

Executive Summary

Introducing the transformation

Malaysia is at a crossroads. In 1991, we committed to Vision 2020, to become a fully developed nation by 2020. While we have made progress, at our current rate of growth, our nation is in danger of losing our competitiveness and falling short of our economic and social ambitions. A fundamental change is required, not just in economic and social performance, but also in the delivery of public goods and services that underpin our ability to develop the country.

To meet the challenges standing in our way of achieving Vision 2020, we have committed ourselves to a Government Transformation Programme (GTP), in accordance with the principles of *1Malaysia, People First, Performance Now*. This roadmap details the objectives, outcomes and the initial set of actions – in areas identified as National Key Result Areas (NKRAs) and Ministerial Key Result Areas (MKRAs) – with a particular focus on 2010. In parallel, the National Economic Advisory Council (NEAC) is formulating our New Economic Model, and the Economic Planning Unit (EPU) is developing the Tenth Malaysia Plan. Both will be released this year, and this roadmap should be read together with those plans.

We realise that the rakyat are impatient for results, that resources are limited and that new ideas are necessary – and that we do not have all the answers. Therefore, the methodology – or transformation engine – that we will now use, begins with a quick call for the best ideas, and then rapidly moves to action. It is our belief and experience that we learn best from doing, rather than simply planning. Through this doing, we are able to assess the impact of our initial actions, and then rapidly implement enhancements.

The GTP described in this roadmap is not comprehensive, definitive or static. While the targets in this roadmap will not change, the initiatives represent an initial set of activities intended to deliver these targets. These will be refined further based on the results of on-the-ground implementation. We will regularly assess and publish our progress against current targets and indicate what new actions we will take to enhance performance in the first quarter of each year.

Rather than setting targets that we could easily achieve, we have stretched our targets as a way to increase our aspirations. This means it is unlikely that we will achieve all targets. If we did, we would not have stretched our aspirations far enough. Accordingly, we will support individual ministers and civil servants depending on their level of achievement against their targets, e.g., at the 60% mark versus the 70%, 80% and 90–100% (or higher) mark.

The GTP is led by the Prime Minister and his Cabinet, supported by the Chief Secretary and the civil service. The development of this document however was spearheaded by the Minister for Unity and Performance Management and the CEO of the Performance Management and Delivery Unit (PEMANDU). To formulate and detail the targets, timelines and initiatives, we formed eight dedicated cross-agency teams (comprising about 250 civil servants), called labs – one for each of the six NKRAs, one for *1Malaysia* and one formed to examine the data management of these efforts. The Prime Minister, cabinet ministers and top leaders of the civil service spent significant time with each lab, to monitor progress and challenge the participants towards setting more ambitious targets and faster delivery times. The lab also solicited inputs from experts and practitioners in their respective areas and from the rakyat, through multiple surveys, focus groups and interviews, millions of

SMS, the GTP website and open days in Kuala Lumpur, Kuching and Kota Kinabalu. During the Kuala Lumpur Open Day alone over 5,000 people attended, and 1,000 pieces of feedback were received.

Challenges in realising Vision 2020 despite considerable achievements

With Vision 2020, we committed ourselves to nine goals, encompassing economic, political, social, spiritual, psychological and cultural dimensions of our growth. Collectively, they made for a set of challenging targets for Malaysia. Under the guidance of past and present leaders, and through the hard work of the rakyat, we have made considerable progress on our journey towards 2020.

During the period 1991–2008, the Malaysian economy grew at an average rate of 6.2% per annum. We performed better than the ASEAN region overall and better than many developed economies. Such growth was achieved while we reduced rates of poverty and hardcore poverty. Malaysians are living longer, receiving basic education and experiencing rising access to mobile, Internet and broadband communications. In addition Malaysia has progressed significantly in the provision of basic infrastructure. Such improvements in quality of life are captured in the increase in many domestic and international indices such as the United Nations Development Programme (UNDP) Human Development Index (HDI) and the EPU's Quality of Life Index. We have also shown our resilience to withstand regional and global crises, such as the 1997–1998 financial crisis, the post-September 2001 recession, the SARS outbreak in 2002–2003 and the most recent global economic crisis.

In addition, our civil service has progressed and adapted itself to the changing environment. The past two decades have witnessed ever-increasing demands from the rakyat for improvements in the quality and quantity of public services. In response, we have implemented programmes aimed at delivering services to the rakyat faster and more conveniently. Notable efforts have included expanding the use of technology (e.g., myGovernment and e-KL portals, e-filing of tax forms), increasing operational efficiency (e.g., two-hour passports, one-stop centre for company registration) and building capabilities (e.g., cross-fertilisation programme between government departments and government linked companies).

Despite these and other achievements, it will still be challenging to fulfil our 2020 aspirations. Economically, we need a step increase in growth rates to about 8% p.a. (from 6.2% p.a. over the past 20 years). This is made more difficult by the fact that we have been experiencing slower growth rates since the 1997 economic crisis and are exhibiting signs of being stuck in the middle income trap. Socially, Malaysia's performance in areas such as crime, corruption, education and income distribution has fallen behind and needs to be improved in order to achieve the social goals encapsulated in Vision 2020. An added complication is that we have an increasing budget deficit and high levels of debt and therefore need to find ways to reduce spending while delivering big economic and social outcomes fast.

With an increasingly challenging global environment, elements of our economy will need to be structurally upgraded in order for us to increase our growth rate. A new economic model is currently being developed by the NEAC to guide the economic strategy of our country while the Tenth Malaysia Plan (2011 - 2015) will be released by June 2010. This roadmap of the Government's delivery agenda, with the NKRA's as enablers to achieve our economic aspirations, should be read in conjunction with those plans.

Catalysing Vision 2020 through *1Malaysia, People First, Performance Now*

To accelerate our performance in order to achieve Vision 2020, we have formulated the GTP based on the principles of *1Malaysia, People First, Performance Now*.

1Malaysia is based on the concept of fairness to all. This means that no group should be marginalised, and support and opportunities are provided on the basis of need and merit. Yet, existing constitutional rights will be upheld, and different levels of development of different groups must be taken into account. The principle of *People First* means that we will focus on areas that the rakyat most want and need and disproportionately direct our finite resources to those areas. We will however also balance short-term needs with making investments in areas for the medium and long-term. With *Performance Now*, a new bar for government transparency and accountability has been set. Tangible outcomes that can be seen and felt by the rakyat and delivered immediately are required. This roadmap is the beginning, explicitly laying out clear objectives, targets and plans, which will be reported on through annual progress reports.

The GTP has been phased over three periods, and we commit to delivering outcomes across each of the *1Malaysia, People First, Performance Now* dimensions.

In Horizon 1 (2010–2012), our immediate objectives are to establish a new engine for change and deliver substantial outcomes for the rakyat quickly. This includes setting and achieving targets within NKRA and MKRA, so as to address the priorities of the rakyat. Existing efficiency measures to improve government productivity are expected to continue. In addition, we commit to publishing an annual report in the first quarter of each year, 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.

By Horizon 2 (2012–2015), the change within government is expected to be more pervasive. The important aspects of daily life (defined as NKRA and MKRA) 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.

In 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.

