



**MALAYSIA NATIONAL REPORT
FOR
THE 3RD UNITED NATIONS CONFERENCE ON
HOUSING AND SUSTAINABLE URBAN
DEVELOPMENT (HABITAT III)**



PREPARED BY

**FEDERAL DEPARTMENT OF TOWN AND COUNTRY PLANNING
MINISTRY OF URBAN WELLBEING, HOUSING AND LOCAL GOVERNMENT**

30 JULY 2016

**MINISTER OF URBAN WELLBEING, HOUSING AND LOCAL
GOVERNMENT OF MALAYSIA**



The Third United Nations Conference on Housing and Sustainable Urban Development (Habitat III) is a forum that is convened every 20 years to discuss on related issues on housing and urban development. The first Habitat was held in the year 1976 in Vancouver and the second Habitat was held in the year 1996 in Istanbul. For this year, the third Habitat will be held in Quito, Ecuador from 17th-20th October 2016. This much-awaited event by urban players all over the world will discuss the urban challenges and lessons learned since the last Habitat. Prior to that, the National Report will be an important element in a discussion of a New Urban Agenda and the Post-2015 UN Development Agenda. The Government of Malaysia hopes that this report will provide useful inputs to international discussion on the framework of development policy regarding human settlement including the Post 2015 development Agenda, and make some contribution to discussions at the Habitat III scheduled this upcoming October 2016.

Malaysia will be hosting the 9th World Urban Forum in 2018 in Kuala Lumpur. WUF was born in Nairobi in 2002, then travelled to Barcelona, Vancouver, Nanjing, Rio, Naples and Medellin. The Forum is attracting more participants and has become a major urban platform of multi-stakeholders and partnerships. WUF9 in Kuala Lumpur will be at a critical juncture of the global development agenda and urban policy debate, as it can showcase Global Agenda to Local Action. WUF9 will be the first WUF after Habitat 3 in Quito in October this year, where member states agree upon New Urban Agenda, which will determine the way forward for urban development in the next 20 years. Hence, the World Urban Forum in 2018 will be the first one to focus on the implementation for the New Urban Agenda. This is important as the World Urban Forum is considered to be the foremost arena for interaction between different groups of stakeholders.

Indeed, it is important that these global agendas touch upon the lives of the ordinary people and improve the well-beings of the most vulnerable and marginalized in the community. This is in line with the Government's vision of dedicated collaboration with the people through the principles of "1 Malaysia, People First, Performance Now" as a way to accelerate our performance in order to achieve Vision 2020 towards Malaysia as a developed and high-income nation. We believe that the need for integrated and inclusive urban resilient strategies would be among the most important issues of the Post-2015 Development Agenda and in order to achieve so, to build resilient cities, we must start with the people.

We are looking forward to the discussions on the New Urban Agenda and hopefully this report will play a pivotal role and create important inputs for Habitat III Conference to be held in October 2016.

TAN SRI NOH OMAR
Kuala Lumpur
July, 2016



PREFACE

THE SECRETARY GENERAL, MINISTRY OF URBAN WELLBEING, HOUSING AND LOCAL GOVERNMENT, MALAYSIA

It is a great honour indeed for Malaysia to participate in preparing the National Report for Habitat III for the first time after 40 years (from the first Habitat in 1976) spearheaded by the Ministry of Urban Wellbeing, Housing and Local Government with the assistance of various relevant stakeholders and agencies in Malaysia.

The Habitat III is shorthand for a major global summit, formally known as the United Nations Conference on Housing and Sustainable Urban Development, to be held in Quito, Ecuador on 17-20 October 2016. This year in Quito, Ecuador, the whole world will discuss the urban challenges and lessons learned since Habitat II in Istanbul in 1996.

In line with that, as a member state to the United Nations, all countries are required to prepare a National Report for Habitat III which is a report to produce evidence based knowledge in relation with the implementation of HABITAT Agenda in their respective countries.

This report consists of 8 main chapters and it outlines the main fundamental issues on Malaysia's urbanization policies, strategies as well as the future challenges ahead. This national report also summarized and reflecting comments from experts on the current scenario as well as the lessons that Malaysia has learned in terms of human settlements and the challenges that we must address for the sake of future generations.

On behalf of the Government of Malaysia, we are hopeful that this report will provide beneficial inputs to the international discussion on the framework of development policy regarding human settlement including the Post 2015 Development Agenda as well as in Habitat III.

DATUK HJ MOHAMMAD MENTEKE
Kuala Lumpur
July, 2016

PREFACE

**THE DIRECTOR GENERAL FEDERAL DEPARTMENT OF TOWN &
COUNTRY PLANNING PENINSULAR MALAYSIA,
MINISTRY OF URBAN WELLBEING, HOUSING AND LOCAL
GOVERNMENT, MALAYSIA**



In today's rapid modernisation world, urbanization is one of the defining features of the 21st century. The majority of the global population lives in urban areas, including one billion living in informal settlements, thus making urban planning and management as a key important tool to power houses the economic growth, preserving the environment as well as to empower people in making the cities they live in - resilient and inclusive.

As a Federal Department under the Ministry of Urban Wellbeing, Housing and Local Government in Malaysia, we co-operate with and provide more comprehensive support to the relevant state and local agencies in pursuit of this shared objective of building resilient, inclusive and sustainable cities. It is important indeed that these global agendas touch upon the lives of the ordinary people and improve the well-beings of the most vulnerable and marginalized group in the community.

The national report reflects the national policies and outlines on the urbanization sector whereby the "people-oriented approach and community wellbeing" has been always an utmost focus of the government. Among the highlights of the government initiatives are provision of affordable housing, low carbon city framework, urban facilities management and others, particularly in addressing various human settlement issues.

Apart from that, this report also describes future challenges that we believe will be important in a discussion of a New Urban Agenda and the post-2015 UN Development Agenda. Furthermore, Malaysia will be hosting the 9th World Urban Forum (WUF) 2018 in Kuala Lumpur which will be an important platform for international discourse amongst the stakeholders and players all around the world, as it will be the first WUF after the New Urban Agenda.

Indeed, we are looking forward to the discussions on the New Urban Agenda in the lead-up to, and during, the HABITAT III Conference.

DATO' DR. DOLBANI BIN MIJAN
Kuala Lumpur
July, 2016

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c. Secretariat

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List of Acronyms

1M4U	- 1Malaysia For Youth
9 th MP	- 9 th Malaysia Plan
10 th MP	- 10 th Malaysia Plan
11 th MP	- 11 th Malaysia Plan
Act 133	- Street, Drainage and Building Act 1974
Act 171	- Local Government Act 1976
Act 172	- Town and Country Planning Act 1976
CPTED	- Crime Prevention Through Environmental Design
EPU	- Economic Planning Unit
FTDCP	- Federal Department of Town and Country Planning
IWK	- Indah Water Consortium
JPP	- Resident Representative Committee
KRI	- Khazanah Research Institute
KVMRT	- The Klang Valley Mass Rapid Transit
LA	- Local Authority
MUWHLG	- Ministry of Urban Wellbeing, Housing and Local Government
NKRAs	- National Key Result Areas
NPPC	- National Physical Plan Council
NPP	- National Physical Plan
NUP	- National Urbanisation Policy
OSC	- One Stop Centre
PPR	- People's Housing Programme
PPRT	- Hardcore Poor Housing Project
RTC	- Rural Transformation Centre
SAP	- Special Area Plan
SPAD	- Land Public Transport Commission
UTC	- Urban Transformation Centre

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Preface

The world has become more urbanised, generates its own problems and challenges for the future existence of the human settlement. UN Habitat views that the main concern of human settlement for the next two decades is related to urbanisation. “Habitat III” is shorthand for a major global summit, formally known as the United Nations Conference on Housing and Sustainable Urban Development, to be held in Quito, Ecuador, on 17-20 October 2016. The United Nations has called the conference, the third in a series that began in 1976, to “reinvigorate” the global political commitment to the sustainable development of towns, cities and other human settlements, both rural and urban. The product of that reinvigoration, along with pledges and new obligations, is being referred to as the New Urban Agenda. That agenda will set a new global strategy around urbanisation for the next two decades. Member States have been encouraged to prepare a national, evidence-based progress report on the implementation of the 1996 Habitat Agenda and other internationally agreed goals and targets relevant to housing and sustainable urban development. The National Reports are key documents for identifying new challenges, emerging trends and a prospective vision for sustainable human settlements and urban development. To date, more than 100 countries have started the preparation of the Habitat III National Reports. As at to date several Member States have submitted their report and have shared with the Secretariat the details of the process of engagement and participation in which they have been elaborated. In line with the UN-Habitat guidelines on the preparation of Habitat III national reports, the Habitat III National Report should focus on demographic issues, national urban policies, urban planning and design, housing, land and security of tenure, urban economy and employment, disasters and resilience, environment and climate change, and any other key issues deemed important within the national context. Towards WUF 9, Malaysia is preparing a draft of the National Report by involving all stakeholders from government, academia, practitioners and non-government organisation. This report will be submitted to the United Nations Habitat during the 3rd meeting of the Preparatory Committee (PrepCom 3) Meeting Habitat III in Surabaya on 25 -27 July 2016. Malaysia is also planning to participate in Habitat III conference on 17-20 October 2016 in Quito Ecuador. Therefore, Malaysia will contribute towards strengthening partnerships between various stakeholders in the quest for development of Malaysia Urban Agenda for the next 20 years and beyond. Malaysia National Report will compile relevant information on housing and urban development drawing on the guidelines for the preparation of Habitat III National Reports. This report will be incorporating with functions and responsibilities from various ministries and departments. As demonstrated throughout this report, Malaysia places a high priority on the development of more sustainable and inclusive communities due to our contribution to strengthen the economy, creating good jobs, using energy more efficiently, protecting the natural environment and human health. Through these efforts, Malaysia affirms that the components necessary to ensure the urban future include public-private partnerships, cross-agency and international collaboration, and improved networks across sectors that can help cities mobilize financial and other support for sustainable urban development. Malaysia is committed to participate in Habitat III in order to demonstrate the benefits of a sustainable economic pathway for rapidly urbanising communities.



1.0 INTRODUCTION

Malaysia is a nation located in the Southeast Asia, bordered by Thailand, Indonesia, and Brunei, and shares water boundaries with Singapore, Vietnam, and the Philippines. Malaysia has coasts along the South China Sea (Refer figure 1.1). Malaysia has made huge strides in socioeconomic development over the past 4 decades, transforming itself from an underdeveloped country reliant on natural resources into a middle-income country with a vibrant manufacturing sector. Malaysia is among the more urbanised countries of East Asia, and its urban population continues to increase rapidly.

Figure 1.1 : Location of Malaysia in the World Map

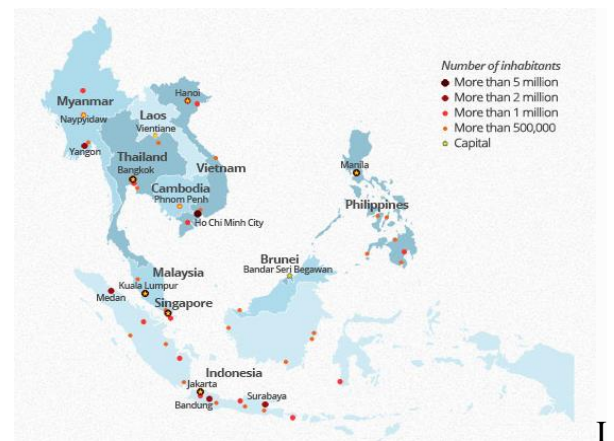


Source: ASEANup, 2015

However, urban areas in the country are among the least dense in East Asia. The Kuala Lumpur urban area is one of the largest in the region as measured by area, but not as measured by population. Malaysia has the fourth-largest amount of built-up land in East

Asia as of 2010. Its urban land grew from about 3,900 square kilometres to 4,600 between 2000 and 2010, an average annual growth rate of 1.5%, which was lower than the 2.4% average for the region. (*The World Bank, 2015*) (Refer figure 1.2)

Figure 1.2 : Most Populated Cities in ASEAN



Source : Infographic: Top Cities and Urbanization in ASEAN, 2015

1.1 Urbanisation in Malaysia

The Malaysian society is rapidly transforming into an urban society. Urbanization is a continuous population concentration process in the city and metropolitan areas which plays an important role in the development and modernization of society. Definition of urbanization in Malaysia refers to the gazetted area and the criteria used in 1970, 1980, 1991 and 2000 Population Census. The area gazetted as urban areas must have a population of 10,000 and more and gazetted areas with their adjoining built-up areas and combination of both areas have a total population of 10,000 or more. (*Department of Statistics, 1995 & 2001*).

In tandem with Malaysia's rapid development, the proportion of urban population increased to 73% in 2014 compared with 62% in 2000. Apart from Kuala Lumpur and Putrajaya with 100% level in urbanisation, the other states with high level of urbanisation were Selangor and Pulau Pinang with 91.4% and 90.8% respectively. Conversely, the states with lower urbanisation levels were Kelantan (42.4%), Pahang (50.5%) and Perlis (51.4%) (*Department of Statistics, 2010*). Malaysia is among the more urbanized countries and economies in the region in demographic terms, after Japan, the Republic of Korea, and Singapore.

The urbanisation rate will reach 77.2% in 2020 and is expected to increase to 79.8% by 2025 (*Department of Statistics, 2010*). The main conurbations of Greater Klang Valley, Georgetown, Johor Bahru, Kuantan, Kuching, and Kota Kinabalu will continue to be the nexus of economic and social activities, housing major global companies and talent. The large middle-class population in these areas will be a huge consumer market for local and global products and services. Demand for modern, integrated infrastructure, efficient urban services, and green spaces will increase.

Vision 2020 targets Malaysia to be a developed nation economically, socially, politically and spiritually by year 2020. The manifestation and aspiration of Vision 2020 sets the framework for which development is to be steered. The nation is now in its second phase of development towards achieving the Vision. Rapid globalisation, progression in science and technology and the need to capitalise on knowledge-based economy requires the country to have a strong foundation in order to be competitive with other nations. In this context, the direction of development has to be planned and managed systematically and comprehensively to induce the country's capacity to compete globally. The urban sector is an important catalyst towards national economic growth and a vital investment centre for the nation.

Apart from being a centre for social and recreation, urban sector plays an important role in attracting local and foreign investors in economic activities. Therefore, a township must be able to provide a good and competitive environment, complemented with all forms of activities within its territory. Peninsular Malaysia is expected to experience a rapid process of urbanisation by year 2020, with a majority of the population being urbanized. The increase in population means additional space is required for housing, public amenities and infrastructure. Hence, development to be carried out should be able to bring a good return whilst priority being given to environmental protection, through a balanced and optimal use of national resources.

Government will accelerate efforts to achieve universal access to quality healthcare by targeting underserved areas, and increasing capacity of both facilities and healthcare personnel. Social cohesion and unity programmes will be strengthened to promote an understanding of diversity through interactions and shared experiences. Malaysia will contribute towards strengthening partnerships between various stakeholders for development of Malaysia Urban Agenda for the next 20 years and beyond. Malaysia National Report will compile relevant information on housing and urban development drawing on the guidelines for the preparation of National Reports Habitat III.

1.2 Malaysia and Habitat III

The Ministry of Urban Wellbeing, Housing and Local Government (MUWHLG) is the main institution working on issues such as urban wellbeing, urban planning, housing, and local government. The MUWHLG consists of the Federal Department of Town and Country Planning (FDTCP), Department of Local Government, the Department of National Housing and others. FDTCP is charged with the responsibility of promoting orderly, coordinated and sustainable urban

planning, and balanced regional development. The role of the MUWHLG is mainly that of policy making and supervision. Planning and regulation of actual development at city level is the responsibility of local authorities: City Councils, Municipal Councils and District Councils, with support from state authorities.

MUWHLG, in coordination with FDTCP, URBANICE MALAYSIA and other federal agencies, are leading Malaysia efforts to support Habitat III. UN-Habitat's work and relationships with its partners are periodically examined in detail by the Governing Council and serves as the intergovernmental decision-making body of UN-Habitat. It reports to the General Assembly through the Economic and Social Council (ESC), and its main functions are as follows:

- i. Setting UN-Habitat's policies by developing and promoting policy objectives, priorities, and guidelines regarding existing and planned programmes of work in the field of human settlements;
- ii. Overseeing working relations with partners by closely following the activities of United Nations agencies and other international organizations in the field of human settlements, and proposing ways through which the overall human settlements policy objectives within the UN system might best be achieved;
- iii. Approving UN- Habitat's biennial work programme and budget;

Malaysia representative by Minister of MUWHLG who was appointed as a member of UN-Habitat Governing Council in 2 February 2016. This year MUWHLG will be held the first convening of the Malaysia Habitat III National Committee. The committee, chaired by Secretary General of MUWHLG, includes a diverse representing other federal government agencies, regional and local officials, academia, philanthropy, and civil society. MUWHLG's goal is to facilitate a dynamic and inclusive Habitat III preparatory process that engages the National

Committee in an open dialogue and partner-led activities designed to:

- i. Promote open and productive dialogue on key challenges facing Malaysia cities and regions, and discuss opportunities to improve quality of life, sustainability, inclusivity, access to opportunity, and resilience efforts;
- ii. Raise public awareness and engage local communities on housing, planning, and community development issues in Malaysia; and
- iii. Uplift best practices and innovations emerging from rural, suburban, and urban communities across Malaysia

1.3 Malaysia and National Report

Country reports presented by member states will be factored in the regional and global reports. The exercise will culminate in to the New Urban Agenda aimed at securing political commitment across nations towards the cause of sustainable urban development as also defining the priorities of international development funding to cities. The National Reports are key documents for identifying new challenges, emerging trends and a prospective vision for sustainable human settlements and urban development. To date, more than 100 countries have started the preparation of the Habitat III National Reports. As at to date several Member States have submitted their report and have shared with the Secretariat the details of the process of engagement and participation in which they have been elaborated.

Under resolution 24/14 of the UN-Habitat Governing Council titled "Inputs for and support to the preparatory process of the Habitat III, adopted at its 24th session, by which the Council invited Member States to prepare:

"before the first meeting of the Preparatory Committee for Habitat III, to be held in New York during the sixty-ninth session of the General Assembly, national reports which consider the implementation of the Habitat II agenda and of other relevant

internationally agreed goals and targets, as well as new challenges, emerging trends and a prospective vision for sustainable human settlements and urban development, as a basis for the formulation of a “New Urban Agenda”, in line with paragraph 6 of General Assembly resolution 67/216” (paragraph 40)”

The Permanent Mission of Malaysia to the United Nations in New York had made the inquiries pertaining to this matter and was informed that the submission of the report is not compulsory for all member states. However, the Habitat III Secretariat will continue to receive the National Reports until the Habitat III Conference in October 2016. Member states are also encourage to finalise and submit the report before the holding of the Third Preparatory Committee meeting that will take place in Surabaya, Indonesia on 25-27 July 2016. The Ministry would highly encourage Malaysia to submit the report as this would show the seriousness of our commitment to the 9th World Urban Forum (WUF9) that would be held in Kuala Lumpur in 2018.

UN Habitat provides a guideline and format for the writing of the National Report that comprise 10 chapters, 30 issues and 13 indicators. This new format is seen as the elaboration and the reformulation of the commitment of Habitat II agenda, specifically on adequate shelter for all and sustainable human settlement. The Malaysia National Report is prepared by Study Team within 3 months beginning 2nd week of April 2016 until 2nd week of July 2016.

1.4 Malaysia National Habitat Committee

Under UN-Habitat’s guideline on The Preparation of National Report is required to formulate National Habitat Committees (NHC). NHC is fully inclusive of representatives from various key ministries and institutions dealing with urbanisation, including urban wellbeing, local government,

urban planning and development, housing, lands, infrastructure, labour, economic development, finance and gender. Malaysia NHC could provide inputs to national preparations for sessions of the UN-Habitat Governing Council and the WUF9. NHC is also reporting the implementation of The New Urban Agenda to UN-Habitat Governing Council. NHC is to validate and approve Malaysia National Report Habitat III prepared by study team. Malaysia NHC comprising 28 members included chairman of NHC and secretariat is URBANICE MALAYSIA.

In order to support the process of preparation National Report and to assist NHC, Technical Working Group (TWG) is formulated with fully inclusive of representatives from key ministries and institutions dealing with urbanisation, including local government, urban planning and development, housing, lands, infrastructure, labour, economic development, finance, and gender. TWG will verify, coordinate and document the information and data from various relevant departments in preparing of The National Report. TWG could provide inputs to study team in preparations of National Report. TWG is to validate and approve Malaysia National Report Habitat III prepared by study team. Malaysia TWG National Report comprising 28 members included chairman of NHC, advisor and secretariat is URBANICE MALAYSIA. List of members for NHC and TWG Malaysia National Report are shown in page iii and iv.

1.5 Malaysia’s Contribution to the Millennium Development Goals (MDGs)

The Millennium Development Goals (MDGs) adopted in 2000 set targets to be delivered by 2015, and in those last 15 years there have been many significant achievements. The world has also become far more inclusive. Access to education, health, information, communication, technology and job opportunities have widened significantly. The MDGs also brought national governments,

the international community, civil society and the private sector together to work towards a common set of goals. It galvanised the necessary political commitment, resources and actions, and the results show what can be achieved when we recognise our common humanity and put our fellow man first.

