and accessibility. Over the recent Malaysia Plans, the developmental spending has been disproportionally skewed towards urban development.

In the recent decade, this is one of the largest rural development programmes in Malaysia. The scale and pace of delivery is significantly higher compared to the average from 2006 to 2008.

## KEY PARTICIPANTS

### A Classic Case of Collaboration

RBI is a classic case of collaboration. The Lead Ministry, the Ministry of Rural and Regional Development serves as the overall project manager. However, the implementation of the individual projects involves various federal and state departments and agencies. These are the agencies involved:

| Programme          | Implementation Agencies                                                                                                                                                                                       | Coordinating Parties |                                     |                           |
|--------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-------------------------------------|---------------------------|
| <b>Roads</b>       | Public Works Department<br>(both federal and state levels)<br>Department of Irrigation and Drainage (state level)                                                                                             | KKLW                 | Sabah and Sarawak State governments | EPU / ICU / MoF / PEMANDU |
| <b>Water</b>       | State Water Authority, Sarawak<br>Department of Water, Sabah<br>Water supply operators (state level)                                                                                                          |                      |                                     |                           |
| <b>Electricity</b> | Tenaga Nasional Berhad<br>Sabah Electricity Sdn Bhd<br>SESCO Berhad                                                                                                                                           |                      |                                     |                           |
| <b>Housing</b>     | Department of Orang Asli Affairs<br>Rubber Industry Smallholders Development Authority (RISDA)<br>FELCRA Berhad<br>Majlis Amanah Rakyat<br>Regional Development Authorities (KESEDAR, KEDA, KEJORA, KETENGAH) |                      |                                     |                           |

Through the close co-operation and communication between the various agencies, the RBI agenda was pursued effectively with problem solution methodologies being developed and implemented effectively. The close collaboration was a key success factor in eliminating roadblocks in implementation.

### INITIATIVES

The following are among the initiatives undertaken in 2010 to achieve the RBI NKPI targets:

#### **Building / Upgrading Roads**

Under the RBI NKRA, each and every road to be built and upgraded has been clearly identified. Key features of these roads such as point of origin, destination, total length, width and material to be used as well as the implementing agencies and number of people connected have been determined prior to the start of actual construction work. This method ensures that all implementation considerations and challenges are identified beforehand and adequately addressed to ensure work progresses smoothly in the interest of time and budgets.

Delivery processes were monitored according to each milestone namely planning, design, procurement, implementation and handover. Any roadblock was analysed and resolved to ensure timely delivery.



#### **Providing Clean / Treated Water Supply**

Connecting to the reticulation network is the default in adding water connections across the country. While some new connections will be built upon the investments made in recent years to increase water treatment capacity, others will be dependent upon new water treatment plants.

Under the RBI initiative, the target set was the completion of 36 water treatment plants to serve rural areas. In areas that are remote with low population density, alternative solutions such as tube wells, gravity wells and rainwater harvesting were tapped.

### Providing 24-hour Electricity Supply

Connecting to grid-based electricity is the default option for adding connections across Malaysia. The new connections will be carried out upon new investments made to increase electricity generation capacity in parts of the country.

However, in some rural areas, the distances from the electricity generation and transmission infrastructure are very far. In these cases, after conducting cost and benefit analysis, technologies such as solar hybrid power generation or micro hydro-electricity will be introduced. This approach has helped to provide electricity to many villages in rural areas.



*Courtesy of Info Centre, Menara Star, Star Publications (Malaysia) Bhd*

### Building / Restoring Houses for Rural Poor

The key issue in the delivery of houses was to resolve the beneficiaries list to ensure that only the truly deserving cases would benefit from this initiative. Hence, the various district and state level agencies were recruited in identifying the needy households. In addition, the e-Kasih portal the national database for low-income households, was also utilised in the selection of candidates.

The district level focus group assesses the merit of potential beneficiaries and decides on whether households are eligible to be part of the housing programme. Close contact with the relevant authorities is maintained to ensure local realities are taken into account in making decisions and subsequently in managing the deliveries.

In ensuring consistency, all the houses built utilised common standards for building quality as well as design. This also was a prudent measure in managing cost control.

## SUCCESSSES AND ACHIEVEMENTS

### BIG WINS

We are pleased to announce that we have achieved most of our targets for 2010.

The overall results of the NKPI targets set for 2010 are shown in the table below.

**Table 1: 2010 National Key Performance Indicators**

| No. | NKPIs                                     | 2010 Target | Actual Results | Remarks                                                                                                                                                                                                       | Traffic Lights                                                                               |
|-----|-------------------------------------------|-------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 1   | Roads Delivery (km)                       | 751.9       | 783.1          | 783.1 km of rural roads built or upgraded <ul style="list-style-type: none"> <li>• P. Malaysia – 317.6km</li> <li>• Sabah – 213.5km</li> <li>• Sarawak – 252 km</li> </ul>                                    | <br>104% |
| 2   | Water Delivery (unit of households)       | 70,181      | 36,273         | Only 52% of target achieved in 2010 due to source capacity and procurement issues (under review)                                                                                                              | <br>52%  |
| 3   | Electricity Delivery (unit of households) | 25,312      | 27,266         | 27,266 rural houses provided with 24-hours electricity supply for the first time. <ul style="list-style-type: none"> <li>• P. Malaysia – 759</li> <li>• Sabah – 14,194</li> <li>• Sarawak – 12,313</li> </ul> | <br>108% |
| 4   | Housing Delivery (units)                  | 16,626      | 16,962         | 16,962 new or restored houses provided for rural poor. <ul style="list-style-type: none"> <li>• P. Malaysia – 7,321</li> <li>• Sabah – 2,274</li> <li>• Sarawak – 7,367</li> </ul>                            | <br>102% |

 Achievement of 90% and above
 Achievement of 51% to 89%
 Achievement of 50% and below



#### Lives Changed for the Better

"I am excited to see many households are now connected with water and electricity supply. Lives have changed significantly for many of us now."

Terence Idang, Bisayah community leader. The Bisayah are an ethnic group indigenous to the northern region of Sarawak.

**783.1 km**  
OF ROADS PROVIDED

Most of our achievements were in Sabah and Sarawak as they have more rural areas compared to Peninsular Malaysia. This is a sample of some of the RBI projects completed in 2010.

#### Roads

| No | Project Name                                                              | Location               | Outcome |
|----|---------------------------------------------------------------------------|------------------------|---------|
| 1  | Bypass road from Sengkang to Felda Inas                                   | Bandar Tenggara, Johor | 11.5km  |
| 2  | Kg. Changkat Belulang to Malim Nawar                                      | Malim Nawar, Perak     | 5km     |
| 3  | Tomis – Tiong – Lokos – Kotunan – Wasai                                   | Tuaran, Sabah          | 18km    |
| 4  | Jalan Rumah Semut - Rumah Lapik - Rumah Untang - Rumah Memaloh - Ulu Yong | Kapit, Sarawak         | 10.3km  |
| 5  | Jalan Sayong – Entabai                                                    | Sarikei, Sarawak       | 2km     |

#### Water

| No | Project Name                                                           | Location                   | Outcome          |
|----|------------------------------------------------------------------------|----------------------------|------------------|
| 1  | Water treatment plant and reticulation project                         | Kuala Tahan, Pahang        | 550 households   |
| 2  | Expansion of Puncak Borneo treatment plant and additional reticulation | Kuching, Sarawak           | 2,059 households |
| 3  | Reticulation projects across various Kampung Orang Asli                | Across Peninsular Malaysia | 600 households   |
| 4  | Water treatment plant and reticulation project                         | Sipitang, Sabah            | 5,396 household  |

## Improving Rural Basic Infrastructure continued

### Electricity

| No | Project Name                                     | Location                   | Outcome        |
|----|--------------------------------------------------|----------------------------|----------------|
| 1  | Solar hybrid project for in Pulau Banggi         | Kudat, Sabah               | 602 households |
| 2  | Submarine cable connection to Pulau Sebatik      | Tawau, Sabah               | 833 households |
| 3  | Grid extension in Mambong                        | Mambong, Sarawak           | 663 households |
| 4  | Grid extension across various Kampung Orang Asli | Across Peninsular Malaysia | 759 households |



*Courtesy of Info Centre, Menara Star, Star Publications (Malaysia) Bhd*

### Housing

| No | Project Name                                   | Location                    | Outcome     |
|----|------------------------------------------------|-----------------------------|-------------|
| 1  | Restoration of four longhouses in RASCOM area  | Kanowit & Selangau, Sarawak | 1,490 units |
| 2  | New re-settlement area in Kampung Pulau Seduku | Sri Aman, Sarawak           | 250 units   |
| 3  | New houses built in Kota Marudu                | Kota Marudu, Sabah          | 80 units    |

As the RBI NKRA involves tangible developments, the benefits of efforts have indeed been felt by the various rural communities. This has led to an overall in positive perception towards the initiatives undertaken. The involvement of the government in providing electricity, houses, water and roads has been welcomed by the people as enablers that will better their lives.

The rakyat are also satisfied with not just the availability of this basic infrastructure, but the quality or standards of the facilities made available to themselves and their families e.g. uninterrupted water as well as electricity supply and roads with good connectivity and accessibility.

In essence, the RBI initiatives have transformed rural communities who now enjoy a better quality of life.

The implementation of Programme Jalan Luar Bandar has enhanced the road connectivity across over 12,000 kampungs across the country. In Kapit, Sarawak, at least four longhouses will now be connected with the completion of 10.3 km of new roads. With these new roads, residents can now make full use of vehicles and participate in various social and economic activities like selling their produce. Their children too now have better access to school.

Residents of Kampung Chupak in Mambong, Sarawak and Kampung Orang Asli Air Tawas, Ledang will no longer face the pitch darkness of night following the implementation of 24-hour electricity supply to their villages. The introduction of Programme Bekalan Elektrik Luar Bandar has definitely done much to elevate the lives of these villagers.

Today, many Orang Asli communities who previously relied on rivers and rain for their supply of water, now enjoy access to clean, uninterrupted tap water. The implementation of Programme Bekalan Air Luar Bandar in rural areas such as Kampung Orang Asli Hulu Kuang, Gombak, Selangor and Kampung Orang Asli Hulu Woh, Tapah, Perak has solved the problem of getting a clean water supply to the community and helped mitigate the spread of diseases.

Having a roof above their heads means the world to many residents in Kampung Pulau Seduku in Sri Aman, Sarawak. With the new settlement under Programme Bantuan Rumah, they now have access to various economic activities including easy access to the market that serves as the local economic engine. At the same time, they are also within reasonable distance of oil palm plantations where many of them are potential smallholders.

All in all, RBI initiatives are enabling many of the residents in Sabah and Sarawak the opportunity to enjoy the fruits of the nation's progress.

## Touching the Lives of more than 2 million People Living in the Rural Area

|                                                             |                                                               |                                                             |                                                               |
|-------------------------------------------------------------|---------------------------------------------------------------|-------------------------------------------------------------|---------------------------------------------------------------|
| <b>783.1 km</b><br>of rural roads<br>have been<br>completed | <b>36,273</b><br>rural houses<br>with clean /<br>water supply | <b>27,266</b><br>rural houses<br>with electricity<br>supply | <b>16,962</b><br>houses for<br>rural poor<br>build & restored |
| <b>1.8 million</b> people                                   | <b>176,000</b> people                                         | <b>136,000</b> people                                       | <b>85,000</b> people                                          |

## CHALLENGES

### SHORTCOMINGS

#### Spillover in Achieving Targets

As some projects may take a longer time than others, there is a possibility of projects experiencing a spillover effect with completion expected in the following year.

In addition, the nature of the RBI initiative and its deliverables require the participation of many parties. While this aspect has been managed well in 2010, the process is lengthy and as a result, can have an effect on timelines.

In many cases, the implementing agencies are not necessarily the operating agencies. For example, in the case of water projects, the contractor appointed by the Ministry of Rural and Regional Development will hand over the operations of completed water treatment plants to state water authorities. Therefore, good cooperation amongst all parties is needed to ensure timely delivery of results.

## LESSONS LEARNT

#### Effective Processes Required

There is a need to constantly improve the procurement timing process to avoid delays in the commencement of subsequent contract activities, which in turn could possibly cause delays in the entire project delivery. Going forward, we will plan our projects much earlier in anticipation of possible delays in the implementation of our programmes due to the bureaucratic process or any other factors.

The desk-bound processes (plan, design and procure) should be carried out earlier before we start construction to help fast-track the rollout of projects. We realise the procurement process can be lengthy and will spend more time over the 2011 and 2012 period to improve the whole process to ensure better efficiency and perhaps even a shorter lead time for future projects.

## GOING FORWARD INTO 2011

These are the 2011 NKPI Targets committed to by KKLW:

**Table 2: 2011 NKPI TARGETS**

| Timelines   |                     | 2011   |
|-------------|---------------------|--------|
| Roads       | Length in Kilometre | 905    |
| Water       | No of houses        | 58,087 |
| Electricity | No of houses        | 32,242 |
| Houses      | No of houses        | 9,146  |

### New Initiatives in 2011

For 2011, we intend to reduce the time needed for administrative processes such as procurement, tendering, land acquisition or resolution of land matters. This will help in expediting delivery. The objective is to make the process leaner without sacrificing good governance.

While we are aware of the improvement areas, as a whole, the results achieved under the RBI NKRA, have to date, been very encouraging. Three of the programmes namely roads, houses and electricity exceeded their targets. This demonstrates the success of the programme and the government's commitment to ensure that rural Malaysians are not deprived of the basic amenities for a better quality of life.



*Courtesy of Info Centre, Menara Star,  
Star Publications (Malaysia) Bhd*

## Improving Rural Basic Infrastructure continued

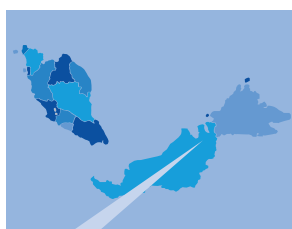


We strongly believe that all Malaysians, regardless of where they live, should have access to socio-economic development. Once the basic infrastructure is in place, social amenities and economic development can be introduced to the area. One of the efforts that is currently taking place is the implementation of telecommunications and broadband connectivity. In some rural areas, where road access and electricity supply are now available, communication towers are being planned and constructed. With the completion of these towers, residents will soon have access to mobile and broadband connectivity. Apart from that, the Government can simultaneously start planning to introduce social amenities such as school, hospitals, and community centres to the area.



*Courtesy of Info Centre, Menara Star, Star Publications (Malaysia) Bhd*

We will continue to strive endeavour to deliver this basic, fundamental right of every Malaysian so that everyone will have equal opportunity to enjoy a lifestyle of comfort, convenience and security.

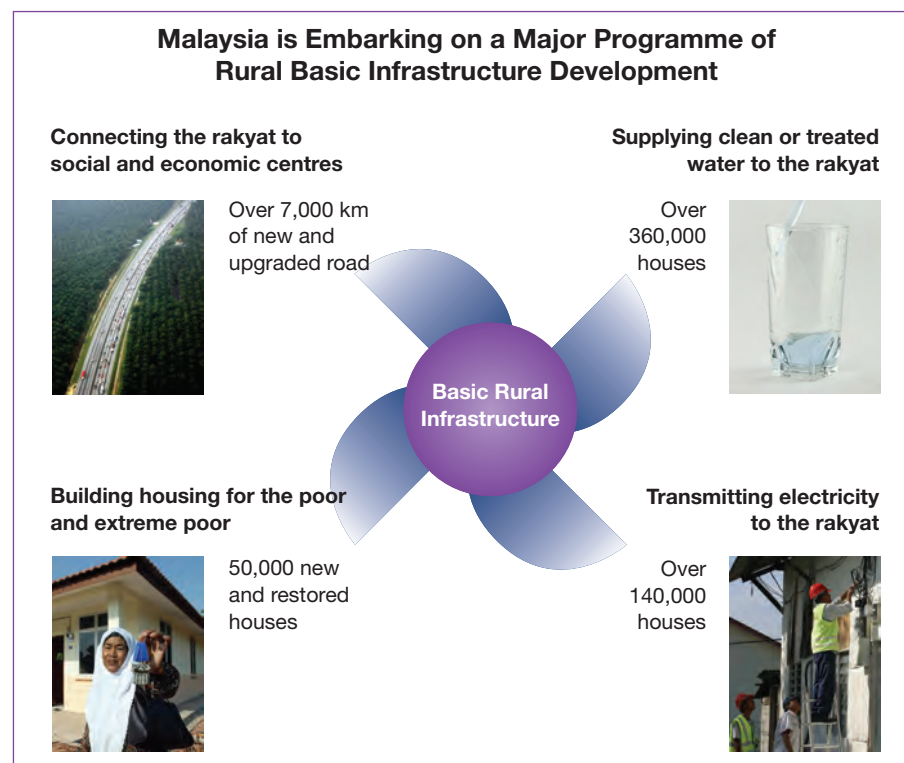


## RBI Initiatives Impact Positively on the Local Economy

Ba'kelalan, located in rural Sarawak is among the many areas impacted by the RBI projects. A road project, between Ba'kelalan and Long Semadoh is currently in progress. This 150km road is being constructed by KKLW in collaboration with the Armed Forces.

According to locals, it will soon be easier for them to sell agricultural products such as their famed Ba'kelalan apples to nearby towns such as Lawas. It is envisaged that the travel time will be reduced from 12 hours to 4 hours once the road is completed. There will also be impact on local development. The price for cement for example, will reduce by half from the current RM60 per bag.

**Table 3: RBI Targets for 2010-2012**



*Note that the figures illustrated above differ from the original figures published in the GTP Roadmap as these were modified in line with the final budget allocation for the RBI NKRA. As is the case with the long lead-time needed for infrastructure projects, we anticipate that some of these projects will be delivered beyond 2012.*

# Improving Urban Public Transport



# Improving Urban Public Transport



“ We continue to make good strides in our efforts to enhance the country’s public transport system and to increase the ridership percentage. The road ahead may be a long and winding one, but we are pleased with our achievements thus far. We stand firmly committed to draw more people in to use public transport and to ease the congestion within our cities. ”

**Dato Seri Kong Cho Ha**  
**Minister of Transport**



*Courtesy of Info Centre, Menara Star, Star Publications (Malaysia) Bhd*

## SNAPSHOT OF 2010'S ACHIEVEMENTS

### Towards a World-class Public Transport System

Malaysia has a pressing need for a world-class urban public transportation system. With a large portion of the population migrating to urban areas and rapid development taking place, there is a dire need to set in place an integrated, comprehensive, affordable and comfortable "people-mover" to facilitate travel within towns, in particular Kuala Lumpur.

The implementation of such a system would help ease traffic congestion; lead to cleaner air once traffic congestion is reduced; and help reduce the city's population density as more people opt to live in the suburbs and commute daily to work. The Urban Public Transport or UPT NKRA was conceived to address these aspects of public transportation, starting with the Klang Valley.

Throughout 2010, we achieved several successes under the UPT NKRA:

### Big Wins

- The construction and completion of the Bandar Tasik Selatan Integrated Transport Terminal (also known as Terminal Bersepadu Selatan)



*Courtesy of Info Centre, Menara Star, Star Publications (Malaysia) Bhd*

- The introduction of Five Bus Expressway Transit (BET) services, with the primary aim of reducing bus journey time using underutilised highways
- 634 bus stops refurbished in 2010 in the Sepang, Shah Alam, Subang Jaya, Klang, Selayang, Ampang Jaya and Kajang areas
- 22 new four-car sets introduced at the LRT Kelana Jaya Line which singularly carried 2.43 million more passengers over 12 months in 2010

These are early wins and as more initiatives of the NKRA are rolled out in 2011 and 2012, we are confident of achieving new wins in the future.