The benefits of *1Malaysia, People First, Performance Now* will be significant for all stakeholders. For the rakyat, especially those in rural areas and with lower household incomes, this should improve their overall quality of life and instil a greater sense of unity. More Bumiputeras will benefit as access within the community will be increased and based on need and merit, not on personal connections. The business community, meanwhile, will benefit from an increase in ease and transparency in dealing with the Government, more efficient infrastructure to do business and a higher quality workforce. Last but not least, civil servants will have the ability to earn rewards and recognition for outstanding performance and the opportunity to learn and apply new and innovative ways of delivery.

Building *1Malaysia*

Creating oneness or unity within a multi-religious and multi-cultural nation is challenging. Malaysia has chosen a unique route – that of unity in diversity and inclusiveness, while ensuring fairness to all and remaining anchored in our Constitution. This means that we embrace our diversity of ethnicity, religions and beliefs and, by being inclusive, build mutual respect and acceptance into a solid foundation of trust and cohesiveness. This has historically been the path that we have taken as a nation and is now encapsulated by the principle of *1Malaysia*.

Inherent in every human society or relationship are polarities, more so in a plural society. A polarity is the existence of two views, conditions or demands that are opposite to each other. Unlike a technical or mechanical problem that can have a simple, straightforward solution, a polarity usually requires a trade-off that needs to be managed, and managed well. Embracing inclusiveness is one – perhaps even the best – approach to managing polarities.

1Malaysia is built upon the foundations of our Federal Constitution, various laws and policies, the Rukun Negara, Vision 2020 and the National Mission. It is premised on the concepts of unity in diversity and inclusiveness, social justice, the *1Malaysia* moral and aspirational values expounded by the Prime Minister (culture of excellence, perseverance, acceptance, education, integrity, wisdom, humility and loyalty) and the twin commitments of *People First, Performance Now*.

The goal of *1Malaysia* is to make Malaysia more vibrant, more productive and more competitive – and ultimately a greater nation: a nation where, it is hoped, every Malaysian perceives himself or herself as Malaysian first, and by race, religion, geographical region or socio-economic background second and where the principles of *1Malaysia* are woven into the economic, political and social fabric of society.

Malaysians have different views of the ideal *1Malaysia*. When polled through various channels, we gained a range of perspectives. Some argued for retaining the status quo, but equally, a sizeable proportion would like to see change.

While *1Malaysia* is our aspiration, we cannot leapfrog there from where we are. Getting there will take time and careful adjustments to maintain the peace and harmony that we have developed since the birth of our nation. Also, delivering *1Malaysia* will not just be the responsibility of the Government; it will be up to the creativity and spirit of volunteerism of all Malaysians to make it happen. We will not get there overnight, but God willing, we will get there.

Identified and formulated based on public feedback, the six NKRAs are meant for all Malaysians and cut across race, religion and region. These provide a beginning to managing some of our nation's complex polarities. Four of them, namely education, low-income households, rural infrastructure and urban public transportation, target the needs of the lower income and disadvantaged groups. The incidences of poverty and lack of infrastructure are more prominent amongst Malays, Sabah and Sarawak Bumiputeras, Indians and Orang Asli, though not exclusively so. By delivering on these NKRAs, existing disparities will be reduced, which in turn should mitigate legitimate feelings of relative deprivation that may sometimes turn into discontent that is perceived and expressed in racial terms.

In addition, the concerted effort to deliver outcomes in the six NKRAs will motivate, mobilise and galvanise the active participation and effective contributions of government officials, the private sector, non-governmental organisations and the rakyat. This will in turn nurture a greater sense of unity in purpose and bring people closer together.

To generate additional initiatives and design action plans to achieve the ideals of *1Malaysia*, we convened a *1Malaysia* Lab in October and November 2009. Representatives from the private sector, civil service, academia and NGOs were invited to participate. In addition to soliciting the views of over 100 people (senior civil servants, NGO heads, community leaders, prominent business leaders and student leaders), input was also sought from the wider rakyat through public surveys, open days, focus groups, SMS and websites.

Working together in the lab, we identified many issues and initiatives relating to unity and clustered them into seven groups. Many are already implemented programmes that need to be reviewed, while others are proposals that need to be considered for implementation by various ministries and agencies. The list of initiatives is neither comprehensive nor exhaustive.

(1) The economy and national unity under *1Malaysia*

Poverty and inter-ethnic disparity in economic participation and wealth distribution were identified as the key causes of inter-ethnic tensions and strife and social-political instability and thus formed the basis for the formulation and vigorous implementation of the National Economic Policy since 1971. The NEP's first goal of eradicating poverty has largely been achieved. Its second goal of restructuring economic participation and wealth ownership in society has also had success in increasing the number and percentage of Bumiputera professionals. However, while the Bumiputera equity in the corporate sector has increased in absolute terms, its proportion has remained stagnant.

The implementation of the NEP has also led to certain unintended results, including the emergence of a two-speed economy, widening inequality, rising discontent and an increasing brain drain. It is imperative that these be addressed; otherwise our economy's competitiveness, stability and sustainability – and national unity – will be in jeopardy.

Some steps have already been taken. Together with the establishment of EKUINAS (Ekuiti Nasional Berhad, a new private equity fund to drive Bumiputera participation in high-growth areas), the financial sector and 27 service sub-sectors were liberalised. More initiatives are being formulated as part of the New Economic Model and are expected to be announced in the first quarter of 2010.

Proposed ideas based on discussion in the lab and feedback from various sources, specifically to promote more effective inter-ethnic collaboration and unity in the economic arena, include:

- Formulating a more focused and effective strategy to leverage Malaysia's diverse linguistic capabilities, cultural connections and religious affiliations with markets in China, India and Islamic countries
- Forging genuine collaboration and participation in business enterprises for external and domestic markets, focusing on products and services that leverage our diversity, such as Islamic financing
- Formulating a more effective brain gain strategy and providing a more conducive environment to attract talented Malaysians and non-Malaysians to contribute to our knowledge-based economy
- Convincing the Malaysian diaspora to invest in Malaysia or to help market Malaysian products and services in their countries of residence

- Prohibiting discrimination based on racial attributes or linguistic capability in job recruitment advertisements.

(2) Education and national unity under *1Malaysia*

The education system reflects cultural and linguistic diversity, and there are various streams using different media of instruction across the primary, secondary and tertiary levels. This has produced students with diverse linguistic capabilities (Bahasa Malaysia, Chinese, English, Tamil, Arabic), thus enabling Malaysians to communicate and explore learning and business opportunities in the four key markets of the world – China, the West, India and Islamic Countries.

This multilingual capability has been and will continue to be a comparative advantage of Malaysians, which, if properly enhanced and harnessed, will further augment Malaysia's position as a major trading nation. However, it has also resulted in students of different races being segregated. There is, therefore, a need for continued efforts and new initiatives to promote integration within the formal education system.

Some initial steps have already been taken and those will be supplemented with new ideas, including:

- Upgrading the quality of national schools to become the schools of choice for all students (irrespective of race or religion) in terms of excellence, with provision for vernacular or pupil's own language and a more multi-inclusive atmosphere as found in some of the premier mission schools in urban areas
- Encouraging interaction amongst SK and SJK students by more extensive and effective implementation of Rancangan Integrasi Murid-murid untuk Perpaduan
- Promoting *1Malaysia* Boarding Schools by making them more multiracial and setting up more high quality boarding schools open to all
- Awarding new national scholarships to top students, strictly based on merit, to study in top international universities
- Making private Institutes of Higher Learning (IHL) more multiracial in student composition by providing additional incentives and bursaries to Bumiputera students
- Providing teachers with knowledge, awareness and skills so as to be sensitive to the diverse background of students and to handle inter-ethnic relations in a positive and proactive manner.