The nation's development agenda has always been people-focused, and it ran parallel to the aspirations of the MDGs. In the last fifteen years, Malaysia has witnessed steady economic growth and substantial uplifting in the social wellbeing of the people under the five year development plans. Malaysia surpassed many of the national targets of the MDGs and in fact pursued more ambitious targets as well as focused on other development issues in an MDG-plus context. Malaysia has successfully achieved the MDG goal of eradicating extreme poverty and hunger. Malaysia in fact, launched its first poverty eradication strategy in 1971, thirty years before the MDGs were introduced. In the first 15 years, we were able to halve the incidence of absolute poverty. In the subsequent 15 years, at the start of the new millennium, the poverty rate was brought down to 8.5%. In 2014, the poverty rate stood at 0.6%.

Malaysia has essentially achieved the MDG goal of universal primary education, not only in terms of enrolment ratios, but also in terms of the number of primary school children completing primary school education. In 2000, the participation rate was already at 95.6%, and by 2014 the participation rate had reached 97.9%. Completion rates in primary schools have also been high at 96.9 % in 2000, and 99.2% in 2014. Malaysia has shown progress of gender equality in education, employment, and in leadership and decision-making roles. For example, in education, girls outnumbered boys at secondary (by 7%) and tertiary education levels (by 31%) as of 2013 (*Malaysia Department of Education 2015*). Female labour force participation rate has increased to 53.6% in 2014 although still lower than the

OECD average of 61%. In terms of leadership and decision-making roles, 2014 showed that there were more females in the public service and they held 32.6% of top management positions. In 2014, 29.5% of board of directors in all registered companies were women (*11th Malaysian Plan*).

The level of Malaysia's child mortality rates and maternal mortality rates are comparable to developed nations. Low child mortality rates have been sustained for more than a decade since 2000 when U5MR (under five mortality rate) reached 8.9 per 1000 live births. Despite these low rates, Malaysia has continued to push child mortality rates even lower. The U5MR were at 7.7 per 1000 live births in 2012. Malaysia has also experienced an improved maternal mortality rate averaging an annual 2.7% improvement over the last 15 years.

Malaysia's commitments to ensuring environmental sustainability were implemented through legislation and policies for environment and resource management, green energy, physical planning and climate change. On policy instruments, to name a few, we have the National Climate Change Policy, National Green Technology Policy and National Policy on Biodiversity to address issues of climate change and sustainability of natural resources. Among initiatives undertaken include renewable energy promotion; energy efficiency initiatives; development of green buildings and energy efficient electrical appliances; as well as forest conservation and rehabilitation efforts. As for global partnership for development, Malaysia has moved from being a net recipient of official development assistance to becoming a development partner and is increasingly sharing knowledge and experience in economic and social development with other countries. So, in essence, Malaysia in many cases has surpassed the MDG targets.

1.6 Malaysia's Commitment to the Sustainable Development Goals (SDGs)

Malaysia is absolutely committed to the Post 2015 agenda - the Sustainable Development Goals (SDGs) and our aspirations to transform the world by 2030. For inclusivity and sustainable development have long been at the heart of our own transformation from a developing country to one that is on course to achieve high income status by 2020. Malaysia is now about to embark on its next five-year development plan - the Eleventh Malaysia Plan (11thMP), from 2016 to 2020. In many aspects, the plan mirrors the multi-dimensional nature of the SDGs, and has been formulated with the people at the centre of all development efforts.

Malaysia is committed to support and implement the 2030 Agenda for Sustainable Development. Looking at the current development strategies and goals of the country, Malaysia is on the right track towards achieving the global 2030 Sustainable Development Goals Agenda. The current five-year development plan, the 11th MP formulated with People as the centrepiece of all development efforts, in many aspects mirrors the multi-dimensional nature of the SDGs and will serve as an overarching and guiding policy for sustainable development in this country. With the theme "Anchoring Growth on People", the 11th MP sets out six strategic thrusts designed to drive the economy forward, address challenges and embrace opportunities in the rapidly changing global landscape. Global sustainable development goals are integrated into the planning framework as part of the national outcomes for the strategic thrusts.

The emphasis is on the people economy, reinforcing the Government's commitment to bring further development to the people by enriching their lives, providing dignity and uplifting their potential to take part in the economy. The 11th MP will ensure that all segments of society benefit from the

country's economic prosperity in order to create an advanced economy and inclusive nation by 2020. In our pursuit of greater inclusivity, the 11th MP has outlined measures to ensure equitable opportunities for all segments of the society, in particular the bottom 40% (B40) households. This will be done through initiatives that are focused on outcome-based support and productivity-linked assistance including entrepreneurship and skills training, technology adoption, asset ownership, and investment in improving connectivity and basic amenities. By 2020, the country aims to double the average income for the B40 households, from RM2,537 (USD622) in 2014 to RM5,270 (USD1,292), elevating them into the middle-class. The participation rate of women in the workforce will be raised from 53% in 2014 to 59% in 2020.

The wellbeing of all segments of society will be raised by providing equal access to quality healthcare, affordable housing and safer neighbourhoods and public spaces. Towards this end, more health facilities and additional affordable homes will be built over the next few years. Rural areas will be transformed by improving connectivity and mobility and creating conducive business environment. Human capital development is the most important resource for national development. The status of a nation, whether advanced or otherwise, depends on the competencies and skills of its human capital as well as the strength of its value system. It is for this reason that the 11th MP will focus heavily on further enhancing the quality of education and on strengthening the skills of the people through improving Technical and Vocational Education (TVET).

In recognizing the importance of conserving our environment for our future generations and the increasing intensity and frequency of extreme weather events, the fourth thrust of the 11th MP will focus exclusively on adopting green growth strategy for development. It represents Malaysia's commitment to increase its commitment to

the environment and its long-term sustainability. Although Malaysia’s development plans are extensive, it is important however to examine areas where the SDGs can further enrich our development plans. This is to ensure that our development aspirations are aligned comprehensively to the Post 2030 Agenda SDG. The implementation of the SDGs within the context of our five-year development plans will require a whole-of-government-approach, which will allow limited resources and funding to be optimised by implementing integrated the collaborative programmes that can benefit all parties. Malaysia has successfully applied this approach through the National Blue Ocean Strategy and we will continue to do so in the case of the SDGs.





2.0 URBAN DEMOGRAPHIC

Demographic changes has a direct effect on overall human capital and land development for infrastructure development, both the supply and demand of the workforce and public infrastructure and amenities. Based on the most recent Malaysia's census in 2010, Malaysia population was recorded at 28.6 million meanwhile in 2015, it was reported at 30.5 million. The young population (0-14 years) has remained at 7.8 million to 7.7 million; the group of working adults (15-64 years) has increased from 19.3 million to 21.4 million; and the elderly group (65 years and above) has grown from 1.4 million to 1.8 million. As a whole, the urban population has increased from 20.3 million to 23 million, with the growth of 2.2% per annum. The rural population, however, has declined by 1.3% per annum from 8.3 million to 8 million.

Malaysia's population is now mainly concentrated in urban areas and the percentage has reached 74.3% of the total population in 2015 and expected to increase to 79.6% (27.3 million) by 2025. This phenomenon has obviously pressured the supply of public infrastructure and amenities and others related sectors such as housing, education and health facilities in urban areas; the demand is particularly concentrated in the six main urban areas i.e., Kuala Lumpur, Georgetown, Johor Bahru, Kuantan, Kuching and Kota Kinabalu. Thus, several planning measures have been outlined in the National Physical Plan (2015) and the National Urbanisation Policy (2015) that has targeted the urban-rural population ratio at 85:15 by the year 2040.

2.1 Managing Rapid Urbanisation

Urbanisation is necessary to sustain growth in developing countries and it yields other benefits as well. However it is not always encouraged by policymakers or the general public. Managing urbanization is an important part of nurturing growth; neglecting cities— even in countries in which the level of urbanization is low—can impose heavy costs. Dealing with the issue of rapid urbanisation – high concentration of population in urban areas and rapid urban expansion, within the planning perspective, the Malaysia Government has formulated a comprehensive National Development Planning Framework.

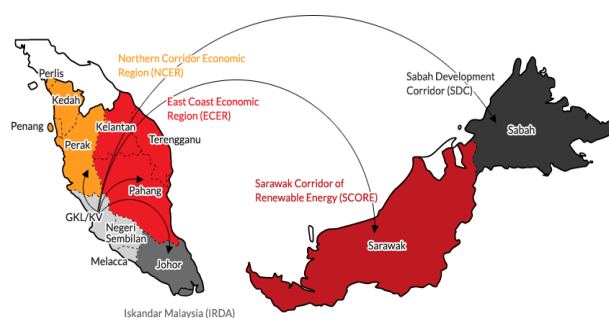
The framework has established a horizontal integration of national policies towards interpreting, coordinating and rationalizing sectoral policies (e.g., the National Urbanisation Policy (NUP), the National Green Technology Policy, the National Landscape Policy, the National Housing Policy, the National Industrial Policy, etc.) and the Malaysia 5-Year Plan (i.e., the 11th MP 2016-2020) into the National Physical Plan (NPP). The framework has also instituted a vertical integration of development plans, from the macro strategic plans zooming to micro physical plans.

At the National level, the strategic directions have been outlined by the NPP, which then translate into Structure Plans (SPs) at the State level, and subsequently detailed out into Local Plans (LPs) at the District level and, further detailed into Special Area Plans (SAPs) for some designated areas that need immediate mitigations or specific attention. This means all planning related policies and

development plans are inter-related and well co-ordinated with one goal that is planning beyond conventional towards creating in reaching a more liveable and sustainable developed nation.

Beside that, in order to establish good governing and managing the rapid urbanization in Malaysia, on top of the existing long established 3-tier governments system, several planning bodies have also been introduced under the present legal system in Malaysia. A higher physical planning body – the National Physical Planning Council (NPPC) which chaired by the Prime Minister of Malaysia has been instituted in 2003, while several Regional Planning Committees were also formed under the Town and Country Planning Act, 1976 (Act 172). Furthermore, five Corridor Development Authorities (i.e. Iskandar Malaysia, Northern Corridor Economic Region, East Coast Economic Region, Sabah Development Corridor and Sarawak Corridor of Renewable Energy) were established to better serve the respective specific regions (Refer figure 2.1).

Figure 2.1: Regional Economic Corridors 2011-2014



Source: Malaysia Economic Planning Unit, 2014

In the period of 10th MP, 2010-2015, regional economic corridors have reported that a total of RM307.1 billion (USD 75.3b) committed investments, of which 56.8% or RM174.5 billion (USD42.8b) contributed in creating 427,100 jobs created (Refer table 2.1). Moreover, the Corridor Development Authorities also continued to uplift the living standard of the communities within region.

The authorities have introducing several initiatives such as skills training and entrepreneurship development programmes to extend the human capital capabilities of targeted groups such as unemployed, youth and women.

Table 2.1: Investment by Regional Economic Corridors, 2011-2014

Regional Economic Corridors	Investment in RM (USD) billion		Jobs '000
	Committed	Present	
Iskandar Malaysia (IM)	90.4 (22.2)	47.1 (11.6)	320.1
Northern Corridor Economic Region (NCER)	51.7 (12.7)	51.7 (12.7)	63.5
East Coast Economic Region (ECER)	55.4 (13.6)	22.9 (5.6)	23.0
Sabah Development Corridor (SDC)	96.7 (23.7)	44.5 (10.9)	15.2
Sarawak Corridor of Renewable Energy (SCORE)	12.9 (3.2)	8.3 (2.0)	5.3
Total	307.1 (75.3)	174.5 (42.8)	

Source: Regional Corridor Authorities – The 11th MP, p.3-9.

The Draft NPP3 has identified 6 Conurbations, 17 Development Promotion Zones (ZPPs) and 46 Catalyst Centres. These growth areas are the catalyst hubs for economic growth by providing business and employment opportunities in services, manufacturing and other economic activities. Development and investment will be expanded and concentrated in the ZPPs and Catalyst Centres to stimulate growth. Whilst, the role of Conurbations will be strengthen as the main engine of the national development that aimed to create a balanced growth.

The Draft National Urbanisation Policy 2 (NUP2), 2015) has identified a total of 311 urban centres in Malaysia (State of Sarawak was not included in this exercise due to different enactments applied). Based on the 2025 projected population, NUP2 has

categorised those urban centres accordingly in the 5 levels of urban hierarchy such as Global City, Regional Centre, State Capital, Main Centre and Local Centre. Different levels of urban centres have its specific functions and level of services in providing commercial and retail services, housing, education, health, transportation, recreational and social services for the community.

In order to enhance the level of urban competitiveness between towns in Malaysia, all the related policies, institutions, strategies and procedures have been strengthened towards increasing the productivity and sustainability of each town. Several agencies have been established such as InvestKL, Talentcorp, Special Innovation Unit (UNIK) and Academic Innovation of Malaysia (AIM) to assist on the identification, implementation, and facilitation towards the enhancement of urban centre competitiveness.

2.2 Managing Urban-Rural Linkages

The peripheries of urban areas in Malaysia have unsuccessful in functioning as a link to rural and urban areas in order to maximise economic benefits such as creation of jobs, increase productivity and income levels for both the rural and urban communities. The provision of broadband services in promoting the use of innovative ICT applications among rural entrepreneurs particularly has also failed due to poor services provider and lesser demand. The rapid urban expansion and poor integration in physical and economic developments in both rural and urban areas have resulted in limited economic opportunities and hindered optimisation of resources. Factors such as absence of strong business leadership, lack of knowledge workers, inadequate infrastructure and inforstructures as well as poor logistics support and marketing network have hampered economic intensity in both rural and urban areas. Thus, there was a lack of innovation and creativity in linking the urban and rural economic activities.

The 11th MP has outlined that the urban and rural linkages has to be strengthened in order to improve connectivity and mobility of the people between the two areas, to foster greater economic integration. The implementation of integrated transportation system in providing better connectivity and more cost-effective routes for public transportation has increased people mobility of the two areas. This will become enabled rural enterprises to market their goods and services to the urban centres and peripheries. In addition, the introductions of Urban Transformation Centres (UTCs), Rural Transformation Centres (RTC) and mini-RTCs as conduits of urban-rural linkages have been strengthened by leveraging ICT. Measures have been undertaken to encourage rural dwellers to use these centres to provide supporting services, particularly for those in the ecotourism industry.

2.3 Addressing Urban Youth Needs

During the transition of the 10th MP 2011-2015, there were 896,612 youths who participated in programmes to enhance leadership, entrepreneurship and volunteerism. From this total, there were 885,800 youths who participated in youth development programmes in the areas of leadership, socio-economic development, volunteerism, and international youth cooperation. Meanwhile others 10,812 youth participated in entrepreneurship programmes to enhance their skills and capabilities in doing business, namely Program 3K (Leadership, Skill and Entrepreneur), Smart Youth, Entrepreneur Outreach, and Smart Partnership for Entrepreneur Youth.

The 11th MP has forecasted that the group of youth aged 15-40 will reach to 44.7% of Malaysia total population by 2020. Under the lens of the 11th MP, youth are not only the leaders of tomorrow, but also the partners of today. Thus, they are critical agents for the nation to move forward. Therefore, it is crucial to provide them with conducive environment and opportunities to play their

role in national development. Several youth development programmes are introduced to foster dynamic leadership and develop multiple capabilities among youth through education and training, entrepreneurship, sports and volunteerism. Positive values including spiritual, patriotism, responsibility, care, resilience and positive mind sets are inculcated to mould the potential young generation to become credible future leaders. As in a multi-cultural country - Malaysia, more structured programmes are implemented to enhance social integration and promote unity among the youth.

In order to create a larger group of successful Malaysian young entrepreneurs, a few agencies such as Academy of Malaysia Youth Development, National Skill Institute (INSKEN), MARA, Women Innovation Academy (MyWIN) and TEKUN Nasional have been identified in the 11th MP in supporting the integrated entrepreneurship development programmes including financial and investment literacy. In addition, youth from universities all encouraged to participate in “Back to Community” voluntary programmes organised by NGOs, universities, and companies. Programmes by IM4U and RELA Youth Squad are expanding to enable more youth from universities to contribute to the communities in more effective way.

2.4 Responding to the Needs of the Aged

Malaysia has increased the mandatory retirement age to 60 years old for both public and private sectors in 2012 and 2013 respectively. This nation enables this segment of the workforce continuously contribute towards the national socio-economic development. The 11th MP reported that the proportion of the Malaysia population aged above 60 years has increased, from 7.9% in 2010 to 8.8% in 2014 and it is expected to increase up to 10.6% by 2020. Better quality of life and healthcare advancement will further enhance longer life expectancy. In 2013, Malaysia has reported that life

expectancy of men and women were 72.4 and 77.2 years old respectively. The Malaysia government believe that many of senior citizens are in the positions to contribute to the society even in their golden years. Thus, in the period of the 11th MP, efforts will be made to further enhance the quality of life of the senior citizen.

The 11th MP has reported that a 100% tax rebate on costs to retrain older workers has been introduced to encourage the elderly to re-enter the labour market. However, for this age group, healthcare support is vital for them. Thus, healthcare support for the elderly was extended in 2012, with patients aged 60 and above exempted from paying the outpatient fee in government clinics and hospitals. They are only required to pay a nominal fee for specialist care, medication, and hospitalisation. This reduced their financial burden. The 11th MP has also claimed that more than six thousand elderly have benefited go far from the volunteer-based Home Help Services programme to assist and support the elderly or persons with disabilities who are living alone to live more independently and in comfort.

Several initiatives that are highlighted in the 11th MP is to improve the support environment for the elderly are include providing elderly-friendly facilities and improving medical care services. More day care centres for the elderly will be established in collaboration with NGOs to enable them to live with family members who are working. Furthermore, elderly care centres and Home Help services will also be expanded. Awareness programmes on elderly care will be strengthened to shift the elderly community to action in adopting active and healthy lifestyles. Social protection for the elderly group are poor will be streamlined and integrated to ensure better quality of life. The provision of assistance will be continued based on basic needs. The low-income group, particularly in the informal sector, have been encouraged to participate in voluntary savings

and retirement schemes to ensure economic protection in their old age.

In a more formal setup, the capacity of the Institute of Gerontology, Universiti Putra Malaysia (UPM) will be enhanced to conduct more research to support active ageing. The University of the Third Age (U3A) Programme will be expanded to provide opportunities for the elderly to continuously learn and acquire knowledge and skills in collaboration with universities, community colleges and Elderly Activity Centre. In addition, NGOs will also be encouraged to implement self-help based learning programmes. A national campaign to promote social awareness on volunteerism among retired professionals will be launched to encourage the elderly to participate in community-based activities. This will allow them to remain active by contributing their knowledge, skills and experience to benefit the community. Community Based Organizations (CBOs) and NGOs will be encouraged to attract more retired professionals in voluntary community services and development programmes.

2.5 Integrating Gender Equality in Urban Development

The 11th MP reported that the female labour force participation rate has increased from 46.4% in 2009 to 53.6% in 2014 and expected to reach 55% in 2015 driven by a range of initiatives. These included tax incentives to encourage employers to train and re-employ women who have been out of the labour market, and grants for renovation and furnishing of childcare centres within government offices.

In Malaysia, women comprise 48.7% of our total population, and today, formed 61% of the total graduate enrolment. They are the important part of addressing the talent gap in Malaysia and to achieve our socio-economic development objectives. A number of measures have been taken to harness women talent at all levels, and create more

opportunities for women to participate in the economy, and increase the female labour participation rate to 59%, by 2020.

In the recent years, efforts have been intensified to increase the number of women in decision-making positions. It has also reported that Malaysia women in leadership continue to increase, with women in top management positions in the public sector increasing from 30.5% in 2010 to 32.5% in 2014. Women were accounted for 10.2% of directors on the boards of public listed companies (PLCs) in 2014 as compared to the target of 30% by 2016.

The Malaysia Government believe that providing a more conducive working environment will help to promote gender equality and diversity and increase female participation in the labour force with by promoting work-life balance, flexible working arrangements and work from home concept in both the public and private sectors. In line with this, women have been given greater opportunities to acquire the necessary knowledge and experience including in areas of entrepreneurship. “Back to work” programmes to encourage qualified women who have been out of the workforce due to family or other commitments, will also be expanded through collaboration with the private sector.





3.0 LAND AND URBAN PLANNING

Since independence in 1957, Malaysian society has progressed far. The country achieved average Gross Domestic Product (GDP) growth of 4.89% during 1996-2014 periods (*World Bank, 2016*). GDP per capita has also doubled from RM19,346 (USD4,744) in 1996 to RM46,109 (USD11,307) in 2014 (*World Bank, 2016*). In the process, land use planning has become more complex due to factors like rapid urbanisation, public's concerns on the adverse impact of intense development on environment, the steady increase of private transport, and societal expectation of improved quality of life.