## GENERAL OVERVIEW

### Improving Public Transport for the People

In the mid-1990s, Malaysia invested heavily in public transport infrastructure with three major rail systems completed in the Klang Valley i.e. the Kelana Jaya Line, the Ampang Line and the Monorail system. However, despite these developments, the public transport modal share dropped from 34% in 1985 to 20% in 1997 according to the Japan International Co-operation Agency Study (also known as the 1999 Study on Integrated Urban Transport Strategies for Environmental Improvement). In 2008, it fell down to between 10% and 12% simply because the public transport infrastructure could not cope with the increase in the Klang Valley's population.

As more Malaysians move towards becoming global citizens and the nation begins focusing on transforming itself into a high-income economy by 2020, the need for an efficient transport network becomes all the more urgent. The Ministry of Transport, the key driver for the UPT NKRA is committed to finding solutions to the issues faced by the rakyat. The main problems it has identified are high congestion during peak periods, unreliable service with cancellations and/or frequent delays and poor access to public transport services/network.

Today, high congestion during peak periods is resulting in commuters having to put up with the discomfort and frustration of overcrowding on the Kelana Jaya LRT and KTM trains that are running at 180% and 140% capacity respectively.



Aside from congestion, there is also unreliable service with frequent delays and cancellations with trains and buses simply not adhering to their schedules. The unpredictable movements of these modes of transportation make it difficult for people to plan their journeys effectively. With our cities coming under tremendous pressure from continuing population growth, there is an urgent need to put an effective and efficient urban public transport in place as soon as possible.

## Early Restructuring Initiatives

In 2003, the Government began to restructure the Klang Valley transport industry by consolidating the majority of rail and bus systems under a single company, namely Syarikat Prasarana Negara Berhad (Prasarana). With approximately 60% of the market share, Prasarana is today the largest public transport operator in the Klang Valley.

## 2010 URBAN PUBLIC TRANSPORT NKRA OBJECTIVES

At the launch of the UPT NKRA lab in October 2009, the Prime Minister also set a national priority of delivering a 25% modal share of public transport in the Klang Valley by 2012 over the peak morning period (7.00 am to 9.00 am). While the initial focus will be on the Klang Valley, there are also plans to subsequently adapt and apply successful initiatives in Penang and Johor Bahru.

## 2010 NKPIs

In 2010, the following NKPI targets were set under the UPT NKRA:

| Table 1: Overall NKPIs for the UPT NKRA |                                                                                                                  |                    |                             |                                          |
|-----------------------------------------|------------------------------------------------------------------------------------------------------------------|--------------------|-----------------------------|------------------------------------------|
| Focus Area                              | NKPI                                                                                                             | System             | Baseline                    | 2010                                     |
| Public Transport usage                  | <ul style="list-style-type: none"> <li>• Modal share</li> <li>• Ridership of Overall public transport</li> </ul> | Overall<br>Overall | 10%<br>226,184 <sup>2</sup> | 15% <sup>1</sup><br>251,184 <sup>2</sup> |

<sup>1</sup> The initial target for 2010 was 13%. However, the target was modified as the government felt it was necessary to set a more challenging target.

<sup>2</sup> The initial baseline was 240,000. Originally, the baseline was calculated based on the average daily ridership during the AM peak hour in one month in 2009 that had the highest number of working days. However, this was modified to reflect the actual average daily AM peak ridership throughout 2009.

**Table 2: Expected Outcomes in 2010 for Urban Public Transport NKRA (Klang Valley)**

| Categories  | Expected Outcomes in 2010                                                                                                                                                                                                                                           |
|-------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Bus         | <ul style="list-style-type: none"> <li>• 200 new buses</li> <li>• 4 new bus expressway transit corridors</li> <li>• 800 upgraded bus stops</li> </ul>                                                                                                               |
| Rail        | <ul style="list-style-type: none"> <li>• 26 new four-car trains for Kelana Jaya line</li> </ul>                                                                                                                                                                     |
| Integration | <ul style="list-style-type: none"> <li>• New integrated transport terminal in Bandar Tasik Selatan</li> <li>• All operators adopt a cashless system and offer discounted fares for cashless tickets</li> <li>• 4,000 new parking spaces at rail stations</li> </ul> |
| Network     | <ul style="list-style-type: none"> <li>• Road tax renewal refusal for drivers with outstanding summonses</li> <li>• Heavy vehicle restriction in central business district during peak hours</li> </ul>                                                             |

Under the UPT NKRA, we set an ambitious target of increasing public transport modal share in the Klang Valley to 15% in 2010 and to 25% by end 2012 during the daily peak morning period. In 2010, the primary objective was to reach a 15% target share and to increase the number of daily peak hour commuters to 251,184 from 226,184 commuters in the preceding year.



*Courtesy of Info Centre, Menara Star, Star Publications (Malaysia) Bhd*

TARGET:  
**15%**  
INCREASE IN KLANG VALLEY  
PUBLIC TRANSPORT  
RIDERSHIP IN 2010

TARGET:  
**25%**  
INCREASE IN KLANG VALLEY  
PUBLIC TRANSPORT  
RIDERSHIP IN 2012

Aside from these targets, eight NKPIs were set in order to measure reliability and journey time, comfort and convenience, accessibility and connectivity, as well as availability and capacity. These are outlined in Table 3 below:

**Table 3: 2010 NKPIs for the UPT NKRA**

| No. | NKPI                                                     | 2010 Target | 2010 Actual (As of Dec 2010) |
|-----|----------------------------------------------------------|-------------|------------------------------|
| 1.  | % of 1-way trips within 60 minutes during AM peak        | 45%         | Not applicable <sup>1</sup>  |
| 2.  | % population within 400 meters of public transport route | 66%         | 63%                          |
| 3.  | Customer satisfaction survey                             | 48%         | 48%                          |
| 4.  | Bus peak hour load factor                                | 50%         | 44%                          |
| 5.  | KTM Komuter load factor                                  | 135%        | 130%                         |
| 6.  | Rapid KL Kelana Jaya line load factor                    | 125%        | 80%                          |
| 7.  | AM peak public transport ridership                       | 251,184     | 236,412                      |
| 8.  | Public transport modal share                             | 15%         | 17%                          |

<sup>1</sup> The NKPI of % of 1-way trips within 60 minutes during the AM peak hour does not depict the actual journey time taken by public transport users as it does not take into account factors such as distance and zoning. The KPI has been modified to reflect the ratio of public transport journey time vs. private transport journey time and is being employed from 2011 onwards.

### KEY PARTICIPANTS

October and November 2009 saw GTP labs for the NKRA targets and objectives take place. Following these labs, the Delivery Management Office (DMO) was set up within the Ministry of Transport to monitor, review and resolve any issues that may arise. Detailed budget proposals were submitted by the implementing agencies to the relevant Federal ministries and agencies including the Economic Planning Unit and the Ministry of Finance. Detailed implementation plans were submitted to the DMO and PEMANDU for them to monitor and track the progress of each initiative.

Over the course of the year, progress reviews and reports were presented at meetings at various levels. These included weekly meetings at the DMO/PEMANDU, bi-monthly Problem Solving Meetings (PSM) with Dato' Seri Idris Jala and Delivery Task Force (DTF) meetings (initially chaired by the Prime Minister and subsequently by the Deputy Prime Minister). All relevant key stakeholders including the Police Force, Road Transport Department, local authorities and the Land Public Transport Commission were required to attend these meetings as and when necessary.

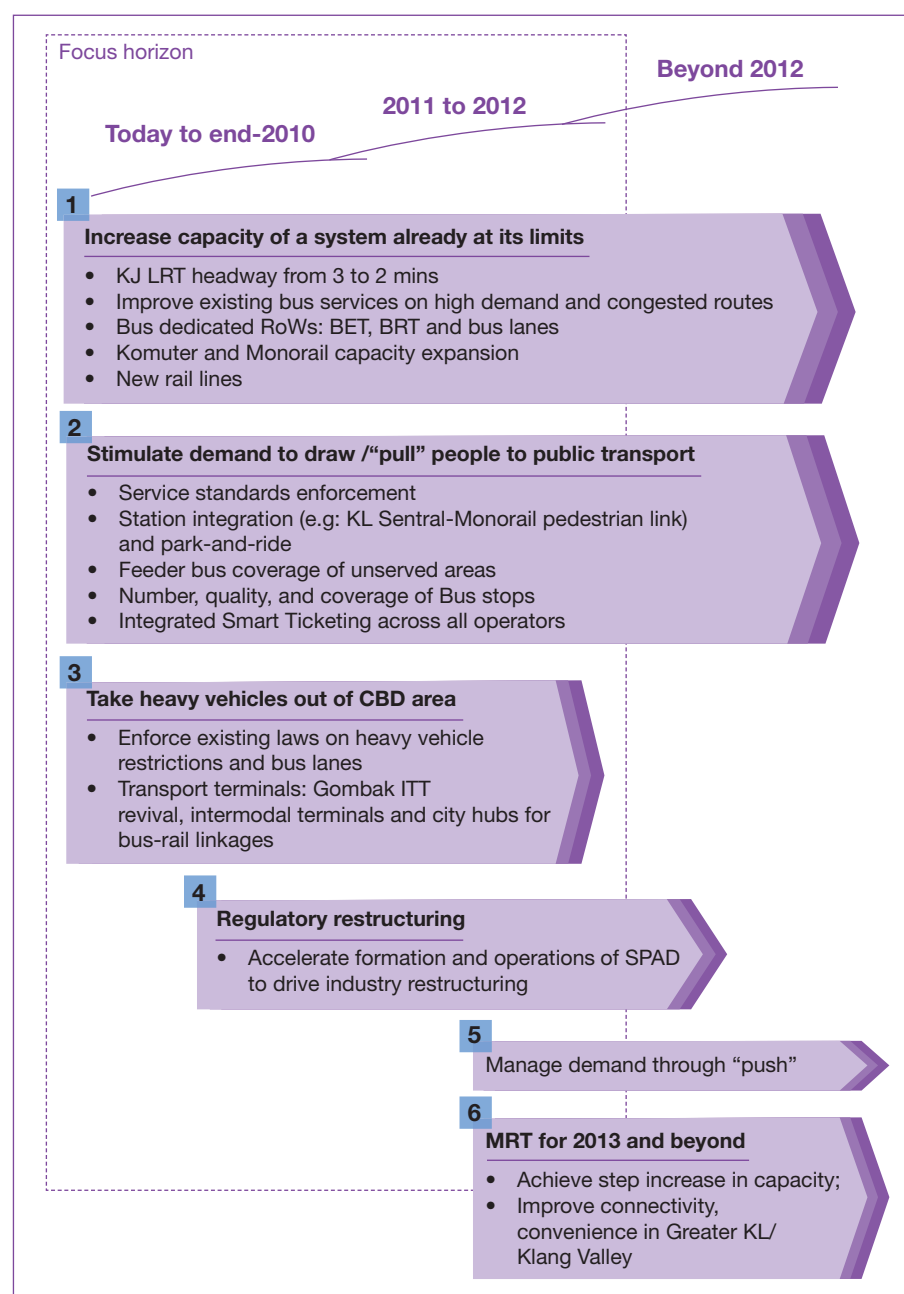


*Courtesy of Info Centre, Menara Star, Star Publications (Malaysia) Bhd*

## INITIATIVES

In order to achieve the primary objective of 25% modal share during daily peak hours by 2012, several measures were identified:

**Table 4: Six Principal Levers to Increase Public Transport Usage**



## Increase the Capacity of a System that has already Reached its Limits

By 2012, we will increase passenger capacity by more than double on the KTM Komuter and LRT lines. In addition to this, dedicated rights-of-way for buses across 12 major corridors in the Klang Valley will be introduced gradually, subject to detailed engineering and planning feasibility studies. These 12 corridors could possibly carry 6% to 9% of total public transport ridership, or 35,000 to 55,000 passengers during the morning peak hours by 2012.

The existing bus fleet size too will be increased by 850 buses, doubling the number of buses currently being operated by RapidKL. This will improve services on current routes in addition to providing services to 53 new routes that are currently underserved and add more feeder buses to LRT stations.

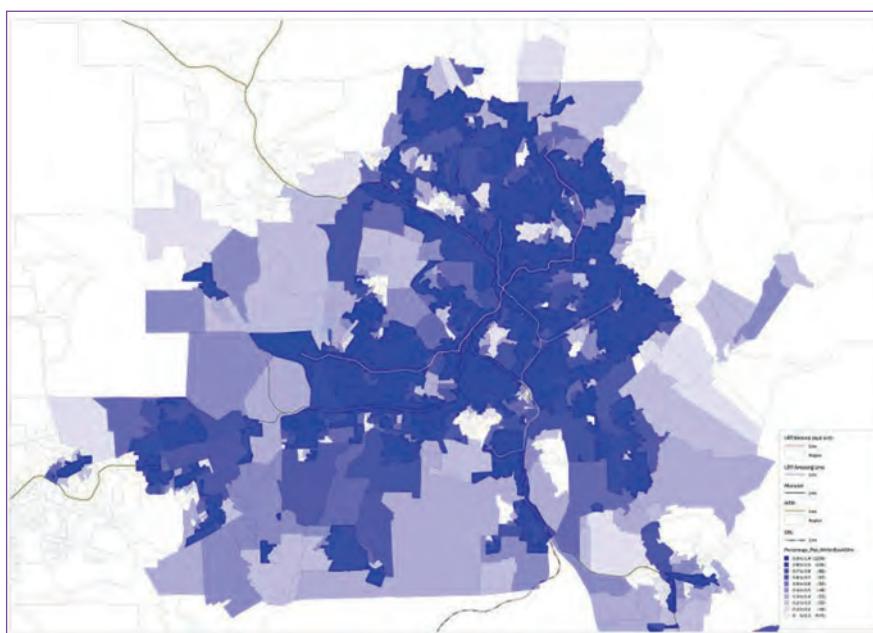


**Nor Syahamah Shahrum**  
21-year-old  
Customer Service Officer

"I take the public transport sometimes. I would say there is an improvement in the LRT now but I feel there are some things that can be improved. The government should increase the frequencies of the trains. Announcements over the speakers in the trains should be clearer so that the commuters can understand what is being announced."

**Figure 1: Areas of Underserved Demand in the Klang Valley**

**Areas of Underserved Demand in the Klang Valley where there is Limited Access to Bus Services (White and Light-Coloured Areas)**  
RAPID KL coverage



Source: Sensus 2000 data, operator data

INCREASE PASSENGER  
CAPACITY BY  
**2** TIMES  
ON THE KTM KOMUTER  
AND LRT LINES BY 2012

INTRODUCTION  
OF INTEGRATED  
TICKETING SYSTEM

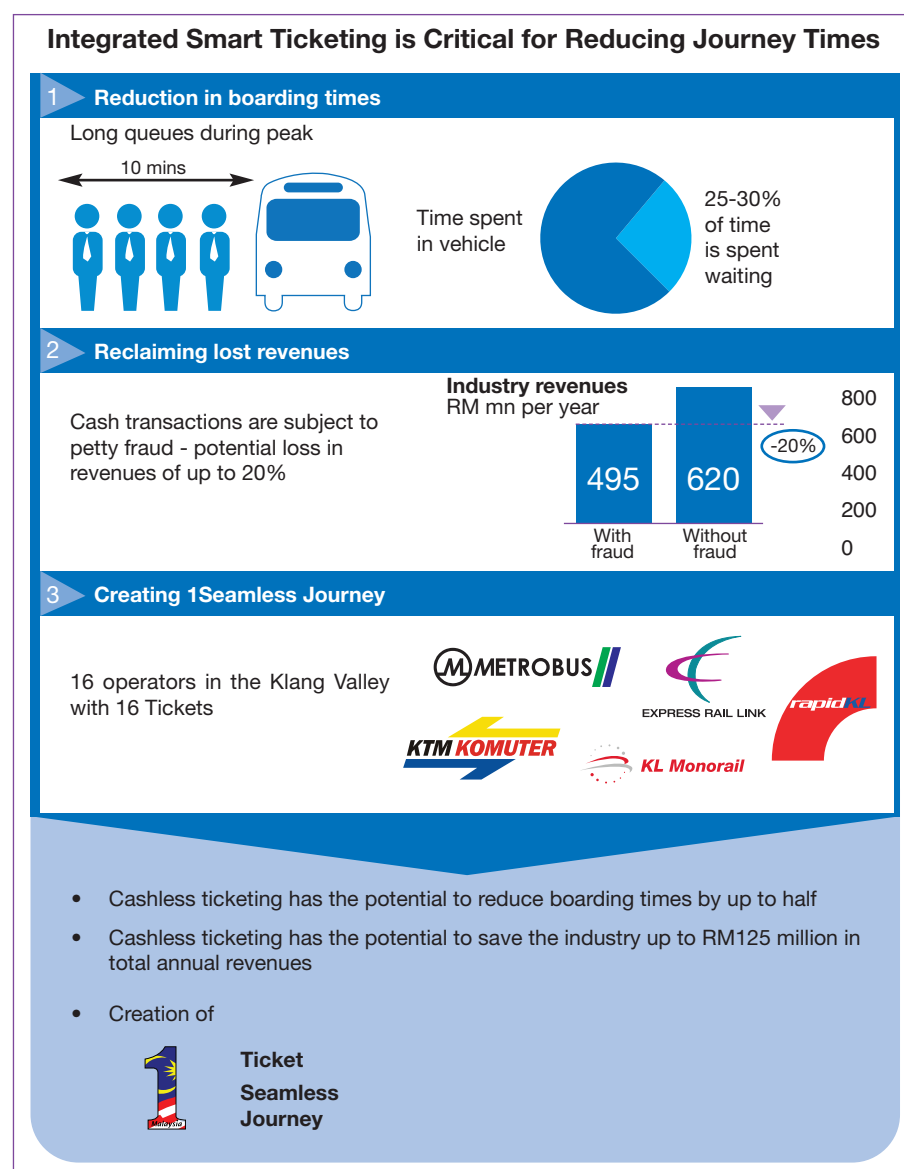
**+6,800**

NEW PARKING SPACES

## Stimulate Demand to Encourage People to Utilise Public Transport

In order to stimulate demand, we have taken measures to introduce an integrated ticketing platform and fare structure, as well as embarked on plans to add 6,800 new parking spaces across all 14 key rail stations outside the urban core by 2012. Feeder services into rail stations and upgrading high traffic stations and terminals will also be put in place.

**Figure 2: Benefits of the Integrated Smart Ticketing System**



In order to stimulate demand, enforcement and monitoring will be critical to ensure that all operators comply with minimum service and operational standards. To this end, we will integrate IT systems and launch on-the-ground enforcement efforts across all major enforcement agencies.

### **Take Heavy Vehicles out of Central Business District Area**

This will be achieved by the creation of three major integrated transport terminals (ITT) outside the city core. The southern ITT, Bandar Tasik Selatan was opened in January 2011. The year 2012 will also see ITT Gombak diverting more than 700 express buses daily from the north (temporary until the northern ITT is ready) and east from the city core. The third ITT will potentially be in Sungai Buloh to serve the northern express buses beyond 2012, subject to government approval.

Meanwhile, intra-city terminal hubs at Hentian Putra, Pudu, Pasarama Kota and Jalan Pekeliling will facilitate the flow of traffic from the suburbs into the city. A total of 12 Hentian Akhir Bandars (HABs) will also facilitate the movement of passengers and public transport vehicles within the city centre to enhance convenience and accessibility.

### **Undertake Regulatory Restructuring of the Various Agencies Involved in Public Transport**

The Land Public Transport Commission (LPTC) has been operational since early 2011. Parliament passed all relevant Acts between May and December 2010 and at the time of writing we are waiting for these to be gazetted. This will ensure there is a single point of accountability for policy planning and regulatory oversight. Prior to that, there were 12 various Ministries and agencies involved in different aspects of public transport with no single authority to streamline all efforts.