(3) Promoting *1Malaysia* social interactions

Several programmes and projects have been implemented to promote social integration amongst Malaysians in a significant way, including:

- Rukun Tetangga, which has focused on promoting neighbourliness, assisting in neighbourhood watch and promoting various community, environmental, economic and socio-civic activities. Proposals include providing more activities and training leaders in better communication and mediation skills.
- Program Latihan Khidmat Negara or National Service Training Program, has involved youths of all backgrounds in a three-month camping and social-work environment. Proposals include inculcating *esprit de corps*, involving more youths and extending the duration as well as forming an alumni group.

- Various programmes for sports, youth and women development that can contribute to greater integration amongst various communities. Proposals include attracting wider and more sustained participation.
- Various programmes under the Department of National Unity and Integration to promote awareness of the foundations of nationhood as well as goodwill, understanding and integration. Proposals include expanding and enhancing the programmes to emphasise changing attitudes.
- Students Integration Programs for Unity promotes joint extra-curricular activities among national and national-type primary schools. Proposals include involving more schools, harnessing the support of PTAs, Rukun Tetangga and NGOs, reviewing methodologies and leveraging the Internet.
- Programmes in arts and culture to highlight our rich heritage and promote a sense of pride and belonging. Proposals include using multi-ethnic themes in plays, promoting music played on traditional instruments and encouraging Malaysians to write in various languages for both local and foreign readers.

All of the above have achieved varying levels of results and therefore will need further enhancement following an in-depth review.

(4) Managing religious and cultural polarities

Malaysians professing different religions are – and have been – living harmoniously and peacefully together. However, as Malaysians of different faiths closely interact at work, at school and in social settings, it is inevitable that misunderstandings and mishaps occur. Unfortunately, these are sometimes interpreted as being driven by race or religion, and if not managed and mediated well, such disputes may become inter-group conflicts.

There are specific sensitive areas of concern that require further attention, for example the movement of places of worship or inter-marriages that require conversion of one spouse to the religion of the other.

The movement of places of worship is usually an urban planning issue that needs the formulation of clear guiding principles and procedures as well as mediation mechanisms. In the case of issues resulting from religious conversion, we have recently sought advice from the Malay Rulers, state Islamic religious councils and relevant NGOs so that we can formulate guidelines and rulings, including amending relevant acts. Our objective is to ensure that any responsibilities being assumed are known by both the converting person and his/her non-converting family members, so that such disputes can be avoided.

It is important to acknowledge the potential risks of disputes arising out of the polarity of religion and culture, and efforts must be made to promote better understanding amongst various groups (for example via consultative panels on social harmony and national unity at the federal and state levels to promote inter-ethnic and inter-faith understanding). Moreover, instead of focusing only on potential differences and disputes, we should harness the multi-religious and multi-cultural society in Malaysia to our advantage (for example via hosting international forums for inter-faith and cross-cultural discourse that showcase Malaysia's principally Muslim leadership governing a country with a multi-religious population).

(5) Towards a truly *1Malaysia* government

The commitment to continuously upgrade the delivery efficiency of the Government administration and civil service cuts across racial, religious and regional barriers. Particular attention will be paid to ensure that the civil service becomes even more inclusive and is fully committed to practise the spirit of *1Malaysia*.

Initial steps have already been taken, for example, the set up of a federal-state task force to clarify the status of undocumented citizens in Sarawak and issue identity cards to confirmed citizens. Completely undocumented people will have their status clarified and their documents issued by 2011. All confirmed citizens without identity cards will be issued one by the end of 2010.

In addition, examples of proposals to promote a truly *1Malaysia* government include:

- Ensure the promotion of the spirit of *1Malaysia*, i.e., unity in diversity through inclusiveness, is a key commitment and hence a key component in the overall KPI of each and every ministry and public agency.
- Adjust the ethnic mix of the civil service to be more representative of the population, in particular encouraging more Chinese and Indian personnel to join the civil service and upgrading officers of Bumiputera origins from Sabah and Sarawak.
- Ensure that all training programmes and courses, including those conducted by Institute of Training for Public Administration (INTAN) and Biro Tata Negara (BTN), fully promote the Rukun Negara objectives and tenets as well as the *1Malaysia* spirit of inclusiveness and core values.
- Inculcate more sensitivity to diversity amongst civil servants and develop their skills to manage and mediate potential conflicts amongst people of diverse backgrounds.
- Eliminate the requirement to mention race on government forms, except when it is for the purpose of census and statistics.

(6) Promoting and practising all-inclusive *1Malaysia* politics

Independence was won in 1957 through the unity of purpose forged by three race-based parties in the Alliance. This was later expanded to include other parties (some multi-racial in composition) to form the governing Barisan Nasional. The opposition, Pakatan Rakyat is comprised of two multi-racial parties and one religion-based party. Although both coalitions reflect and represent Malaysians of various races and religions, race and religion-based rhetoric still emerges from time to time from individuals belonging to both coalitions.

In line with the *1Malaysia* spirit and in order for *1Malaysia* to be successful, there is an urgent need for all political parties, whether race-based, religion-based or multi-racial, and all politicians to move towards more inclusive politics, emphasising the many common issues that affect all Malaysians, harnessing common universal values, rather than amplifying the differences in race, religion and region. Political leaders should lead by example, discarding and dispelling racial stereotyping, and wherever possible ensure that their staff represents multiple races. We must all promote all-inclusive *1Malaysia* politics.

(7) Promoting an all-inclusive *1Malaysia* media

With thriving print and now electronic media in Bahasa Malaysia, Chinese, English and Tamil (and Kadazan-Dusun and Iban-Dayak supplements in some Bahasa Malaysia and English papers in Sabah and Sarawak), the Malaysian media reflects the diversity of Malaysia. Consequently, the various ethnic-cultural communities in Malaysia are well informed about and stay connected with the larger Muslim, Chinese, Indian and Western worlds. This has cultural and economic value that ultimately contributes to Malaysia's overall advantage.

However, when some of the reporting and writing becomes too ethno-centric or even takes on a more race-centred angle, it raises, rather than breaks down, barriers. Further, instead of providing constructive and valid criticism, some writers abuse the greater freedom of expression now available to use terms and express feelings that are racist or inflammatory in nature and tone.

While censorship is antithetical to democracy, there is a need to introduce, instil and internalise a commitment to journalistic professionalism, a sense of responsibility and self-restraint, with sensitivity to the divergent views and feelings of the diverse communities in Malaysia.

Implementing *1Malaysia*

We carefully considered the best path to *1Malaysia* and chose an evolutionary approach based on consensus and gradual change. To date, many ministries and agencies have already implemented programmes that contribute – directly or indirectly – to national unity and social integration. However, there is an urgent need for a planning and coordination function to formulate strategies and policies for the entire government (across ministries and agencies) and improve the implementation, inter-ministerial collaboration and monitoring of these programmes and activities. There is also a need to promote more in-depth research on various aspects of inter-ethnic and inter-religious relations.