Realising the challenges facing the country in land use planning and spatial development, the government has started to instil sustainable development principles into the Malaysia Plan since 2000 (8th MP 2000-2005). The Malaysia Plan sets the five years direction for the country's socio-economic development, with the aim to build a nation that is inclusive and sustainable. These policies are translated into spatial and physical forms on the ground, through the comprehensive and well defined planning framework and mechanism spelt out in the Town and Country Planning Act 1976 (Act 172). The Federal Department of Town & Country Planning (also will be known as PLANMalaysia) is the lead agency in leading and spearhead the land use planning matters especially in Peninsular Malaysia while in East Malaysia, the State of Sabah and Sarawak have a different legislative setup of land use planning mechanism.

3.1 Ensuring Sustainable Urban Planning and Design

Act 172 ensures uniformity of laws and regulations relating to urban planning in Peninsular Malaysia. It creates concurrent planning roles for both the federal and states governments as prescribed in the Federal Constitution. It also delegates clear statutory authority to the governments at different hierarchy, to carry out planning decisions effectively and ensure development that are sustainable and beneficial to people.

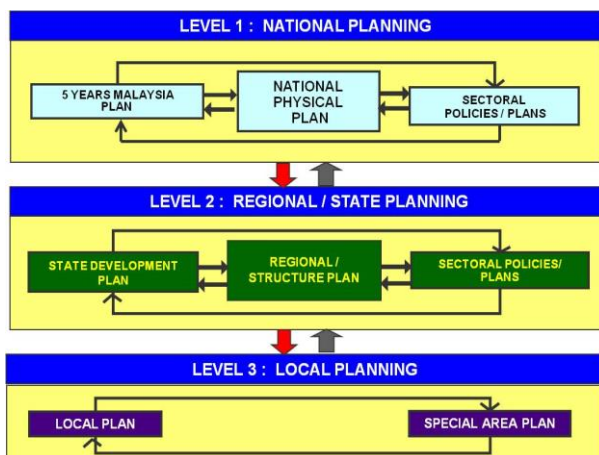
3.1.1 The Planning Framework

The Malaysian government believes that economic growth is not an end in itself but a means to bring prosperity and better Development Planning. In Malaysia quality of life to all segments of society. In this respect, the principle of "growth with equity" has underlined all our development efforts since the 1970s, which had contributed to a significant reduction in the incidence of poverty and a more equitable distribution of income. Today, urban planning is carried out at the three levels; National/Federal, State and local levels (Refer figure 3.1). The Act 172 provides for the establishment of the National Physical Planning Council (NPPC) at Federal level, to formulate national spatial and planning policies and provide advice.

The advices and policies are often made with sustainability objective in mind. At the state level, State Planning Committee (SPC) assisted by the State Town and Country Planning Department, coordinate and monitor development progress and ensure that

development follow sustainable principles. At the local government level, Local Planning Authorities (LPA) carry out spatial planning and planning control to ensure optimum use of land and buildings in their localities. It is at this level that planning conditions are imposed to ensure sustainable development.

Figure 3.1: Holistic Planning and Development System



Source: www.townplan.gov.my

3.1.2 Development Control Mechanism

The planning control mechanism provided under Act 172 is called planning permission. It grants local government the authority to check and impose conditions to any development taking place in its area. Act 172 under provision of Section 19(1) specified that no development shall be carried out without planning permission and any development that violates planning permission is an offence.

3.1.3 Development Plans

Development plans play a vital role in the development control system. The plans are type of blue print or backcloth against which an application for planning permission is determined. The development plans are principally instrumental in guiding future development and utilise land efficiently in the best interest of the people. Currently under Act 172, Malaysia has four types of development plans. National Physical Plan (NPP) sets spatial and land use policy for the

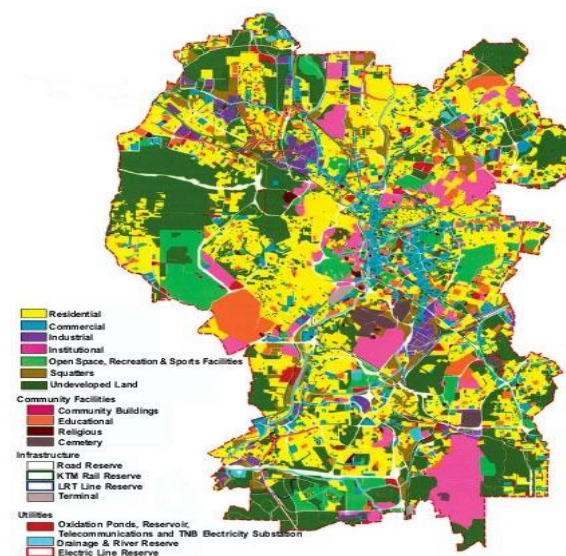
country (Figure 3.2), whereas structure plan detailed the national policy to the state level (Figure 3.3). Local plan contains lot-based land use and zoning proposal for an entire district. Special area plan is for areas that need special planning treatment, for example the redevelopment of an inner city or conservation of a heritage area. These plans are required to be produced continuously, with amendments typically being carried out after three to five years of implementation.

Figure 3.2: National Physical Plan



Source: Draft National Physical Plan 3, 2016.

Figure 3.3 : Kuala Lumpur Structure Plan



Source: Kuala Lumpur City Hall, 2006

3.1.4 Planning Guidelines

In Malaysia, planning guideline is another tool to ensure development conforms to sustainable principles. Together with development plan, planning guidelines are used by federal agencies, state and local planning authorities to draft policy, impose planning condition, make decision and implement development. The more notable planning guidelines that are currently in use include planning guidelines for Green Neighbourhood, Open Space, Gated Community and Guarded Neighbourhood, Brownfield Redevelopment, Universal Design and Earthquake & Tsunami Prone Areas. These guidelines are produced by the FDTCP, adopted and adapted at state and local authority levels for implementation.

Figure 3.4 : Example of Planning Guidelines



Source: www.townplan.gov.my

3.2 Improving Urban Land Management, Including Addressing Urban Sprawl

For the past decade, the government has formulated policy initiatives to improve urban land management and address urban sprawl. One of the most significant initiatives is the NUP which was introduced in 2006, and has since formed the backbone framework for urban development in Malaysia. Thrust 1 of the NUP requires that Malaysia urban be developed efficiently and sustainably. Under this thrust, there are measures to be taken by the federal, state and local governments to make city efficient and sustainable. Thus far, some of the measures have been realised to

improve land management and spatial planning, while others are still works in progress.

One of the measures requires that all hierarchy of development plans incorporate sustainable development principles. This measure had been realised as the whole nation is now covered under structure plans and local plans that are guided by sustainable development principles. Majority of the structure, local and special area plans in the country have already been gazetted and enforced by the state and local authorities. This made the plans and land use proposal legally binding. A comprehensive web-based land use database called Integrated Land Use Planning Information System (I-Plan) has been established by the FDTCP in 2015. It is the first time that public and agencies alike can view updated land use and zoning information on-line. This information can also be shared amongst agencies to support decision making with regards to spatial planning and optimum use of land resource.

The FDTCP is also preparing planning guidelines to protect and maintain environmentally sensitive areas and prime agricultural areas in the country for environment and security purposes. It has also prepared the Planning Guideline for Open Space to provide adequate open spaces for the public. The target is to achieve 2 hectares of open space for 1000 population. The quantum of gazetted recreational areas and open spaces at the local authority area is being monitored annually by the NPPC. The purpose is to ensure open spaces and recreational areas remained for public enjoyment and not for other development.

This promotes the creation of contiguous and integrated green areas and networks in urban areas. In adapting to climate change, nearly a million people have been shielded from the detrimental impact of floods through the implementation of 194 flood mitigation projects. 23,264 hectares of forested areas have been declared as Permanent Reserved

Forest under the Central Forest Spine initiative, helping to sustain Malaysia's natural endowment.

The government through the FDTCP is currently working on a number of actions to ensure sustainable development. One of this is to curb urban sprawl, as it is the contributing factor for many urban issues. To curb sprawl, it is proposed that urban areas are demarcated with clear growth boundary and containment area. Urban Growth Boundary (UGB) will be determined by the carrying capacity of the area. It will be ascertained through sound criteria and has appropriate time frame. Development is concentrated within the urban growth area to create a compact form and intensify the use of land. Compatible land uses such as employment, residence, amenities and green open space centre, are placed in close proximity supported by efficient connectivity. Housing development is encouraged within the urban centre and non-polluting light industries are allowed at suitable location.

Another on-going measure to limit urban sprawl and unlock the development potential within cities, is prioritising urban renewal within urban area. This include implementation of infill development at potential areas; identify and prepare inventory of brownfield areas which are unused, dilapidated or abandoned sites; plan and prepare re-development programmes for brownfield areas in the city centre; actively seek opportunities to partner with the private sector to redevelop high-potential government-owned land and properties; and ensure the types of development commensurate with the commercial potential and market value. With the NPP, NUP, structure and local plan in reviewing process, it's expected that extension of implementation, new measures and initiatives will be introduced for the betterment of land management.

3.3 Enhancing Urban and Peri-Urban Food Production

Enhancing food production in urban areas and areas on the urban periphery has been promoted by the Malaysian government since 40 years ago. In 1974, the federal government has launched the Green Book Programme to encourage people to grow and produce own food for daily needs and to curb impact of rising food cost (*Mohd. Yunus, 2014*). This programme was succeeded by the Green Earth Campaign in 2006 (*Mohd. Yunus, 2014*) and the "Jom Bertani" (Let's Farm) Programme in 2014 (*DOA, 2015, The Malay Mail, 2014*).

In 2014, the government has allocated USD1.22 million for this programme to encourage people to produce food for self-consumption and alleviate high living costs (*The Sun Daily, 2014*). On average, Malaysian family spent one fifth (19%) of their monthly household income on food in 2014 (*Department of Statistics Malaysia, 2015*). Study showed that food expenditure in the lower income groups household is higher, which is about 26-33 % of their total income (*Tey, 2008*).

These initiatives signified the government's concern over some of the perennial food security and food safety challenges facing the country (*Baki, et. al., 2012*). Malaysia food import is on the rise from RM34.25 billion (USD8.4 billion) in 2011 to RM42.4 billion (USD10.4 billion) in 2014, against export that had also increased from RM20.28 billion (USD5 billion) to RM25.28 billion (USD6.2 billion) during the same period (*EPU, 2015b*). Food trade balance showed deficit from 2011 to 2014 at an average rate of 8.9% (*EPU, 2015b*), where import far outweighing exports.

The main food imports include animal feed (34.4%) sugars and honey (17.1%), meat (14.7%) and vegetables (13.8%) (*EPU, 2015b*). Besides that, Malaysia also imported 30 % of its rice, which is a staple, as domestic rice production is insufficient. Rising food imports can be attributed to higher demand

for food due to population growth and changing food preferences reflecting more affluent society (Khor, 2008). Lower domestic production is largely related to non-optimal land use, uncompetitive workforce, high post-harvest loss, dependence on middlemen, ineffective institutional support, ineffective knowledge transfer, lack of priority research and unfavourable terms of financing (EPU, 2015b). These factors have put pressure on government to ensure safe and stable food supply that can be easily accessed and afforded by people.

To ensure the country withstands the impact of future worldwide food price hike similar to that of 2008, the government has introduced a new National Agro-food Policy (NAFP) (2011-2020) to succeed the three earlier National Agricultural Policy (implemented from 1984 to 2010). The NAFP aims to increase agriculture industry's efficiency by making food production secure, safe, competitive, knowledge intensive and sustainable (Baki et al., 2012). Since 2008, state and local governments, communities and individuals have responded to the Federal Government's calling, by initiating farming projects in major urban and suburban areas (FDTCP, 2016b), where the cost of living are higher.

Notable initiatives in the central Klang Valley region are Putrajaya's residents joint community farming project with Malaysian Agricultural Research and Development Institute (MARDI), Puchong Garnet Apartment's farming project with Subang Jaya Municipal Council, Kuala Lumpur City's Taman Tun Dr. Ismail's Edible Garden Project and Shah Alam City Council's community farming campaign (FDTCP, 2016b). There are also good examples of urban farming projects at Seberang Perai, Penang and Port Dickson, Negeri Sembilan, which showcased successful public-private partnership. Most of the foods produced are consumed by the project members and local communities. To encourage such efforts, the FDTCP under the MUWHGL, have

recognised the efforts of local governments that have successfully promoted Green Neighbourhood Initiatives Programme for community farming. Since its inception in 2011, more than 15 local governments have received this acknowledgement (FDTCP, 2015).

3.4 Addressing Urban Mobility Challenges

Urban mobility is a major concern in Malaysia as the country approaches year 2020, especially since 77.2 % of the country's population is expected to live in the urban areas (FTCPD, 2010). Moving people and goods efficiently in Malaysian urban areas, especially medium-sized and large conurbation (World Bank, 2015), is a challenge. At the densely populated and highly developed Greater Kuala Lumpur (GKL), morning and evening peak-hours congestion is a daily recurrence.

According to the World Bank (2015), commuters in GKL on average travel 29km/h slower during morning peak hours compare to off-peak hours due to congestion. This translates into annual income losses of RM10.8-19.6 billion (USD2.6-4.8 billion) for the city and its conurbation. Including the costs of wasted fuel, CO2 emissions, delays, vehicle maintenance, road safety and productivity, the total cost of congestion in GKL is estimated at 1.1-2.2% of the national GDP in 2014, or over RM3,100 (USD756.1) per resident. These estimates do not include the 'well-being cost' of the commuters, which is subjective yet estimated to be substantial.

Currently in Malaysia, dependency on private transport is high. Between 2010 and 2014, the number of registered private cars was higher than the growth of population. Private cars increased by 21 % from 9.1 million (2010) to 11 million (2014) (Transport Statistics Malaysia 2014; Transport Statistics Malaysia 2010); compare to the growth of population, which was at 6.6 % from 28.6 million (2010) to 30.5 million (2014) (Department of Statistics Malaysia, n.d.). Kuala Lumpur in 2012, it is estimated

that each resident has two cars, and even amongst the poorest 10 % household, about half owned a car (*World Bank, 2015*). Thereby the use of private vehicles becomes a necessity than a luxury.

These trends are partially due to low density development pattern and the absence of efficient and reliable public transport in the urbanised areas. Before the coming effect of the first NPP in 2005 and NUP in 2006, Malaysian cities are not gearing towards high density pattern, efficient urban form or transit-oriented development (*FDTCP, 2005; FDTCP 2006; FDTCP, 2016a; FDTCP 2016b*). As a result, the physical formation of the three largest cities – Kuala Lumpur, Penang and Johor Bahru is of sprawl and declining density (*World Bank, 2015*).

The public transport system is relatively unappealing and its supply is constrained. The Klang Valley region (encompassing GKL) has less public transport coverage, with 20km of rail per million population (/mp) in 2010, against other public transport-oriented cities like Tokyo 92km/mp and London 166km/mp (*World Bank, 2015*). Another contributing factor is the shortage of `first and last mile` connectivity into the main trunk rail lines, including park and ride facilities, bicycle and pedestrian access and most importantly efficient feeder buses services (*World Bank, 2015; SPAD, 2012; FDTCP, 2016b*).

Therefore, it is not surprising that in Kuala Lumpur, transit mode share declined from 35 % in 1985 to 20 % in 1997 and further to 12 % in 2009, before recovering to 17.1 % in 2014 (*World Bank, 2015*). Other major cities recorded even lower modal shares - Johor Bahru 15 %, Penang 11 %, Kota Kinabalu 8 % and Kuantan 3 % (*World Bank, 2015*). Determined to improve urban mobility, the government has started to embark on mega public transport projects. In 1995 the first Commuter and Light Rail Transit (LRT) lines were operationalised. Over the years, rail based public transport has slowly been accepted by the public in GKL with 76 %

increase in ridership from 2003 to 2013 (*FDTCP, 2016a*).

Targeting public transport as the solution to efficient urban mobility, the government has invested on new public transport infrastructure and services including the Klang Valley Mass Rail Transit (KVMRT) - consisting of 3 lines covering 145 km; 35km LRT line extensions - increasing total coverage to 147km; doubling monorail line coverage to 33km; new Bus Rapid Transit (BRT) lines along 13 corridors and the high profile Kuala Lumpur-Singapore High Speed Rail, to be completed beyond 2020 (*SPAD, 2012; EPU, 2015a, FDTCP, 2016a; FDTCP 2016b*). Besides infrastructure building, the government has also set up the Land Public Transport Commission (SPAD) in 2010 as part of the effort to introduce institutional change to the public transport sector (*World Bank, 2015*). SPAD is now the authority that oversee public transport planning, policy formulation and regulate public transport sector.

There are also concerted efforts by the state and local governments to engage NGOs and local communities to promote the use of public transport. A good example of the partnership is the Taman Jaya LRT project collaboration between Petaling Jaya City Council and Centre for Environment, Technology and Development Malaysia (CETDEM) which seeks to promote sustainable mobility within the surrounding vicinity of Taman Jaya LRT line.

3.5 Improving Technical Capacity to Plan and Manage Cities

The Federal Government of Malaysia through the FDTCP, under the MUWHGL, has in the past decade, initiated a number of projects to improve urban wellbeing through city planning and technical capacity development. One visible example of urban planning performance is the development of the Malaysian Urban-Rural-National Indicators Network on Sustainable Development

(MURNInets). MURNInets is a web data base platform developed in 1998 to measure and evaluate sustainability level at local governments` areas (FDTCP, 2016). In 2012, eight cities took part in the pilot project, and one year later, MURNInets started its urban sustainability measurement using 36 indicators. These indicators are from six domains - competitive economy, environment quality, community wellbeing, optimum land use and natural resources, efficient infrastructure and transport and effective governance. MURNInets has enabled local governments to understand their sustainability performance and ratings, and identify areas for further improvement.

Another visible initiative by the FDTCP is the Integrated Land Use Planning Information System (I-Plan) in operation since 2015. It is a web-based application that supports land use information viewing and data sharing with public and technical agencies. I-Plan aims to make available up-to-date spatial data that can be used to support planning decision and improve the quality of city. In 2015, the Local Government Department under the MUWHGL has introduced local government transformation plan called ‘PBT di Hati Rakyat’ (Local Government in People’s Heart) (Bernama, 2015). One of the thrusts is to upgrade local governments’ quality of service and delivery through human capital development, focusing on strengthening local governments’ technical and governance capacity. The plan aims to elevate the wellbeing of people, especially those living in the urban areas.

To make progress towards realising Malaysia as a country with high income and greater public wellbeing, the federal government has introduced National Blue Ocean Strategy (NBOS) in 2009 (NBOS, 2016). To date, over 60 initiatives have applied Blue Ocean Strategy tools and frameworks to deliver high-impact, low-cost and rapidly executed projects that bring benefits to the people Governance. North Kuching City Hall is the first Malaysian city to receive the 1st

(NBOS, 2016). In the 11th MP, over RM285.45 billion (USD70 billion) are allocated for various initiatives carried out by over 80 ministries and agencies, including police and military, women, youth, and higher education (EPU, 2015a). MUWHGL is actively involved in NBOS through three community initiatives - My Beautiful Neighbourhood (MyBN), My Beautiful Malaysia (MyBM) and 1Malaysia Youth Cities at Tanjung Malim, Perak (NBOS, 2016; KPKT, 2016). These projects engaged technical resources from federal, state, local agencies and private sector to support local communities and marginalised groups in city and sub-urban areas to improve and maintain local infrastructure, and create new economic opportunities to raise income levels (NBOS, 2016).

Besides federal agencies, government linked entities are also contributing to make city better. Malaysia Industry-Government Group for High Technology (MIGHT) took initiative in 2014 to collaborate with the Malacca State Government to translate its Green City Action Plan into actions and brought in private sector to lead and implement it. MIGHT is also engaging federal agencies in formulating smart city framework that will integrate different components to create sustainable, competitive and green city models for Malaysia (Innovate UK, 2016).

On the international front, Malaysia has been involving in the ASEAN Environmental Sustainable City (ESC) Model Cities Programme since 2008 (ASEAN Cooperation on Environment, 2016). This programme is supported by the Japan-ASEAN Integrated Fund (JAIF) to create common platform for ASEAN cities to share technology-know-how, learn from each other and the more advance cities. Cities in this programme showcased their best-practices in carbon management, waste management, community engagement, city planning and urban

ASEAN ESC Awards in 2008, followed by Putrajaya Corporation in 2011 and City of Melaka in 2014.





4.0 ENVIRONMENT AND URBANISATION

Urban developments, land use patterns and activities not only influence the volume of emissions into the ambient air environment but also affect the ability of the urban ecosystem to purify the air. Therefore, urbanisation affects the quality of air in urban areas. However, urban air quality is also affected by global, regional or trans-boundary pollutants. The growth of the urban population in Malaysia has created several issues pertaining to the basic needs of people such as housing, health, education, and sanitation facilities, and the most urgent problems are urban poverty and housing for the lower income group. The urban process in Malaysia will continue to a large extent, and more people will be moving to and living in major cities.