### **Manage Demand through Push**

This will come into effect once the public transport modal share is above 25% and the public transport system has been improved. Once the public transport system is reliable, comfortable and accessible with greater connectivity, we will accelerate initiatives to enhance the attractiveness of utilising public transportation as opposed to utilising private vehicles. This may take the form of congestion pricing akin to the measures successfully implemented in London and Singapore.

## SUCSESSES AND ACHIEVEMENTS

The overall results of the NKPI targets set for 2010 are shown in the table below.

**Table 5: Overall NKPI Results for the UPT NKRA**

| No. | NKPIs                                                    | 2010 Target | Actual Results              | Traffic Lights                                                                        |
|-----|----------------------------------------------------------|-------------|-----------------------------|---------------------------------------------------------------------------------------|
| 1.  | Public transport modal share                             | 15%         | 17% <sup>1</sup>            |    |
| 2.  | % population within 400 metres of public transport route | 66%         | 63%                         |   |
| 3.  | Customer satisfaction survey                             | 48%         | 48% <sup>2</sup>            |  |
| 4.  | Bus peak hour load factor                                | 50%         | 44%                         |  |
| 5.  | KTM Komuter load factor                                  | 135%        | 130%                        |  |
| 6.  | Rapid KL Kelana Jaya line load factor                    | 125%        | 80%                         |  |
| 7.  | AM peak public transport ridership                       | 251,184     | 236,412 <sup>3</sup>        |  |
| 8.  | % of 1-way trips within 60 minutes during AM peak        | 45%         | Not applicable <sup>4</sup> | Not rated                                                                             |

<sup>1</sup> based on a study undertaken by independent traffic consultant

<sup>2</sup> reflects the views of public transport users across all modes in an independent survey

<sup>3</sup> The ridership number provided by the public transport operators is subject to verification by independent traffic study.

<sup>4</sup> The NKPI of % of 1-way trips within 60 minutes during the AM peak hour does not depict the actual journey time taken by public transport users as it does not take into account factors such as distance and zoning. The KPI was then modified to reflect the ratio of public transport journey time vs. private transport journey time and is being employed from 2011 onwards.

|                                                                                     |                              |                                                                                      |                           |                                                                                       |                              |
|-------------------------------------------------------------------------------------|------------------------------|--------------------------------------------------------------------------------------|---------------------------|---------------------------------------------------------------------------------------|------------------------------|
|  | Achievement of 90% and above |  | Achievement of 51% to 89% |  | Achievement of 50% and below |
|-------------------------------------------------------------------------------------|------------------------------|--------------------------------------------------------------------------------------|---------------------------|---------------------------------------------------------------------------------------|------------------------------|

**Table 6: Outcomes in 2010 for UPT NKRA (Klang Valley)**

| Categories  | Expected Outcomes in 2010                                                            | Remarks                                                                                                                                                            |
|-------------|--------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Bus         | 200 new buses                                                                        | These buses will be delivered in stages together with an additional 270 buses until September 2011                                                                 |
|             | 4 new Bus Expressway Transit (BET) corridors                                         | 5 BET services were launched in 2010                                                                                                                               |
|             | 800 upgraded bus stops                                                               | 634 bus stops were upgraded in 2010. The remaining 166 bus stops will be completed together with an additional 440 to be refurbished                               |
| Rail        | 26 new four car trains for Kelana Jaya line                                          | 22 four-car trains were delivered in 2010. The remaining 4 trains will be delivered together with the 9 trains scheduled to be delivered in stages until mid 2011. |
| Integration | New integrated transport terminal in Bandar Tasik Selatan                            | The integrated transport terminal in Bandar Tasik Selatan began operations on 1 January 2011                                                                       |
|             | All operators adopt a cashless system and offer discounted fares for cashless ticket | RapidKL will first adopt the cashless system by mid-2011, and further discussion with other operators will be held                                                 |
|             | 4,000 new parking spaces at rail stations                                            | Gombak LRT station will have 1200 new car park bays by September 2011 and the rest of 2800 parking bays are at different stages of planning & tendering process    |
| Network     | Road tax renewal refusal for drivers with outstanding summonses                      | The government has decided to defer the blacklisting exercise to 10 March 2011                                                                                     |
|             | Heavy vehicle restriction in central business district during peak hours             | The review of implementation plans with key agencies will take place in 2011                                                                                       |

COMPLETION OF  
**RM570million**  
INTEGRATED TRANSPORT  
TERMINAL (ITT) BANDAR  
TASIK SELATAN (ALSO  
KNOWN AS TERMINAL  
BERSEPADU SELATAN)

## Completion of ITT Bandar Tasik Selatan

Among the many milestones achieved in 2010 were the construction and completion of the ITT Bandar Tasik Selatan, also known as Terminal Bersepadu Selatan. The RM570 million terminal is equipped with modern facilities and was opened to the public in January 2011. Today, southbound long distance express buses operating at Puduraya are operating from this new, sophisticated terminal. This is helping to decongest the city centre by some 500 buses on a daily basis.

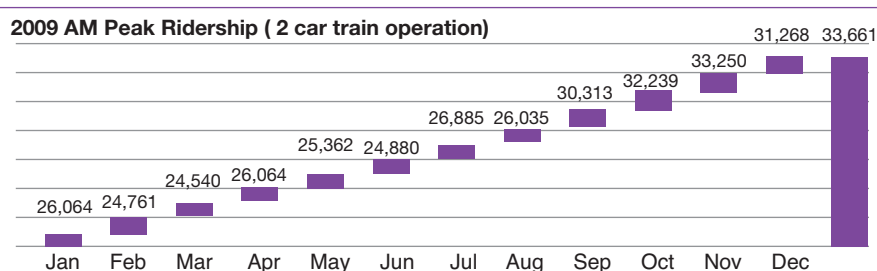
Despite initial difficulties, LPTC and other agencies are co-operating with various stakeholders to ensure all bus operators move to the new terminal by 1st March 2011.

## Improvements through New Four-car Train Sets

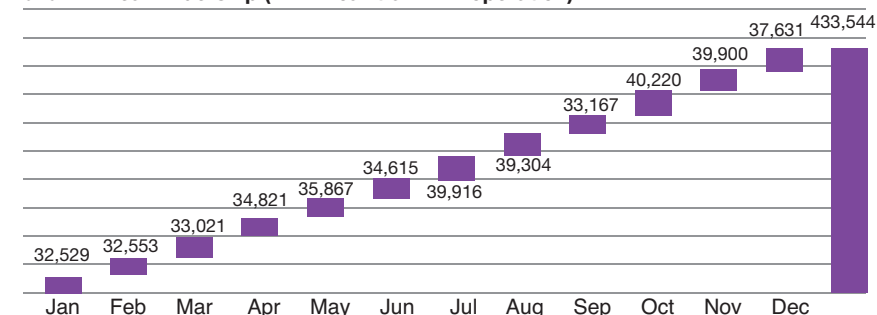
The RapidKL LRT Kelana Jaya line has improved its services and capacity with its new four-car train sets. In 2010, an additional 2.4 million more commuters took the LRT. To date, 22 sets of four-car trains are operational.

### RapidKL LRT Kelana Jaya Line has Improved its Capacity and Services with 22 New 4-car Train Sets and AM Peak Ridership has Shown Tremendous Increase

2009 AM Peak Ridership (2 car train operation)



2010 AM Peak Ridership (2 + 4 car train mix operation)



**2,430,563**  
more commuters are  
taking the LRT in 2010

**6.8%**  
Increase in  
daily ridership

**31.6%**  
Increase in 2010 AM  
peak ridership

## Increase of Ridership with BET

In addition, five Bus Expressway Transit (BET) services, with the primary aim of reducing bus journey by leveraging underutilised highways have been introduced to the public. These include:

- 1 BET 1 – Kota Damansara – Pasar Seni
- 2 BET 2 – Bandar Baru Sungai Long – Pasar Seni
- 3 BET 3 – Subang Mewah – Pasar Seni
- 4 BET 4 – Taman Seri Muda – Pasar Seni
- 5 BET 5 – Rawang – Pasar Seni



The first four BETs are currently being operated by RapidKL, while BET 5 is operated by Setara Jaya. BET1 to BET4 were introduced in January 2010 and have shown a tremendous improvement (192%) in ridership since the first day of operations. BET 5 was introduced in October 2010 and there is a lot more to be done to promote the service to the community in Rawang.



**Muhammad Muhaizam Musa**  
29-year-old  
Lecturer

"I have been using the LRT for the past three years. The obvious change I can see is the addition of the carriages in LRT (four car trains). I find the LRT better compared with KTM Komuter and Monorail, which I occasionally take as well. The service has improved over the years due to the expansion plans.

"However, I feel any development plan should be integrated because any town development involves many parties, especially the developing company and the government. There should not be an overlap in the planning and it should be done in a way where it doesn't disrupt the public."

## Refurbishment of Bus Stops

Since the implementation of the UPT NKRA initiatives, 634 bus stops in Sepang, Shah Alam, Subang Jaya, Klang, Selayang, Ampang Jaya and Kajang areas have been refurbished to enhance comfort for users.



## Enforcement

In terms of enforcing regulations, the authorities continue to ensure summonses are collected. Of the summonses issued between 2000 and 2010, a total of RM643 million or 19.03% of the total summonses issued, have been collected to date.

**Table 7: Summons Issued between 2000 to 2010 and Collected in 2010**

| Agency | No. of Summonses Issued | RM            | Summonses Settled to Date |             |        |
|--------|-------------------------|---------------|---------------------------|-------------|--------|
|        |                         |               | No.                       | RM          | %      |
| PDRM   | 21,121,920              | 3,954,042,429 | 3,407,072                 | 608,208,441 | 16.13% |
| JPJ    | 1,698,645               | 254,796,750   | 223,695                   | 29,083,499  | 13.17% |
| DBKL   | 2,477,441               | 247,744,100   | 99,684                    | 5,684,386   | 4.02%  |
| TOTAL  | 25,298,006              | 4,456,583,279 | 4,456,583,279             | 642,976,326 | 19.03% |

## Purchase of KTM EMUs

To alleviate the severe congestion on KTMB commuter trains and improve headway, the government purchased 38 sets of six-car Electric Multiple Units (EMUs) in July 2010. This initiative is set to more than double KTMB's current capacity and will enable approximately 30,000 passengers to travel in comfort during the AM peak hour. We also expect that by 2012, headway will be reduced to 7.5 minutes from the current headway of 15 minutes during the AM peak hour. The first four sets of EMUs will be operational in December 2011 and the remaining 34 sets will be delivered in stages by mid-2012.

## CHALLENGES

### SHORTCOMINGS

The UPT NKRA fell short of six specific areas in 2010:

#### The Delay and Long Time Required for Internal Approval Processes

Due to being overstretched with various timelines other than those under the UPT NKRA, some departments found it difficult to prioritise the processing of the necessary approvals and documentations, which in turn, affected the NKRA delivery timeline.

#### Internal Structure and Bureaucracy

Bureaucracy issues among government agencies resulted in a lack of coordination hampering the effectiveness of project delivery.

#### Delay in Land Public Transportation Commission (LPTC) Mobilisation

The delay in the full mobilisation of the LPTC (between June 2010 and end January 2011 due to the delay in acquiring Parliamentary approval) affected the initiative to measure and manage industry performance. One of the LPTC's objectives is to ensure a proper monitoring and reporting of performance by all rail and bus operators. It is also to absorb the roles of both the Commercial Vehicle Licensing Board (CVLB) and Department of Rail (DoR) that regulate public transport operators.



**Serena Ho**  
27-year-old  
Banker

"I have been taking the public transport for over three years now. However, the KTM service is still something left to be desired as it affects a lot of people outside the LRT line who depends on the KTM to get to work. I also think there should be additional cars to the monorail. The public transport station should also be more connected to each other, like the concept in Singapore."

**Wong Chi Hao,**  
22-year-old  
College Student

"I have benefited much from the improvement in train capacity especially on the Kelana Jaya line.

"The four-car light rail transit trains, which can carry more passengers than the old trains, began operating along the Kelana Jaya LRT route at the end of last year.

"The four trains have really helped to ease the daily grind of sitting in overcrowded trains.

"I look forward to the full implementation of bigger capacity trains servicing commuters at greater frequencies."

## Inability to Reign in Difficult Bus Operators

The initiative to ensure a fairer distribution of bus routes and better services by bus operators was delayed as the CVLB was unable to get private bus operators to come to an agreement. The LPTC, which will absorb the CVLB in 2011, is now left with the task of identifying solutions and getting the support of stakeholders.

## Lack of Capable Local Contractors

Several projects to refurbish the existing KTMB EMUs were not successfully completed due to the lack of capable local contractors. This delayed the award for refurbishment of the 15 sets that were originally targeted to start in 2010.

## Complexity of ITT Gombak Development

Based on the traffic impact assessment, road widening for MRR2 from three lanes to five lanes will be required to alleviate traffic congestion and ease bus accessibility. This has affected the delivery timeline of ITT Gombak.

## LESSONS LEARNT

In rolling out the UPT NKRA, we have learnt that it is best to identify symptoms early and take corrective actions in order to avoid any delay in the delivery schedule. PEMANDU and the DMO may be required to facilitate a comprehensive planning/implementation programme to ensure all internal parties work together effectively.

There is also a need to cultivate a strong discipline in the way of validating the progress of projects (via site visits) rather than receiving feedback through secondary sources. To ensure the integrity of projects, the UPT NKRA team have gone to the ground to carry out spot checks on some NKRA-related projects in order to validate the progress and quality of these projects.

A key approach to tackling the various problems is to work closely with the various government agencies, especially those that need additional support in meeting timelines. With PEMANDU and the DMO pushing the envelope by facilitating problem solving sessions, managing stakeholders better as well as managing internal bureaucracy, this gives all parties involved a greater sense of urgency and a resolve to move quickly on the actions required.

## PUBLIC PERCEPTION

Despite the many successes achieved in 2010, overall public transport user satisfaction is still relatively low. According to a survey conducted by Urusbudi Transplan Sdn Bhd in August 2010, only 48% of users out of the 10,000 respondents were satisfied with the current services in Klang Valley.

In the way of bus services, only 38% of respondents were of the opinion that the existing bus services in the Klang Valley were good, while most of the respondents were concerned about the overall elements of a good bus service i.e. accessibility to service, punctuality, waiting and travel time, bus conditions, transfer convenience and drivers' attitudes. It is understandable that public perception of bus services is still relatively poor as most of the initiatives for buses will only fully materialise from 2011 onwards. These measures include the planned introduction of 470 new buses, construction of new bus stops and refurbishment of existing bus stops, bus lanes as well as bus network reorganisation.

**Salwani Muhammad,**  
24-year-old  
Chambering Student

"I have been taking the LRT for the past two years and i think the services are okay but it depends on the timing. The additional four-car trains are very good and they are comfortable - not as crowded or packed as they used to be.

"I hope the government can increase the frequency of the trains. More people take the public transport to avoid jams on the road these days, so if there are more trains added to the current service, it would be good."



Meanwhile, in terms of LRT services, 63% of users perceive the LRT services as being reliable. As a result of the new four-car LRT trains, commuters now have a better travelling experience as they do not have to squeeze into the train and can now enjoy comfortable ride as the trains are no longer jam-packed.

However, only 28% of KTM Komuter users are satisfied with the current services. The first four sets of six-car EMUs set will be operational come December 2011 and are expected to bring gradual improvement in terms of KTM Komuter service reliability.

## GOING FORWARD INTO 2011

### 2011 NKPI TARGETS

2011 will prove to be another challenging but exciting year for us. Our primary target is to increase the public transport modal share to 21% from 17% currently. The NPKIs for 2011 are set out as follows:

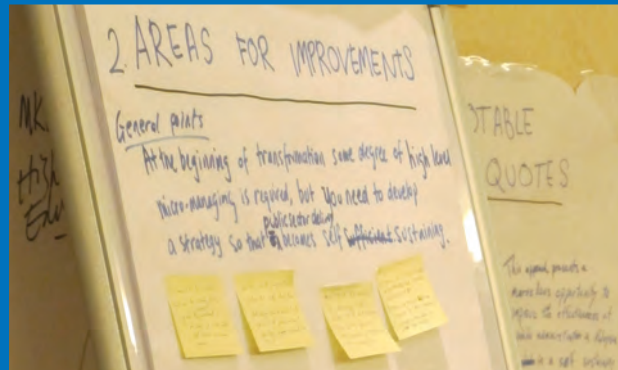
| NKPI                                                                         | 2011 Proposed Target |
|------------------------------------------------------------------------------|----------------------|
| Ratio of Public Transport Journey Time vs. Private Transport Journey Time    | 1.7:1 <sup>1</sup>   |
| % population within 400 metres of public transport route                     | 70%                  |
| Customer satisfaction survey                                                 | 50%                  |
| Bus peak hour load factor                                                    | 56%                  |
| KTM Komuter load factor                                                      | 125%                 |
| Rapid KL Kelana Jaya line load factor                                        | 80%                  |
| AM peak public transport ridership                                           | 346,184              |
| Public transport modal share                                                 | 21%                  |
| Road Safety Index (road fatalities/ 10,000 registered vehicles) <sup>2</sup> | 3.12                 |

<sup>1</sup> An independent traffic study conducted in Q4 2010 showed that the ratio of public transport journey time vs. private vehicle journey time was 1.86:1 .

<sup>2</sup> In 2011, the Road Safety Index will be included into the UPT NKPIs as part of the efforts by the government to inculcate a road safety culture in Malaysia. The Road Safety Index baseline in 2010 was 3.32.

2011 will see the urban public transportation initiatives being taken to an even higher level. We are excited with our achievements in 2010 and are positively motivated to bring more convenience to the rakyat. As we commit to providing a higher level of efficient and effective service in order to increase the number of people utilising public transportation, especially within the cities, we are confident of making strong inroads in the way of improving urban public transport.

# Feedback from the International Performance Review Committee



# The International Performance Review Committee

## SEEKING AN OUTSIDE-IN PERSPECTIVE

While the facts and figures throughout the inaugural Annual Report of the GTP portray good outcomes in all six NKRAs in their first year of implementation, the government is of the view that we cannot rely on our perspectives alone to determine our performance. To ensure the transparency of the GTP results, we resolved to seek the insights of a panel of international experts to review our efforts and provide an unbiased external evaluation and independent outside-in view of our progress. These authoritative third parties would not have any vested interests in the GTP and had to be able to assess, review, verify and critique the GTP results over Year 1 of Horizon 1 without fear or favour.