We propose to restructure the JPNIN into two departments – one to focus on promoting Rukun Tetangga and other programmes to promote interaction amongst youth, women and senior citizens and integration between the people of Sabah, Sarawak and Peninsular Malaysia (its traditional role), and a second under the Prime Minister's Department to be called Unit Perancangan Perpaduan dan Integrasi Nasional (UPPIN), that will focus on policy research and formulation, strategic planning and development, and monitoring and assessment of outcomes, similar to central agencies like the EPU and ICU.

Although difficult to measure, we will use two indices to monitor our national unity and social harmony. The Global Peace Index will give us an objective measurement of Malaysia's situation that can be compared with other countries, while the JPNIN's Societal Stress Index will continue to let us measure conflicts and protests of an ethnic or religious nature. To gain a more comprehensive picture, the JPNIN has enhanced its working relationship with university researchers and increased its sponsorship of research and study projects.

Achieving national unity has been and will continue to be the most important mission for Malaysia and for all Malaysians. It is an ongoing and perhaps never-ending mission requiring significant commitment. We, the Government, are determined and dedicated to promoting the *1Malaysia* mission. Our initiatives together with the successful implementation of the New Economic Model and delivery of results in the NKRAs and MKRAs will usher in a new era of *1Malaysia*.

Indeed we have no other choice but to transform the Government, to achieve tangible results fast and to transform Malaysia. Not doing so entails too many significant risks: our economy's competitiveness and investment will continue to decline, we will lose jobs and talent, our income will fall, our livelihood, standard and quality of life will deteriorate; our social fabric will be strained; our inter-ethnic harmony, stability and security will be threatened. On the other hand, if we can work closely together, firm and focused in our resolution and endeavour, we can not only relieve the many irritants of the rakyat but also bring significant gains for all. Through our joint effort, we will gain a thriving and modern economy, an integrated and united society and a competent and committed government.

Putting people first

NKRAs have been deemed the priority areas for the nation. 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. To reflect the importance of the NKRAs, they are collectively owned by the Cabinet, with accountability for delivery resting on a lead minister, who is appointed and formally monitored by the PM.

The existence of NKRAs does not mean that other areas will not receive attention. These will be covered at the Ministry level and are known as MKRAs. Each respective minister will be responsible for delivering these.

The days of "government knows best" are behind us. To ensure that we had an accurate gauge and sense of what the priority areas are for the rakyat, multiple input sources, including rakyat opinion polls, perception surveys, (alternative and mainstream) media analysis, dialogues with select academics, private and public sector leaders, were considered.

After deliberation by the Cabinet, the six NKRAs and their respective lead ministers were announced during the Prime Minister's speech to mark his first 100 days in administration on 11 July 2009, namely: reducing crime (led by the Minister of Home Affairs), fighting corruption (led by the Minister in the PM's Department, in charge of Law), 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), and improving urban public transport (led by the Minister of Transport).

As it is imperative that we deliver on the NKRAs fast, they will be given priority in terms of leadership attention, funding allocation and talent sourcing. For example, in addition to cabinet meetings where progress of the NKRAs is discussed, the PM dedicates an average of 10–12 hours a month on NKRA related issues. Funding for NKRA initiatives has been made available through reallocations from lower-priority areas. Lastly, the highest performing civil servants were hand-picked by the respective Secretary-Generals to develop the initiatives and targets contained within this roadmap.

We will continue to involve the rakyat. Input and feedback on current and new initiatives will be sought via the channels used to date, e.g., through surveys, focus groups, SMS, the GTP website and open days. In addition, their participation in supporting the delivery of these NKRAs is also necessary, as in many cases, we can only deliver by working together with the rakyat, private sector and other stakeholders.

What follows is a brief description of the NKRA's and their performance objectives as well as other high-impact actions that we will be implementing. More detail is provided in the chapter for each area.

Reducing crime

The overall index crime rate¹ increased from 746 reported crimes per 100,000 population in 2006 to 767 in 2007 and 2008 – a rise of nearly 3%. In light of these increases, and the importance of this issue to the rakyat, we plan to reduce crime through actions focused on delivering three outcomes:

(1) Reduced overall reported index crimes, with a focus on street crimes

Our targets are to achieve at least a 5% reduction in overall reported index crime² every year for the next three years. However, as street crimes are our main focus, we are aiming for even faster results – a 20% reduction of street crimes by December 2010.

Some of the priority initiatives that will contribute towards reducing overall index crime include: employing stakeouts for motorcycle theft, car theft and house break-ins; improving security features for motorcycles, cars and houses (including promoting special locks for motorcycles and coding vehicle parts); rewarding owners who invest in improved security features by encouraging insurers to adjust insurance premiums according to the security features installed and increasing availability and usage of mobile access devices, enabling police officers on patrol to check a vehicle's ownership status via a link to Jabatan Pengangkutan Jalan's (JPJ) vehicle registry.

To reduce street crime, initiatives include: making the police omnipresent in 50 hot spots in four states³ (that account for 70% of street crimes) and strengthening their presence with over 3,000 trained volunteers (including from Jabatan Pertahanan Awam Malaysia (JPAM) and Ikatan Relawan Rakyat Malaysia (RELA)) by June 2010; placing 500 closed-circuit televisions (CCTVs) in hotspots to deter criminals, enable rapid response by the police and make it easier to identify offenders; setting up special courts for quicker prosecution of street crimes; establishing the Safe Cities Programme (SCP) to bring together relevant agencies to tackle local problems with localised initiatives (e.g., using bollards to separate pedestrians from motorists) and improving in-prison rehabilitation programmes and introducing post-release resettlement programmes to reduce repeat offenders (e.g., separating first-time offenders in prisons from hardcore or repeat convicts).

(2) Improved public perception of safety, especially through public participation and volunteerism

Increasing the rakyat's sense of safety, encouraging volunteers and communicating with the rakyat on crime are three parts of our strategy to reduce the fear of becoming a victim of crime and improve the public's perception of safety. To measure and monitor the public's perception of safety, we will launch an independent survey to establish current levels; once current levels have been established, targets will be set for the next three years to continually improve the perception of safety.

¹ Based on Index Crimes, as measured by the Royal Malaysian Police/Polis DiRaja Malaysia, PDRM

² 14 types of crime that occur with sufficient regularity and significance that they collectively serve as a meaningful index to the overall crime situation; divided into property theft (e.g., snatch thefts, break-in) and violent crimes (e.g., robbery, assault)

³ Kuala Lumpur, Johor, Selangor and Penang

Some initiatives to increase the rakyat's sense of safety include: assigning senior police officers (ranked Inspectors and above) to patrol together with beat policemen for 3–5 hours a week. Their presence will help reassure the rakyat and motivate regular beat policemen. Having police officers stop and talk to the general public for 10–15 minutes of every hour during regular patrols will provide opportunities for the public to raise concerns and get to know their local officers.

To promote volunteerism, initiatives include expanding Skim Rondaan Sukarela (SRS), where local residents patrol their own neighbourhoods, and expanding Rakan Cop, an existing scheme where people register by text message (SMS) to act as the eyes and ears of the police. They can then inform the police of criminal incidents or suspicious behaviour via SMS.

Lastly, increased communication about crime prevention and crime enforcement across a variety of media will help people to be less afraid of crime, engage with the police directly and reduce their susceptibility to criminal acts.