4.1 Addressing Climate Change

Malaysia ratified the UN Framework Convention on Climate Change (UNFCCC) on July 13, 1994 and the Kyoto Protocol on 4 September 2002. As part of the obligations assumed as a party of the UNFCCC, the Government of Malaysia submitted its First National Communication (NC) in 2000 and the NC2 was submitted in January of 2011. Malaysia is now in the midst of preparing its NC3. Malaysia aims to reduce its greenhouse gas (GHG) emissions intensity of GDP by 45 %, by the year 2030. The government in submitting its climate change action plan to the UN Framework Convention on Climate Change (UNFCCC), stated that it was pleased to communicate its Intended Nationally

Determined Contribution (INDC), together with relevant clarifying information. The plan also known as the Intended Nationally Determined Contribution (INDC) comes in advance of a new universal climate change agreement to be used at the UN climate conference in Paris, in December this year. Malaysia is one of the 179 parties to the UNFCCC to have formally submitted their INDCs. Based on the plan, the reduction of GHG consists of Malaysia taking its own effort in working towards this effort by 35 % (unconditional basis) and another 10 % is conditioned upon receipt of climate finance, technology transfer and capacity building from other developed countries. (NRE, 2014)

The duration given for the implementation is ten years beginning 2021. The INDC was developed through participatory process through an inter-ministerial/agencies working group. Consultations with stakeholders were conducted to obtain inputs on possible measures to reduce greenhouse gas emissions. There are five main sectors involved in the INDC which includes energy, agriculture, industrial processes, waste and Land Use, Land Use Change and Forestry (LULUCF). Malaysia's total GHG emissions represent about 0.6% of global emissions in 2011. The emission intensity per GDP was 0.41 tCO₂eq/RM1000 (USD245) for that year. This represents a reduction of about 23 % from the 2005 values. The total GHG emissions including removals by LULUCF sinks is about 0.05% of global emissions.

In 2014, Malaysia developed A Roadmap of Emissions Intensity Reduction in Malaysia. The study indicated that Malaysia has opportunities across various sectors to meet

the reduction target of 45% emissions intensity reduction of GDP. However, while these opportunities exist, considerable efforts would be required to realise these emissions reductions in light of the challenges and barriers. Among these barriers are technological costs, institutional framework and capacity and LULUCF legacy issues. The country continues to allocate financial resources for the implementation of climate change mitigation programmes through both public and private sector initiatives.

The climate-related policies are implemented along with national priorities such as poverty eradication, improving quality of life and development. Meanwhile, The 10th MP 2011-2015 focussed on sustainable growth and introduced mitigation strategies to reduce emissions of GHG. Three significant financial tools were introduced to promote sustainability measures. These consist of the introduction of a feed-in-tariff (FiT) mechanism in conjunction with the Renewable Energy Policy and Action Plan (2010) to help finance renewable energy investment, providing fiscal incentives and funding for green technology investments and promoting projects eligible for carbon credits.

The Malaysian government will continue to pursue its green growth goal under the 11th MP for (the purpose of) sustainability and resilience. These include strengthening enabling environment for green growth, adoption of sustainable consumption and production, conserving natural resources and strengthening resilience against climate change and natural disasters. These actions will further reduce Malaysia's carbon footprint. (*NRE, 2014*)

The Agriculture sector showed a reduction in emissions due to the changes in assumptions and guidelines. In NC2, the Energy sector contributed 66%, LULUCF sector 13% and Waste sector 12%. The NC2 also resulted in guidelines for adaptation and mitigation which are a first step towards a concrete strategy. The National Policy on Climate

Change was approved by the Cabinet in 2009 with the aim to provide the framework to mobilise and guide all key stakeholders in addressing the challenges of climate change in an effective and holistic manner.

The objectives of the policy include mainstreaming climate change response through wise resource use and enhanced environmental conservation, integration of these responses into new and existing national plans and programmes, and strengthening institutional capacity, with the collective goals of strengthening economic competitiveness, improving quality of life, strengthening development resilience in the face of the potential impacts of climate change, and reducing its negative impacts. The National Green Technology Policy, also launched in 2009, seeks to promote low carbon technology and ensure sustainable development while conserving the natural environment and resources.

The Policy focuses on four broad sectors (building, energy, waste and transportation) with five strategic thrusts

- i. to establish a green technology council for high-level coordination amongst key stakeholders;
- ii. to provide a conducive environment for green technology development;
- iii. to intensify human capital development by providing training and education programmes, and by introducing financial packages and incentives to students embarking on green technology related subjects;
- iv. to intensify green technology research and innovation towards commercialisation;
- v. to promote for public awareness on green technology. Subsequently, the National Green Technology and Climate Change Council, chaired by the Prime Minister, was established in early 2010 to foster greater ties and coordination between these two complementary areas.

During the 10th MP 2011-2015, various mitigation measures were carried out in several areas such as energy, transportation, waste and forestry. As of 2013, implementation of mitigation measures in these areas resulted in reduction of GHGs emission intensity of its GDP by 33%. Among measures undertaken include enforcement of the Renewable Energy Act, 2011, implementation of the FiT mechanism, gazettement of EURO 4M fuel standards, introduction of the biodiesel B7 programme, conversion of empty palm oil fruit bunches to energy and gazettement of Permanent Reserved Forests.

In terms of adapting to climate change impact, several measures were undertaken with respect to water resources and the agriculture sector. Flood mitigation and coastal erosion prevention programmes were implemented to reduce the impact of floods and sea level rise. Flood hazard maps were also developed to facilitate disaster prevention and development planning in major high risk areas. In the agriculture sector, a new aerobic paddy variant known as MR1A1, which is resistant to heat and water scarcity, was launched. In addition, new policy frameworks, guidelines and standards as well as communication mechanisms were introduced to support efforts in addressing climate change.

4.1.1 Landscaping and Green Initiatives

The National Landscape Policy (NLP), which aimed to transform Malaysia into The Beautiful Garden Nation by 2020 was prepared in 2011 as a comprehensive operational guide to improve the quality of living environments. The preparation of the NLP is the commitment between the Government and the people of this country in placing landscape development as a necessary requirement in national physical development. It is a prerequisite for us as a developed nation, to improve the level of people's wellbeing as well as the sustainability of our living environment.

NLP outlined the thrusts, strategies, and action plans together with the main principle and direction towards quality, holistic and sustainable landscape developments through preservation of green areas and protection of natural landscape resources. In addition, the implementation of a comprehensive landscape planning development is expected to address the issues of climate change as they work to reduce micro climate heat within the urban spaces. Landscape spaces, parks and greeneries have been proven to evolve from their current recreational role into a new role as a catalyst for urban enrichment.

Parks, squares and gardens provide a fundamentally different sensory experience from harder spaces. Their role in connecting people with nature and providing space for relaxation and play is vital for healthy urban living. The green components through effective landscape planning and design can contribute to a substantial temperature reduction, and the most natural problem solver for pollutions caused by massive transportation emissions and urbanization.

NLP comprises of 7 thrusts, 16 strategies and 74 action plans; all driven in transforming not only the physical landscape of Malaysia, but also how people percept and appreciate landscape. Thrust 3 in the policy in particular, emphasizes on the importance of a systematically and efficiently planned, implemented and well-managed green infrastructure in addressing the issues of global warming and climate change. The strategies also outlined action plans for Malaysia landscape to have 30% of development areas to be kept green.

Aware about the worsening congestion and deteriorating environment in the densely-populated areas; that is why the government through the National Landscape Department (NLD) came up with the Urban Landscape Programs (ULP). ULP was initiated in 2014 by the department with the objectives to revitalize the urban features and conditions to ensure a sustainable and vibrant atmosphere;

with its first comprehensive project carried out in Cameron Highland by the end of 10th MP. NLD shall carry out another 10 urban landscape projects in the 11th MP all over major cities in Malaysia.

At the same time, NLD is doing their best in providing recreational access by developing public parks, federal parks, community parks and community parks within the urban settings. The importance of providing recreational areas in the urban settings was specified in the NPPC that every 1,000 population needs 2 hectares of open space for their recreational purposes. NLD has also make projections that every local authority to at least have 1 urban park in their administration territory. To date, NLD has developed 48 public parks nationwide and will continue to do so for the benefit of all.

The department has also carried out various programs to promote community appreciation and involvement in landscape; intensifying awareness and education programs from schools to school, calling out for CSR partnerships and campaigns, stretching from public outreach programs to domestic and international exhibitions. The latest talk of the town is the program known as “Rakan Taman” where local communities are given the responsibility to be the guardian of their community parks and neighbourhood in which they would carry out the park’s maintenance and its safety together. To date, 136 Rakan Taman bodies/groups have been formed nationwide since it was first launched in 2013.

4.2 Disaster Risk Reduction

Malaysia’s exposure to a range of climate-related natural disasters had intensified due to climate change. Weather extremes are occurring more frequently and with higher intensities. The northeast monsoon floods in 2006, 2007 and 2008 exemplify such change. During the northeast monsoon season in February 2014, the country experienced very severe floods in parts of Sabah while

Peninsular Malaysia experienced a long hot and very dry spell resulting in conditions. This signalled the need for a change in the strategy for disaster risk management for the northeast monsoon season where preparation is not only targeted towards floods but also for droughts that can occur during the late part of the season.

Disaster risk in Malaysia has the potential to increase. The growing population and rapid urbanisation has also resulted in development expanding into environmentally sensitive and disaster prone areas. This has resulted in floods in areas that in the past do not face such problems, more flash floods in the urban areas and landslides along hill slopes. These challenges indicate a need for an integrated Disaster Risk Reduction framework to be put in place to build resilience for the future. There is a need to coordinate disaster risk management aspects in these development areas, for example in the Greater Kuala Lumpur and four development corridors namely Georgetown Conurbation, Kuantan Conurbation, Johor Bharu Conurbation, and Kuala Lumpur Conurbation.

As the population and development area of the country grow, there is an increasing urgency to scale up disaster risk management in the country. Regional development authorities, local government and the private sector are increasingly recognised as critical to progress in disaster risk reduction, and climate change adaptation. Synergy between the regional development authority and local government’s leadership role in regional and local planning and the private sector’s role in implementation can help scale up disaster risk reduction and adaptation to climate change at the local level. This requires greater efforts and partnerships between the government, private sector, civil society, media and the communities themselves as stated in the Sendai Framework for Disaster Risk Reduction, 2030.

The traditional framework for disaster risk management in Malaysia is based on

preparedness, response and relief, recovery and rehabilitation, and mitigation loosely coupled to development initiatives on disaster risk reduction. The responsibility for national disaster risk management policy has been incorporated in National Security Council (NSC) Directive 20 in its revision on 30 March 2012. This revision incorporated brief guidelines for disaster prevention and mitigation. When responsibility for national disaster risk management policy rests with emergency management organisation, it is unlikely to shape development investment that avoids accumulation of future disaster risks. On the contrary, it tends to reinforce the existing skewed focus on disaster management and stand-alone disaster risk management investments.

UNISDR Global Assessment Report (GAR) 2013 has recommended that the responsibility for disaster risk management and climate change adaptation be placed in a ministry or office with political authority over development planning and investment to ensure policy coherence across development sectors and the integration of disaster risk management into national development planning. In the Malaysia context a joint NSC-EPU focal point and secretariat on disaster risk management with an agreed national platform layered on local authorities, state and federal structure, a monitoring mechanism and formal periodic review process would be a practical approach. Policy wise NSC Directive 20 has layered disaster risk management on the local authorities, state and federal structure with detail and clarity on the disaster response structure.

However there is little clarity on the funding, monitoring, evaluation and reporting mechanisms for disaster risk reduction in the structure. The other key areas of Disaster Risk Management (DRM) in Malaysia also include a) Hazard and Risk Management; b) vulnerability reduction focuses on building resilience and reducing underlying risk, and c) preparedness, response and recovery. The Malaysia civil society has been in the fore

front of disaster response. Building a resilience community at local level against disaster is the most practical disaster preparedness. However only a few of the NGOs are involved in community-based disaster risk reduction programmes. A stronger government, civil society and community partnership with the support of local organisations would be fruitful in building Community-based Disaster Risk Reduction Management (CBDRM) programmes in Malaysia.

The communities are the ones that suffer most during a disaster. Community involvement is necessary in the management of a disaster since their involvement would help bridge the information gap and understanding of what is needed by the affected communities and what is provided by the government led disaster responses. The functions of a CBDRM system from self-help to providing assistance to neighbourhood including Village Development and Security Committee (JKKK) should also look at disaster risk reduction issues. Community based programmes often face the problem of sustainability over a longer period of time. It needs a policy environment and linkage with local institutions to enable continuation of its activities.

People and communities nowadays also voice their expectations that governments provide timely warnings and enable evacuations when hazards threaten a location. However there is a lack of social demand for reducing expanding exposures to hazards, for example continued building of human settlements on hill slopes and flood-prone areas. Civil society in partnership with the media and scientific community can help bridge this gap and generate the necessary knowledge, common understanding and awareness that avoids accumulation of risks which lead to future disasters. As the country continues to urbanise and economic activities continue to expand, there is an urgency to involve the private sector in many aspects of disaster risk management.

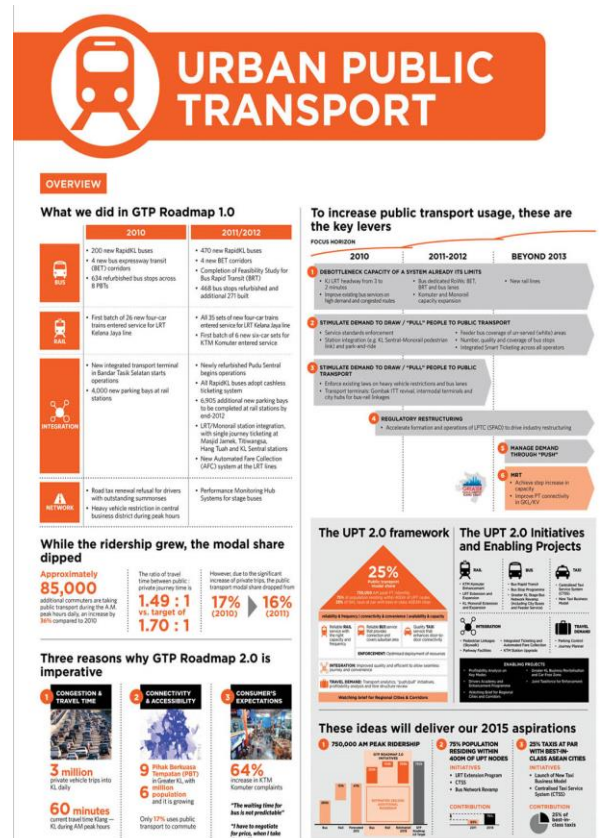
In urban planning and implementation, developers need to inculcate a sense of responsibility for future disaster avoidance in their area of development. Drainage effectiveness should be viewed as a collective responsibility of developers, local government and Drainage and Irrigation Department (DID). As hazards become more erratic and unpredictable, and area business continuity and resilience planning should become the norm of business planning. Business areas should also develop disaster preparedness and response plans to reduce losses due to disasters. For this to be realised an initial government initiative is necessary. In Malaysia the main source of financing for disasters relief and compassionate aid comes from the government through the National Disaster Fund.

With small to medium scale natural disasters occurring more frequently and affecting more people and their assets, there is a need to develop risk transfer schemes especially through insurance. The insurance industry for life, medical, building and vehicle insurances is well developed in Malaysia. However risk protection of assets such as buildings and vehicles against disasters through insurance is not well developed and usually involves very high premiums.

4.3 Reducing Traffic Congestion

Malaysia has recorded rapid urbanisation since 1960's, from 26.8% (2.79 million urban populations) in 1970 to 71% (2.79 million urban populations) in 2010 and is projected to be 79.6% (27.30 million urban populations) by 2025. The urbanisation process involves both the increased of urban populations and urbanized area, which eventually leads to urban sprawl. Rapid urbanisation also shapes transport and travel demands. A study by SPAD reveals travel demand in Malaysia has indicated a threefold increase from 13 million trips per day in 1991, to 40 million trips per day in 2010, mainly contributed by personal vehicles. The registration for private vehicles

had also increased nearly fivefold from 4.7 million in 1990 to 21.6 million in 2013.



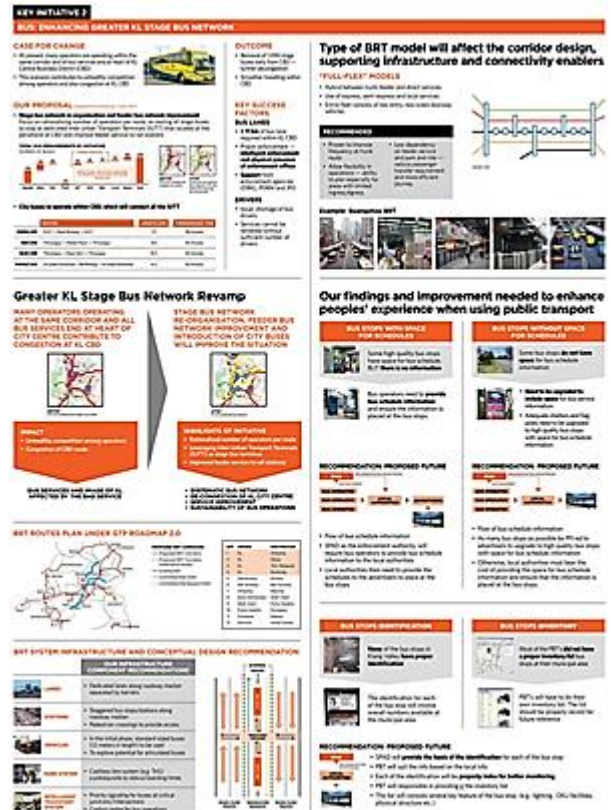
Source: The Land Public Transport Commission, 2015

The inefficient planning of public transportation and the increased of car ridership had subsequently caused traffic congestion and air pollution particularly in the urban areas. A study by EPU (2014) found 1/3 of the roads in urban areas were congested during the morning peak. The average time spent on the road was one to two hours. Prior to 1995, modes of public transport in urban areas were mainly taxis and buses. In 1995, (KTM Commuter) was introduced as the country's first commuter train services to reduce traffic congestion in the Klang Valley. Subsequently in 2000, the LRT and Monorail were also developed to meet the increasing demand for public transport in the same area. Despite the provision of public transport in the urban areas, the public transport modal share remained at 10% in 2008. Under the 10th MP 2011-2015, network expansion of roads was undertaken to reach more households and improve standards of living.

Road length rose 68% from 137,200 kilometres in 2010 to an estimated 230,300 km in 2015. Concurrently, initiatives to build mass rapid transit (MRT) were also started. The National Land Public Transport Master Plan 2012-2030 was formulated to set the direction for public transport development to achieve a 40% public transport modal share for urban areas by 2030. The investments in rail and bus transport, addition of new routes, provision of free bus services and increased connectivity between transport modes enabled a 31.7% increase in the annual ridership of urban rail in Greater Kuala Lumpur/Klang Valley. The public transport modal share reached 17.1% in 2014.

In the 11th MP 2016-2020, the Government aims to continue planning for efficient public transport connectivity, elevate public transport as the preferred mode of commute, and reduce dependency on private vehicles, traffic congestion and air pollution. The Klang Valley Mass Rapid Transit (KVMRT) system will become operational during the 11th MP. The KVMRT Line 1 will transverse 51 km between Sungai Buloh and Kajang, through 31 stations serving about 1.2 million people with a daily expected ridership of 400,000. Construction on KVMRT Line 2 will also start in 2016 and is estimated to become operational by 2022. Additionally, construction on a Light Rail Transit (LRT) Line 3 connecting Bandar Utama to Klang, running over 36km and serving 25 stations will start in 2016 with expected completion in 2020.

The Transit Oriented Development (TOD) concept will be promoted to optimise land use and public transport infrastructure planning. TOD concepts will be expanded in urban areas to maximise access to quality public transport and to attract private investments for commercial and residential purposes. This will help reduce traffic congestion and improve air quality, making cities more liveable. Planning for development of roads and rail networks will be integrated, to promote a multimodal transport system.



Source: The Land Public Transport Commission, 2015

4.4 Air Pollution

In the early days of abundant resources and minimal development pressures, little attention was paid to growing environmental concerns in Malaysia. The haze episodes in Southeast Asia in 1983, 1984, 1991, 1994, and 1997 imposed threats to the environmental management of Malaysia and increased awareness of the environment. As a consequence, the government established Malaysian Air Quality Guidelines, the Air Pollution Index, and the Haze Action Plan to improve air quality. The Department of Environment (DOE) monitors ambient air quality throughout the country at 52 continuous monitoring stations. These monitoring stations are strategically located in urban, sub urban and industrial areas to detect any significant change in the air quality which may be harmful to human health and the environment.

The air quality status is reported in terms of Air Pollution Index (API). The API is calculated based on concentration of five

major pollutants which are ground level ozone (O₃), carbon monoxide (CO), nitrogen dioxide (NO₂), sulphur dioxide (SO₂) and particulate matter of less than 10 microns in size (PM₁₀). The API is categorized as good, moderate, unhealthy, very unhealthy and hazardous. Based on the Air Pollutant Index (API), the overall air quality for Malaysia in 2014 was between good to moderate levels most of the time except for a number of unhealthy days recorded at various locations in the West and East Coast of Peninsular Malaysia and in Sarawak. There had been slight deterioration in the overall trend of air quality in Klang Valley in 2014 as compared to 2013.