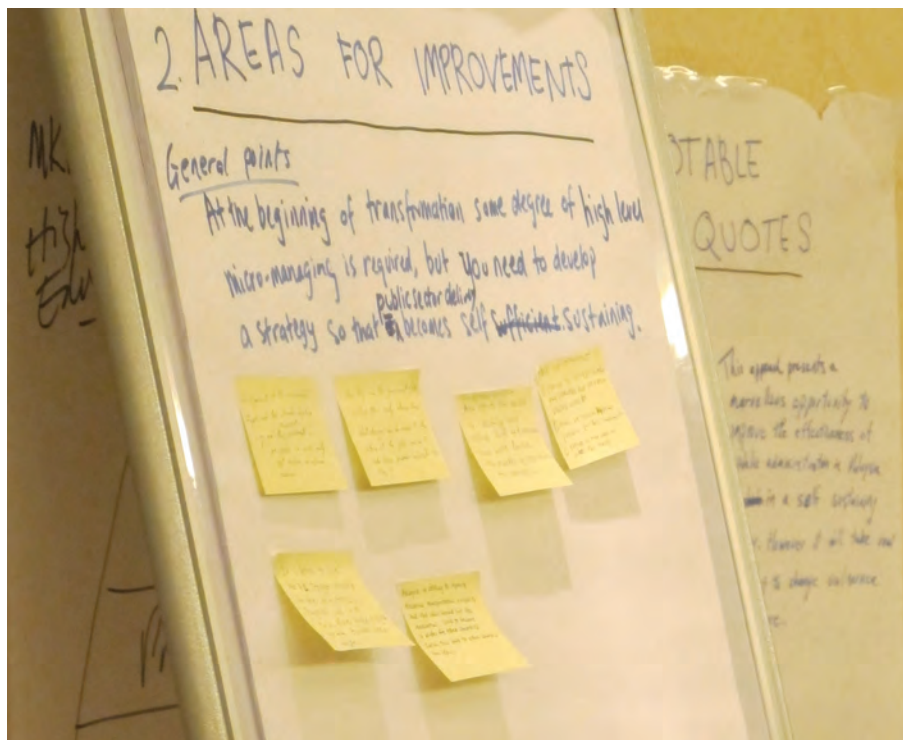


As such, various individuals from different backgrounds and areas of expertise were assembled together to form the International Performance Review (IPR) Committee. The IPR Committee were required to review, analyse and critique various elements of the GTP including the strategic targets we had set, the implementation process as well as the results and outcomes achieved. They were also to highlight our shortcomings and recommend areas for improvement. Equally important was that members of the IPR Committee were required to possess the necessary expertise and track record that qualified them to provide critical and constructive feedback as well as make recommendations on new ideas and best practices that we could incorporate into the GTP going forward.

## LEVERAGING EXPERT INSIGHTS

Several eminent individuals were invited to join the IPR Committee and review the first year results of the GTP. The members of the IPR Committee were personally invited by the Prime Minister. Their credentials bear testament to their experience and expertise and reflects the Malaysian government's seriousness and sincerity in finding truly qualified people to review the performance of our nation's progress.

The following pages provide an overview of the credentials of the members of the IPR Committee. These outstanding individuals are proven experts in their respective fields and have served in various capacities with leading international organisations and governments. Some of them have also been involved in similar transformation programmes and as such are well qualified to discuss the merits of Malaysia's GTP. An overview of the review process, the main points presented by the IPR Committee to the Cabinet as well as their individual feedback and recommendations to strengthen the GTP are also highlighted here.



# Members of the IPR Committee



**SIR MICHAEL  
BARBER**

Partner, McKinsey UK;  
Former Chief Adviser to the  
Prime Minister in the Tony  
Blair Administration

**Michael Barber** joined McKinsey in September 2005 as the expert partner in its Global Public Sector Practice. In this capacity, he has been working on major transformations of public services, especially education, in the USA, UK, and other countries. Prior to joining McKinsey he was (from 2001 onwards) chief advisor on delivery to the British Prime Minister, Tony Blair. As Head of the Prime Minister's Delivery Unit, he was responsible for the oversight of implementation of the Prime Minister's priority programmes in health, education, transport, policing, the criminal justice system, and asylum/immigration.

Before joining the government, Mr. Barber was a professor at the Institute of Education, University of London. His major publications include *The Learning Game: Arguments for an Education Revolution* (Indigo 1997), *How to do the Impossible: A Guide for Politicians with a Passion for Education* (Institute of Education, London 1997), and *The Virtue of Accountability* (Boston University 2005). His advice on public policy, especially education, has been sought by governments in a number of countries including Australia, the USA, Russia, Estonia, and Hong Kong and by major international organisations including the OECD, The World Bank, and the IMF.

**Michael Hershman** is an internationally recognised expert on matters relating to transparency, accountability, governance and security. The Fairfax Group, founded in 1983, has been retained by governments, corporations and international financial institutions to assist on matters relating to the conduct of senior-level officials and/or the entities with which they do business. In December 2006, Mr. Hershman was appointed as the independent compliance advisor to the board of directors of Siemens AG, a company with more than 400,000 employees.

Mr. Hershman began his career in intelligence and investigations in Europe during the late 1960s as a special agent with U.S. Military Intelligence, specialising in counter-terrorism. After leaving the military, he moved to investigations of government misconduct and financial fraud for the New York State Attorney General's Office and the Office of the Mayor of New York City. Later, Mr. Hershman served as a senior staff investigator for the Senate Watergate Committee and as chief investigator for a joint Presidential and Congressional commission reviewing state and federal laws on wiretapping and electronic surveillance. After the wiretap commission hearings, Mr. Hershman joined the Federal Election Commission as chief investigator, where he was responsible for audits and investigations of candidates and their campaign committees.

In 1993, along with Peter Eigen, Mr. Hershman co-founded Transparency International, the largest independent, not-for-profit coalition promoting transparency and accountability in business and in government. For the past six years he has served Interpol as a member of the International Group of Experts on Corruption, and for the past 12 years, he has sat on the board of the International Anti-Corruption Conference Committee.



**MICHAEL  
HERSHMAN**

Co-founder of Transparency International; Current CEO of the Fairfax Group



**STEPHEN SEDGWICK**  
Australian Public Service  
Commissioner

**Stephen Sedgwick** graduated with Honours in Economics from the University of Sydney and holds a Master's Degree from the University of London (LSE). Mr. Sedgwick was previously the Head of the Commonwealth Department of Finance, Employment and Education between 1992 and 2002. After which, he was appointed to as a member of the Board of the Asian Development Bank between 2002 and 2007. Prior to holding both positions, Mr. Sedgwick was the Senior Economic Advisor to former Australian Prime Minister, Bob Hawke between 1985 and 1988.

Mr. Sedgwick is currently chairperson of the NSW Government Better Services and Value Taskforce. He is also a member of the Research and Policy Council of the Committee for the Economic Development of Australia as well as a member of the Board of the Sir Roland Wilson Foundation, the Advisory Council of the ANU Crawford School of Economics and Government, and the Advisory Board for the Australian National Institute for Public Policy. He has also been heading the Australian Public Service Commission since December 2009.



**SERGEI DODZIN**  
Senior Economist, Asia &  
Pacific Department –  
International Monetary Fund

**Sergei Dodzin** is the Senior Economist at the Asia and Pacific Department of the International Monetary Fund (IMF) in Washington, DC. His expertise covers Malaysia and Singapore. Mr. Dodzin holds a PhD in Economics from Harvard University and joined the IMF in 1998. Before taking up his current position, he was at the IMF's Strategy Policy and Review Department. Here, Mr. Dodzin concentrated extensively on the analytical and policy issues related to financial sector, in particular countries with large financial sectors and financial crisis. He was a member of various country teams, including one on Serbia during the crisis period.

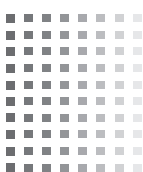
He also worked on an external assignment at the UK Financial Services Authority from 2007 to 2008, where he was involved in supervisory assessment of large complex financial institutions as well as research and supervisory projects related to financial stability and supervision.



**RAVI BALAKRISHNAN**  
IMF Resident  
Representative, Singapore

**Ravi Balakrishnan** is the IMF Resident Representative, based in Singapore. Mr. Balakrishnan, a U.K. national, holds a Ph.D. in economics from the London School of Economics. He started his career at the Bank of England and Bank of Spain, before joining the IMF in 2001. Since then, he has worked on various countries, including Bolivia and the United States, as well as on the World Economic Outlook, before taking up his current position, which covers the region.

His policy and research interests are labour and job dynamics, inflation dynamics, exchange rate dynamics and capital flows, as well as capital markets and financial systems. His research has been published in the European Economic Review, the Journal of International Money and Finance, and IMF staff papers.



# The IPR Process and the Committee's Feedback

## **The Review Process**

The IPR sessions were held over two days on 26 and 27 January 2011 at Putrajaya. The IPR Committee members were given a comprehensive briefing of the entire extent of the GTP with a particular emphasis on the six NKRA and the MKRAs. The Directors of each NKRA were on hand to deliver detailed presentations of their respective NKRA and to field questions from IPR Committee members.

The review process was conducted in an open and transparent manner, with plenty of opportunity for each Committee member to question and critique all aspects of the GTP programme. Committee members were then given time to deliberate among themselves and prepare their feedback which was presented to the Prime Minister and the Cabinet the following day.

## **The Committee's Feedback**

The IPR Committee has unanimously regarded the GTP as having had a successful first year. Results achieved under the respective NKRA have been impressive and met many of the ambitious first year targets.

### ***Perspectives on the Overall GTP Approach***

Looking at the GTP from a macro perspective, the Committee commended the GTP on the following:

- The GTP has driven real transformation that can and will be experienced by the people;
- The government has met many of the ambitious, first year targets of the GTP – the delivery of (Big Results Fast) right from the onset has set a truly positive tone for the forthcoming years;
- The high level of public engagement during the formulation of NKRA and NKPIs; the seeking of ideas and input through innovative means including text messaging was a notable feature of the GTP;
- The ability to convert plans to detailed targets supported with comprehensive action plans was notable;
- The establishment of systems to monitor and evaluate progress at all levels of government including at the Prime Minister's level was also noted.

## *NKRA-specific Perspectives*

In terms of detailed comments on the specific NKRA's, the IPR Committee provided the following positive reviews:

| NKRA                       | IPR Committee Feedback                                                                                                                                                                                                                                                                                                                                                                |
|----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Improving Student Outcomes | The comprehensive focus was not just on students, but also in helping teachers in improving their performances, the involvement of parents and school management was commended.                                                                                                                                                                                                       |
| Low-Income Households      | The clear focus in addressing the extreme poor group and various poverty alleviation programmes such as 1AZAM, which offers skills training, entrepreneurship opportunities, micro-financing and other forms of assistance was commended.                                                                                                                                             |
| Fighting Corruption        | There were substantial resources devoted to reducing corruption and promoting transparency and accountability. An effective and well staffed MACC and innovative anti-corruption academy exists. The initiatives to reform and publicly publish procurement awards, protect whistleblowers, and the use of Integrity Pacts will pay large dividends in reducing fraud and corruption. |
| Reducing Crime             | The redeployment of police personnel and other innovative means to increase front-line police presence indicates a real commitment to the smart use of manpower. In addition, the significant reduction of index and street crime rates prove that such out-of-the-box ideas are truly effective.                                                                                     |

## The IPR Process and the Committee's Feedback continued



### Individual Opinions of the Committee Members

#### *Sir Michael Barber*

The overall programme was a great success with the Crime NKRA showing the most notable achievements. The figures are impressive and qualify as Big Results Fast. What you have achieved here has definitely not been an easy task. If you had told me your intentions at the start of the year, I would have said it was optimistic, bordering on the delusional. I have to say I have not seen progress like this delivered this fast.

Getting the people at the top layer involved from the start was innovative and goes beyond what other countries have done. You have delivered results even much faster than what other countries (including the UK) have done. The quality and commitment of Malaysia's leadership has been impressive. What is notable is that the focus on six specific areas was maintained. There is also clear accountability and I believe the GTP can make a big difference to Malaysia.

While the GTP has brought early success, it is good that you do not declare victory too soon as the job is not yet done. Going forward, there is a need to keep efforts going, maintain the focus, set more ambitious targets, and to go deeper rather than broader. While Malaysia has begun a world-leading transformation programme there is always more to learn from other countries.

## The IPR Process and the Committee's Feedback *continued*

"The Malaysian approach to government transformation and reform is well thought out and emphasises transparency and accountability. It is aggressive and detailed. It applies many techniques used by successful businesses and concentrates government efforts on improving key elements of the quality of life in Malaysia. Seldom do government leaders expose their administration to a public report card by which the citizenry can judge its progress."

**Michael Hershman**  
Co-founder of  
Transparency  
International, CEO of  
Fairfax Group

### *Michael Hershman*

I was honoured to have been asked to serve on this international review group. This GTP is nothing short of extraordinary in its achievements as well as its broad focus at the Prime Minister and Cabinet level. Almost all the GTP and NKRA initiatives are notable in their successes. The reduction in crime, hard-core poverty and the increase in educational standards are particularly outstanding.

Generally speaking, it is the commitment of the government from the highest level which led to these notable successes.

With these successes, it is imperative that the government does not lull into complacency. There is still much room for improvement. It is important to sustain the effort by focusing on the areas which did not meet the objectives and to continue the process of independent verification that has been put in place. This is the only way to ensure the data collected is truly authentic and more importantly, to convince the people that transformation is indeed happening.

Looking at the specific NKRAs, I would advocate greater use of technology to reduce the demand on manpower. This will also help to increase the cost effectiveness of the NKRA in the long run.

The focus on perception is important for the Fighting Corruption NKRA but you need to deal with obstacles such as the use of confessions in court. Better planning for rural basic infrastructure will help avoid missed goals i.e. the shortfall in treated, piped water delivery to rural homes.

In Urban Public Transport, greater private sector involvement will have a value added effect to provide more effective and faster results to current initiatives. Co-operation is vital in ensuring the maximum results are achieved in the most efficient way in the shortest time possible.

While the eradication of extreme poor has been successful, the sustainability of the programme may be a challenge, for example the provision of meaningful jobs that allow this group to stay above the extreme poverty line. The government must be constantly vigilant in ensuring that those who have improved will not drop below the line.

In terms of improving student outcomes, we are of the belief that this area deserves international recognition and thereby, credible international education organisations should be invited to review the progress thus far.

There are many best practices I could share, but I would rather see Malaysia continue with its unconventional approaches. If you can accomplish this, then others will emulate your programme.

## The IPR Process and the Committee's Feedback *continued*

### **Stephen Sedgwick**

Malaysia has targeted a number of high profile, well researched areas that reflect an impressive process of broad consultation. The thing that strikes me is sustaining the momentum that has been built as well as creating greater buy-in within the civil service.

The civil service must be seen as responding to the GTP agenda and responding to the citizenry. The challenge is to translate the momentum and ideas into real reform by institutionalising them into the culture of the civil service. This will demonstrate that the Malaysian government is serious about bringing improvement.



"The GTP presents a marvellous opportunity to improve the effectiveness of public administration in Malaysia in a self sustaining way. However, it will take real effort to change civil service culture. The results (for the Education NKRA) are amazing but we must be mindful that we are not "teaching to the test."

**Stephen Sedgwick**  
Australian Public Service  
Commissioner

### **Sergei Dodzin**

The GTP has driven change and an ongoing real transformation in Malaysia by focusing on the key result areas. It managed to convert convincing plans into action, with specific details and targets to measure progress.

Going forward, I would recommend the removal of subsidies such as the petroleum subsidy and their replacement with targeted assistance to poor households and those in need. This would have a positive effect on the various NKRA's, in particular the Low-Income Household NKRA. But in general, it will also improve economic outcomes. At the same time, this process should be implemented gradually but steadily.

Another area would be the simplifying of regulations and improving the business climate in Malaysia. This would help prevent opportunities for corruption, promote greater transparency in business practices while reduce the cost of doing business in Malaysia. Such a move will have an immediate and tremendous effect on both the GTP and the ETP.

"Private investment flowing by itself without much government involvement would be one of the signs of success of the GTP."

**Sergei Dodzin**  
IMF Senior Economist,  
Asia & Pacific Department



## The IPR Process and the Committee's Feedback *continued*

"The challenge is to make significant progress once the low hanging fruits have been plucked."

**Ravi Balakrishnan**  
IMF Resident  
Representative, Singapore

### ***Ravi Balakrishnan***

The results have been nothing short of impressive in the first year. The key will be to maintain the reform effort and the political consensus behind it.

The key commendable features of the GTP are its agenda of driving transformation by delivering big results fast. From the onset, the right approach was taken as exemplified through the consultation process with the public, the open communication with the people throughout the year and the use of labs to tap the best minds and talents in arriving at solutions and answers for the NKRAs.

Naturally, Malaysia can learn from others. For Urban Public Transport, I would recommend Malaysia consider looking at the Delhi Metro in India, which is a successful model for an urban mass rapid transit system. The government may also choose to incorporate some of the best practices from Bolivia who have proven successful in providing micro-finance to the rural poor.

### **Recommended Areas for Improvement**

#### ***Top-level Recommendations***

The IPR Committee discussed at length the areas for possible improvement to the overall GTP. The following are their collective thoughts:

#### ***Ensure Sustainable Public Sector Delivery***

At the beginning of transformation, some degree of high level micro-managing is required, but there is a need to develop a strategy ensuring that public sector delivery becomes self-sustaining. The GTP and ETP must be durable, sustainable and not purely vested in the Prime Minister alone.

#### ***Ensure The Spirit of Transformation is Cascaded***

It is vital that the spirit of transformation be cascaded throughout the civil sector with all parts of the bureaucracy also aligned and motivated to deliver the transformation required. In essence, make the GTP an automatic process for the public sector.

## The IPR Process and the Committee's Feedback continued



### ***Constantly Innovate in Malaysia's Unique Context***

While Malaysia can learn from the best practices of other countries, it should not purely look to other nations for ideas. The key to transformation is to constantly innovate original methods and means that are best suited to Malaysia's unique context. Areas where indigenous innovative solutions are called for include improving education, transportation and integrity towards fighting corruption, among others.

### ***Develop a Fiscally Sustainable Budget***

Given Malaysia's public debt level, PEMANDU and other ministries should incorporate the current and future costs of the NKRA, MKRA and other projects into the budget in a fiscally sustainable way. This is to ensure that the GTP possesses the longevity to achieve its set goals.

### ***Align Measurable Targets to the Ultimate Objective***

It is crucial that measurable targets are aligned with the ultimate objective. Also, care should be taken that the number of targets is not excessive. In some cases, trying to quantify targets too much, can lead to targets being met but worse outcomes. For example, (i) a target to reduce waiting time can lead to worse patient care; and (ii) targets to reduce crime can lead to crimes not being reported. When setting targets, one needs to consider if so many targets can truly be quantified in an accurate manner.

### ***Ensure Data Integrity***

In the interest of data integrity, the Committee recommends that provision be made for the auditing of figures. This is to preserve authenticity and validity, especially when queried by other parties.

## ***Reduce the Level of Bureaucracy to Stem Corruption***

More efforts are needed to identify and reduce the level of bureaucracy as this would lower the number of opportunities for corruption. In the battle against poverty, emphasis should also be placed on fighting inequality and not just poverty in a simplistic view.

## ***Increase Sustainability through Capability Reviews***

Last but not least, to increase the sustainability of the reform effort, the Malaysian government should undertake capability reviews of civil service agencies to:

- Establish their capacity for strategic thinking and programme implementation;
- Make an assessment of the steps taken by the Secretary Generals (KSUs) to remedy any deficiencies as part of their performance assessment (akin to what the UK government does); and
- Reform the public service to delegate the authority to act e.g. to hire and fire within a clear framework of accountability for results.