(3) Improved performance across the criminal justice system to build public confidence and strengthen professional pride

To ensure timely prosecution and sentencing of violent crime offenders, we will clear over 6,000 violent crime cases from the backlog, which is increasing at the rate of almost 1,000 per year. Our target is to bring an additional 2,000 violent crime offenders to trial in 2010 than went to trial in 2009. In addition, we will strive to improve public satisfaction with the police force. An independent survey will be commissioned to measure current levels of satisfaction with the police and once a baseline is established, a target to improve satisfaction for every year until 2012 will be set.

Some of the initiatives to help reduce the backlog include increasing the number and efficiency of Investigating Officers (IOs), e.g., by bringing back retired high-performing IOs; creating Flying Squads or specialist teams of high-performing judges and magistrates sent to areas with many unsettled cases of violent crime and accelerating the bill on Criminal Procedure Code (CPC) amendments, including those to implement plea bargaining and tendering of witness statements, as this would speed up the overall pace of prosecution.

To improve public satisfaction with the police, initiatives include expediting response time for 999 calls by instituting caller tracking and implementing first response via motorbike; providing triage and counselling services at police stations and publishing league tables of police station performance against the overall index crime rate and the change in crime rate. The highest performing stations will be rewarded, and the lowest performers will be supported and monitored until their performance improves.

A complete set of initiatives and more details on all initiatives to support the achievement of the Crime KPIs are contained in Chapter 6.

Early progress on reducing crime achieved

The street crime initiatives launched at the beginning of August have achieved some progress. For example, to enhance police omnipresence in 50 hot spots of crime, 1,100 Pasukan Gerakam Awam (PGA) were mobilised in Kuala Lumpur and Selangor, about 700 RELA/JPAM personnel were trained and deployed and 24 Balai

Polis Bergerak were assigned to these locations daily. We installed 23 CCTVs and linked 59 existing CCTVs in Kuala Lumpur to PDRM.

Fighting corruption

The perception of corrupt practices has risen in recent years. Malaysia's position in the Transparency International (TI) Corruption Perception Index (CPI) has dropped from 23 in 1995 to 56 in 2009.

The cost to the nation of corruption is significant. PEMUDAH has estimated that it could cost Malaysia as much as RM 10 billion a year, or 1–2% of GDP. In our renewed fight against corruption, we will begin by focusing on the three areas most prone to corruption – regulatory and enforcement agencies, government procurement and grand corruption (including political corruption). In addition, we will adopt KPI measures that are outcome-based and internationally benchmarked.

Our target is to increase by 2010 our CPI score from 4.5 to 4.9 and the percentage of respondents agreeing that the Government's action in fighting corruption is effective in TI's Global Corruption Barometer from 28% to 37%.

(1) Regain the public's confidence in regulatory and enforcement agencies

We will regain the public's confidence in the Police, Customs, Road Transport Department (JPJ), and Immigration, the agencies under the Federal Government with the highest number of cases charged by the MACC and the lowest perceived integrity scores among the business community and the public.

Our objective for 2010 is to increase the number of cases charged versus number of arrests for drug trafficking and possession to 80% (from current 75%), the number of summons settled versus number of summons issued by the PDRM to 61% (from 50%) and by the JPJ to 78% (from 60%). In addition, we target to increase the number of cases charged versus number of arrests and detention under the Immigration Act to 60% (from 53%) and increase taxes recovered from under-declared goods to RM 21 million (from RM 9 million).

To achieve these targets, we will strengthen and empower compliance units within each enforcement agency. This includes allocating sufficient resources to a dedicated unit that is empowered to take action. The compliance unit will report directly to the head of the enforcement agency, with an independent commission overseeing its management and conduct. Supporting frameworks, including for whistleblower protection, integrity assessment of personnel and rewards and consequences will also be established to enhance effectiveness of the compliance unit.

In addition, we will also implement other initiatives designed to reduce the opportunity for corrupt practices to take place at these enforcement agencies. This includes instituting job rotation to help prevent enforcement officers from forming collaborative relationships with criminal organisations. Given the importance of improving the performance of local authorities in the fight against corruption, we will also create a league table of performance for all local authorities.

(2) Reduce leakages in government procurement

We will reduce leakages of funds allocated for national development and operational expenditure and ensure transparency in the award of contracts. Our target is, by

2010, to reduce the number of audit findings on procurement per ministry to 10.6 from 11.2. Initiatives to achieve this include:

- Gradually reduce the practice of support letters, which are used to exert undue influence on civil servants to circumvent standard policies and processes in obtaining contracts. Our ultimate goal is to eliminate this practice altogether.
- Disclose details of all government procurement contracts on the websites of ministries and agencies and on the e-government portal. The Secretary-General or Director-General of each ministry will be made accountable to ensure up-to-date procurement information from their ministries is disclosed. Details include a list of procurement projects planned, names of successful contractors, contract sums and project periods.

(3) Tackle grand corruption

We will strive to prevent the abuse of power and public resources by politicians and senior civil servants. Our success will be measured using an independent public survey on the perception of the level of grand corruption. In addition, we aim to increase, by 2010, the percentage of trials completed within one year to 30% from 8.5% and list 84 convicted offenders in our new name and shame database. Our initiatives include:

- Enforce existing political laws, and conduct a study on revamping political funding within the bounds of the constitution. The study will include the possibility of introducing an enhanced disclosure process, cap on private donations and supplementary public funding.
- Announce zero tolerance policy and whistleblower protection framework.
- Strengthen the independence of key institutions including the Judicial Appointments Commission, within the bounds of the constitution.
- Endeavour to complete prosecution of corruption cases within one year, particularly for public interest cases.
- Enforce stiffer punishments for those guilty of corruption. This includes specifying minimum sentences and harsher penalties for convicted public officers.
- Developing a public name and shame database of convicted offenders to act as a deterrent and facilitate employment decisions.

Key milestones

In 2010, the rakyat can expect to see disclosure of government procurement contracts on the e-government portal, the enactment of the Whistleblower Protection Law and an act to prosecute corruption cases within one year. These milestones (along with their initiatives) are further described in Chapter 7.

Early progress on fighting corruption achieved

Even at this early stage, the Government and other institutions are already acting to reinforce their renewed fight against corruption. Examples include the prosecution of elected representatives (across political parties) and high-ranking civil servants for misuse of public funds as well as the setting up of a civil service task force to probe financial irregularities reported by the Auditor General. In addition, the MACC has completed a study to plug loopholes for misuse of constituency funds by state assemblymen and MPs and is currently briefing elected representatives on the procedures that they must put in place to prevent abuse.

Improving student outcomes

Malaysia has made enormous strides in its education system over the past 50 years including achieving an adult literacy rate of 92%, universal primary school enrolment and one of the highest growth rates in secondary school enrolment amongst developing countries. However, we cannot be complacent. Malaysia's student outcomes have fallen behind countries like Singapore, Hong Kong and Korea. Alarming, the gap within Malaysian student outcomes is also widening, e.g., about 20% of Malaysian students failed to meet the minimum TIMSS benchmarks for Maths and Science in 2007, compared to about 5–7% in 2003.