PM₁₀ was the predominant pollutant that had caused unhealthy conditions during the dry seasons in the late Northeast Monsoon (February until March) and Southwest Monsoon (May until September). The unhealthy days these periods were due to forest and peatland fires and transboundary smoke haze from Sumatra and Kalimantan. Besides PM₁₀, ground level ozone (O₃) remained the pollutant of concern. Urban areas recorded higher levels of ozone due to higher traffic volume and conducive atmospheric condition resulting in its formation. Ozone pollution also dominant in some rural and sub urban areas due to downwind effect transporting ozone pollution from the sources of ozone precursors namely nitrogen oxides (NO_x) and volatile organic compound (VOC) emitted from motor vehicles and industries. Generally, the annual average SO₂ concentration shows a declining trend between 2000 and 2014. This was attributed by the use of better fuel quality EURO-2M in this country starting from September 2009 and also stricter enforcement by the DOE as well as widely use of natural gas for industrial combustion process and vehicles.

In 2014, there was no significant change of NO₂ concentration compared to the 2013 level. The NO₂ concentrations remain high in urban and industrial areas mainly due to a

significant increase in the number of motor vehicles and combustion processes. Estimate on NO₂ emission load indicates 64.8% was from power plants while 26.7 percent from motor vehicles, 7.1% from industries and 1.4% from other sources. There was a slight increase of 5 percent CO level in 2014 compared to 2013. However the trend of CO concentration from 2000 to 2014 remains almost constant. In urban areas, the concentration of CO was higher where the main source of emission was motor vehicles which contributed to 95 percent of CO emission load in 2014. Generally, the concentrations of five major pollutants comply with the Malaysian Ambient Air Quality Guidelines.

Studies shown the increased usage of private vehicles has influenced the concentration of five major pollutants, contributing to the overall API. Therefore, the government under the 11th MP will encourage low carbon mobility such as usage of public transport. The use of public transport can achieve dual objectives of reducing congestion and minimising environmental pollution. The adoption of energy efficient vehicles will reduce the dependency on fossil fuel and emission of harmful gases. In addition, the provision of a seamless, integrated and reliable public transportation (via public transportation investment) shall reduce the private vehicles dependency and reduce its environmental impact in the long run.



4.5 Eco-Social Approach to Urban Health

Urban settlements are about and for people. The way they are planned, designed, developed and managed affect human health, wellbeing, safety, security and opportunity. This is important because cities can be made more sustainable from economic or environmental perspectives without necessarily safeguarding human health and wellbeing. The converse is not true which a focus on health that includes current and future generations nearly always encompasses sustainable, inclusive and productive economic and environmental goals because economy, environment and wellbeing are fundamentally interlinked. Improving health of people now and into the future needs to recognize that its roots are in economic, ecological and social determinants and grounded in systems thinking. Applying this approach, emergent solutions for communicable and non-communicable disease, injury and mental health that offer broad environmental co-benefits become apparent.

An Urban Thinkers Campus (UTC), an initiative by UN Habitat, was held in Kuching, Sarawak from 24 to 27 January 2016 and discussed this eco social view of health in the context of sustainable urban development. It was the only one of 26 campuses around world focusing on health and wellbeing. It was hosted by United Nations University – International Institute for Global Health with support from the Sarawak State Government and attracted 158 participants from 91 organizations and 27 countries.

Three central themes underlay UTC discussions: first, an acknowledgment of the roots of health in social, ecological and economic factors; second, an awareness that systems approaches are required to address increasing complexity in the context of sustainable urban development; third, a recognition that health and

wellbeing of people is more and more dependent on the health of our planet from climate and biodiversity, air and water.

The Urban Thinkers Campus' key recommendations for health and wellbeing in healthy and sustainable urban settlements are includes :

- i. Place health at the centre of sustainable development;
- ii. Recognize the roots of health in ecological, economic and social factors and the links between the health of people and planet;
- iii. Adopt systems approaches in conceptualising and addressing urban problems, including involving communities, corporations and civil society in identifying and resolving challenges;
- iv. Train decision-makers in performing health impact assessments and require their implementation across all sectors of urban development and city management;
- v. Promote the collection and use of better data—including geospatial and socio-ecological data and traditional knowledge—through open-source platforms, crowd-sourcing, better utilisation of existing networks (e.g., C40, ICLEI) and data resources, and a focus on easily-collected variables that affect multiple urban systems;
- vi. Align their risk reduction activities with the Sendai Framework, promote community resilience, assess risks and anticipate shocks, and act to improve resilience in times of non-crisis; and
- vii. Adopt the principles of the Kuching Statement for Healthy, Just and Sustainable Urban Development and the Dhaka Declaration on Urban Health in Sustainable Development.

Three outcome documents were produced from the Malaysian Urban Thinkers Campus. One publication is the *Principles for Healthy and Sustainable Places* derived from the big ideas of 26 global urban thinkers. The second output is *People, Planet and Participation: The Kuching*

Statement on Healthy, Just and Sustainable Urban Development advocating that urban settlements focus on health and wellbeing of its people, minimize their ecological footprint and protect the environment now and into the future; and adopt participatory structures and processes for governance for health. The third document is *THRIVE – Health and Wellbeing in the City We Need*, a folio of art and text illustrating and explaining the Eco-Social view of health in an easy to understand language.





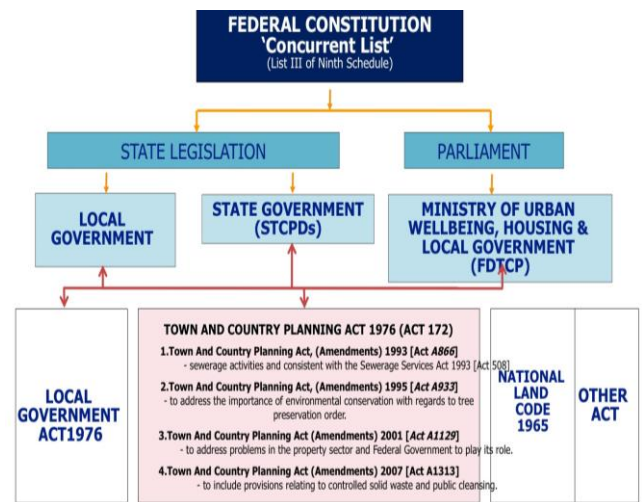
5.0 URBAN GOVERNANCE AND LEGISLATION

With rapid urbanisation that brings with it tremendous urban challenges such as urban poverty, rising crime, solid waste disposal, urban mobility and environmental protection, urban governance is faced with various complex challenges ahead. Particularly in the face of globalization, efficient urban governance is crucial in maintaining urban growth, competitiveness, social justice and sustainability. In a modern Malaysian society, government is only one of the players in urban governance, though an important one. Other players are the community-based organizations, private sectors businesses, civil society, the media and the citizens/individuals.

Urban governance requires a good institution/system, which includes legislations, manpower, finance, etc., and for it to be efficient and effective, this institution/system needs to be transparent, fair, accountable yet dynamic. While urban governance exists at various levels, in the context of Malaysian three-tier administration system, urban governance is most relevant at the local authority (LA) level, as provided by the Federal Constitution and several Acts of Parliament (Figure 5.1). The local government (i.e.the LAs) is in the hierarchy of governance in Malaysia, after federal and state as enshrined in the Federal Constitution. Article 4 and 5 of the 9th Schedule of the said Constitution stipulated that the local governments are directly under the jurisdiction of the State Government. There

are currently 149 LAs, classified under three (3) main categories (city halls/councils, municipal councils, and district councils), according to the number of population, revenue per annum, delivery service system, ability of new growth centres, and ability to provide urban services, infrastructures and public utility as well as the ability to enhance its city image and branding.

Figure 5.1: Malaysian Three-Tier Administration System



Source: FDTCP, 2014

In Malaysia, LAs are endowed with the power given by the Local Government Act 1976 (Act 171) to provide goods and services to local people. Their mandatory functions can be generally categorised into five (5) main sections: public amenities, enforcement and license grant, public health and hygiene, social service and development, and environmental issues. LAs also have the power to collect taxes, mainly from assessment tax, and licenses/permit for any trade within its area of jurisdiction.

The Federal Constitution of Malaysia 1957 gave the exclusive power to govern local governments to the state except those in the federal territories. Subsequently a constitutional amendment was made in 1960 that provides for the establishment of a consultative committee called the National Council for Local Government. Membership of this council consists of a federal cabinet

minister as the chair, a representative from each State Governments as well as no more than 10 representatives of the Federal Government. Although its role is to be consulted in the matters of law governing local authorities, this 1960 constitutional amendment also provided the chair a casting vote thus gave the Federal Government a big clout on local government.

5.1 Improving Urban Legislation

5.1.1 Local Government, Town Planning, Street, Drainage and Building

Many laws have been passed by the Parliament to control the operation of LAs in Malaysia. The most outstanding piece of law is the Local Government Act 1976 (Act 171). This Act of Parliament outlines the form, organizational structure, functions and responsibilities of a local council. At the same time, the Town and Country Planning Act 1976 (Act 172) was promulgated to overcome the weaknesses in the planning of land use in local area. This Act 172 puts the primary physical planning responsibility at local level to the LAs. Additionally, the Street, Drainage and Building Act 1974 (Act 133) provides several other roles of LAs regarding drainage, maintenance of municipal roads as well as public buildings. At the federal level, in addition to the three (3) main laws, several other laws and regulations including by-laws were enacted and enforced to help the running of LAs and these include by-laws on trade, business and industry, crematorium and market.

Article 95D of the Federal Constitution however does not permit the Parliament to create laws pertaining to land and local government for the states of Sabah and Sarawak. Likewise, article 95E excludes these states from following laws formulated by the National Council for Local Government. However, both State Governments still send their representatives to the consultative meetings of the committee as observers without any voting rights. In Sabah, the local authorities were established through

provisions under the Local Government Ordinance 1961 and this Ordinance also summarises the responsibility and function of LAs in Sabah. A state ministry i.e. the Ministry of Local Government and Housing, governs the operation of LAs in this state. In Sarawak, LAs were established under the Local Authority Ordinance 1996. This Ordinance is the successor of pre-independence law, the Local Government Ordinance 1948. Other laws regulating the running of LAs in Sarawak include Building Ordinance 1994, Protection of Public Health Ordinance 1999 as well as by-laws formulated under these main laws.

With regard the Town and Country Planning Act 1976 (Act 172), there were two major amendments made i.e in 1995 and in 2001, through Act A933 and Act A1129 respectively. The improvements made through Act A933 was essentially to strengthen environmental protection in the process of land development, by making it mandatory to prepare a thorough site analysis, impact assessments and detailed development proposal, which includes aspects of topography, landscape, natural features and open spaces, prior to the application for planning permission (which is done prior to carrying out the earth works and building erection).

The amendments made through Act A1129 include among others, three (3) important provisions, firstly to ensure the preparation of a nation-wide NPP and the preparation of a state-wide structure plan, secondly to establish the NPPC, and lastly, to impose the duty of the LAs to make early engagement with the public at the onset of the preparation of a local plan. The effects of this are, firstly population and economic projections as well as growth areas can be rationalized for all the States through the NPP; secondly the mega-projects - massive township development and construction of infrastructure of national interest, are required to seek advice from the NPPC in order to ensure that financial and land resources are utilised in the best manner

and at the best location, and lastly, the public can participate in the preparation of a local plan much earlier, thus enabling them to help shape the visions of their cities and town towards making it more sustainable, inclusive, and liveable.

While the local level is closest to the people, not all services can be delivered effectively if they rest on the shoulders of the LAs alone. Particularly because in most cases, LAs have very limited financial resources, manpower and expertise. Some services can be planned and delivered better if they are being coordinated and managed at the federal level. In addition to that, at federal level, a more collaborative planning and governance can be ensured, whilst the sustainability of industry can also be addressed. Recognising this fact, recently a few legislations have been drawn up to improve urban governance, specifically with regard solid waste management, public transport, and strata management.

5.1.2 Solid Waste, Public Transport and Strata Management

Solid Waste and Public Cleansing Management Act 2007 (Act 672) was enacted to ensure the uniformity of law relating to the management of solid waste and public cleansing throughout Peninsular Malaysia, by empowering the Federal Government to take over the management of solid waste and public cleansing from the LAs. Along with this Act, to enable its smooth implementation, Solid Waste and Public Cleansing Management Corporation Act 2007 (Act 673) was also enacted (the Corporation is known as SWCorp).

The implementation of Act 672, Act 673 and its related regulations on solid waste and public cleansing management will trigger a major change in the modus operandi of solid waste and public cleansing management in Malaysia. Upon Act 672 coming into force, all works on solid waste and public cleansing management will be fully undertaken by SWCorp. This involves the immediate takeover of responsibilities of solid waste and

public cleansing management from all LAs. This is because the LAs will no longer have jurisdiction over the collection and disposal of garbage, as well as cleansing of public roads, public places, public toilets and drains. SWCorp will assume the management and operation of all landfill sites under the LAs, including identifying and evaluating sanitary landfills, transfer stations, incineration technologies, and plant management.

Acknowledging that urban transport is the lifeline of any city, in moving forward, the government has enacted two (2) new Acts of Parliament in 2010 i.e. Land Public Transport Act 2010 (Act 715) and Land Public Transport Commission Act 2010 (Act 714). These Acts are meant to provide the mandate and focus in managing the land public transport (LPT) matters including the urban rail, bus and taxi services. These Acts consolidate a few critical functions, i.e. planning, licensing and enforcement as well as establish the Land Public Transport Commission (known as SPAD) as the single authority to monitor and enforce standards in providing long-term plans for the public transportation system. With these legislations, the prospect of achieving a safe, reliable, efficient, responsive, accessible, planned, integrated and sustainable urban public transport have improved, and after six (6) years, the urban dwellers who are used to traffic jams are now finding that they have other alternatives in the form of BRT, LRT, commuter trains and soon, the MRT.

A more recent improvement of legislation that relates to urban governance is the formulation of Strata Management Act 2013 (Act 757). This Act was meant to replace the Building and Common Property (Maintenance and Management) Act 2007. This Act aims at ensuring a better regulatory and administration of strata property and also intends to cover the Federal Territory of Kuala Lumpur and Putrajaya (which were not covered by the previous Act). It also introduces Strata Management Tribunal, where an aggrieved party may seek legal

recourse without having to litigate in court. This Act is very timely to address the many issues facing the growing number of urban residents that reside in high-rise strata properties.

5.2 Decentralization and Strengthening of Local Authorities

In the 1960s, there were about 418 LAs of various types in Malaysia. However after the implementation of the Athi Nahappan Report 1968, the number of LAs has substantially reduced. The Local Government Act 1976 (Act 171) that was drawn up as a result of this Report, only allowed for the establishment of 12 municipal councils and 90 district councils in the three (3) years after its implementation, while giving allowance for the establishment of a city council subject to the consent of the King and the Council of Rulers. Currently there are 149 LAs, and the increase/upgrading of the LAs between 2000-2016 is as shown below, whereby since 2000, 5 new local authorities have been formed. The creation of these new LAs is expected to further improve the delivery of services to the people.

Table 5.1: Local Authorities in Malaysia

State	City Hall/Council		Municipal Council		District Council		TOTAL	
	2000	2016	2000	2016	2000	2016	2000	2016
Johor	1	1	4	6	9	8	14	15
Kedah	0	1	3	3	8	7	11	11
Kelantan	0	0	1	1	11	11	12	12
Melaka	0	1	1	3	2	0	3	4
N.Sembilan	0	0	1	3	7	5	8	8
Pahang	0	0	2	3	9	8	11	11
P.Pinang	0	1	2	1	0	0	2	2
Perak	1	1	1	4	13	10	15	15
Perlis	0	0	1	1	0	0	1	1
Selangor	1	2	6	6	5	4	12	12
Trengganu	0	1	1	2	6	4	7	7
Sabah	1	1	2	2	19	21	22	24
Sarawak	2	3	3	3	20	20	25	26
F.Territory	1	1	0	0	0	0	1	1
TOTAL	7	13	28	38	109	98	144	149

Source : Department of Local Government, 2015

Over the years, manpower and financial restrictions of the LAs have been quoted as the reason that limits the quality of urban

services. These aspects however have been improved in the recent years.

Local government in Malaysia is under the purview of State Government. However, Article 76 (4) of the Federal Constitution empowers Parliament to uniform laws and policies in relation with local Government. Article 95A, sub-section (5), (6) and (7) of Federal Constitution clearly explained on the role and function for **National Council for Local Government** as follows:

- i. To form a national policy in promoting, developing and controlling Local Government throughout Malaysia and to administer any legislation in relation with it by consulting with Federal and State Governments. The Federal and State Governments are bound to implement policies formulated by National Council for Local Government;
- ii. To facilitate negotiation on any law in relation with Local Government between Federal and the State Government; and
- iii. To advice Federal and State Governments in relation with matters pertaining to Local Government.

5.2.1 One Stop Centre (OSC)

In April 2007, One Stop Centres (OSC) was established at 98 LAs in Peninsular Malaysia with 533 additional posts created at the LAs. The function of OSC is to process application for land development, planning permission, building plan, earthwork plan and road and drainage plan concurrently, as well as facilitate any other processes until the final stage where the certificate of fitness of a completed building is being issued. As such, OSC concurs with the aspiration of the government to streamline and strengthen the processes and procedures of development control towards a business-friendly Malaysia. In line with the national agenda and objectives to increase foreign and domestic investment, the efficiency and effectiveness of the government delivery system especially in construction must be improved.

Prior to OSC there was no attempt to standardise or to streamline the procedures and processes of development control and the construction permit system. There were too many conditions and interactions imposed to the investors. Authorities and agencies took a long time to go through applications checking for compliance which further delayed the approval process. Investors were frustrated, compliance cost increased and costs of doing business in Malaysia were escalating. A further improvement of OSC is made through OSC 3.0, which is enforceable in Peninsular Malaysia since June 2016. Through this new system every player of the construction industry is given roles and responsibilities to abide to. Every player is a part of a big jigsaw puzzle that complements and relates to one another. OSC 3.0 has been used and tested in Kuala Lumpur (KL).

5.2.2 Local Authority Finance

To enable the smooth running of the LAs, apart from the collections of local taxes, and the charges and fees they collected, revenues of LAs also come from the financial contributions from the Federal Government in the form of Local Government Small Scale Projects (BP1), Annual Grant, and Financial Allocation In Lieu of Property Tax. BP1 is given to finance the small scale projects. Such projects are being implemented to help in the development of the physical and socio-economic wellbeing of the LAs.

The implementation of projects under BP1 will benefit the LAs and these projects become assets which in turn can generate an alternative source of additional income. Generally BP1 projects are people-centric in nature, for example the building and upgrading of roads, drains, pedestrian walkways and street lights, building of facilities such as multi-purpose halls, sports and recreational complexes, public toilets and bus shelters, as well as socio-economic projects such as the building and upgrading of markets, food courts and small commercial premises.

Annual Grant is a certain amount of bursary being allocated to LAs in accordance with Act 245 (Financial Grant To Local Authorities Act 1981). The disbursement of annual grant is prescribed under clause 109(3) of the Federal Constitution. This facility is rendered to LAs with the view of alleviating its financial constraints and providing an alternative source of income. In view of LAs being the third tier of government, annual grant provided by the Federal Government is seen as an effort to support LAs in discharging their duties and public responsibilities, for the betterment of the public and local community.

For example, about RM130 million (USD31.88 million) was allocated in subsidising the bill payments for the street lightings in the LAs areas throughout the country. This payment is made by the Ministry of Finance, Malaysia to the LAs, through the Department of Local Government. The disbursement of financial allocations in lieu of federal property assessment payments to the LAs is seen as a contribution under Article 156 of the Federal Constitution. It describes the responsibilities of the Federal Government to pay property tax with respect to its assets and properties such as government buildings which occupies the premises under the LAs. These include those buildings and premises occupied by the armed forces and other uniform institutional services.

The power to impose the real property tax has been given to all LAs. Section 130 (1) of the Local Government Act 171 (LGA 171), 1976 defined the basis of rate assessment as any rate or rates imposed under this part may be assessed upon the annual value of holdings or upon the improved value of holdings as the state authority may determine. The tax applies to all forms of real property such as land, buildings and other improvements. The exemption is given to real properties owned by government, charitable institutions and religious buildings (LGA 171, 1976). The tax is based on the improved / market value (in

the State of Johor) or annual value (the rest of the states) of the property. The tax rate varies from one LA to the others based on the targeted amount of collection set forth by each LA. The basic real property tax rate was set at 0.1% – 0.5% of the improved / market value (1% - 10% of annual value) for residential properties, 0.15% to 0.5% of market value (5% - 10% of annual value) for commercial and industrial properties. Agricultural property is imposed at lower rates compared to residential, commercial and industrial properties.

There are about 149 local governments in Malaysia and they play an important role to ensure better quality of services. Many local governments are struggling to maintain a viable economic due to modern globalization. Revenue earned by local governments is usually inadequate to finance its programs and activities and some of them highly dependent on state and federal funding. To remedy this situation, the local government must self-sufficient and more entrepreneurial. Local governments should plan to raise revenue from their own sources. For 11th MP, we have identified few strategies which could help our local governments to raise their revenue.