## ***NKRA-specific Recommendations***

The Committee also made several NKRA-specific recommendations as outlined below:

| NKRA                       | IPR Committee Feedback                                                                                                                                                                                                                   |
|----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Improving Student Outcomes | Beware of “teaching to the test”. This institutionalises rote learning and may not achieve the ultimate outcome of securing high levels of analytical, creative talent.                                                                  |
| Low-Income Households      | Possible leap-frogging should be taken into account when providing help for low-income households, with targeting the poor via means testing typically resulting in high marginal rates of taxation and associated disincentive effects. |

## The IPR Process and the Committee's Feedback continued

| NKRA                   | IPR Committee Feedback                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Fighting Corruption    | <p>The focus on corruption is to be commended. However, there is still more to be done, some of which is simple (though contentious), for example banning support letters, especially in respect of tenders and contracts by ministries.</p> <p>Campaign financing reform should include disclosure of the purpose and nature of expenditure. This should include the prohibition of foreign contributions and corporate donations as well as the setting of limits on individual donations.</p> <p>All government agencies should have an inspector general who reports to the MACC and agency head.</p> <p>All middlemen/agents and representatives of corporations bidding on government contracts should be required to register with the government and disclose the scope and nature of the corporate contract.</p> |
| Reducing Crime         | <p>Greater use of technology by the police will help determine patterns of crime and in part avoid crime migrating from high-risk sectors to other sectors.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Urban Public Transport | <p>Eliminating petroleum subsidies will help solve the transport objective by providing more incentives to use public transport. Indeed, the public transportation plan promotes usage of rails and buses but does nothing to directly discourage private vehicle use.</p> <p>Subsidies and assistance should be well targeted to those who need them, especially fuel subsidies.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| MKRA                   | <p>More beneficial to link MKRA targets directly to the ministerial projects and in turn link these projects to the broader NKEA targets.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |

## The IPR Process and the Committee's Feedback continued



The government of Malaysia welcomes the feedback from the IPR Committee and will explore ways and means to incorporate this into the GTP and specific NKRAs where it makes sense to do so. Going forward, we will continue to look for outside-in points-of-view from recognised experts to bring meaning and perspective to our efforts as well as to ensure we implement high standards in all that we set out to achieve.

### Accolades from Abroad



“ In relation to what we are doing in Korea, I am equally impressed by the results of the GTP. The NKRAs have showed very positive outcomes, specifically in fighting crime and corruption, improving urban public transportation, reducing poverty and rural infrastructures. Education is an important sector anywhere in the world and it is good to know Malaysia is addressing this at the grassroots. The GTP has set a new benchmark. It will further enhance the competitiveness of Malaysia. The Programme which incorporates social transparency and public service improvement brings a great opportunity for Malaysia to make a leap forward to becoming a developed nation. This will no doubt have a positive effect in our region. I am convinced that the future of Malaysia is bright. ”

**H.E. Sueng Jun Kwak**  
**Chairman of the Presidential Council**  
**for Future and Vision of the Republic of Korea**

# Feedback from the Rakyat





# Feedback from the Rakyat

The GTP has come far from its set mark and it is difficult to imagine a time when there was no such blueprint to guide the government in six important National Key Results Areas (NKRAs).

The GTP has become one of the most successful of all government plans, so much so that even the once most skeptical have to admit that it has finally turned around some ministries and government agencies as well as finally addressed positively some main complaints of the public in areas affecting their daily lives.

A year into its inception, the GTP has already proven itself to be a driving force of change for the country, setting in place the transformation that the public has always been calling for.

Even Prime Minister Datuk Seri Najib Razak has declared that the time of “government knows best” is over, and that the public will judge for itself the quality of elected leaders.

Hence, the NKRAs were placed firmly in the GTP, urging the six lead ministers to succeed in the six key areas of improving urban public transportation, raising the living standards of people in low-income households, combating crime, fighting corruption, improving students’ outcomes in education and intensifying the development of rural basic infrastructure.

The progress so far has been commendable, showing a concerted effort by the government that has struck the right chord with the public and civil society groups. The programme has detailed every aspect of the lives of the people, making them realise that the transformation programme takes care not only of their needs but also addresses their wants.

Public and non-governmental organisations (NGOs) have also given the GTP the thumbs up and say it is a programme that has made the people the priority.



**PEOPLE-FRIENDLY:** The police managed to foster better ties with the public with friendly overtures throughout the GTP

**WAN SAIFUL WAN JAN,**  
CEO, Institute for Democracy and Economic Affairs (Ideas)

“Much has been achieved in a relatively short time, and the key minister for the NKRA on Low-Income Households (LIH) Datuk Seri Shahrizat Abdul Jalil has done a commendable job.

“It is encouraging to hear about the successes around creating new women entrepreneurs and reducing hardcore poverty. Reducing poverty through entrepreneurship is spot on because the best way to help people in need is by helping them help themselves.

“Handouts are not the way forward anymore.

“The prime minister has made a wonderful start, especially when he committed to a more liberalised economy through the New Economic Model (NEM) and Economic Transformation Programme (ETP).

“I dare say that a liberal and free market economic system is the only way forward if we want to reduce poverty.”



**Majid Sohot,**  
President, Orang Asli  
Association of Peninsular  
Malaysia

**MAJID SOHOT,**

President, Orang Asli Association of Peninsular Malaysia

“Rural basic infrastructure in Orang Asli settlements on the outskirts of the city has been satisfactory and shown good progress.

“Many Orang Asli settlements have now received fitted pipes and treated water and electricity – this is a good sign that more interior settlements will get the same soon.”

**MAKING DREAMS COME**

**TRUE:** Interior folk such as the Orang Asli have benefited from the GTP by having their dream of owning a house come true under the rural basic infrastructure NKRA



**Tan Sri Lee Lam Thye,**  
Vice-President, Malaysian  
Crime Prevention Foundation

**TAN SRI LEE LAM THYE,**

Vice-President, Malaysian Crime Prevention Foundation

“The police should be commended for their recent success to reduce the Street Crime rate by 35% compared to the targeted 20%, and the Index Crime rate by 16%.

“A significant decrease in Street Crime is also commendable, and it has been established that the fear of crime is as serious as crime itself.

“The use of NKRA approaches has shown positive outcomes as shown by the statistics.

“While we recognise that the police have a primary role to combat crime, the responsibility is not theirs alone.”

**DATUK HENRY CHIN,**

**Malaysian Crime Prevention Foundation (MCPF)**

“The reduction of the crime rate under the NKRA is a positive development.

“It is through the concentrated efforts of the police that this has come about.

“There have been many successful programmes conducted by the police.

“It takes two hands to clap, and the success of the NKRA is definitely a collaboration of the police, public and NGOs like MCPF.”



**MORE TRUST:** The crime rate during the GTP period went down and the police have managed to gain more public trust

**JOHNNY AMMAN,**

**businessman**

“I think many parts of the GTP are still vague to the public, but even though the public don’t notice it, things have improved. Combating crime and corruption are the two areas that have shown most progress. The Whistleblower Protection Act 2010 is a good move, and I now see police officers everywhere.”



**Rasamanickam  
Devan,**  
65, taxi driver

**RASAMANICKAM DEVAN,**

65, taxi driver

“I would say the prime minister has done a good job. The quality of life, the economy and work opportunities have improved. Ever since Najib put in place the policies, everyone has a chance to make a living. He has done well for the public. Before this, I could not even get a chance to drive a taxi.

“In terms of education, it has improved the most. My daughter is now an engineer because she easily got a loan.”

---

**DATUK PAUL LOW,**

President, Transparency International – Malaysian Chapter

“With the help of PEMANDU and the NKRA secretariat, the GTP is progressing well.

“The challenge of the NKRA is how to achieve the target of reforming political processes, bring changes to political financing and the way political parties are financed, and combating what is called ‘grand corruption’.”

**A PROGRAMME FOR ALL:**

The GTP focused on all the priorities of the rakyat, not leaving anyone behind, promising a better future for all generations of Malaysians



**LOKE YIM PENG,**

**Secretary-General, National Union of the Teaching Profession**

“Two aspects of the NKRA are progressing very strongly and have seen very positive feedback.

“One is the Literacy and Numeracy (LINUS) programme that the government launched. I have seen that it has received good feedback from teachers and has helped children develop the three basic skills of reading, writing and counting.

“Another area is the focus on pre-school education as the government has created more opportunities to create more pre-schools, so that even children in rural areas have access to a solid foundation for education, and are in the system even before they start school.

“As for other areas of the NKRA, I can say they are progressing well.

“With more emphasis on ICT, teachers’ workload is reduced and it aids teaching and learning.”



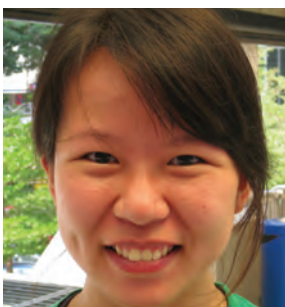
**ONE STOP FOR ALL:**

The Integrated Transport Terminal in Bandar Tasik Selatan boasts high-tech transport facilities with an all-in-one concept for commuters

**NURSYAZWANA SADRI,**

**private college student**

“I would commend the public transportation the most, especially with the women-only buses and trains. For me, education has improved by leaps and bounds, and facilities in public education institutions have improved. Now with the government’s skills-training programmes, I think everyone has a chance to get a job even with increasing competitiveness.”



**Lee Jing wen,**  
student

**LEE JING WEN,**  
student

“I have seen much improvement, especially in terms of crime. Overall, there is an improvement in the everyday lives of the public and crime, in particular, has reduced most markedly. It has been a while since I read about cases of robberies or snatch thefts, and I feel more secure now.”

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**SARAH KUPPPUSAMY,**  
animal shelter volunteer

“Yes, things have improved significantly. Crime especially has seen a great improvement because I see policemen on the beat everywhere. The Whistleblower Protection Act 2010 is also a good step in the right direction, and since I take public transport, I can see it has improved, with the four-coach trains and the new buses.”

---

**JOLYNN NG,**  
office executive

“Education, especially tertiary education, has produced more graduates than before. Quality must still be kept in mind, of course, but the emergence of new, fresh and talented graduates has been a good sign for the GTP. The education sector has been given much focus and this is the way for a developing country like Malaysia.

“Also, with such a focused plan, there is less crime and corruption. Public transportation has also improved.”

*Our appreciation to Zakiah Koya and Pauline Wong from The Sun for this section.*

# 2010 Overview of the **Ministerial** **Key** **Result** **Areas**



# 2010 Overview of the Ministerial Key Result Areas (MKRAs)

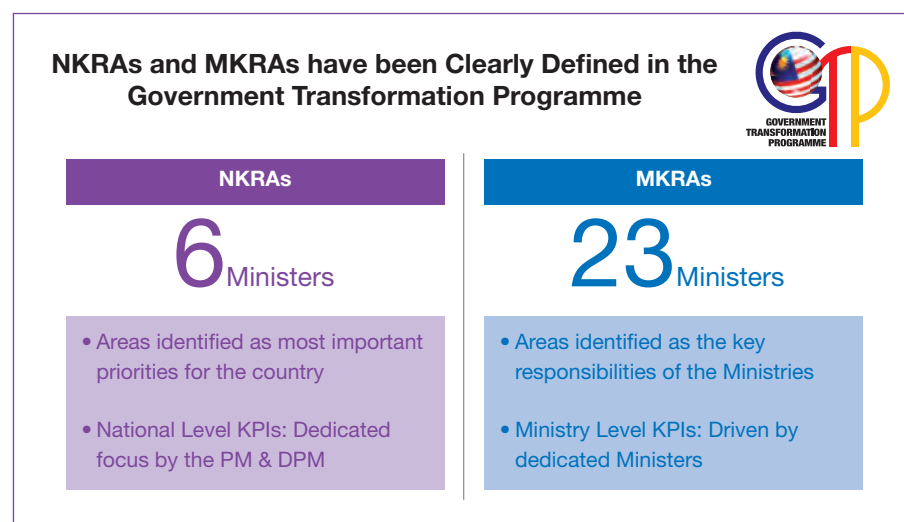
## AN OVERVIEW OF THE MINISTERIAL KEY RESULT AREAS (MKRAs)

Improving public service delivery is at the heart of the Government Transformation Programme (GTP) and to ensure that its goals become a reality, the GTP is supported by the National Key Result Areas (NKRAs) and the Ministerial Key Result Areas (MKRAs).

While the NKRAs address urgent needs of the rakyat for which the Cabinet is collectively responsible, the MKRAs consist of key functional areas that are within the purview of each Ministry. These function areas are centred on improving the wellbeing of the rakyat.

Each MKRA has specific Key Performance Indicators (KPIs), known as Ministerial Key Performance Indicators (MKPIs). The MKPIs are key deliverables that each Minister is accountable for in a particular year.

An example of a MKPI is reducing the total waiting time for business registration, which will contribute to the facilitating ease of doing business MKRA.



### **Ministerial Accountability towards Better Results**

Ministers are responsible for their own set of MKRAs and the delivery of MKPIs within their respective areas. In line with the principles of “1Malaysia, People First, Performance Now”, MKRAs and MKPIs are focused on impact to the rakyat as well as specific outcomes rather than output.

This is the first time in the nation’s history where Ministers are accountable for delivering their targets and their performance is subject to review by the Prime Minister twice yearly. This is to ensure a sense of commitment, ownership, and accountability and to foster interdependency among the various ministries towards delivering Big Results Fast to improve the Rakyat’s wellbeing.

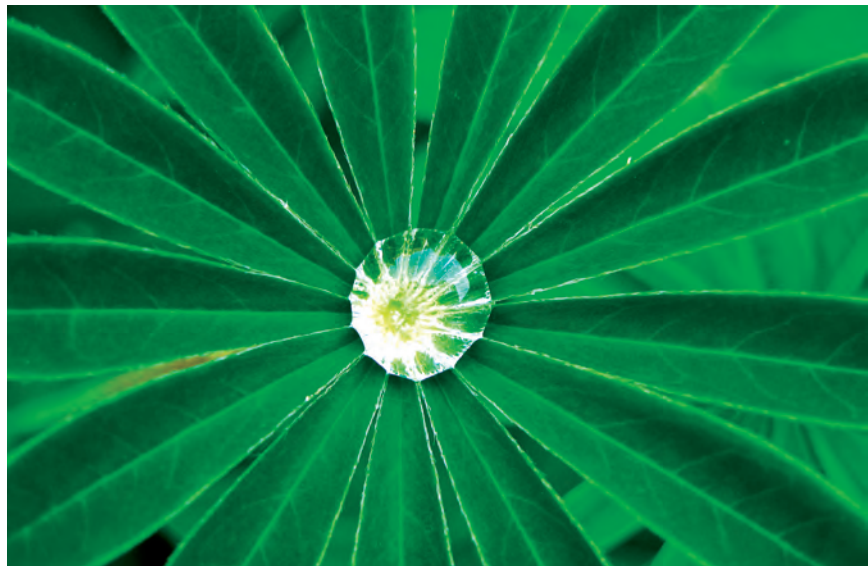
### **Development of MKRAs and MKPIs**

The entire MKRA process was developed in tandem with the NKRA initiative with the realisation that the collective efforts of the Ministries were needed – directly or indirectly to support the NKRA.

In addition, there were many areas that were not addressed under the NKRA, but still required attention from the government. Hence, the work in outlining the MKRAs and MKPIs began early in April 2009 with Ministers instructed to define their own MKRAs and MKPIs within the first 30 days of their appointment.

Adopting a structured approach, the MKRAs and MKPIs were formulated by first taking into account the respective vision and mission of each Ministry. Using these as the base, specific MKPIs were developed, followed by detailed implementation plans spelling out key action plans, initiatives and targets towards realising the various MKPIs and the MKRAs. A standard format was applied across all ministries for the development of the MKPIs. The format consisted of these key components:

- Key Result Areas (developed based on the Ministry’s Vision and Mission);
- MKPIs which are outcome-oriented and which address the rakyat’s needs;
- Specific KPI targets which are to be Bold, Stretched and which deliver results Fast; and
- Identification of interdependencies (highlighting involvement or participation of other ministries) and touch points (i.e. how each KPI brings positive impact to the country and the rakyat).



## A Standard Format was used across All Ministries to Identify the MKRAs and MKPIs

### Example of Ministry of Energy, Green Technology and Water

#### Ministry of Energy, Green Technology and Water - Y.B Datuk Peter Chin Fah Kui

| Key Result Area (KRA) / Rationale for KRA                                                                                                                                                                                                                                         | KPI                                                                                                             |                                                     |                                                     |                                                   | Initiatives / support to realize MKPIs                                                                                                                                    | Remarks Touch Point                                                                                                                             |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|-----------------------------------------------------|---------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                                                                                                                                   | KPI Identified                                                                                                  | 2009 Target                                         | 2009 Actual                                         | 2010 Target                                       |                                                                                                                                                                           |                                                                                                                                                 |
| 1. Increase the reliability of electricity supply. Reduction in the duration of electricity supply interruptions.<br><br><b>Rationale</b> <ul style="list-style-type: none"> <li>To ensure the people receive reliable and uninterrupted services (electricity supply)</li> </ul> | 1.1 "SAIDI - System Average Interruption Duration Index, i.e. No of minutes of disruption per customer per year | Peninsular Malaysia: 78 min<br><br>Sabah: 1,700 min | Peninsular Malaysia: 72 min<br><br>Sabah: 2,870 min | Peninsular Malaysia: 60 min<br><br>Sabah: 700 min | <ul style="list-style-type: none"> <li>Increase of Generation, Transmission and Distribution of electricity supply</li> <li>Funding (RM 468 mil.) from MOF/EPU</li> </ul> | <ul style="list-style-type: none"> <li>Rakyat will benefit from quality, minimised interruption of grid connected electricity supply</li> </ul> |

The KRA is developed based on Ministry Vision / Mission Statement

The KPI reflects outcomes and addresses the rakyat's needs



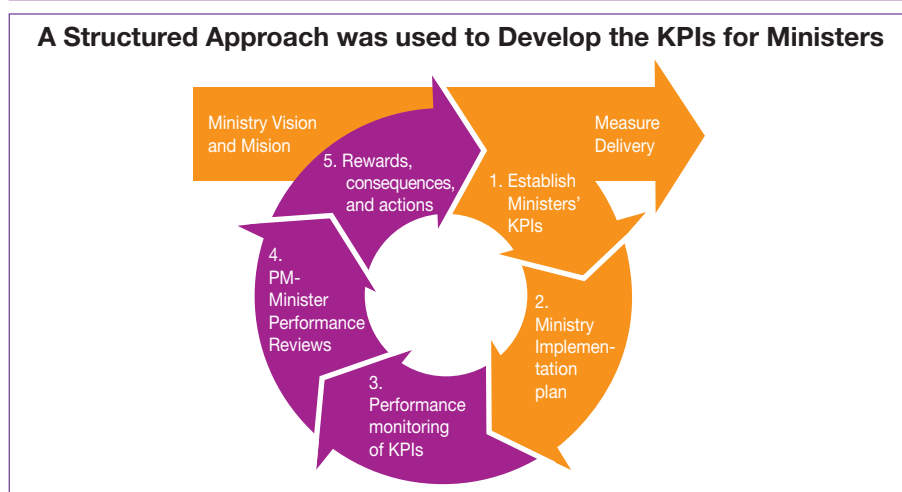
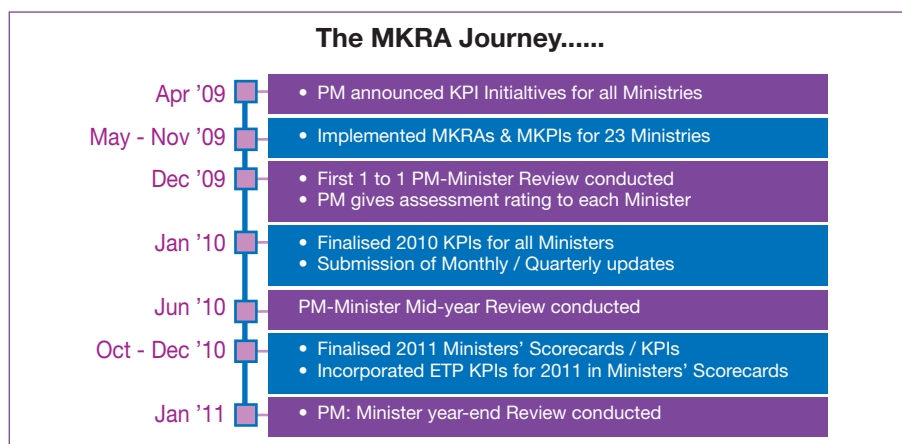
KPI targets are Bold, Stretched and Fast

Interdependencies and touch points are identified

## 2010 Overview of the MKRAs continued

To drive the development of the MKPIs, a dedicated KPI officer was identified and appointed for each Ministry to help develop the MKPIs, coordinate implementation and resolve interdependency issues between different ministries. KPI officers are to track and monitor progress of the MKPIs and report the progress to their Minister. PEMANDU conducts monthly meetings with the MKPI officers to assist them in preparation of reports as well as to monitor results on a monthly basis. Each MKPI has monthly trajectories for tracking the completion or achievement of the MKPI.