Improving student outcomes is critical to building a competitive workforce, and we will initially focus on the following areas:

(1) Increase the pre-school enrolment rate of both 4+ and 5+ year-olds, and improve the quality of the system

To achieve the enrolment rate targets of 72% and 87% by the end of 2010 and 2012 respectively (from the current 67%), we identified seven ways to strengthen the governance and delivery of high-quality pre-school education, namely:

- Establish the National Committee on Pre-School Education and a Pre-School Division within the MOE to govern all pre-school providers.
- Roll-out the National Pre-School Curriculum Standard (NPCS), developed in collaboration with the private sector, in January 2010.
- Harmonise the support of government pre-school students, including equalising per capita grants.
- Improve the quality of pre-school teachers and teacher assistants, including 30,000 new and existing staff over the next three years.
- Increase the number of pre-school classes, in particular for the 4+ age group, estimated to be about 10,000 additional classes.
- Increase public-private partnerships in pre-school education to achieve additional classes required while adhering to national standards.
- Develop a national pre-school information system to collate administrative information, such as physical location of the school, student and personnel particulars and performance related data.

(2) Ensure that all children⁴ have acquired basic literacy and numeracy skills after three years of education

A new Literacy and Numeracy programme (LINUS) has been designed to ensure that, by 2012, all children have basic literacy (in Bahasa Malaysia) and numeracy skills after three years of primary school education. It consists of a six-part strategy which focuses on all the main levers of literacy and numeracy.

- Screening conducted three times a year in March, June and September to help identify students who will either be placed into the LINUS programme or into a Special Education programme if they have a learning disability
- New literacy and numeracy modules developed where easier-to-grasp concepts will be covered earlier and more emphasis will be placed on the application of the concepts learnt

⁴ Children with learning disabilities will be placed under a special education programme with separate targets.

- Training of close to 17,000 teachers to deliver the new LINUS modules effectively, completed between November 2009 and February 2010.
- Commitment built amongst stakeholders through awareness programmes and activities organised for state and district education departments, head teachers, parents, Teachers Associations and members of the public
- Intensive monitoring and supervision of roughly the bottom 10% of schools by the officers in the state and district education departments and the MOE's Jemaah Nazir dan Jaminan Kualiti division
- Expert facilitators hired at the district level, attached to the District Education Department, to support literacy and numeracy teachers in schools.

(3) Develop High Performing Schools and lift the performance of all schools in the system

High Performing Schools (HPS) are defined as strong schools with ethos, character and a unique identity that enables them to excel in all aspects of education. Before a school is awarded HPS status, it must meet stringent criteria including academic achievement, alumni strength and international recognition as well as a strong network of external relationships. We target to develop 20 HPS by 2010 and 100 HPS by 2012.

HPS will be rewarded with the following benefits aimed at allowing them to reach even higher performance levels:

- Increased autonomy in decision-making, such as flexibility in adapting curriculum and instruction methods as well as over selection and redeployment of teachers (if performance is unsatisfactory) and allocation of funds
- Financial incentives for schools, school leaders, teachers and non-academic staff
- Greater range of options for human capital development, including sabbaticals for head teachers
- Option for high achievers to advance faster through the education system.

However, with HPS status comes the responsibility of sharing knowledge and expertise with other schools in the system through, for example, mentoring networks, teacher attachment and student exchange programmes.

(4) Significantly improve the performance of head teachers and principals via performance management

Commencing in academic year 2010, the new performance management approach for head teachers and principals will have the following characteristics:

- Applicable to head teachers and principals of all government schools in Malaysia.
- Performance of schools will be based on a composite score consisting of the Grade Point Average (70%) and Standard for Quality Education in Malaysia (SQEM) (30%).
- Performance of all 9,900 government schools will be ranked on a yearly basis and made public from 2010 onwards.

- To be eligible for rewards, the school should achieve a specified target composite score or a target improvement in their performance rankings, obtain an unqualified financial audit report and achieve literacy and numeracy targets (for primary schools). In addition, the head teacher or principal must obtain an Annual Appraisal Report (LNPT) score greater than 90 and be free from disciplinary action.
- Head teachers and principals who exceed the target will be given both financial and non financial rewards (e.g., attachment programmes, accelerated promotion and certificates of recognition).
- Teachers in schools with a head teacher or principal who qualifies for the reward will also be eligible for a financial reward.

Approximately 10% of the bottom performers will be identified based on the lowest composite score. They will be provided with training and mentoring in an effort to help them improve their performance. If these efforts are ineffective, actions such as transfers and voluntary separation will be taken.

Further details on all initiatives to support the achievement of the KPIs are contained in Chapter 8.

Early progress on improving student outcomes achieved

To ensure some of the new programmes will be implemented for the 2010 school year, execution of the initiatives has already begun. Achievements include the completion of the screening instrument and Year 1 teaching and learning modules for the LINUS programme, announcement of the first batch of 20 High Performing Schools and completion of the performance ranking of the 9,900 government schools in the system, which was used as a basis to design rewards and remedial programmes under the new deal for head teachers focus area. Finally, the trusts schools initiative is well underway with the first trust schools expected to operate by January 2011.

Raising living standards of low-income households

Despite Malaysia's long-term success in reducing poverty, there are still more than 200,000 households classified as poor⁵ and more than 40,000 households classified as extreme (or hardcore) poor⁶. We have set our sights on completely eradicating hardcore poverty by the end of 2010 and reducing the incidence of poverty to 2.8% in 2010 (from 3.6% today). In addition, we will implement measures to enhance the productivity of low-income households (LIH) who do not fall under the categories of poor and extreme poor. To achieve this, we will :

(1) Standardise the definition of low-income groups

A common definition of poverty will be adopted by all ministries and agencies to accelerate coordination in identifying and assisting poverty target groups.

- **Low Income Households (LIH)** – households with a total income less than or equal to RM 2,000 per month

⁵ Monthly gross household income below poverty line income, currently RM 750

⁶ Monthly gross household income below food poverty line income, currently RM 440

- **Poor** – households with a total income less than or equal to RM 750 per month. This is based on the Food and Non-Food Poverty Line Income (PLI)⁷
- **Extreme Poor (hardcore poor)** – households with a total income less than or equal to RM 440 per month. This is based on the Food PLI.

(2) **Implement fast, high-impact initiatives immediately, and lay the groundwork for longer-term actions**

We will introduce initiatives to both improve immediate welfare and build income-earning potential to ensure sustainable incomes.

To reduce poverty and eradicate hardcore poverty by 2010, the Government will immediately:

- Distribute federal welfare assistance (to those who qualify) on the first day of each month. This commenced in September 2009 for Peninsular Malaysia and 1 January 2010 for Sabah and Sarawak
- Provide support to increase home ownership by offering about 44,000 low-cost houses for sale, through Dewan Bandaraya Kuala Lumpur (DBKL) and Jabatan Perumahan Negara (JPN)
- Deliver 1 Azam programmes to create jobs, based on job-matching, training and providing funds. This will be achieved through a mixture of employment and entrepreneurship (supporting the setup of goods, services and agricultural businesses)

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
- Creating employment opportunities via the setting up of Jimat 1Malaysia provision stores. We are aiming to set up 50 such stores by 2010 and one in every district by 2011
- Developing a mechanism to provide micro-credit to eligible low-income households. At least one pilot project will be introduced per state by the first quarter of 2011
- Increasing the number of urban, rural and mobile medical clinics (at least one per state) to cater to rural low-income households
- Extending financial support for eligible low-income households to purchase artificial limbs and prosthetics. We will also improve access to prosthetics by setting up at least one prosthetics centre per state

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, preventing dropouts due to distance and financial constraints

⁷ The PLI is based on what is considered to be the minimum consumption requirements of a household for food (constituting the Food PLI) and non-food items such as clothing, rent, fuel and power (making up the Non-food PLI)

- Intensifying assistance to patients requiring dialysis treatment. This will involve providing financial aid, setting up more dialysis centres and providing transportation to/from those centres
- Offering assistance for down-payments, legal fees and low-interest rate loans to eligible low-income households who are not recipients or purchasers of low-cost homes provided by the Government
- Offering a *1Malaysia* insurance scheme, covering areas such as education, death and critical illness, to extreme poor households.