In this plan period, efforts will be taken to educate our local governments to create more business and modernized the existing business. This could be done by modernizing wet markets, promote business opportunities, create more conducive environment to attract more investment into our country. The need of work in partnership will be emphasized during this plan period as well. Local authorities may continue to promote their business opportunities by building personal relationships with customers. It could be done through social networks, advertising business offers in television, radio, industry magazines and etc. Many businesses get lost behind because they fail to promote their business and most of it is an offline business. Online business should be focused and this is a great

marketing technique to get potential customers.

5.2.3 Innovation and Business Reengineering Process

Apart from these contributions, LAs themselves have been doing a lot of innovation and Business Reengineering Process (BRP) to increase their income. Nowadays, considering the hectic lifestyle, every services or processes should have alternatives to get it done via online. This is where the innovation and BRP take place as it will ease the public and clients to make payment, license renewal, application submission, etc. Most of the LAs already have an e-payment method for the public for most of their services. LAs also encourage the public to make early payments and stand a chance to win a prize like a brand new car or an official LAs merchandise. There are some LAs providing a drive-through counters and mobile offices to ease the public to make payment and other dealings. This is a good innovation done by the LAs and it is truly favoured by the public as well.

Some LAs also are doing various innovations in a few fields and planning to venture in new businesses and services for the public and make money out of them. With the changes in macroeconomic environment, the business for the LAs is not as usual. They are actively doing innovation and BRP to ease their job and to help the public as well while gaining income for them to give more values in the municipal services delivery. Both Federal and State Government are being very supportive of the LAs innovations, towards improving the wellbeing of the urban residents.

In addition, in order to serve the public efficiently, the government also introduces a web based system called ePBT. ePBT System is an all-in-one system for income and accounting management, civil complaints management and local authority reporting system which uses the combination of client-server and web-based application concepts. The system supports the LAs' daily operations that involve revenue collection,

administrative processes, financial processes and accounting transactions.

5.3 Improving Participation and Human Rights in Urban Development

With the growing challenges of urbanization, including rising inequalities, poverty, population growth, environmental degradation and climate change, the global community today faces a very tough task. The use of human rights instruments has not been prominent, either as guiding principles for sustainable urban development, as tools for integrating the three “dimensions” of sustainable development or for resolving the conflicting rights and interests that inevitably arise. It will also be important for this agenda to ensure that all citizens, especially marginalized young people, are able to enjoy their rights, to influence governance and decision-making, and to improve their lives and cities.

5.3.1 Public Participation in the Planning Process

Community participation has always been an integral part of urban development in Malaysia. This fact has been reinforced in the town and country planning law. Basically, there are three (3) stages of community participation in the development planning process i.e. at the local plan preparation, structure plan preparation and at planning permission stages. It is compulsory under the existing law (section 12A, Act 172) that LAs must inform the public of their intention to prepare a local plan for the area under their jurisdiction. The purpose of this is to gauge early community feedback on the issues and challenges that should be addressed. Subsequently the community once again will be asked to comment and give their feedback to the draft local plan (section 13 of Act 172), where views and objections must be thoroughly investigated and be incorporated into the plan, if necessary. Similarly there is community participation in the preparation (state) structure plan i.e. during the

preparation of report of survey and after the draft structure plan has been completed.

Finally, community participation also takes place at planning permission stage. Planning permission is a development control tool imposed by LAs - it is a procedure that requires applicants to submit documents/reports and layout plans in relation to the development proposal, for LAs' consideration. In the area where there is no local plan in force, the LAs will serve a notice informing the neighbouring landowners about the proposed development in order to obtain their views (subsection 21(6) Act 172). If there is an objection, a local inquiry will be held to ascertain the impact and mitigation needed. This process of community participation must be carried out before the development proposal can be considered.

5.3.2 Residents Representative Committee

With the current Federal Government's tagline “People First”, people's participation has also been magnified through Residents Representative Committee (JPP). JPP is an initiative by the Federal Government with the objectives of promoting local community participation in local development program, assisting local community facing urban issues, and creating harmonious neighborhood. The roles and function of JPP are communicating and disseminating related information on policy, laws, guidelines, rules, initiatives, program and activities taken by LAs; creating social cohesion between people through active participation in community program; cooperating with LAs to enhance local security; assisting authorities in addressing cleanliness, health and environment; assisting LAs in planning, executing and monitoring infrastructural, public amenities and socio economic project; and to act as an information platform for people to give feedbacks on issues to enable LAs to further improve their service delivery system. This program has been launched on 29th May 2015, and currently there are 2,288 members of the JPP in 98 LAs throughout Peninsular Malaysia.

The focus of the government is also on ways to improve communication between the LAs and the public. As such the government has introduced a programme known as Live Streaming. Live Streaming is where live events from certain places such as LAs are broadcasted to public through the internet. The public also are encouraged to put up comments to LAs during the events through the comment/chat column. As of 2016, six (6) LAs have been selected to be the pioneer for the Live Streaming. The objectives of the project are to provide faster and accurate information, to ease the media to gain information, and as a platform of communication between LAs and the public.

5.3.3 Universal Design Guideline

Finally, recognizing the need to enhance human rights in planning and development, the Federal Government has asked all players in development to provide urban facilities that cater to all segments of the society. Towards this end, Universal Design Guidelines (UDG) has been approved in 2011. This UDG outlines the various design and specification that can be accessible by all users including the differently-able group. In addition to this guideline, the government has also developed a Malaysia Standard (MS) 1184:2004 - Universal Design And Accessibility In Built Environment – Code Of Practice. For the LAs that has adopted this UDG, for example Kuala Lumpur City Hall, conformity to this guideline becomes a pre-requisite in the issuance of the certificate of completion and compliance (CCC).

5.4 Enhancing Urban Safety and Security

One out of six (6) National Key Result Area (NKRA) under the Government Transformation Programme (GTP) is about reducing crime, as the survey showed that crime was the second largest area of concern for the people, after the economy. Reducing Crime programme involves 55 initiatives for implementation through multiple collaboration across agencies and ministries

nationwide. Safe City Programme (SCP) is one of the initiatives, and it introduced Crime Prevention Through Environmental Design (CPTED) approach to enhance urban physical elements to proactively reduce potential crime occurrences. SCP focuses on fast implementation steps using CPTED, and is designed to reduce street crimes particularly through provision of lightings, installation of CCTVs, segregating pedestrian lane from motorist, and installation of safety mirrors and panic buttons to distress offenders.

At the same time, crime prevention efforts such as omnipresence in hotspots, special police operations and greater community participation in voluntary neighbourhood watch activities are also carried out. These crime prevention efforts resulted in a decline in crime from 166,300 cases in 2011 to 128,540 cases in 2014, as reflected in the crime index (22.7% decline in crime index). Moreover, CCTV installations together with crime prevention measures have successfully reduced 17.6% of street crime from 2011 to 2014. The SCP was implemented in 151 LAs covering 618 hotspots. An assessment undertaken in 2012 indicated that 80% of citizens in those areas felt safe, which significantly exceeded the target of 55%. Subsequently, the Black Spot Whitening Initiative introduced in 2013, focused on crime prone areas under the SCP. Spanning 76 LAs, 61% of the population in these areas felt safe, exceeding the 55% target. This initiative has also enhanced collaboration between communities and government agencies.

In addition, community policing programmes were implemented to promote safer neighbourhoods through the Voluntary Patrolling Scheme (SRS). SRS, a community crime watch and night patrol effort, aimed to reduce crime in residential areas. In 2014, 4,460 SRS were registered compared to 2,910 in 2011. These voluntary based community policing programmes not only reduced incidences of crime but also increased social integration. Moreover, GIS Crime Mapping

under Safe City Monitoring System has helped Royal Malaysian Police (RMP) and LAs to identify crime spatial patterns to delegate resources on high priority areas for target hardening programmes. On top of that, Web iSelamat.my has been introduced to promote awareness amongst public via crime information sharing. Furthermore, to date, 149 LAs nationwide have received CPTED guidelines, and are now implementing CPTED as a pre-requisite in planning permission.

Enhancement of urban safety and security also involves deployment of enforcement personnel and patrols to create omnipresence effects with joint-collaborative agencies including RMP, Defence Ministry, LAs and other agencies in hotspots areas. Other initiatives includes programme for more productive inmates and ex-prisoners, increasing the number of police bit, rehabilitating drug addicts, public engagements and other crime awareness programmes. Emphasising public engagement, a new Police Department Crime Prevention and Community Safety were also set up under RMP, and better police delivery system are carried out through the Modernising Police programme.

5.5 Improving Social Inclusion and Equity

Inclusivity and equity is a key principle in Malaysia's national socio-economic development agenda, to ensure all citizens enjoy the fruits of growth and development regardless of gender, ethnicity, socio-economic status and geographic location. Malaysia has long emphasised the importance of balanced growth by providing access to facilities, services, and economic opportunities to boost outcomes for all segments of society, in particular the low-income group. Moving forward, the focus will be on ensuring more equitable access to economic growth opportunities, while increasing the wellbeing and quality of life across all segments. Non-productive aid

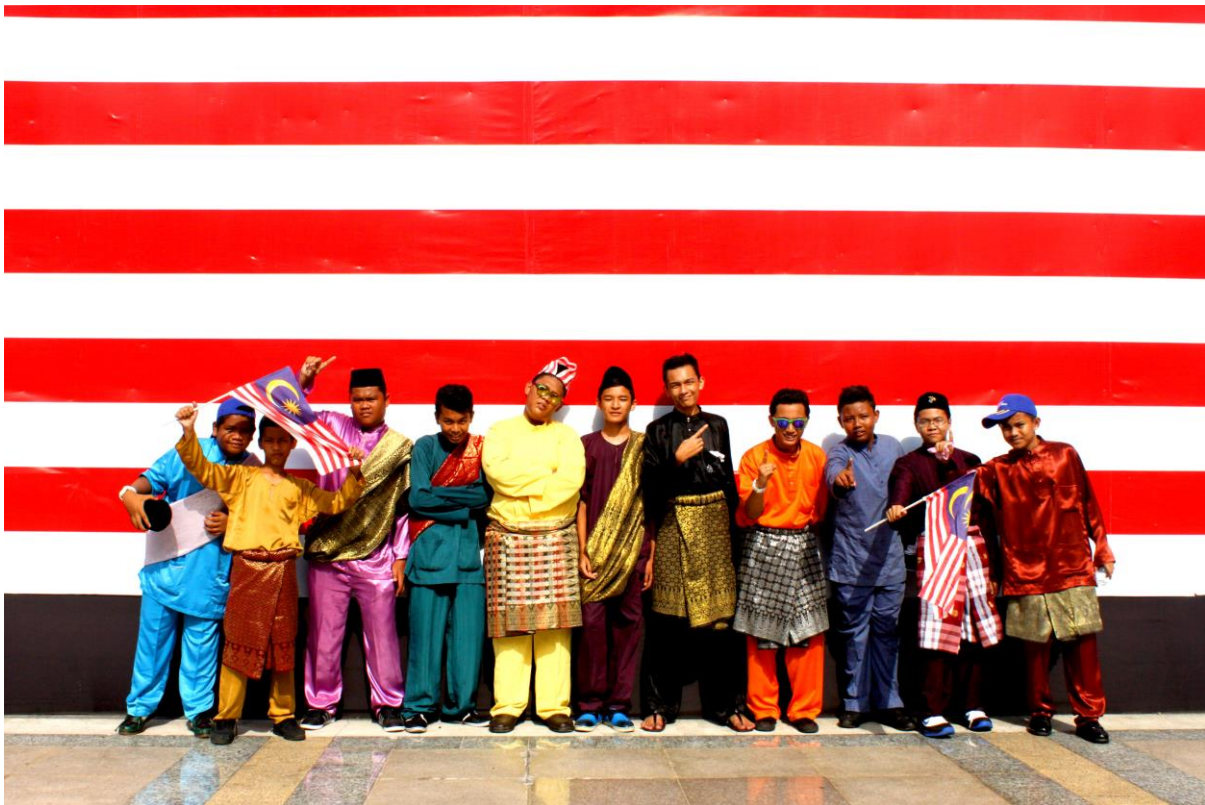
programmes will be reduced in favour of more sustainable wealth creation initiatives. The delivery mechanism will be strengthened across government, encouraging more active participation from the private sector and civil society.

During the 10th MP 2011-2015, inclusivity was a key strategy towards achieving a prosperous and equitable society. Targeted implementation of development and empowerment programmes resulted in an increase in the socio-economic status of Malaysians. Overall income distribution improved, with mean monthly household income of the bottom 40% households income group (B40 households) increased to RM2,537 (USD622) in 2014 from RM1,529 (USD375) in 2009. By 2020, the country aims to double the average income for the B40 households, from RM2,537 (USD622) in 2014 to RM5,270 (USD1,292), elevating them into the middle-class. The provision of rural basic infrastructure combined with entrepreneur development activities has enabled people in the rural and remote areas to increase their participation in socio-economic development.

Various community programmes were also implemented to foster social integration and volunteerism, and to promote a greater spirit of tolerance and unity among Malaysians. The Department of National Unity and Integration conducted 875,590 social interaction activities through organisations and programmes such as Kelab Rukun Negara (National Principles Club) and Inter-Faith Understanding. These programmes were implemented in collaboration with government agencies, private sectors and NGOs.

At the same time, numerous initiatives were implemented to nurture youth volunteerism. The '1Malaysia For Youth' (1M4U) NGO, established in 2012, has organised various volunteer programmes with the local community such as the iM4U Flood Relief, Volunteer Malaysia, and the Reach Out

Convention and Celebration. The alumni of the National Service Volunteer Brigade also organised volunteer programmes in environmental conservation, sports, and natural disaster relief. At the same time, the Government established the National Unity Consultative Council (NUCC) in 2013. The NUCC was mandated to formulate a national blueprint for social cohesion and national unity by 2015. This blueprint's focus is on the reconciliation of five (5) key areas namely, policy and legislation, culture, youth, national integration, and inclusive development. The NUCC has to date, conducted 18 town hall meetings throughout Malaysia to deepen understanding of what it would take to build tolerance and integration in a multiracial society.





6.0 URBAN ECONOMY

The United Nations has forecasted that 60% of the world population which is equivalent to five billion people will reside in urban areas by 2030. With more than three quarter of the population living in urban areas in Malaysia by 2020, the demand for employment in urban centres will significantly increase. This will put pressure to create enough employment in urban areas to meet the increasing demand as well as to reduce unemployment to an acceptable level. A high unemployment rate will result in various social issues related to poverty, crime and nuisance. The pressure to create employment will be more intense in urban conurbations due to globalisation and trade liberalisation. This is because conurbations are anticipated to lead the nation in securing foreign investment, and in turn become competitive centres to attract investors.

There is a need to identify the economic strength and specialization of each urban centre to develop, promote and strengthen its future growth and development. A strong correlation between economic growth and urban growth further clarifies the role of the local economic base. Major conurbations will encounter challenges from globalisation and technological development including the emergence of knowledge-based economy. The growth of knowledge based economy requires a high level of competency among administrators, service providers and consumers. The improvement of skills of the urban dwellers will further accelerate economic growth, expand knowledge, and lead to the upgrading of skilled manpower.

Thus, it is important for urban centres, regardless of size, to create a dynamic

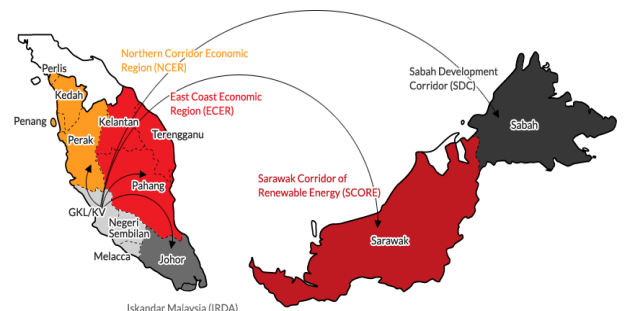
economic environment in support of commerce and value-added economic activities and knowledge-based industries. Besides encouraging the growth and development of major urban centres, the economic development of medium and small sized urban centres should also be supported as they provide consumer goods to the urban population.

6.1 Supporting Local Economic Development

The trend towards regional devolution and decentralization in Malaysia has been more pronounced during the 9th MP 2006-2010 through the creation of the six Regional Economic Growth Corridors in 2009 namely: (Refer figure 6.1)

- i. Northern Corridor Economic Region (NCER);
- ii. East Coast Economic Region (ECER);
- iii. Iskandar Malaysia (IM);
- iv. Sarawak Corridor of Renewable Energy (SCORE);
- v. Sabah Development Corridor (SDC); and
- vi. Greater Kuala Lumpur

Figure 6.1: Regional Economic Corridors 2011-2014



Source: Malaysia Economic Planning Unit, 2014

The focus of these economic corridors is to address regional imbalances and to further propel the country's economic growth using public-private partnerships (PPP) approach. To facilitate and expedite the implementation of corridor development programmes, statutory regional corridor authorities were established. In an increasingly globalized context, development approaches on a regional basis is presently deemed suitable for the country. Nevertheless this development approach foster the Local Economic Development (LED) strategies to increase local economic potentials and sustainable employment through locally tailored strategies in cooperation with state and local governments as well as national and international stakeholders and actors. Such complementary development strategies potentially offer opportunities for growth to all areas.

Local Economic Development (LED) is a territorial approach to development as opposed sectoral dimension. Choosing economic corridors as a larger territorial unit to perform LED has various benefits in the country. Firstly, corridors are able to take advantage of economies of scale making them more efficient at implementing LED strategies, Secondly, corridors are in a better position to secure resources and defend the interests of the locality in the national arena, given that many local authorities especially the smaller ones still lack resources especially manpower and financial capability. Thirdly, regions correspond better to the functional economic area in terms of commuting, supply chain patterns and so forth. Finally corridors will be better able to engage in international competition with cities in other countries.

The regional economic corridors will continue to develop economic clusters based on sectoral and geographic advantages. The key clusters are: East Coast Economic Region (petrochemical industries); Northern Corridor Economic Region (automotive and aeronautical industries); Iskandar Malaysia (creative cluster); Sarawak Corridor of

Renewable Energy (energy-intensive industries) and Sabah Development Corridor (tourism and palm oil downstream processing).

Master plans were prepared to provide proper direction, policies and strategies that have gone through a participatory process. The success of the plan requires the cooperation, support, active participation, commitment and sustained involvement of the many agencies, stakeholders and players at all levels. These include the federal, state and local governments, agencies, business communities, local leaders and communities, as well as global industry players. Common to all, these master plans adopt sustainable development objectives anchored by core elements comprising wealth generation, wealth sharing and inclusiveness as well as resource optimization.

Cities are engines of growth. In an increasingly global and inter-connected economy, cities have to be vibrant, productive and liveable so as to attract and retain talent as well as businesses. As such key cities like Georgetown (NCER), Johor Bahru (IM), Kuantan (ECER), Kuching (SCORE), and Kota Kinabalu (SDC) are important components in the overall growth strategies of economic corridors. The creation of corridors is also a move to the capital city of Kuala Lumpur. Furthermore corridors include both rural and urban areas to establish linkages between them especially in channelling positive dynamics of inclusive growth to the rural areas.

Measures are being made under the present 11th MP to make cities more competitive for local authorities to be strategic drivers of local economic and social development as oppose the present traditionally role of management like licencing, enforcement and provision of basic services Undertaking LED strategies at a local authority level is the way forward for this country.

6.1.1 Small Medium Enterprises (SMEs)

Small Medium Enterprises (SMEs) Focus on developing resilient and sustainable SMEs are to be strengthened to achieve inclusive and balanced growth. Local authorities will continue in supporting and facilitating the growth of small businesses. This is done through various measures like *upgrading/modernising* wet markets, hawker centres, small shops, improve infrastructural facilities which includes more car parking spaces for customers and upgrading accessibility. As we are aware problems facing by SMEs are many and varied. One of the main issues faced is the quality of goods and services produced by small business that does not meet customers' expectations. Local authorities should give more focus in reshaping the existing SMEs in their vicinities through strategic planning, more innovation and also more Research and Development (R&D) activities.

Going forward, local authorities will closely co-operate with private sectors and private institutions. In sharing best practices that could improve the quality of management and thus enable SMEs to produce better goods and services. A local enterprise partnership network can be set up in each local government for local economies to share their ideas and knowledge. Strengthening linkages with government's agencies namely MIDA and MATRADE should be fostered too. The partnership network can operate as a tool to promote their small business abroad

6.1.2 Urban Tourism in Malaysia

Tourism is an important economic sector in Malaysia and remains important to the nation's economic transformation. Despite global economic and sectoral challenges, the tourism sector improved its position from fifth in 2014 to third highest Gross National Income (GNI) contributor for 2015. The Year 2015 saw continued international recognition of Malaysia in the tourism sector of which urban tourism has gain momentum. To start off with, Georgetown, Penang has been identified as one of the Top 10 Best Travel

Destinations for 2016 in the Lonely Planet. Most recently Ipoh has also been named in the list of Asia's top 10 best destinations. On the Lonely Planet website, it was mentioned visitors to Ipoh can experience contemporary street art, traditional coffee shops, art cafes and colonial masterpieces in the space of a single street. These successes follow rigorous measures undertaken by the local authority to restore period houses as well as century old and historic buildings.