The next phase was performance monitoring and assessment which included stock-take meetings between Ministers and the Prime Minister. The Prime Minister-Minister review sessions take place twice yearly. The first of these sessions took place between November 2009 and January 2010 and involved detailed discussions and assessments of the Ministers' performance. PEMANDU's template on monthly trajectory and "dashboard" serve as the main reference material for these sessions.



Based on these reviews, the Prime Minister gives his rating to the respective Ministers as well as provides commendations for good performance, outlines areas for improvement or highlights new focus areas. These must be attended to before the next stock-take meeting.

In 2010, the MKPIs were cascaded throughout the Ministries to build on previous efforts to establish KPIs for the most senior civil servants i.e. Secretary-Generals (KSUs) and Director-Generals.

These reviews drive home an important point about the MKRAs and MKPIs – that each member of the Cabinet must deliver and be accountable for his own ministry's performance. This emphasis on results reflects the spirit of the GTP, which is to improve the old practices as well as introduce and encourage a performance-based government culture. By assigning accountability to Ministers, the message which the administration is sending out is that better public service must, and will, start at the top.

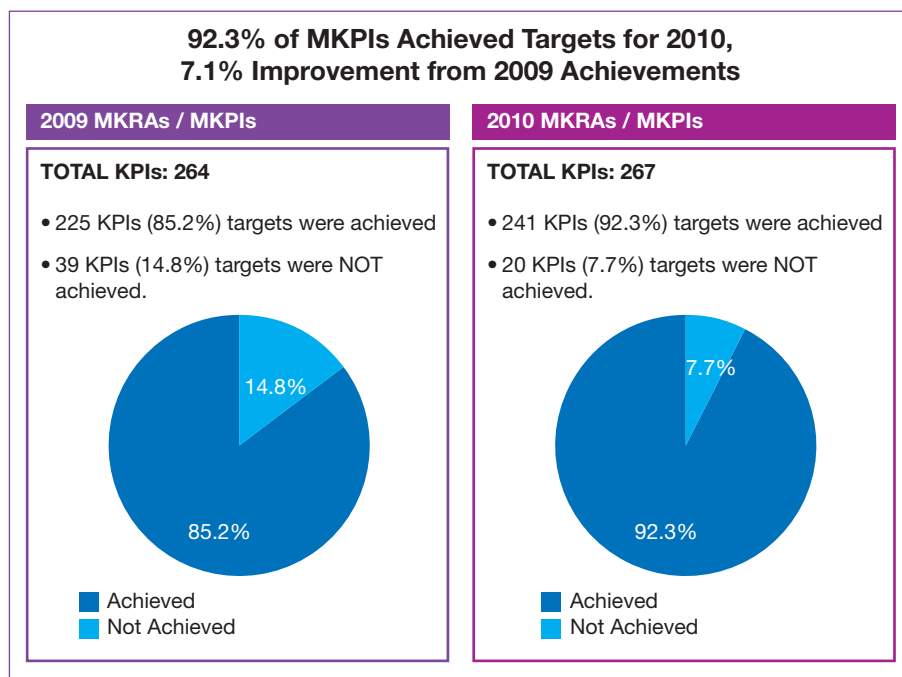
### **The Results Achieved Thus Far**

In 2010, the number of MKPIs has increased to 267 from 264 in the previous year. In terms of results achieved, in 2010, 92.3% of the MKPIs set were achieved. This is a 7.1% improvement from 2009's achievements.

Notably, 11 ministries achieved a 100% composite score, reflecting the excellent progress made. It also provides an evident signal of the shift in the government's mindset towards becoming performance-driven and results-oriented in line with the aspirations set out by the Prime Minister.

The results achieved in 2010 reflect a clear improvement compared to 2009. In 2009, 85.2% of MKPIs achieved their targets; whereby targets for 225 MKPIs out of a total of 264 MKPIs were achieved and only eight Ministers scored a 100% achievement on their MKPIs.

## 2010 Overview of the MKRAs continued



The MKRA initiatives have certainly delivered positive outcomes and many of the Ministries have their own success stories to share. Take the following examples of the Ministry of Natural Resources and Environment, the Ministry of Housing and Local Government and the Ministry of Information Communications and Culture.

2010 saw the Ministry of Natural Resources and Environment working hard to address flood-related problems faced by an estimated 5.7 million people living in flood-prone areas. To reduce the number of people affected, the Ministry embarked on flood mitigation projects which involved the building of detention ponds, pump houses, dams, flood control gates and the widening and deepening of rivers.

Up till 2009, some 1.64 million people had benefited from 35 flood mitigation projects throughout the country. The target was to complete 57 mitigation projects by the end of 2010 to benefit a total 2.03 million Malaysians around the country. By the end of December 2010, 56 flood mitigation projects costing RM874.5 million were completed, thereby setting the ministry's achievement at 98.2% of its target. The remaining project was completed in January 2011. To date, the completed projects have benefited 430,243 Malaysians. The plight of the remaining 3.63 million people is high on the government's agenda. The plan is to mitigate their flood woes from 2011 onwards provided there is sufficient allocation for flood mitigation projects.

Similarly, the Ministry of Housing and Local Government was given a MKPI target of reviving 161 abandoned housing projects nationwide by the end of 2010. To tackle this problem, the Ministry allocated funds to revive low and medium-cost abandoned homes and imposed stringent controls on the construction of new homes with local authorities. Errant developers were issued warnings and blacklisted. As of end December 2010, 51 projects had been successfully revived or completed, while another 72 are at various stages of completion. The remaining 38 abandoned projects are at the planning stages of revival. The proposed amendment to the Housing Development (Control and Licensing) Act 1966 to allow developers who neglect or abandon their housing projects to be prosecuted, also augurs well for the Ministry's efforts.

At the start of the National Broadband Initiative, the Ministry of Information Communications and Culture announced its aim to provide better and wider access to Internet services in urban and rural areas. Its target was to raise the broadband penetration rate to 50% by the end of 2010 as compared to 31.7% in 2009. This target was surpassed by the end of 2010 when broadband penetration reached 55.6%, made possible by various programmes under the National Broadband Initiative. These included setting up community broadband centres and "Kampung Wifi" in rural areas. To date, 246 community broadband centres have been set up, benefiting some 615,000 households.

The few projects highlighted here are by no means an exhaustive list of the initiatives under the MKRAs. They serve to show the tangible impact being made by the 23 Ministries as they streamline their resources and focus their efforts on delivering specific outcomes via their MKPIs as part of the GTP.

### **Looking Ahead**

With the introduction of the Economic Transformation Programme (ETP) in 2010, revisions have been made to the Ministers' MKRA and MKPI assessment methodology. These revisions are necessary to incorporate the additional focus areas by each Minister, as identified by the ETP. These areas are in line with the deliverables of the National Key Economic Areas (NKEA) and the Entry Point Projects (EPP) which come under the purview of ETP.

There will now be variances in weightage to accommodate the new ETP / NKEA components and the existing MKRA/ MKPI targets. For 2011, the Prime Minister-Minister Reviews will include all 29 Ministers.

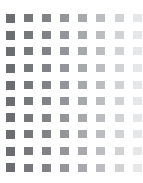
The key lessons and insights learnt from 2010 will be incorporated into the overall MKRA initiatives for 2011. There have been many commendable learning points from the previous year. In particular, the introduction of a structured performance review system with performance tracking/reporting and trajectories implemented across all ministries, for example, has helped to bring about a substantial shift in mindset among the various ministries – from the Ministers themselves and cascading down to all levels below.

The support of the Prime Minister throughout the programme has helped to ensure a greater level of commitment and support from the Ministries in taking this initiative seriously.

In addition, the approach taken in rolling out and assessing the MKPIs has been a pivotal learning area. With 2010 being our second year in the setting up of MKRAs and MKPIs, we are continuously looking at ways to improve and refine the process. It is clear that setting these targets can be a challenge, taking into account many external and internal factors.

It is a process of continuous refinement and change with collaboration and input required from all parties – the Minister and the respective Ministry, PEMANDU and the Prime Minister – that keep the KPIs centred on delivering Big Results Fast. It is a given that MKPIs for forthcoming years will remain ambitious and challenging if stretched targets are to be realised.

For 2011, specific emphasis will be placed on encouraging Ministers to focus on outcome-based KPIs rather than process-driven KPIs. In 2010, many of the Ministries have begun this process of change and have performed well. As such, from 2011 onwards, PEMANDU will look towards continuing this change to bring about further improvement.



# 2010 NKRA Performance and Expenditure Budget

## **NKRA PERFORMANCE AND EXPENDITURE BUDGET**

In line with the government's commitment to transparency and accountability, the overall NKRA performance and expenditure budget is made available here for public scrutiny. While the outcomes of the NKRA are presented at length in the respective sections of this Annual Report, this section provides a snapshot of the performance as well as budget expenditure for each NKRA. We aim to ensure that readers are able to quickly view and digest the entire magnitude of the GTP and its outcomes, as well as get an insight into the amount of public funds that were committed in the process.

### **Ensuring Every Sen is Well Spent**

The GTP sets a new precedent for the government with its bold, incisive measures, its detailed programme methodology, and the evident shift in mindset where the savings in budget expenditure is used as a performance indicator rather than budget maximisation. In this regard, the GTP has excelled with each NKRA positing varying budget savings. Where RM5.443 billion in total was set aside for the GTP expenditure budget in 2010, the outcomes were achieved by only leveraging RM4.311 billion of the budget, thereby posting an overall savings of RM1.132 billion or 20.8% in 2010. The savings from 2010's budget will be utilised for 2011 and the goal is to continue this momentum of cost savings where possible without compromising the quality and quantity of future outcomes.

### **Measuring the Achievements of the GTP**

The scoring methodology has been explained in page 23 in the GTP Overview section. However, for easy reference, we present it here once again.

## 2010 NKRA Performance and Expenditure Budget continued

**Table 1: Scoring Methodology for the GTP**

| Scoring Method | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Method One     | <ul style="list-style-type: none"> <li>Scoring is determined by a simple comparison against set 2010 targets. The overall NKRA composite scoring is the average of all scores.</li> </ul>                                                                                                                                                                                                                                                                                                                              |
| Method Two     | <ul style="list-style-type: none"> <li>Scoring is calculated by dividing actual results against set 2010 targets with an added rule: <ul style="list-style-type: none"> <li>If the scoring is less than 100%, score#2 is taken as the actual %</li> <li>If the scoring is equal or more than 100%, score#2 is taken as 100%</li> </ul> </li> <li>The overall NKRA composite scoring is the average of all scores.</li> </ul>                                                                                           |
| Method Three   | <ul style="list-style-type: none"> <li>Scoring is calculated by dividing actual results against set 2010 targets with an added rule: <ul style="list-style-type: none"> <li>If the scoring is equal and less than 50%, score 3 is indicated as 0</li> <li>If the scoring is more than 50% and less than 100%, score3 is indicated as 0.5</li> <li>If the scoring is equal or more than 100%, score3 is indicated as 1</li> </ul> </li> <li>The overall NKRA composite scoring is the average of all scores.</li> </ul> |

### NKRA: Reducing Crime

| No.                                                                                                         | NKPIs                                            | 2010 Target | Actual     | Method 1 |                  | Method 2 |                  | Method 3                    |                  | 2010 Budget (RM mil) | Actual Expenditure (Dec 2010; RM mil) | % of Expenditure |
|-------------------------------------------------------------------------------------------------------------|--------------------------------------------------|-------------|------------|----------|------------------|----------|------------------|-----------------------------|------------------|----------------------|---------------------------------------|------------------|
|                                                                                                             |                                                  |             |            | Score #1 | Traffic Lights 1 | Score #2 | Traffic Lights 2 | Score #3 (Yes, Partial, No) | Traffic Lights 3 |                      |                                       |                  |
| 1                                                                                                           | Reduction in reported Index Crime                | 5%          | 15%        | 300%     |                  | 100%     |                  | 300%                        | 1                |                      |                                       |                  |
| 2                                                                                                           | Reduction in reported Street Crime               | 20%         | 35%        | 175%     |                  | 100%     |                  | 175%                        | 1                |                      |                                       |                  |
| 3                                                                                                           | Reduce fear of becoming victims of crime         | 58.5%       | 52.8%      | 111%     |                  | 100%     |                  | 111%                        | 1                |                      |                                       |                  |
| 4                                                                                                           | Additional violent crime offenders to trial      | 2000 cases  | 2001 cases | 100%     |                  | 100%     |                  | 100%                        | 0.5              |                      |                                       |                  |
| 5                                                                                                           | Improved public perception on police performance | 35.8%       | 55.8%      | 156%     |                  | 100%     |                  | 156%                        | 1                |                      |                                       |                  |
| Overall composite scoring                                                                                   |                                                  |             |            | 168%     |                  | 100%     |                  | 90%                         |                  | 337.9                | 257.7                                 | 76.3%            |
| 100% and above    1    (Y) Yes         51% to 99%    0.5    (P) Partial         50% and less    0    (N) No |                                                  |             |            |          |                  |          |                  |                             |                  |                      |                                       |                  |

# 2010 NKRA Performance and Expenditure Budget continued

## NKRA: Fighting Corruption

| No. | NKPIs                                                                                 | 2010 Target | Actual | Method 1 |                  | Method 2 |                  | Method 3                    |                  | 2010 Budget (RM mil) | Actual Expenditure (Dec 2010; RM mil) | % of Expenditure |
|-----|---------------------------------------------------------------------------------------|-------------|--------|----------|------------------|----------|------------------|-----------------------------|------------------|----------------------|---------------------------------------|------------------|
|     |                                                                                       |             |        | Score #1 | Traffic Lights 1 | Score #2 | Traffic Lights 2 | Score #3 (Yes, Partial, No) | Traffic Lights 3 |                      |                                       |                  |
| 1   | Number of Ministries scoring above 90% in Procurement Accountability Index            | 13          | 14     | 108%     |                  | 100%     |                  | 108%                        | 1                |                      |                                       |                  |
| 2   | No. of cases charged vs. No. of arrests for drug trafficking and possession under DDA | 80%         | 79.9%  | 100%     |                  | 100%     |                  | 100%                        | 1                |                      |                                       |                  |
| 3   | No. of cases charged vs. No. of arrests and detentions under Immigration Law          | 60%         | 36.2%  | 60%      |                  | 60%      |                  | 60%                         | 0.5              |                      |                                       |                  |
| 4   | No. of people in the database of convicted offenders                                  | 84          | 284    | 338%     |                  | 100%     |                  | 338%                        | 1                |                      |                                       |                  |
| 5   | No. of summons issued vs. Total hours of operation                                    | 10          | 10.5   | 105%     |                  | 100%     |                  | 105%                        | 1                |                      |                                       |                  |
| 6   | No. of summons settled vs. No. of summons issued by JPJ                               | 78%         | 47%    | 60%      |                  | 60%      |                  | 60%                         | 0.5              |                      |                                       |                  |
| 7   | Tis Corruption Perception Index                                                       | 4.9         | 4.4    | 90%      |                  | 90%      |                  | 90%                         | 0.5              |                      |                                       |                  |
| 8   | Tis Global Corruption Barometer Survey                                                | 37%         | 48%    | 130%     |                  | 100%     |                  | 130%                        | 1                |                      |                                       |                  |

## 2010 NKRA Performance and Expenditure Budget continued

| No.                       | NKPIs                                                                                  | 2010 Target | Actual  | Score #1   | Traffic Lights 1 | Score #2 | Traffic Lights 2 | Score #3 (Yes, Partial, No) | Traffic Lights 3 | 2010 Budget (RM mil) | Actual Expenditure (Dec 2010; RM mil) | % of Expenditure |
|---------------------------|----------------------------------------------------------------------------------------|-------------|---------|------------|------------------|----------|------------------|-----------------------------|------------------|----------------------|---------------------------------------|------------------|
| 9                         | Tax that can be claimed on goods and services that were not properly declared (RM mil) | 186         | 175     | 94%        |                  | 94%      |                  | 94%                         | 0.5              |                      |                                       |                  |
| 10                        | Percentage of trials completed within a year                                           | 30%         | 36.8%   | 123%       |                  | 100%     |                  | 123%                        | 1                |                      |                                       |                  |
| Overall composite scoring |                                                                                        |             |         | 121%       |                  | 90%      |                  | 78%                         |                  | 8.2                  | 4.3                                   | 52.4%            |
| 100% and above            |                                                                                        | 1           | (Y) Yes | 51% to 99% |                  | 0.5      | (P) Partial      | 50% and less                |                  | 0                    | (N) No                                |                  |

### NKRA: Improving Student Outcomes

| No.                       | NKPIs                      | 2010 Target | Actual  | Method 1   |                  | Method 2 |                  | Method 3                    |                  | 2010 Budget (RM mil) | Actual Expenditure (Dec 2010; RM mil) | % of Expenditure |
|---------------------------|----------------------------|-------------|---------|------------|------------------|----------|------------------|-----------------------------|------------------|----------------------|---------------------------------------|------------------|
|                           |                            |             |         | Score #1   | Traffic Lights 1 | Score #2 | Traffic Lights 2 | Score #3 (Yes, Partial, No) | Traffic Lights 3 |                      |                                       |                  |
| 1                         | Pre-school enrollment rate | 72%         | 72.4%   | 101%       |                  | 100%     |                  | 101%                        | 1                |                      |                                       |                  |
| 2                         | LINUS Literacy rate        | 90%         | 85%     | 94%        |                  | 94%      |                  | 94%                         | 0.5              |                      |                                       |                  |
| 3                         | LINUS Numeracy rate        | 90%         | 91%     | 101%       |                  | 100%     |                  | 101%                        | 1                |                      |                                       |                  |
| 4                         | High Performing Schools    | 20          | 20      | 100%       |                  | 100%     |                  | 100%                        | 1                |                      |                                       |                  |
| 5                         | New Deals-Primary schools* | 2%          | 7.7%    | 385%       |                  | 100%     |                  | 385%                        | 1                |                      |                                       |                  |
| Overall composite scoring |                            |             |         | 156%       |                  | 99%      |                  | 90%                         |                  | 244.6                | 117.5                                 | 48.0%            |
| 100% and above            |                            | 1           | (Y) Yes | 51% to 99% |                  | 0.5      | (P) Partial      | 50% and less                |                  | 0                    | (N) No                                |                  |

\* Data used is current for Primary Schools, while the Secondary School achievement will be made known after the announcement of the 2010 SPM results