We are considering the feasibility of setting a minimum wage to enable all Malaysians to earn at least the PLI. Any action on this would be implemented gradually, so as not to adversely affect employers.

(3) Put enablers in place to ensure delivery of initiatives

To enable the above initiatives to be delivered effectively and efficiently, we will implement structural changes, including creating a unified Social Development Services (SDS) entity to improve coordination of poverty mitigation initiatives, setting up an independent SDS Inspectorate to investigate and prosecute welfare fraud, consolidating all databases containing data of LIH into e-Kasih and reducing processing time for disbursement of aid (from the current two months to seven days by 2012).

A complete set of initiatives and more details on all initiatives to support the achievement of the KPIs are contained in Chapter 9.

Early progress on raising living standards of low-income households achieved

Early impact is already visible. Through greater inter-agency coordination, the process of approving applications to be listed in the low-income households database now takes seven days, compared to two months previously. In addition, since 1 September 2009, welfare assistance in Peninsular Malaysia is now distributed on the first day of each month. Also, around 44,000 low-cost homes have been offered for sale to existing tenants at RM 21,500–35,000 per unit which is substantially less than the market value.

Improving rural basic infrastructure

Despite Malaysia's considerable achievements in the provision of rural basic infrastructure (RBI), more needs to be done to serve the rural population that constitutes about 35% of Malaysians. In Sabah and Sarawak, there are many villages still not connected by roads and more than a quarter of households do not have access to electricity. Upwards of 40% of households in Sabah and Sarawak, and 12% of households in Peninsular Malaysia lack access to clean or treated water.

Consequently, we have embarked on a major rural basic infrastructure development programme in Peninsular Malaysia, Sabah and Sarawak. Our aspiration is to:

- Build more than 7,000 km of new and upgraded roads by 2012, 1,900 km of these in Sabah and Sarawak. In Peninsular Malaysia, this will result in 91.4% of the population living within five km of a paved road by 2010, rising to close to 100% in 2012 (currently 91%)

- Provide 50,000 new and restored houses to the rural poor and extreme poor by 2012, two-thirds of these in Sabah and Sarawak. Of the 50,000, more than 16,000 houses are to be provided in 2010
- Ensure access to clean or treated water by over 360,000 additional households. For Sabah and Sarawak, the programme will raise the percentage of rural houses with access to clean or treated water to 59% and 62% respectively in 2010, rising to 90% for both in 2012 (currently 57% for both states)
- Provide access to 24-hour electricity to over 140,000 additional households by 2012. This will increase the percentage of households with access to electricity in Peninsula Malaysia, Sabah and Sarawak to 99.6%, 81% and 73% respectively in 2010 (currently 99%, 77% and 67% respectively).

To meet these targets, we need to accelerate the pace of deployment of these basic services over what has been achieved in the past. As an illustration, over the next three years, we target to build 11 times as many kilometres of roads, construct 2.5 times as many houses, provide five times as many houses with electricity, and connect seven times as many houses to clean water as compared to what we achieved in 2006–08. We will be able to achieve greater breadth, scale and pace of deployment through:

- Using innovative, quick and least-cost ways of delivery. For example, building standard-design houses, leveraging distributed power generation technologies such as solar hybrid power generation or micro hydro-electricity for areas distant from electricity generation and transmission infrastructure and using alternative solutions such as tube wells, gravity wells, or rain water recovery for areas that are distant from reticulation networks (piped water supplies)
- Revamping existing administrative processes to reduce time required, e.g., the roads open tender process. This will involve using more standard templates, parallel processes where possible, accelerating communications, etc.
- Facilitating and working closely with suppliers to ensure the supply and availability of enough machinery (e.g., excavators, compactors), material (e.g., electricity cabling, pre-mix) and manpower (e.g., contractors, consultants) when required
- Ensuring effective programme management by closely monitoring projects. SPP II, a well-established system managed by the ICU under the Prime Minister's Department, will be used for recording and tracking RBI initiatives to ensure they are delivered on time and on budget.

A series of detailed initiatives have been formulated to support the achievement of the KPIs (Chapter 10).

Early progress on improving rural basic infrastructure achieved

In 2009, we built an additional 17,000 houses for the rural and hardcore poor and an additional 240 km of roads in Sabah and Sarawak.

Improving urban public transport

Public transport is one of the perennial irritants for urban Malaysians. For example, in Klang Valley today, there is high congestion during peak periods (e.g., commuters in KTM Komuter trains suffer from more than 40% over-capacity), often unreliable service with frequent delays and cancellations, poor connectivity between modes in certain areas (e.g., between monorail and LRT stations at KL Sentral) and poor

access to public transport services (e.g., only about 61% of Klang Valley's population lives within 400 metres of a bus route). This, in combination with continued growth in the number of private vehicles, has contributed to public transport modal share⁸ in Klang Valley falling steadily from 34% in 1985 to 20% in 1997; today it is closer to 10–12%.

We aim to:

- Raise the modal share to 13% by 2010 and to 25% by 2012 during the morning peak period of 7 AM to 9 AM in Klang Valley. We will subsequently adapt and apply successful initiatives to Penang and Johor Bahru
- Improve reliability and journey times
- Enhance comfort and convenience
- Improve accessibility and connectivity such that the percentage of the population living within 400 metres of a public transport route increases from 63% to 75% in 2010.

To achieve the above KPIs, we will take four steps between 2009 and 2012 and one additional step beyond that timeframe to secure and extend these expected improvements:

- 1. Streamline capacity of a system already at its limits:** By 2012, we will increase capacity on the KTM Komuter and LRT lines by 1.7 to 4.0 times (depending on specific line). This will involve refurbishments and purchases of rolling stock and trainsets (e.g., 26 new four-car trains for the Kelana Jaya LRT line). We will also introduce dedicated rights-of-way for buses across 12 major corridors in Klang Valley by 2012 (four in 2010). These 12 corridors will in total carry 35,000 to 55,000 passengers during the morning peak hours, or 6% to 9% of total public transport ridership by 2012. We will increase the size of the existing bus fleet by 850 buses by 2012 (200 in 2010). This will improve services on current routes and provide service to 53 new routes to address currently unserved areas.
- 2. Stimulate demand to attract people to public transport:** Initiatives include introducing an integrated ticketing platform and fare structure (introducing the 1Ticket, 1Seamless Journey concept across all 16 operators in Klang Valley), adding roughly 6,800 new parking spaces by 2012 (4,000 in 2010) across 14 rail stations outside the urban core, enhancing feeder services into rail stations and upgrading high-traffic stations, terminals and bus stops. We will also increase physical connectivity between modes, e.g., via completely enclosed walkways. Enforcement and monitoring efforts will be critical to ensuring operators adhere to minimum service and operational standards. In order to achieve this, we will initiate efforts to integrate backend IT systems and launch joint on-the-ground enforcement efforts, across all major enforcement agencies – the 10 local authorities, Commercial Vehicles Licensing Board (CVLB), JPJ and PDRM.
- 3. Divert heavy vehicles from the Central Business District:** We will create three major integrated transport terminals outside the city core, beginning with the southern ITT Bandar Tasik Selatan in 2010. This will be supported by ITT Gombak by the end of 2010 (which will divert more than 750 inter-city buses from the north and east from the city core every day) and then a third terminal, potentially in Sungai Buloh, to serve the northern inter-city express buses beyond 2012. Within the city centre, there will be two types of public transport hubs – first, the intra-city terminal hubs at Pasarama Kota, Plaza Rakyat and Pudu to facilitate