Urban tourism has been further enhanced as the country's attractiveness as a shopping haven continued to increase whereby it was ranked as the second most popular shopping city in the world for Muslims tourists by the Muslim Travel Shopping Index (MTSI) 2015. Tourists spend on shopping picked up momentum in 2015, with shopping representing 31.3% of the total tourist spent in Malaysia. Outlet centres for premium items continue to grow in popularity. Malaysia becomes the first country to have a Mitsui outlet outside of Japan in 2015 and home to the largest Mitsui outlet of date.

The country also continued to gain momentum in the high yielding Meetings, Incentives, Conventions and Exhibitions (MICE) category, moving up five places to 30th in the world in the 2015 International Congress and Convention Association (ICCA) rankings. Moving forward, government incentives and programmes continue to play a major role in developing the tourism industry in the country. Local authorities have been tapping the opportunities offered by urban tourism to enhance their local economy.



6.2 Creating Decent Jobs and Livelihoods

Intended to create decent jobs and livelihoods for the B40 households (bottom 40 % household income group), efforts are being undertaken to enhance the economic participation of these households through income generating activities, micro enterprise support programme and human capital development. The 1AZAM programme introduced since 2010 has several initiatives to build up the capabilities and create jobs for the low income households (poor and extreme poor households):

- i. AZAM Tani – provide economic resources to venture into agriculture and agro-based activities.
- ii. AZAM Niaga - provide opportunities to start up small businesses.
- iii. AZAM Kerja - offers employment opportunities through job matching or job placement
- iv. AZAM Khidmat - provide opportunities to venture into service sector or self-employed
- v. AZAM Bandar – concentrates on skill training, small businesses and kiosk for the urban poor.

1AZAM is a collaborative effort involving government agencies, NGOs as well as corporate partners. Existing 1AZAM recipients are also able to register themselves under a local crowd sourcing portal (orang.e.com) to increase visibility and sourcing supply of talents as well as new markets for their products. The e-Rezeki programme meanwhile provides basic ICT training and subsequently matching participants with relevant jobs such as data entry and price monitoring. These micro tasks can be accomplished from home or the Pusat e-Rezeki centres being set up. This concept of working from home is also intended to empower women and the disabled in the job markets.

Information on profiles of low income households in the country is so useful in

sourcing appropriate initiatives to help the low income group. For this purpose the national e-Kasih databank has been built and regularly updated. The B40 households are mostly engaged in micro and small enterprises, focusing on low-end activities. The SME Corporation Malaysia (SME Corp) is the main entrepreneur development organization being entrusted to effectively coordinate the effective running of enterprises owned by B40 households from start-up to market product placement activities. Other government assistance rendered includes financing and business facilitation.

Under the 11th MP, community and social-based enterprises shall be fostered to carry out activities such as childcare services or creches, tuition centres and orphanages for B40 households. These enterprises are encouraged to develop partnership with established companies to expand their activities. Incentives will be given to private sector, especially multinational corporations (MNCs) and large local companies to locate their business operations in areas with concentrations of B40 households and to employ as well as train local workforce. Basic infrastructure and facilities will be also provided to support these businesses.

Education and knowledge is the foundation for prosperity. Due to their low education achievements, B40 households are often associated with low paying unskilled jobs. Measures are being taken to enhance accessibility of B40 households and their children to acquire the necessary qualifications and skills to enable them to grasp better employment opportunities associated with growth. During the 10th MP, the regional economic corridors have attracted a total of RM307.1 billion committed investments, of which 56.8% or RM174.5 billion was realised. The realised investments resulted in creating 427,100 jobs that has uplift the lives of local communities.

The SME Master plan (2012-2020) acknowledges the high incidence of the

informal sector in the economy of the country and that there is a high dependency of B40 households on low paying informal sector as a source of income. It is estimated that the informal sector accounts for 31% of Gross National Income whereas developed country stood at 14%. Measures are being undertaken at a local level to plan for sites that can suitably accommodate activities like food courts, stall, and permanent night market as well as farmer fairs for the B40 households to operate in a conducive manner. Provisions of low cost premises are also imposed on certain types of commercial development to allow for the B40 households to own and participate in business ventures.

6.3 Integration of the Urban Economy into National Development Policy

The country has undertaken certain regulatory reforms that affect urban as well as rural development. The National Transformation Policy (NTP), 2011-2020, through the New Economic Model (NEM) focuses on transforming the country into a high income economy status by 2020 through sustainable and inclusive measures. The transformation agenda is supported by:

- i. Government Transformation Programme (GTP) which focuses on transforming (7) Key National Key Result Areas (NKEAs) of public service that are of greatest concern to the public;
- ii. Government Economic Transformation (ETP) which prioritises on twelve (12) National Key Economic Areas (NKEAs) sectors of the economy most critical to the nation's continued growth.

The government sees the importance of the urban economy as a driver of GNI growth, thus the rationale for Greater Kuala Lumpur initiative as one of the NKEAs. Covering an agglomeration of ten municipalities that includes the capital city, Greater Kuala Lumpur represents a crucial component in the plan to transform Malaysia into a high-income nation by 2020 and is expected to contribute 14.8% of GDP in 2015 and

accommodates 10 million people in 2020 from 7.78 million in 2014. This entails 25% of the country's population of 31.1 million residents.

Economic dynamism and liveability is pursued in parallel in Greater Kuala Lumpur. Vibrant and liveable cities are magnets for talent, businesses and jobs. Liveability of places is hugely influenced by the accessibility factor. Having recognized this, the country undertook its biggest integrated urban mass rapid transit system in Greater KL to achieve a 50% public transport modal share by 2020. Adequate housing for all levels of society as well as provisions of education, healthcare and safety needs is all components of liveability that shall be adequately provided to support the urban economy while doing so in an inclusive manner.

The Greater Kuala Lumpur initiative has clearly established the role of the urban economy as the driver of the country's economic growth. The current 5-year development plan, the 11th MP reiterates the theme further. Of the six innovative approaches that have been identified to accelerate Malaysia's development (game changers), investing in competitive cities is one of them (Refer figure 6.1).

Figure 6.1: 11th MP Game Changers Investing in Competitive Cities



Sources: 11th MP, Economy Planning Unit, 2015

Four major cities have been identified for the City Competitiveness Master Plans which will be developed based on key principles that increase liveability and stimulate economic growth. The four cities are: Kuala Lumpur, Johor Bahru, Kuching and Kota Kinabalu. These include creating density to increase efficiency, expanding transit-oriented development (TOD) to enhance mobility, and strengthening knowledge-based clusters to facilitate agglomeration and innovation. While these four cities selected are based on their strong fundamentals, they will serve as pioneers and will be expended to other cities over time.

This master plan will take into account each city’s competitive advantages, and will be formulated by the respective local authorities in consultation with the private sector and civil society. The major shifts that this game changer will produce are summarised (Refer table 6.1.) At the same time regional economic corridors will be strengthened under the 11th MP to fuel regional development and subsequently the urban economy through a strategic review of corridor development master plans, accelerate investments in economic corridors, improve infrastructure as well as enhance talent and skill development.

Table 6.1: 11th MP Game Changers: The Major Shifts

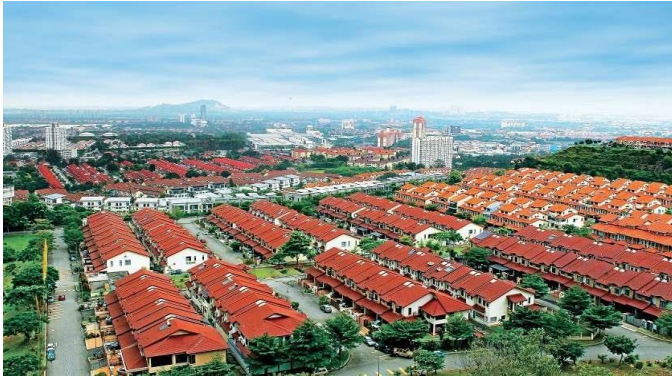
	FROM	TO
Economic Density	Economic density in cities is unplanned and organic, resulting in lower productivity	Increased economic density to enhance productivity
Urban Form	Uncontrolled and automobile-focussed sprawl	Transit oriented development (TOD) to increase use of public transportation and reduce reliance on personal vehicles
Resource Usage	Resource use not streamlined leading to high usage of natural resources	Efficient in waste management through guidelines on resource use and effective

		management
Housing	New development are expensive and exclusive with limited affordable options	Affordable and quality housing accessible to targeted segments of the society
Industry Focus	Current industries are predominantly labour and space-intensive	Growth of knowledge-intensive industries with efficient use of space
Role of local authorities	Local authorities focused on licencing, enforcement and provision of basic services	Local authorities as strategic drivers of local economic and social development

Sources: 11th MP, Economy Planning Unit, 2015

At the same time regional economic corridors will be strengthened under the 11th MP to fuel regional development that includes the urban economy through a strategic review of corridor development master plans.





7.0 HOUSING AND BASIC SERVICES

The right to housing is recognised in a number of international human rights instruments. Article 25 of the Universal Declaration of Human Rights recognises the right to housing as part of the right to an adequate standard of living. Malaysian Government has enhanced efforts towards providing high quality and environmentally sustainable housing, streamlining delivery system and cultivating a vibrant housing industry. Various housing programmes were implemented to provide affordable housing for both rural and urban communities in line with inclusive development objectives. The Government has set its priority to the provision of adequate and quality affordable housing, including addressing the aspect of access to housing finance.

To reach the wellbeing and high living quality of Malaysian, efforts through various means have been implemented by the Government to increase the provision and the quality of basic services in urban and rural areas, comprising the aspects of drinking water, sanitation and drainage, solid waste management, domestic energy and transportation sector.

7.1 Improving Access to Adequate Housing

Housing development in Malaysia is carried out by both the public and the private sector. The public sector concentrates mainly on low-cost and affordable housing while the private

sector (private housing developers), apart from complying with the 30% low-cost housing and affordable provisions, concentrates on medium-cost and high-cost housing developments. Providing adequate, affordable and quality housing became the top priority agenda of the Malaysian Government.

Various policies, strategies and programs have been formulated and implemented at the federal, state and local levels to ensure all groups of households have an access to housing and related facilities. At the federal level, the current and future housing requirement are planned and targeted through the NPP and five-year Malaysia plans. To strengthen the policy direction, governance and implementation monitoring of housing, the Government has formulated the National Housing Policy (NHP) in 2011, followed by the formation of National Housing Council (NHC) chaired by the Prime Minister in 2012.

The formulation of the Policy and the establishment of the Council show the high commitment of Malaysian Government to provide adequate, comfortable, quality and affordable housing with the ultimate aim to enhance the sustainability and wellbeing of Malaysian. At the state and local levels, the development of housing is planned through the preparation of state structure plan and local plan. It is also guided by various housing policies and guidelines formulated by the State Authority and local planning authorities.

In relation to the status of home ownership, data in 2010 shows that **72.5% of households** in Malaysia occupy and own house, comprising the ownership rate at 69.1% in urban area and 81.2% in rural area (*Khazanah Research Institute (KRI), 2015*). The figure shows the home ownership rate in Malaysia is relatively high percentage compared to home ownership rates, in the same year, in developed countries, such as Australia (68.1%), UK (67.4%) and USA (67.4%). In terms of housing unit, 2010 Population and Housing Census by Malaysia Department of Statistic (DOS) captures a total of 7,335,171

units for the whole Malaysia, comprising various types of living quarter (Table 7.1).

Table 7.1 : Type and Total Unit of Living Quarters in Malaysia, 2010

Type of Living Quarters	Total Unit
Detached	2,416,210
Semi-detached	528,408
Terrace/link	2,570,317
Townhouse	32,682
Cluster	63,345
Flat	744,187
Apartment and condominium	716,729
Room	16,142
Shop house/office	132,262
Longhouse (in Sabah & Sarawak)	84,133
Others	18,398
Improvised/temporary hut	12,358
Grand Total	7,335,171

Source: Malaysia Department of Statistic, 2012

The above housing units ranging from low- and low-medium costs, affordable housing to medium and high costs housing were developed by three parties, namely private developer, public agencies and self-construction by household. Government housing agencies play substantial role to meet the affordable housing needs of low- and middle income households by providing financial assistance to home buyers, and enhanced regulatory framework to facilitate homeownership.

Public housing programmes for poor and low-income households in urban and rural areas were implemented through Home Assistance Program (PBR), People's Housing Program (PPR) and Rumah Mesra Rakyat 1Malaysia (RMR1M), as well as housing for second-generation Federal Land Development Authority (FELDA) and Federal Land Consolidation and Rehabilitation Authority (FELCRA) settlers. Affordable housing for middle-income households was provided through programmes such as the 1Malaysia People's Housing (PR1MA), 1Malaysia Civil Servants Housing (PPA1M) and Federal Territory Homes (RUMAWIP)(Table 7.2).

Table 7.2: Affordable Housing Schemes Provided By The Federal Government Agencies

Affordable Housing Schemes	Description
PR1MA	1Malaysia People's Housing (PR1MA) was launched in 2011 to provide affordable homes for middle-income households in key urban centres. Perbadanan PR1MA Malaysia was established under the PR1MA Act 2012 to plan, develop, construct and maintain high-quality housing for the PR1MA programme. Perbadanan PR1MA works with private sector developers to build PR1MA homes.
PPA1M	1Malaysia Civil Servants Housing (PPA1M) is a government-led initiative to help civil servants, especially low and middle income earners, to affordably own comfortable house. Perbadanan Putrajaya acts as the coordinator and developer of PPA1M for Malaysia. PPA1M's first project since it was launched in 2013.
RMR1M	Syarikat Perumahan Negara Berhad (SPNB), a wholly owned subsidiary of the Ministry Of Finance Incorporated (MoF Inc.), is responsible in implementing the Rumah Mesra Rakyat 1 Malaysia (RMR1M) Programme, which aims to ensure those in low income groups are able to affordably own comfortable homes. SPNB offers and has successfully completed several low cost, low medium cost and medium cost housing projects through the RMM programme.
RUMAWIP	The Ministry of Federal Territories launched its affordable housing initiative, Federal Territory Homes Scheme (RUMAWIP) in April 2013 with the objective of providing housing to the residents of the Federal Territories. The construction of the affordable housing units is done through public-private partnerships with private sector construction firms.

Source: Adapted from KRI, 2015

The Program Perumahan Rakyat (PPR) or People's Housing Programme by National Housing Department (NHD), was introduced to address the increasing demand for affordable housing among the low-income household, particularly in urban areas. The PPR was developed to provide comfortable houses with adequate infrastructure and basic amenities in suitable locations. This programme is one of the country's best government relocation programs as it relocates the squatters to a better living with a rental amounting RM126.00 (USD30.79).

PPR projects not only provide homes to the needed but also provide a conducive and a better living environment to the habitants. These PPR units are also offered to qualified buyers with a very much discounted rate. In the period of 10th MP 2011 - 2015, a total of 181,637 low-cost and affordable housing units were developed through public housing programmes by various ministries and agencies (*Table 7.3*).

Table 7.3 : Public Housing Programmes Developed During The 10th MP 2011-2015

Programs	Monthly Household Income (RM)	Ministries/ Agencies	Housing Units
Home Assistance Program (PBR)	Below Poverty Line Income	Ministry of Rural and Regional Development	64,966
People's Housing Program (PPR)	2,500 (USD613) and below	Ministry of Urban Wellbeing, Housing and Local Government	39,112
Rumah Mesra Rakyat 1Malaysia (RMR1M) (SPNB)	750 (USD184) to 3,000 (USD736)	Syarikat Perumahan Negara Berhad	35,751
	2,500 (USD613) to 10,000 (USD2,452)	Perbadanan PR1MA Malaysia	18,960
1Malaysia Civil Servants Housing (PPA1M)	2,500 (USD613) to 10,000 (USD2,452)	Prime Minister's Department	13,539
Federal Territory Homes (RUMAWIP)	6,000 (USD1,471) and below	Ministry of Federal Territories	9,309
Total			181,637

Source: Adapted from Economic Planning Unit, 2015

Government effort to provide adequate and quality affordable housing to poor, low- and middle-income households also become the focus area in 11th MP 2016-2020. Aimed to improve the wellbeing of all groups of households, this Plan outlines a target of 653,000 units of affordable housing to be built during the Plan period with the average of 130,000 houses built a year. In detailed, 606,000 houses to be developed for low- and middle-income households, while 47,000

houses to be constructed/repared for the poor. To reach this target outcome, three strategies and various measures have been underlined as follows (*Economic Planning Unit, 2015*):

i. Strategy 1: Increasing Access to Affordable Housing for Targeted Groups.

This strategy will be delivered through the continuation of programmes for poor, low- and middle-income households, the introduction of targeted programmes for youth and young married couples, as well as the facilitation of greater private sector participation. The Government will continue to play a major role in meeting the housing needs for targeted groups in urban and rural areas by continuing successful existing programmes. This includes programmes under the PBR for the poor, and programmes for low- and middle-income households such as the RMR1M, PPR, PRIMA, and PPA1M, as well as programmes for second-generation FELDA and FELCRA settlers.

In addition, transit houses under the 1Malaysia Transit Homes Program (RT1M) will be built for youths and young married couples (for 30 years old and below with rental rate at RM250 (USD61) per month for two years rental tenure) in urban areas, including those proposed under the 1Malaysia Youth City programme. These transit houses provide such families with a short term residence while they build up their savings to purchase their first home. The private sector will be encouraged to develop public housing, which can be done through public-private partnerships.

ii. Strategy 2: Strengthening planning and implementation for better management of public housing.

To improve the planning and development of affordable housing, an integrated database that accessible to all relevant stakeholders will be established to ensure housing supply matches demand according

to locality, price, and target groups. Additionally, a land bank will be established for the development of affordable housing, particularly in urban areas. Collaboration between the National Housing Department with state Islamic religious councils will be leveraged to unlock potential *waqf* and *baitulmal* land which mean (i) an entity or institution, as recognised by early jurists, (ii) a concept of charitable endowment under Islamic law, and (iii) the property donated for purposes mentioned under the concept of *waqf* which is evidenced in its declaration.

iii. **Strategy 3: Encouraging environment-friendly facilities for enhanced liveability.**

This strategy will be achieved through an enhanced regulatory framework and collaboration among community and NGOs. The Government will encourage all new affordable housing developments to adopt sustainable practices, and provide liveable and environment-friendly facilities and infrastructure for the people, including disabled and senior citizens. Public housing rental rates will be reviewed to ensure that sufficient funds are available to cover the cost of management and regular standard maintenance of public housing. Community involvement will be promoted to highlight collaborative responsibility in maintaining housing communities. Awareness programmes among residents to foster a culture of maintenance, cleanliness and the prevention of vandalism will be enhanced through collaboration among communities and NGOs. The programme of MyBeautiful Malaysia will continue to promote a comfortable living environment and instil a culture of cleanliness among residents. My Beautiful Malaysia (MyBM) programme involves repairing and improving living quarters of civil servants including military and police quarters, and upgrading public toilets. The programme is also upgrading public schools in hot spot areas. The programme is delivered at low-cost by rapidly mobilising resources across

federal, state, local governments and private sector to hot spot areas.

To complement the above strategies, the government has developed the Integrated Database on Housing (TEDUH) to ensure housing supply matches the needs and demand in the country. As an integrated national housing database, TEDUH will generate various useful information that will be aiding many important decisions on housing matters. With precise housing data, better strategies and policies that addressing core housing issues will be some of TEDUH's expected outcomes. One of the strategies from TEDUH will be improvement in financial aid that targeting specific target group by location and income level.

7.2 Strengthening and Improving Access to Housing Finance

National Housing Department (NHD) plays a vital role in making sure Malaysian ranging from poor, low and middle income groups continuously supported in housing matters. To strengthen and improve these target groups' access in housing finance, NHD has introduced schemes or programmes that not only help them access to finance aids but also to own better living. Some of the schemes and programmes that have been introduced are as below:

i. **Housing Programmes and Schemes for the Low- and Middle-Income Households**

Private Affordable Housing Scheme (MyHome) was launched in April 2014 to help the low-income households to own a house at affordable prices. The Government provides a subsidy of up to RM30,000 (USD7,357) per unit to private developers to enable first-time buyers with a monthly household income of between RM3,000 (USD736) to RM6,000 (USD1,471) to own a house. For the year 2016, the government had allocated RM300 million (USD73.56M) to build

10,000 units of affordable homes under this scheme;

ii. First Home Deposit Scheme (MyDeposit)

It is a special product that was introduced by the Government to help the middle class to own their dream home. The government has announced the allocation of RM200 million (USD49M) as a contribution to the deposit for the purchase of a first home by one household. In line with the objectives of the National Housing Policy to increase the capacity and accessibility to own a house, MyDeposit Scheme was launched on 6 April 2016 to encourage home ownership among Malaysians;

iii. Housing Loan Scheme (Skim Pinjaman Perumahan - SPP)

It is a financial scheme that aims to help the lower income group, that is for household income between RM750 – RM2,500 (USD182 – USD613) per month, with maximum loan amount of RM45,000 (USD 11,035), to build a house on their own land. This scheme is implemented through a trust account called the Housing Loan Fund which was approved under the Financial Procedure Act 1957 (Amendment 1972) on 17 December 1975 and came into effect in 1976. With this scheme, those people who are unable to secure a bank loan would be able to get financial assistance through government to build a house in their land.

iv. Indirect Financial Assistance to Strengthen Publics' Housing Finance

In ensuring house buyers get their units that they have paid for, the NHD has embarked on reviving abandoned private housing projects. The housing projects that are abandoned by housing developer due to several reasons are given new life by the government by providing assistance to new housing developers to complete the projects. With this initiative, many house buyers who have been victims to bogus or failed developer were able to own their

dream houses with the help of Government.