# 2010 NKRA Performance and Expenditure Budget *continued*

## NKRA: Raising Living Standards of Low-Income Households

| No.                       | NKPIs                                                 | 2010 Target | Actual | Method 1 |                  | Method 2   |                  | Method 3                    |                  | 2010 Budget (RM mil) | Actual Expenditure (Dec 2010; RM mil) | % of Expenditure |
|---------------------------|-------------------------------------------------------|-------------|--------|----------|------------------|------------|------------------|-----------------------------|------------------|----------------------|---------------------------------------|------------------|
|                           |                                                       |             |        | Score #1 | Traffic Lights 1 | Score #2   | Traffic Lights 2 | Score #3 (Yes, Partial, No) | Traffic Lights 3 |                      |                                       |                  |
| 1                         | To eradicate Hardcore Poor Households                 | 44,643      | 44,535 | 100%     |                  | 100%       |                  | 100%                        | 1                |                      |                                       |                  |
| 2                         | To reduce number of poor households (Poor Vulnerable) | 46,000      | 15,868 | 34%      |                  | 34%        |                  | 34%                         | 0                |                      |                                       |                  |
| 3                         | To train and develop women entrepreneurs              | 2,000       | 2,000  | 100%     |                  | 100%       |                  | 100%                        | 1                |                      |                                       |                  |
| 4                         | To offer low cost houses under DBKL, KWPKB for sale   | 44,146      | 35,095 | 80%      |                  | 80%        |                  | 80%                         | 0.5              |                      |                                       |                  |
| Overall composite scoring |                                                       |             |        | 79%      |                  | 79%        |                  | 63%                         |                  | 1,170                | 1,163                                 | 99.4%            |
| 100% and above            |                                                       |             |        | 1        | (Y) Yes          | 51% to 99% |                  | 0.5                         | (P) Partial      | 50% and less         |                                       | 0 (N) No         |

## NKRA: Improving Rural Basic Infrastructure

| No.                       | NKPIs                                     | 2010 Target | Actual | Method 1 |                  | Method 2   |                  | Method 3                    |                  | 2010 Budget (RM mil) | Actual Expenditure (Dec 2010; RM mil) | % of Expenditure |
|---------------------------|-------------------------------------------|-------------|--------|----------|------------------|------------|------------------|-----------------------------|------------------|----------------------|---------------------------------------|------------------|
|                           |                                           |             |        | Score #1 | Traffic Lights 1 | Score #2   | Traffic Lights 2 | Score #3 (Yes, Partial, No) | Traffic Lights 3 |                      |                                       |                  |
| 1                         | Road Delivery (km)                        | 751.9       | 783.1  | 104%     |                  | 100%       |                  | 104%                        | 1                |                      |                                       |                  |
| 2                         | Water Delivery (units of households)      | 70,181      | 36,273 | 52%      |                  | 52%        |                  | 52%                         | 0.5              |                      |                                       |                  |
| 3                         | Electricity Deliver (units of households) | 25,312      | 27,266 | 108%     |                  | 100%       |                  | 108%                        | 1                |                      |                                       |                  |
| 4                         | Housing Delivery (units houses)           | 16,626      | 16,926 | 102%     |                  | 100%       |                  | 102%                        | 1                |                      |                                       |                  |
| Overall composite scoring |                                           |             |        | 91%      |                  | 88%        |                  | 88%                         |                  | 3,234                | 2,372                                 | 73.3%            |
| 100% and above            |                                           |             |        | 1        | (Y) Yes          | 51% to 99% |                  | 0.5                         | (P) Partial      | 50% and less         |                                       | 0 (N) No         |

Based on Accountant General's statement as of 31 December 2010

# 2010 NKRA Performance and Expenditure Budget continued

## NKRA: Improving Urban Public Transport

| No.                       | NKPIs                                                    | 2010 Target | Actual         | Method 1 |                  | Method 2   |                  | Method 3                    |                  | 2010 Budget (RM mil) | Actual Expenditure (Dec 2010; RM mil) | % of Expenditure |
|---------------------------|----------------------------------------------------------|-------------|----------------|----------|------------------|------------|------------------|-----------------------------|------------------|----------------------|---------------------------------------|------------------|
|                           |                                                          |             |                | Score #1 | Traffic Lights 1 | Score #2   | Traffic Lights 2 | Score #3 (Yes, Partial, No) | Traffic Lights 3 |                      |                                       |                  |
| 1                         | Public transport modal share                             | 15%         | 17%            | 113%     |                  | 100%       |                  | 113%                        | 1                |                      |                                       |                  |
| 2                         | % population within 400 metres of public transport route | 66%         | 63%            | 95%      |                  | 95%        |                  | 95%                         | 0.5              |                      |                                       |                  |
| 3                         | Customer satisfaction survey                             | 48%         | 48%            | 100%     |                  | 100%       |                  | 100%                        | 1                |                      |                                       |                  |
| 4                         | Bus peak hour load factor                                | 50%         | 44%            | 88%      |                  | 88%        |                  | 88%                         | 0.5              |                      |                                       |                  |
| 5                         | KTM Komuter load factor                                  | 135%        | 130%           | 104%     |                  | 100%       |                  | 104%                        | 1                |                      |                                       |                  |
| 6                         | Rapid KL Kelana Jaya line load factor                    | 125%        | 80%            | 156%     |                  | 100%       |                  | 156%                        | 1                |                      |                                       |                  |
| 7                         | AM peak public transport ridership                       | 251,184     | 236,412        | 94%      |                  | 94%        |                  | 94%                         | 0.5              |                      |                                       |                  |
| 8                         | % of 1-way trips within 60 minutes during AM peak        | 45%         | not applicable | -        | not rated        | -          | not rated        | -                           | not rated        | not rated            |                                       |                  |
| Overall composite scoring |                                                          |             |                | 107%     |                  | 97%        |                  | 78%                         |                  | 448.3                | 397.5                                 | 88.7%            |
| 100% and above            |                                                          |             |                | 1        | (Y) Yes          | 51% to 99% |                  | 0.5                         | (P) Partial      | 50% and less         |                                       | 0 (N) No         |

## NKRA Overall Performance 2010

| No.                       | NKPIs                      | 2010 Target |  | Method 1 |                  | Method 2            |                  | Method 3                    |                  | 2010 Budget (RM mil) | Actual Expenditure (Dec 2010; RM mil) | % of Expenditure |
|---------------------------|----------------------------|-------------|--|----------|------------------|---------------------|------------------|-----------------------------|------------------|----------------------|---------------------------------------|------------------|
|                           |                            |             |  | Score #1 | Traffic Lights 1 | Score #2 (max 100%) | Traffic Lights 2 | Score #3 (Yes, Partial, No) | Traffic Lights 3 |                      |                                       |                  |
| 1                         | Urban Public Transport     | 100%        |  | 107%     |                  | 97%                 |                  | 78%                         |                  | 448                  | 397                                   | 89%              |
| 2                         | Crime                      | 100%        |  | 168%     |                  | 100%                |                  | 90%                         |                  | 338                  | 258                                   | 76%              |
| 3                         | Rural Basic Infrastructure | 100%        |  | 91%      |                  | 88%                 |                  | 88%                         |                  | 3,234                | 2,372                                 | 73%              |
| 4                         | Education                  | 100%        |  | 99%      |                  | 99%                 |                  | 88%                         |                  | 245                  | 118                                   | 48%              |
| 5                         | Low Income Households      | 100%        |  | 81%      |                  | 81%                 |                  | 60%                         |                  | 1,170                | 1,163                                 | 99%              |
| 6                         | Corruption                 | 100%        |  | 123%     |                  | 92%                 |                  | 78%                         |                  | 8                    | 4                                     | 52%              |
| Overall composite scoring |                            |             |  | 112%     |                  | 93%                 |                  | 78%                         |                  | 5,443                | 4,312                                 | 79%              |
| 100% and above            |                            |             |  | 1        | (Y) Yes          | 51% to 99%          |                  | 0.5                         | (P) Partial      | 50% and less         |                                       | 0 (N) No         |

## CONTINUING TO PUSH THE BOUNDARIES OF WHAT IS POSSIBLE

The rollout of the GTP was undoubtedly a watershed moment in the history of Malaysia. It marked the beginnings of an era of transformation and change like never experienced before. The GTP, has in essence, redefined the boundary of what is possible for us as a nation.

While this Annual Report has documented the tangible outcomes of the GTP through facts and figures, there is another side that is equally uplifting – that of the many stories of lives being changed for the better; of communities and families being uplifted out of poverty; and of the opportunity for future generations to dream big dreams with the infrastructure and support to achieve their aspirations. Year 1 of the GTP has indeed provided a hope and a future to many.

For us in the government, this is most encouraging for when we began this journey, we faced our fair share of detractors who questioned the feasibility and sincerity of the GTP – dismissing it as a political ploy. The government has answered its detractors in the best way possible; not through political rhetoric or debate, but in a show of strong performance and tangible outcomes. However, having said that, we recognise the fact that there is still much, much more work to be done and we will endeavour to set higher goals and deliver better outcomes going forward.

The GTP has achieved or over-achieved our targets in many areas and we have done this within budget or at times, below budget. Equally important, many of these results are “firsts” for the country, achieved within the relatively short span of one year. Overall, the GTP has received an admirable score and fallen well within the expenditure budget. Yet, the GTP is barely a year old.

Naturally, when one is breaking new ground, there are bound to be drawbacks and limitations. But as a whole, we take satisfaction in the fact that the GTP has proven to be a very positive programme where the achievements have by far outweighed the shortfalls. We are thankful that the final verdict has proven the GTP’s importance to the nation as a game-changing effort.

And so our journey continues as we embrace Year 2 of Horizon One (2010-2012) of the GTP. Equipped with the benefit of hindsight, we are poised to go further and faster in 2011.

The government is fully aware that the task ahead of us remains a challenging one – equal to, or more demanding than the first year. Nevertheless, we are confident that the insights, competence, skills and lessons garnered to date, will help us steady our ship as we set out on a defined course towards our desired horizon.

We look to the future with greater anticipation and conviction that more great outcomes await all Malaysians... one that will provide us all with a brighter future together as one nation, one Malaysia.



# GTP Milestones

20 APR  
2009



## Introduction of the Government Transformation Programme (GTP)

The GTP and the six National Key Result Areas (NKRAs) are introduced by the Prime Minister, Dato' Sri Mohd Najib Tun Abdul Razak. The GTP aims to transform the government to be more effective in its delivery of services and to be accountable for the outcomes that matter most to the people or rakyat. The GTP also aims to move Malaysia forward to become an advanced, united and just society with high standards of living for all.

16 SEP  
2009



## Creation of PEMANDU

The Performance Management & Delivery Unit (PEMANDU) is formally established as a unit under the Prime Minister's Department. PEMANDU's role is to catalyse bold changes in public and private sector delivery, support the ministries in the delivery planning process, and provide an independent view of performance. The responsibility for end-to-end delivery of the NKRAs and Ministerial Key Result Area (MKRA) outcomes under the GTP, ultimately rests with the respective ministries, while the success of the National Key Economic Areas (NKEAs) under the Economic Transformation Programme (ETP), rests with the private sector.

OCT TO NOV  
2009



## Implementation of the GTP Labs

More than 250 personnel from various ministries, agencies and departments throughout the country come together to participate in intensive, hands-on GTP lab sessions. Here radical and innovative but practical solutions are identified to ensure the smooth rollout of the NKRAs while detailed execution plans too are drawn up.

### Rollout of the GTP Open Days

GTP Open Day sessions are held at the Sunway Convention Centre, Bandar Sunway (17 - 18 Dec 2009); Borneo Convention Centre, Kuching (15 - 16 Jan 2010) and Magellan Sutera Harbour, Kota Kinabalu (21 - 22 Jan 2010). The over 7,000 nationwide activities along with over 2,000 projects and 100 programmes for the six NKRAs showcased to the rakyat receives tremendous public feedback. Minister in the Prime Minister's Department, Tan Sri Dr Koh Tsu Koon reiterates the fact that the government has made public the activities and programmes for the six NKRAs in line with its policy of greater transparency and inclusiveness for all Malaysians.

DEC TO JAN  
2009 2010



### GTP Roadmap Launch at the KL Convention Centre

The GTP Roadmap is unveiled by the Prime Minister and is to be implemented in three phases from 2010 until 2020. The first phase (2010 to 2012) aims to ensure that the people will quickly see the delivery of their most important priorities. The second phase (2012 to 2015) will institute broader and deeper changes to the government structure and quality of human resources; while the third phase (2015 to 2020) will see the government putting in place innovative and people-centric models of public service delivery.

28 JAN  
2010



### Subsidy Rationalisation Labs

As part of efforts to rationalise subsidies over a period of time, the Subsidy Rationalisation Labs were conducted over a period of six weeks with participants from the relevant ministries and their respective agencies. Measures were taken to ensure the poor and the disadvantaged would still be protected by the social safety net. The subsidy rationalisation exercise is all the more important given that subsidies have negative consequences in the long term i.e. they may cause a distortion of the market resulting in over-consumption, abuses and leakages should subsidies end up in the hands of the wrong beneficiaries. Rationalising subsidies will strengthen the growth of the economy, thereby catapulting Malaysia to become a high-income nation by 2020.

FEB TO MAR  
2010 2010





Laman Web Rasmi

**SPRM**

SURUHJALAH PENGACARA KADIAN MALAYSIA

BERSAMA SAMA

Kepulauan Terengganu Darul Iman 2015 (2015-01-01) - Kepulauan Selatenggara SPRM (2015-01-01)

English | Bahasa Malaysia

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The Malaysian Anti-Corruption Commission (MACC) launches its name and shame database (the Convicted Corruption Offenders Database) with the names of 284 offenders made public at <http://www.sprm.gov.my/>. Serving as a deterrent against corrupt practices, the database contains detailed information on convicted offenders and enables the public and employers to facilitate business and employment decisions.

The Prime Minister launches RapidKL's Kelana Jaya Line 1 Malaysia four-car train that will serve to ease transportation woes in Kuala Lumpur and the surrounding areas. The RM1.65bil investment by the government in the Klang Valley's transportation system will help fulfil city dwellers' need for better services. RapidKL, a subsidiary of Syarikat Prasarana Negara Berhad, has been receiving four-car train sets since 15 December 2009.

The Deputy Prime Minister Tan Sri Muhyiddin Yassin launches the SIP at the Vision School in USJ 15, Selangor. The SIP aims to transform every school into an excellent educational institution by challenging, motivating and lending support to all schools, especially under-performing schools. Through the SIP's tool kit component, the Education Ministry will now ensure that no school is left to solve its problems on its own.

### Introduction of New Deals for High Performing Teachers

Tan Sri Muhyiddin Yassin unveils a rewards system for high-performing teachers in conjunction with the national-level Teachers' Day celebrations. Principals, head teachers and teachers who achieve the key performance indicator (KPI) targets set by the Education Ministry are now liable to receive cash incentives of between RM900 and RM7,500 annually.

16 MAY  
2010



### Subsidy Rationalisation Open Day

An Open Day event was held to present the outcomes of the Subsidy Rationalisation Lab and to obtain further feedback and suggestions from the public. The implementation of the subsidy rationalisation took into account public feedback when the Government announced a very gradual subsidy rationalisation (effective 16 July 2010 and 4 December 2010) pertaining to fuel (specifically petrol, diesel and liquefied petroleum gas) as well as sugar.

27 MAY  
2010



### Distribution of Funds to Low-Income Households in Sabah and Sarawak

RM40 million is disbursed to Sabah (on 8 July) and RM40 million to Sarawak (on 12 July) for the implementation of the 1AZAM programme in these two states, where the number of poor households is the highest. The 1AZAM programme is an initiative under the GTP to lift low-income households out of poverty through means of employment, entrepreneurship, agricultural activities and services. In Peninsular Malaysia, the 1AZAM Programme is implemented by the Ministry of Women, Family and Community Development (KPWKM) with the cooperation of the Ministry of Agriculture & Agro-Based Industry, the Ministry of Human Resources and Amanah Ikhtiar Malaysia.

08 JUL  
2010  
TO  
12 JUL  
2010



14 JUL  
2010



#### Official launch of Malaysia's First Police Station League Table

The first Balai League Table which ranks all 753 police stations in Malaysia based on their performance in fighting crime and other notable wins, is launched. This initiative implemented by the Ministry of Home Affairs serves to inculcate a performance driven culture within the police force in an effort to aggressively reduce the crime rate in Malaysia. Every quarter, police stations across the country stand to be winners of individual categories, based on the crime rate reductions within their areas.

18 AUG  
2010



#### Orang Asli Benefit from Rural Basic Infrastructure (RBI) NKRA Initiatives

The Orang Asli community of Kampung Songkok near Batang Kali in Hulu Selangor is one of the communities to be presented with the gift of clean water by the Rural and Regional Development Ministry under its RBI NKRA initiatives. The newly installed treated water system filters and treats raw water from springs and rivers for the community's household needs. By the end of 2010, some two million Malaysian living in the rural areas saw their lives significantly improved through the provision of roads, water, electricity and houses under the RBI NKRA.

30 SEP  
2010



#### Safe Cities Programme Goes Nationwide

149 local authorities are instructed to reactivate and expand the Safe City Programme which was first introduced in 2004. Where previously only 39 of the 149 local authorities had participated in the programme, the programme has been reactivated and expanded to all local authorities nationwide in an effort to reduce street crime. As of end 2010, 12 local authorities had completed the implementation of safe city initiatives such as improvising the lighting capacity, installing safety mirrors and separating the pedestrian walkways from the motor lanes.

### BET Service to Cut Urban Public Transport Travel Time

Under the Bus Express Transit (BET) initiative, buses will leverage existing underutilised highways to link heavily populated areas and the city centre. As all BET buses are accorded priority toll lanes at toll plazas and limit the number of stops they make, shorter and faster travel times are expected. The BET service relies on the support of feeder buses and park-and-ride facilities to ensure sufficient ridership. BET 1 (Kota Damansara - Pasar Seni) and BET 2 (Bandar Baru Sg. Long - Pasar Seni) were launched on 7 January 2010, while BET 3 (Subang Mewah - Pasar Seni) and BET 4 (Taman Seri Muda - Pasar Seni) were launched on 21 January 2010. BET 5 (Rawang - Central Market), launched on 25 November 2010, is expected to cut travel time by up to 23%.

25 NOV  
2010



### 13.73 km Stretch along Kuching and Serian to Benefit 1,800 Villagers

The 13.73 km stretch connecting the Kuching-Serian highway with nine villages and two schools is launched. Some 1,800 villagers along Mile 27 of the Kuching-Serian road are today benefiting in terms of accessibility from the completed Panchor/Kampung Bintawa/Kampung Soh road. As of end 2010, 783.1 km of rural roads have been built and upgraded across the country (equivalent to the length of the North-South Highway).

28 NOV  
2010



### The Whistleblower Protection Act 2010

Groundbreaking legislation is introduced and comes into force. Among some of the key effects of this law is that whistleblowers are now granted protection of their identity, as well as protection against any detrimental action taken against them as a result of their whistleblowing.

15 DEC  
2010



### 44,643 Extreme Poor Households Reduced to Zero Percent

As of end 2010, 44,643 extreme poor households in the eKasih database are uplifted from this category i.e. reduced from 44,643 to 108 or 0.2% of the database, while the number of poor households has also reduced significantly. Various measures such as the 1AZAM programme, the provision of low-cost homes and other impactful initiatives have yielded positive results in uplifting those at the lower rungs of society.