⁸ Percentage of commuters using public transport

the flow of traffic from the suburbs into the city, and second, 14 Hentian Akhir Bandars that will facilitate the movement of passengers and public transport vehicles within the city centre to reduce congestion and streamline overlapping routes.

- 4. Regulatory restructuring:** We will ensure that the proposed Land Public Transport Authority (SPAD – Suruhanjaya Pengangkutan Awam Darat) is fully operational by the end of 2010. A prerequisite for success will be the creation of a single point of accountability for policy planning and regulatory oversight. This is currently lacking, with 12 ministries and various agencies currently involved in different aspects of public transport and no single industry captain to coordinate efforts across the entire public transport system.

And beyond 2012...

- 5. Manage demand:** Once public transport modal share is above 25% and the public transportation system has been improved in terms of reliability, journey times, comfort, accessibility and connectivity, we will accelerate initiatives to increase the relative attractiveness of public transport vis-à-vis private vehicles. One example is congestion pricing, which has been implemented successfully in London and Singapore.

A series of detailed initiatives have been formulated to support the achievement of the KPIs and these are detailed further in Chapter 11.

Early progress on urban public transport achieved

To date, there has been encouraging early progress. For example, transfer times on RapidKL's bus routes have been minimised through route realignment, waiting times⁹ have been reduced from 20 minutes to 15 on KTM Komuter and, in a step to reduce congestion, the first four-car-trainsets for the Kelana Jaya LRT line were received in December 2009.

Enhancing accountability of all ministers

Areas not covered by the NKRA are still important and will continue to receive attention from the Government at the ministerial level. These areas – 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). Similar to the NKRA, these MKRAs and Ministerial KPIs (MKPIs) are a beginning and will continue to be refined and improved over time.

Accountability for delivery rests with each respective minister. The Prime Minister has also committed to reviewing the progress of all ministers every six months to ensure their performance is on track. The first reviews took place between November 2009 and January 2010.

In 2010, these MKPIs will start to be cascaded throughout the civil service. This will build upon previous efforts to establish KPIs for the most senior civil servants – from the Chief Secretary to the Government (KSN) through to all Secretary-Generals (KSUs) and Director-Generals.

⁹ Defined as the time between the one train's arrival and the next train's arrival

Ensuring Performance Now

We have embarked on a series of reforms to enhance our capacity to deliver our short- and long-term goals, or the *Performance Now* dimension of the GTP.

First, we committed to a set of 16 Delivery Principles (detailed in Chapter 13) to guide a new way of delivery – across four themes – putting rakyat first, using resources prudently, collaborating with the best in and out of government and managing outcomes to the highest standards. Before government officials make decisions or take actions, they must ensure that the decision or action is consistent with the 16 Delivery Principles. Examples of these principles include encouraging rakyat participation by getting their input before making decisions, involving the rakyat in delivery and regularly measuring perceptions; maximising productivity from existing resources before asking for more by eliminating leakage, optimising service standards and applying innovative approaches; building hybrid capabilities for delivery by attracting Malaysia's top talent and organisations from the public, corporate and social sectors and establishing clear single-point accountability, supported by the consistent use of differentiated, meaningful rewards and consequences.

Following through on the Delivery Principles, we have established mechanisms to manage delivery. These include:

- Flash reports to update Cabinet on the progress of each National KPI (NKPI) against target
- Forming Delivery Task Forces (one for each NKRA), chaired by the Prime Minister and attended by the lead minister, relevant ministers and senior civil servants, to approve delivery plans, monitor progress and refine implementation strategies as required
- Holding PM-Minister reviews to assess each minister's achievements every six months. In these reviews, we expect to see a broad mix of achievement versus targets, since we have set stretch targets. In effect, this means that not all targets will be 100% achieved, since, if they were, the government would not have stretched its aspirations far enough.
- Publishing annual reports in the first quarter of every year to report on our progress objectively – what was achieved and not achieved – and demonstrate our accountability to the rakyat.

To accelerate delivery, we set up a Performance Management and Delivery Unit (PEMANDU) within the Prime Minister's Department. While the responsibility for end-to-end delivery of NKRA and MKRA outcomes ultimately rests with the respective ministries, PEMANDU has been mandated to catalyse bold changes in public sector delivery, support the ministries in the delivery planning process and provide an independent view of performance and progress to the PM and ministers. To allow PEMANDU to carry out its responsibilities effectively, it combines the best talent from both the civil service and private sector.

Lastly, we have reinforced and intensified existing initiatives to transform the civil service, e.g., PEMUDAH's initiatives to enhance the ease of doing business and dealing with the Government.

Transforming Malaysia

We must transform government – the primary facilitator of development – to achieve Vision 2020, which remains the beacon for our nation. Otherwise, we risk remaining stuck as a middle-income economy. This roadmap details a bold and unprecedented programme to transform government based on the principles of *1Malaysia, People First, Performance Now*.

We are approaching government transformation in a radical new way as we realise that we cannot use the same old way of doing things. This includes using an engine based on doing then improving, instead of just planning. In addition, we are using cross-agency teams of the best civil servants to develop and detail solutions, proactively gathering input and feedback from the rakyat, instituting 16 Delivery Principles to guide a different way to deliver on a day-to-day basis, establishing PEMANDU to catalyse and support transformation and publishing this roadmap (and subsequent annual reports) to transparently outline targets, plans and progress achieved.

In our history, we have often taken the road less travelled and pragmatically charted our own course. We are doing it again. No other government in the world has undertaken such a bold transformation programme. However we understand that delivering these outcomes will not be easy. There will be setbacks along the way, including missed targets, initiatives that may not work, stakeholders who push back, resistance to change and new challenges we could not have foreseen. In transformation programmes of this scale it is also quite common for things to get worse – or feel like they are getting worse – before they get better. Despite these inevitable challenges, we must deliver.

We cannot transform the nation on our own. The days of government knows best are over, and we pledge to work hand-in-hand with the rakyat, the private sector, the social sector and other key stakeholders on this programme. Together, we must deliver. Together, we will deliver.

When the Government Transformation Programme hits inevitable challenges and setbacks, we the Government and all Malaysians must remind ourselves of what is really at stake here and continue to stay the course. What is at stake is the achievement of Vision 2020, making a difference to the lives of all current and future generations of Malaysians and further enhancing our nation's reputation and position in the world.