31 DEC  
2010



# Glossary of Acronyms

## A

|       |                                                           |
|-------|-----------------------------------------------------------|
| AADK  | Agensi Anti-Dadah Kebangsaan (National Anti-Drugs Agency) |
| AFC   | Automatic Fare Collection                                 |
| AG    | Attorney-General                                          |
| AGC   | Attorney General's Chambers                               |
| AIM   | Amanah Ikhtiar Malaysia                                   |
| AP    | Auxiliary Police                                          |
| ASEAN | Association of South-East Asian Nations                   |

## B

|     |                                           |
|-----|-------------------------------------------|
| BET | Bus Expressway Transit                    |
| BN  | Barisan Nasional                          |
| BRT | Bus Rapid Transit                         |
| BTN | Biro Tata Negara (National Civics Bureau) |

## C

|      |                                                      |
|------|------------------------------------------------------|
| CAGR | Cumulative Annual Growth Rate                        |
| CARS | Car Accident Reporting System                        |
| CAT  | Crime Awareness Team                                 |
| CBD  | Central Business District                            |
| CCC  | Contingent Control Centre (Police Monitoring Centre) |
| CCTV | Closed-circuit television                            |
| CID  | Criminal Investigation Department                    |
| CPC  | Criminal Procedure Code                              |
| CPI  | Corruption Perception Index                          |
| CVLB | Commercial Vehicle Licensing Board                   |

## D

|      |                                                       |
|------|-------------------------------------------------------|
| DBKL | Dewan Bandaraya Kuala Lumpur (Kuala Lumpur City Hall) |
| DNAA | Discharge not amounting to acquittal                  |
| DoR  | Department of Railways                                |
| DPP  | Deputy Public Prosecutor                              |
| DTF  | Delivery Task Force                                   |
| DMO  | Delivery Management Office                            |

## E

|         |                                                                      |
|---------|----------------------------------------------------------------------|
| ECCE    | Early Childhood Care and Education                                   |
| EKUINAS | Ekuiti Nasional Berhad                                               |
| EMU     | Electrified Multiple Units                                           |
| EPF     | Employees Provident Fund<br>(Kumpulan Wang Simpanan Pekerja or KWSP) |
| EPP     | Entry Point Project                                                  |
| EPU     | Economic Planning Unit                                               |
| ERL     | Express Rail Link                                                    |
| ETP     | Economic Transformation Programme                                    |
| EU      | European Union                                                       |

## F

|       |                                    |
|-------|------------------------------------|
| FDI   | Foreign Direct Investment          |
| FELDA | Federal Land Development Authority |
| FIC   | Foreign Investment Committee       |
| FRU   | Federal Reserve Unit               |

## G

|     |                                            |
|-----|--------------------------------------------|
| GCB | Global Corruption Barometer                |
| GCI | Global Competitiveness Index               |
| GDP | Gross Domestic Product                     |
| GLC | Government-linked Company                  |
| GNI | Gross National Income                      |
| GPS | Gred Purata Sekolah (School Average Grade) |
| GTP | Government Transformation Programme        |

## H

|     |                          |
|-----|--------------------------|
| HAB | Hentian Akhir Bandar     |
| HDI | Human Development Index  |
| HPS | High Performing Schools  |
| HDR | Human Development Report |

## I

|       |                                                                                |
|-------|--------------------------------------------------------------------------------|
| ICT   | Information and Communications Technology                                      |
| ICU   | Implementation Coordination Unit                                               |
| IHL   | Institute of higher learning                                                   |
| IMD   | Institute for Management Development                                           |
| INTAN | Institut Tadbiran Awam Negara<br>(National Institute of Public Administration) |
| IO    | Investigating Officer                                                          |
| IP    | Investigation Paper                                                            |
| IPD   | Ibu Pejabat Polis Daerah (District Police Headquarters)                        |
| IPR   | International Performance Review                                               |
| IRB   | Inland Revenue Board                                                           |
| ITT   | Integrated Transit Terminal                                                    |

## J

|       |                                                                                                |
|-------|------------------------------------------------------------------------------------------------|
| JICA  | Japan International Co-operation Agency                                                        |
| JKKK  | Village Security and Development Committee                                                     |
| JKM   | Jabatan Kebajikan Masyarakat (Social Welfare Department)                                       |
| JPA   | Jabatan Pertahanan Awam (Civil Defence Department)                                             |
| JPAM  | Jabatan Pertahanan Awam Malaysia<br>(Malaysian Civil Defence Department)                       |
| JPJ   | Jabatan Pengangkutan Jalan (Road Transport Department)                                         |
| JPN   | Jabatan Perumahan Negara (National Housing Department)                                         |
| JPNIN | Jabatan Perpaduan Negara dan Integrasi Nasional<br>(National Unity and Integration Department) |

## K

|       |                                                                                                                  |
|-------|------------------------------------------------------------------------------------------------------------------|
| KBS   | Kementerian Belia dan Sukan (Youth and Sports Ministry)                                                          |
| KDN   | Kementerian Dalam Negeri (Ministry of Home Affairs)                                                              |
| KEMAS | Jabatan Kemajuan Masyarakat<br>(Community Development Department)                                                |
| KITA  | Institute Kajian Etnik (Institute of Ethnic Studies) of Universiti<br>Kebangsaan Malaysia                        |
| KKLW  | Kementerian Kemajuan Luar Bandar dan Wilayah<br>(Ministry of Rural and Regional Development)                     |
| KPI   | Key Performance Indicators                                                                                       |
| KPKK  | Kementerian Penerangan Komunikasi dan Kebudayaan<br>(Ministry of Information Communications and Culture)         |
| KPWKM | Kementerian Pembangunan Wanita, Keluarga dan Masyarakat<br>(Ministry of Women, Family and Community Development) |
| KSN   | Ketua Setiausaha Negara (Chief Secretary to the Government)                                                      |
| KSU   | Ketua Setiausaha (Secretary General)                                                                             |
| KTM   | Keretapi Tanah Melayu (Malaysian Railway)                                                                        |

## L

|       |                                                          |
|-------|----------------------------------------------------------|
| LIH   | Low-Income Households                                    |
| LINUS | Literacy and Numeracy                                    |
| LNPT  | Laporan Nilai Prestasi Tahunan (Annual Appraisal Report) |
| LRT   | Light Rail Transit                                       |

## M

|       |                                                                     |
|-------|---------------------------------------------------------------------|
| MACC  | Malaysian Anti-Corruption Commission                                |
| MAMPU | Malaysian Administrative Modernisation and Management Planning Unit |
| MCPF  | Malaysian Crime Prevention Foundation                               |
| MEF   | Malaysian Employers' Federation                                     |
| MKPI  | Ministerial Key Performance Indicators                              |
| MKRAs | Ministerial Key Results Areas                                       |
| MOE   | Ministry of Education                                               |
| MOT   | Ministry of Transport                                               |
| MPV   | Mobile Police Vehicles                                              |
| MRCB  | Malaysian Resources Corporation Berhad                              |
| MYC   | Malaysian Youth Council                                             |

## N

|       |                                         |
|-------|-----------------------------------------|
| NCRC  | National Crime Reduction Council        |
| NDP   | National Development Policy             |
| NEAC  | National Economic Advisory Council      |
| NEP   | New Economic Policy                     |
| NGO   | Non-governmental organisation           |
| NHS   | National Health Service                 |
| NKPIs | National Key Performance Indicators     |
| NKEAs | National Key Economic Activities        |
| NKRAs | National Key Results Areas              |
| NLT   | NKRA Leadership Team                    |
| NPCS  | National Pre-School Curriculum Standard |
| NSD   | National Security Division              |
| NVP   | National Vision Policy                  |

## O

|      |                                                       |
|------|-------------------------------------------------------|
| OBB  | Outcome-based Budgeting                               |
| OECD | Organisation for Economic Cooperation and Development |
| OKP  | Orang Kena Pengawasan                                 |

## P

|         |                                                                            |
|---------|----------------------------------------------------------------------------|
| PAC     | Public Accounts Committee                                                  |
| PAI     | Procurement Accountability Index                                           |
| PBT     | Pihak Berkuasa Tempatan<br>(Local Municipal Councils / Authorities)        |
| PCT     | Primary Care Trust                                                         |
| PDRM    | Polis Di-Raja Malaysia (Royal Malaysian Police)                            |
| PEMANDU | Performance Management and Delivery Unit                                   |
| PEMUDAH | Special Taskforce to Facilitate Business                                   |
| PERC    | Political and Economic Risk Consultancy                                    |
| PFI     | Private Finance Initiatives                                                |
| PGA     | Pasukan Gerak Am (General Operations Force)                                |
| PIKA    | Projek Inovasi Khidmat Awam<br>(Public Service Innovation Project)         |
| PISA    | Programme for International Student Assessment                             |
| PKFZ    | Port Klang Free Zone                                                       |
| PLI     | Poverty Line Income                                                        |
| PLKN    | Programme Latihan Khidmat Negara or National Service<br>Training Programme |
| PMDU    | Prime Minister's Delivery Unit (UK)                                        |
| PMO     | Programme Management Office                                                |
| PMR     | Penilaian Menengah Rendah (Lower Secondary Assessment)                     |
| POL     | Pupil's own language                                                       |
| POLMAS  | Polis Masyarakat (Police Volunteers)                                       |
| PPP     | Public-Private Partnership                                                 |
| PR      | Pakatan Rakyat                                                             |
| PRS     | Police Reporting System                                                    |
| PTA     | Parents-Teachers Association                                               |
| PVR     | Police Volunteer Reserve                                                   |
| PusPEN  | Pusat Pemulihan Penagih Narkotik<br>(Narcotics Rehabilitation Centre)      |

## R

|       |                                                                                              |
|-------|----------------------------------------------------------------------------------------------|
| R&D   | research and development                                                                     |
| RA    | Residents' Association                                                                       |
| RBI   | Rural Basic Infrastructure                                                                   |
| RCMOP | Royal Commission on the Management and Operations of the Police                              |
| RED   | Rural Economic Development                                                                   |
| RELA  | Ikatan Relawan Rakyat Malaysia (People's Volunteer Corps)                                    |
| RIMUP | Rancangan Integrasi Murid-Murid Untuk Perpaduan (Students' Integration Programmes for Unity) |
| RMK-x | Rancangan Malaysia Ke-x (Xth Malaysian Plan)                                                 |
| RT    | Rukun Tetangga                                                                               |
| RTM   | Radio Televisyen Malaysia                                                                    |

## S

|        |                                                                          |
|--------|--------------------------------------------------------------------------|
| SARS   | Severe Acute Respiratory Syndrome                                        |
| SCP    | Safe Cities Programme                                                    |
| SDS    | Social Development Services                                              |
| SIP    | School Improvement Programme or School Improvement Partners              |
| SISC   | School Improvement Specialist Coaches                                    |
| SIT    | School Improvement Toolkit                                               |
| SJK    | Sekolah Jenis Kebangsaan (vernacular schools)                            |
| SJK(C) | Sekolah Jenis Kebangsaan Cina (National Type Chinese schools)            |
| SJK(T) | Sekolah Jenis Kebangsaan Tamil (National Type Tamil schools)             |
| SMK    | Sekolah Menengah Kebangsaan (National Secondary Schools)                 |
| SMS    | Short message service                                                    |
| SOCISO | Social Security Organisation                                             |
| SPAD   | Suruhanjaya Pengangkutan Awam Darat (Public Land Transport Commission)   |
| SPM    | Sijil Pelajaran Malaysia (Malaysian Certificate of Education)            |
| SPP-II | Sistem Pemantauan Projek (Project Monitoring System) II                  |
| SQEM   | Standard for Quality Education in Malaysia                               |
| SRI    | Strategic Reform Initiatives                                             |
| SRK    | Sekolah Rendah Kebangsaan (National Primary Schools)                     |
| SRS    | Skim Rondaan Sukarela (Volunteer Patrol Scheme)                          |
| STPM   | Sijil Tinggi Persekolahan Malaysia (Malaysian Higher School Certificate) |
| SUKSIS | Kor Sukarelawan Polis Siswa Siswi (Undergraduate Police Voluntary Corps) |

## T

|       |                                                       |
|-------|-------------------------------------------------------|
| TDL   | Treasury Directive Letter                             |
| TI    | Transparency International                            |
| TIMMS | Trends in International Mathematics and Science Study |
| TKSU  | Timbalan Ketua Setiausaha (Deputy Secretary General)  |
| TNS   | Global Market Research                                |

## U

|        |                                                                                                     |
|--------|-----------------------------------------------------------------------------------------------------|
| UKM    | Universiti Kebangsaan Malaysia                                                                      |
| UNDP   | United Nations Development Programme                                                                |
| UNESCO | United Nations Educational, Scientific and Cultural Organisation                                    |
| UPPIN  | Unit Perancangan Perpaduan dan Integrasi Nasional<br>(National Unity and Integration Planning Unit) |
| UPSR   | Ujian Pencapaian Sekolah Rendah<br>(Primary School Assessment Test)                                 |
| UPT    | Urban Public Transport                                                                              |
| USA    | United States of America                                                                            |

## W

|     |                      |
|-----|----------------------|
| WEF | World Economic Forum |
|-----|----------------------|



# Acknowledgements

The positive outcomes delivered in the first year of the GTP were only made possible because of the tireless efforts of civil servants, the media, the public and private sectors, as well as the rakyat. To name each and every individual and organisation would take up several pages of this Annual Report but nevertheless we would like to acknowledge some of the many organisations that contributed to the NKRA and MKRAs. While these lists are by no means comprehensive, we want to thank all those who played a part in the GTP for their contributions and feedback. We look forward to your continued support as the government works hard to deliver on all that it has promised.

## REDUCING CRIME NKRA

Attorney-General's Chambers  
Chief Registrar's Office, Federal Court of Malaysia  
Department of National Unity (JPNIN), Prime Minister's Department  
Chief Justice Office, Federal Court Of Malaysia  
Malaysia Anti-Drug Agency (AADK)  
Malaysian Civil Defence Department (JPAM)  
Malaysian Crime Prevention Foundation (MCPF)  
Ministry of Home Affairs (KDN)  
Ministry of Housing and Local Government (KPKT)  
Performance Management and Delivery Unit (PEMANDU), Prime Minister's Department  
Prison Department, Malaysia  
RELA – Ikatan Relawan Rakyat Malaysia (People's Volunteer Corp)  
Royal Malaysian Police (PDRM)

## **FIGHTING CORRUPTION NKRA**

Astro Awani  
Attorney-General's Chambers  
Auditor-General's Department  
Broadcasting Department of Malaysia  
Bursa Malaysia Berhad  
Central Bank of Malaysia  
Civil Service Department  
Chief Registrar's Office, Federal Court Of Malaysia  
Companies Commission of Malaysia  
Economic Planning Unit (EPU), Prime Minister's Department  
Election Commission of Malaysia  
Immigration Department Malaysia  
Implementation Coordination Unit (ICU), Prime Minister's Department  
Institute of Integrity Malaysia (IIM)  
Legal Affairs Division, Prime Minister's Department (BHEUU)  
Local Government Department  
Malaysia Administrative Modernisation And Management Planning Unit (MAMPU)  
Malaysian Anti-Corruption Academy (MACA)  
Malaysian Anti-Corruption Commission (MACC)  
Malaysian Communications and Multimedia Commission  
Malaysian National News Agency  
Media Prima  
Ministry of Finance  
Ministry of Foreign Affairs  
Ministry of Home Affairs  
Ministry of Housing and Local Government  
Ministry of Information Communications and Culture  
Ministry of International Trade and Industry  
Ministry of Tourism  
Ministry of Works  
National Institute of Public Administration (JPA)  
National Security Council  
Performance Management and Delivery Unit (PEMANDU), Prime Minister's Department  
Public-Private Partnership Unit (UKAS)  
Public Services Commission Malaysia  
Public Works Department  
Registrar of Societies Malaysia (ROS)  
Road Transport Department Malaysia (JPJ)  
Royal Malaysian Customs Department  
Royal Malaysian Police Force (PDRM)  
Securities Commission Malaysia  
Transparency International, Malaysia

## **IMPROVING STUDENT OUTCOMES NKRA**

Community Development Department  
Department of National Unity  
District Education Offices  
Implementation Coordination Unit (ICU), Prime Minister's Department  
Ministry of Education  
Performance Management and Delivery Unit (PEMANDU), Prime Minister's Department  
Public Service Department of Malaysia (JPA)  
State Education Officers

## **RAISING LIVING STANDARDS OF LOW-INCOME HOUSEHOLDS NKRA**

Amanah Ikhtiar Malaysia  
Economic Planning Unit, Prime Minister's Department  
Implementation Coordination Unit (ICU), Prime Minister's Department  
Ministry of Agriculture & Agro-based Industry  
Ministry of Agriculture & Food Industry, Sabah  
Ministry of Health  
Ministry of Rural Development, Sabah  
National Housing Department  
Office of the State Secretary, Sabah  
Office of the State Secretary, Sarawak  
Petronas  
Performance Management and Delivery Unit (PEMANDU), Prime Minister's Department  
Pos Malaysia  
State Development Office, Sarawak  
Talian Nur 15999

## **IMPROVING RURAL BASIC INFRASTRUCTURE NKRA**

Department of Irrigation and Drainage, Malaysia  
Department of Irrigation and Drainage, Sabah  
Department of Irrigation and Drainage, Sarawak  
Department of Orang Asli Affairs  
Economic Planning Unit (EPU), Prime Minister's Department  
Federal Treasury  
FELCRA Berhad  
Implementation Coordination Unit (ICU), Prime Minister's Department  
Lembaga Kemajuan Johor Tenggara (KEJORA)  
Lembaga Kemajuan Kelantan Selatan (KESEDAR)  
Lembaga Kemajuan Terengganu Tengah (KETENGAH)  
Lembaga Kemajuan Wilayah Kedah (KEDA)  
Majlis Amanah Rakyat  
Ministry of Public Utilities, Sarawak  
Ministry of Rural Development, Sabah  
Ministry of Rural Development, Sarawak  
Ministry of Rural & Regional Development  
Office of the Deputy Chief Minister, Sarawak  
Performance Management and Delivery Unit (PEMANDU), Prime Minister's Department  
Perbadanan Labuan  
Public Works Department, Malaysia  
Public Works Department, Sabah  
Public Works Department, Sarawak  
Sabah Electricity Sdn Bhd  
Sabah State Government  
Sarawak State Government  
SESCO Berhad  
State Economic Planning Unit, Sabah  
State Water Authority, Sarawak  
State Water Department, Sabah  
Tenaga Nasional Berhad  
Rubber Industry Smallholders Development Authority (RISDA)

## IMPROVING URBAN PUBLIC TRANSPORT NKRA

Ampang Jaya Municipal Council  
Bahagian Pengurusan Hartanah (BPH), Jabatan Perdana Menteri  
Economic Planning Unit (EPU), Prime Minister's Department  
Implementation Coordination Unit (ICU), Prime Minister's Department  
Kajang Municipal Council  
Kelang Municipal Council  
Keretapi Tanah Melayu Berhad (KTMB)  
Kuala Lumpur City Council  
Land Public Transport Commission  
Local Government Department  
Malaysian Highway Authority  
Malaysian Resources Corporation Berhad (MRCB)  
Ministry of Federal Territories and Urban Wellbeing  
Ministry of Finance (MOF)  
Ministry of Housing and Local Government  
Ministry of Transport (MOT)  
Ministry of Works  
Performance Management and Delivery Unit (PEMANDU), Prime Minister's Department  
Public Private Partnership Unit  
Railway Asset Corporation (RAC)  
Road Transport Department Malaysia  
Road Safety Department  
Shah Alam Municipal Council  
Selayang Municipal Council  
Sepang Municipal Council  
Subang Jaya Municipal Council  
Syarikat Prasarana Negara Berhad (SPNB)

## **MINISTERIAL KEY RESULT AREAS (MKRAs)**

Department of Religious Affairs, Prime Minister's Department  
Economic Planning Unit (EPU), Prime Minister's Department  
Ministry of Agriculture and Agro-based Industry  
Ministry of Defence  
Ministry of Domestic Trade, Co-operatives and Consumerism  
Ministry of Energy, Green Technology and Water  
Ministry of Federal Territories and Urban Wellbeing  
Ministry of Finance  
Ministry of Foreign Affairs  
Ministry of Health  
Ministry of Higher Education  
Ministry of Housing and Local Government  
Ministry of Human Resources  
Ministry of Information, Communication and Culture  
Ministry of International Trade and Industry  
Ministry of Natural Resources and Environment  
Ministry of Primary Industries and Commodities  
Ministry of Science, Technology and Innovation  
Ministry of Tourism  
Ministry of Works  
Ministry of Youth and Sports  
Performance Management and Delivery Unit (PEMANDU), Prime Minister's Department

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