7.3 Ensuring Sustainable Access to Health Services

Since independence, Malaysia has seen tremendous improvements in its healthcare delivery system. The country now enjoys a fairly comprehensive range of health services provided by a dual system involving stakeholders from the public and private sector. Despite the dual system in healthcare provision, the government remains the main policymaking and regulatory body. The government's commitment towards universal access to affordable and high quality care is ensured by the dominance of public health services, which ranges from health promotion, illness prevention as well as curative and rehabilitative care. (11th MP, Strategic Paper 5)

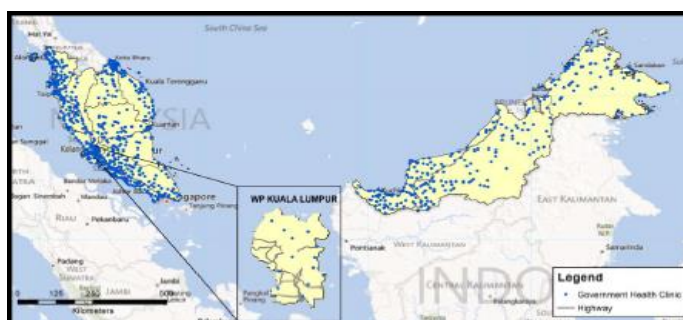
These would encompass both, allopathic and Traditional and Complementary Medicine (TCM) practices, at primary, secondary and tertiary levels of care. The Economic Planning Unit (EPU) has identified 5 National Mission Thrusts to ensure that the nation's economic development is on the right trajectory to realize Vision 2020. The 4th National Mission Thrust is the improvement of the standard and sustainability of quality of life. The deliberations by the Mission Cluster Group for Key Result Area 2 (Ensure access to quality healthcare & promote healthy lifestyle) have attempted to reach a consensus on the more pressing gaps and identified key result areas and outcomes, and formulate strategies towards developing a plan towards the expected outcome (to ensure provision of and increase accessibility to quality health care and public recreational and sports facilities to support active healthy lifestyle) and for overcoming the obstacles. (11th MP, Strategic Paper 5)

The contribution of the health sector is primarily through provision of services that will lead to improved health outcomes and ultimately better health status of the nation.

10th MP stresses on quality healthcare and a healthy community and spells out a strategy that is geared towards the establishment of a comprehensive healthcare system and public recreational and sports infrastructure to support active lifestyles. The Ministry of Health (MOH), as the lead agency for health has been assigned to provide a more efficient and effective health system that ensures universal access to quality healthcare.

In line with this, the MOH has developed a conceptual framework to restructure the health system. The restructuring proposal involves aspects of health services delivery, financing, enabling structures and its governance. The Government will continue to improve the health of the people by providing universal access to quality healthcare. Focus will be given on enhancing targeted support, particularly for underserved communities; improving system delivery for better health outcomes; expanding capacity to increase accessibility; and intensifying collaboration with private sector and NGOs. (11th MP). The health sector is an integral part of the socio-economic system and progress in healthcare directly improves the standard of living in the country. Since independence, Malaysia has provided good healthcare services and has continued to emphasise on delivering quality and efficient healthcare. The health system, particularly public health provides nationwide coverage and comprehensive care at affordable cost to the people. (Refer Figure 7.1 and Figure 7.2)

Figure 7.1: Distribution Of Government Health Clinics

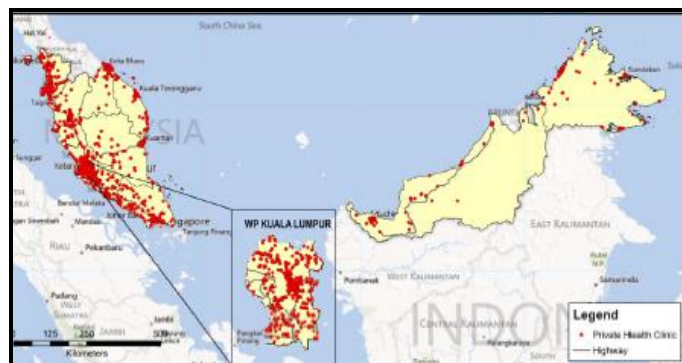


Source : Mapping Study of Health Facilities & Services, Institute for Public Health MOH, 2013

7.4 Ensuring Sustainable Access to Safe Drinking Water

Malaysia is committed to the achievement of the internationally agreed development goals. The provision of water services has been an integral part of Malaysia's development strategies. Generally, Malaysia has achieved 99% coverage in the provision of piped water in urban areas. The Government has also expanded the people's access to safe and drinking water to 87% of the rural areas.

Figure 7.2: Distribution Of Private Health Clinics



Source : Mapping Study of Health Facilities & Services, Institute for Public Health MOH, 2013

The Government has targeted that by the year 2020, 100% of the population will have access to clean water supply. With this encouraging achievement, the Government is now embarking on ensuring that high quality of water is supplied throughout the country. During the 9th MP 2006-2010, the Government would be spending RM9.78 billion (USD 2.4b) in upgrading and replacing the existing water pipe system to ensure that high quality water reaches the population.

Malaysia is also committed to the successful implementation of Integrated Water Resource Management (IWRM). The establishment of the National Water Resources Council since 1998 has paved the way towards achieving this objective, notwithstanding that water resources management are under the jurisdiction of each State Government as provided under the Malaysian Constitution. A

national study for the effective implementation of IWRM is being planned with the aim of creating awareness and generating advocacy in IWRM and developing capacity building among implementing agencies.

7.5 Ensuring Sustainable Access to Basic Sanitation and Drainage

Malaysia has achieved almost 100% coverage in the provision of sanitation services. The Government's commitment in promoting environmental sanitation to improve the health status of the population dates back to the 1970s. As a result, almost the entire urban population in Malaysia has been supplied with reticulated sewerage system and septic tanks by local authorities, while in the rural areas, sanitary latrines have been provided to 99% of the population since 2000. The Government, under the 7th MP 1996-2000, had embarked in engaging the private sector in the provision of sewerage services, involving 84 local authorities.

More specific purposes were to build infrastructure, to improve the efficiency of investments and services, to reduce the governmental involvement ratio, and to provide a venue for competition from the private sector. The Sewerage Service Department (SSD) was organized under the control of the Ministry of Natural Resource and Environment (NRE) to regulate and monitor sewerage services entrusted to Indah Water Konsortium (IWK). The concession covers the entire country except the states of Kelantan, Sabah, and Sarawak, which remain under the control of their respective local governments. When management was transferred to IWK, the ratio of connection to sewerage was 5 % and large-scale sewerage systems were installed only in large cities having a population of more than 100,000 persons. IWK agreed to increase the sewer connection rate to 85% in major cities and to 30 % in small to medium cities, and to conduct septage management.

IWK planned activities and first conducted a number of sewerage studies in order to assess demand and capacity from a 30-year planning horizon. IWK is designed a 3-phase strategy according to the study results. The phases were (i) locating and upgrading the old wastewater treatment plants as well as increasing storage collection capacity, (ii) using available oxidation ponds as a temporary measure for storage treatment and constructing trench treatment facilities in accordance with the guidelines provided by the Department of Environment, and (iii) building centralized and mechanized treatment facilities in areas with high population density. In addition, IWK developed a database of the houses connected to a septic tank and started scheduled dislodging by geographic area.

As the country grows so does the problem of providing sufficient clean water to the population and until about five decades ago, Malaysia's waste disposal system was similar with many developing countries. Malaysia's estimated population 27 million in year 2013 generate about six million tons of sewage every year, most of which is treated and released into the rivers. Proper treatment of sewerage is paramount as about 98% of Malaysia's fresh water supply comes from surface water. Raw surface water becomes contaminated as a result of excessive and indiscriminate discharge of wastewater directly from households or factories to drains and into rivers with minimal or no treatment. This impairment of water quality greatly reduces the usability of the water for ordinary purposes or in a worst case scenario creates a hazard to public health through poisoning or the spread of diseases. Therefore, around 6,000 public sewage treatment plants, 1.027 network pumping stations, 18,000 kilometers of underground sewerage pipes and half a million household septic tanks connected to the sewers.

In response to the increasing demand for a better and effective sanitation services, private companies were encouraged by the

government to build wastewater management systems. In moving forward in the reconstruction, expansion and new implementations of wastewater treatment facilities, in accordance with the Sewerage Catchment Strategy, it can be estimated that the activated sludge process, or similar processes that can be easily modified to achieve advanced treatment, will prevail. By doing so, septic tanks are gradually expected to decrease in urban areas (Table 7.4). Wastewater treatment facilities provided by IWK will make urban and residential clean and free from disease.

Table 7.4: Classification of Wastewater Treatment Facilities in Peninsular Malaysia (December 2015)

Wastewater Treatment Facilities	Quantity/ Length
Regional STPs (Public)	86
Multipoint STPs (Public)	6,288
Pumping Stations (PS)	1,027
Private STPs	2,972
Communal Septic Tanks (CST)	4,277
Individual Septic Tanks (IST)	1,324,083
Pour flush (PF)	894,859
Sewer Networks (km)	18,076

Source: Malaysia Water Industry Guide, 2015

Formally, the government provides 10% of IWK's budget and the remainder is covered by the sewerage charges. However, as the subsidies from the government are not sufficient to cover IWK's deficit, this organization makes a request for RM300 million (USD73.56m) every year.

7.6 Ensuring Sustainable Solid Waste Management

Efficient waste management is an important urban necessity to ensure the community's wellbeing and provide effective sanitation needs for healthy living and to ensure sustainable environment. The increasing generation of municipal solid waste has become among the biggest environmental concern in Malaysia and the improvement in the standard of living amajor the Malaysian

has contributed to the increase of waste generation rate per capita from 0.8 kilogram/day in 2005 to 1.17 kilogram/day in 2015. The improvement of the country's economic situation in the past decade with rapid urban development has significantly influenced the rate of waste generation, thus providing greater challenge for the authorities to manage waste efficiently.

The increasing amount of waste generated daily from 19,000 metric tons in 2005 to 37,000 metric tons in 2015 has been quite alarming and the government has considered it as a crucial issue to be resolved. Besides the increasing waste being generated, provision of services to the urban community is being improved and closely monitored. The urban wastes are generally generated from various sources and mainly from domestic households, industries, commercials and institutions. Studies by various agencies from year 2012 to 2015 indicated that more than 40 % of waste disposed in landfills are of high organic solids which would create unpleasant scenarios if not manage accordingly and timely, especially when it is initially generated from urban areas.

The Malaysian government has taken serious measures to overcome these issues and in 2005 a National Waste Management Policy was introduced to provide guidelines among which to implement integrated waste management in the country and to efficiently provide waste management services. In 2007, the Solid Waste and Public Cleansing Management Act (Act 672) was gazetted as to provide and regulate the management of controlled solid waste and public cleansing for the purpose of maintaining proper sanitation. Act 672 being enforced in seven (7) states of Peninsular Malaysia in September 2011 and waste management are being administered and enforced by a federal government agency namely the Solid Waste And Public Cleansing Management Corporation (SWCorp Malaysia), positive transformation has taken place.

This transformation initiated by the federal government has benefited the community with services are being delivered according to Key Performance Indicators specified to the three (3) concessionaires appointed to provide the service and to ensure services are delivered to the tax payers' satisfaction. In year 2012 onwards saw proven improvement on the quality of service provided with timely schedules, deployment of updated collection and cleansing logistics, provision of sufficient municipal garbage bins for landed households and communal bins for non-landed households, execution of strategies to ensure effective accessibility and much more.

With Act 672 in place, regulations are prepared and executed to ensure waste are being managed accordingly and everyone is responsible to adhere to the respective regulation. There are regulations that require the citizen to co-operate with the government to perform their responsibility to facilitate smooth implementation of integrated waste management and as to support 3R initiatives. These regulations do have very positive impacts on the transformation of the community's mind-set and very much assist the government in reducing the cost of waste management and concurrently minimizing the negative impacts on the environment and also providing better living conditions.

To date, with the government initiatives to provide efficient waste management services (through the National Waste Management Policy) and to ensure the wellbeing of the citizen, more than 90 % of the urban areas are provided with accessibility for waste collection. Observations conducted by SWCorp Malaysia show that more than 97 % of the urban population have access to direct waste management services in the seven (7) states enforcing the Act 672.

The Government has made it mandatory to Separating at Source beginning 1 September 2015. This implementation is pursuant to regulations under Solid Waste and Public Cleansing Management Act 2007 (Act 672).

Separation at Source program is mandatory to households in seven (7) states which adopts Act 672. The process of separating solid waste at source involves separating solid waste according to waste composition such as recyclable waste, residual waste and bulky/garden waste. The separated wastes will be collected every week according on fixed schedules. The 2+1 collection system will be implemented beginning 1 September 2015 whereby the collection for residual waste will be done twice a week while the collection for recyclable waste and bulky waste will be done once a week. Starting from 1 Jun 2016, enforcement actions will be implemented and the occupier of the premises landed found not does Separation at Source in the cause of action of compounds will be charged.

7.7 Improving Access to Clean Domestic Energy

The demand for power in Peninsular Malaysia is projected to increase to 30 GW generation capacities in 2030 from peak demand capacity of 15 GW in 2008. In 2012, the fuel mix for electricity generation was dominated by natural gas (64%), followed by coal (29%) and hydro (7%). This heavy dependence of electricity generation on natural gas and coal, has provided cause for concerns, not only to the power industry, but also the effects to the environment. The increasing demand for power due to economic growths, improvement of life style, concerns for the environment and security of supply as well as the aspiration of green growth have provided impetus to seek alternative source of energy, and clean domestic energy in the form of renewable energy (RE) resources have been identified as the biggest alternative in the power generation mix.

RE resources in Malaysia include biomass, solar, mini-hydro, municipal waste, and biogas. Between these, the most important renewable sources of energy in Malaysia are biomass, hydro and solar. Biomass resources such as palm oil residues, wood residues, and

rice husks can be used for the heat and electricity generation. Malaysia has the capacity to use RE resources to address the national energy and carbon reduction agenda. In this context and in line with the commitment to voluntarily reduce up to 40% in terms of emissions intensity of GDP by the year 2020 compared to 2005 levels, as the Malaysian pledge at the United Nations Climate Change Conference 2009 15th Conference of Parties (COP15), the Ministry of Energy, Green Technology and Water Malaysia (MEGTW) was intensified efforts on RE and energy efficiency so that these two aspects of energy management can play a significant role in the energy supply mix. The use of RE for power generation in Malaysia was given emphasis since 2001 through the formulation of fuel and energy policies in the 8th MP 2001-2005 which introduce the RE as 5th fuel strategy in the energy-mix. Continuous efforts, promotions and incentives were introduced and implemented in the period of other Malaysia plans up to the 11th MP 2016-2020.

To ensure efficient implementation, the Renewable Energy Act (Act 2011) was enacted with provision of Feed-in Tariff, providing more attractive incentives to spur the implementation of grid-connected power generation from renewable energy resources. At the same year, 2011, the government has formed the Sustainable Energy Development Authority of Malaysia (SEDA Malaysia) aimed to administer and manage the implementation of the feed-in tariff mechanism which was mandated under the RE Act 2011 (SEDA, 2015).

To complement and accelerate the RE implementation agenda, several policies and action plan documents were formulated by the government, such as the National RE Policy And Action Plan 2009 which aim to enhance the utilization of RE resources towards national electricity supply security and sustainable socio-economic development, Low Carbon Cities Framework and Assessment System in 2011, Planning

Guidelines for Green Neighbourhood in 2011, Low Carbon Society Blueprint for Iskandar Malaysia in 2012 and other action plans and frameworks by the federal, state and local agencies.

Through the Act 2011, SEDA formation and other initiatives, the government has set the target for RE, i.e. 985 MW in 2015, 2,080 MW (2020) and to 21,370 MW in 2050 (Refer table 7.5) (Shamsuddin, 2012). For the achievement of RE, in the period of the 10th MP, i.e. by the end of 2013, Malaysia had already achieved a 33% reduction of the greenhouse gases (GHGs) emission intensity of its Gross Domestic Product (GDP), nearly to achieve the COP21's pledge of up to 40% by 2020. Energy sector, which is a major contributor to national GHGs emission, has undertaken steps to increase the use of clean and environmentally friendly sources.

Since the formulation of the Act 2011, which implement the Feed-in Tariff (FiT) mechanism to accelerate contribution from green energy such as solar photovoltaic (PV), biomass, biogas and mini-hydro in Malaysia's electricity generation mix, the RE installed capacity has grown from 53 megawatts (MW) in 2009 to 243 MW in 2014 (Economic Planning Unit, Prime Minister's Department of Malaysia, 2015).

Table 7.5 : Projection of RE Generation Capacities (cumulative) for 2015 to 2050, in MW

YEAR	Biomass	Biogas	Mini-Hydro	Solar PV	Solid Waste	TOTAL
2015	330	100	290	65	200	985
2020	800	240	490	190	360	2,080
2025	1,190	350	490	455	380	2,865
2030	1,340	410	490	1,370	390	4,000
2050	1,340	410	490	18,700	430	21,370

Source: Shamsuddin (2012)

As of 2013, the RE initiative reduced GHGs emission by 432,000 tonnes of carbon dioxide equivalent (tCO₂eq). At the same time, energy demand management through the Minimum Energy Performance Standard (MEPS) for domestic appliances was gazetted in 2013. The implementation of the Sustainability Achieved via Energy Efficiency (SAVE) Programme (2011-2013) had reduced energy consumption by 306.9 gigawatt hour (GWh). This has resulted in GHGs avoidance amounting to 208,705 tCO₂eq (*Economic Planning Unit, Prime Minister's Department of Malaysia, 2015*).

Malaysia has large resources of RE in the form of biomass, hydro and solar energy. The National Energy Policy and strategies are already in place for the significant contribution of RE in the electricity generation mix. RE capacity is expected to reach 2,080 MW by 2020, contributing to 7.8% of total installed capacity in Peninsular Malaysia and Sabah. Malaysia has the capacity to contribute to the alleviation of the global concerns of climate change and the need to reduce carbon emissions, fulfilling the commitment made at the COP21 with extensive RE implementation.

7.8 Improving Access to Sustainable Means of Transport

The transport sector is an important component of the economy impacting on development and the welfare of Malaysian population. The rapid development of transport sector has contributed a lot to the gross development of socio-economy and people's livelihood of Malaysia. Malaysia's road system, which was begun during British colonization, is extensive and covers about 63,445 km. There is a main highway that reaches the Thai border from Singapore, a distance of over 800 km (500 mile). (*www.asiainfo.org 2016*).

Although Peninsular Malaysia's road system is good, Sabah and Sarawak, have less developed roadways. The majority of interior

roads are not that great. Within the city, the Light Rail Transit (LRT) is available for use to help meet Malaysia's need for mobility that is safe, predictable, reliable and comfortable. Malaysia has five international airports, with the sixth being the newest (as of 1998) located south of Kuala Lumpur. The main airline in Malaysia was started in 1971 and is Malaysia Airlines, which provides international and domestic air service. There are two more carriers that offer domestic and regional flights. (*www.asiainfo.org 2016*).

Upgrading physical infrastructure to enhance access and connectivity Road length rose 68% from 137,200 kilometres in 2010 to an estimated 230,300 km in 2015. This resulted in a rise in the National Road Development Index from 1.42 in 2010 to an expected 2.29 in 2015. A total of 4,500 km of rural roads were built under the National Key Result Area (NKRA) programme. During this period, road development focused on improving nationwide linkages for better connectivity. Road maintenance programmes were continuously undertaken with a greater focus on corrective maintenance.

Accident-prone spots were improved and pedestrian bridges constructed to improve safety. Two Malaysian ports featured in the International Association of Ports and Harbours World's Top 20 Container Ports report in 2013 – Port Klang, Selangor at 13th with 10.4 million twenty-footer equivalent unit (TEUs) and Port of Tanjung Pelepas (PTP) at 19th with 7.6 million TEUs. Between 2010 and 2014, total cargo volume grew 20.2% reaching 540 million freight weight tonnes (FWT) and container volume grew 21% reaching 22 million TEUs. Major projects were undertaken to expand port capacity with addition of new container wharfs at Northport and Westport of Port Klang, PTP, Penang Port, and Kuantan Port.

During the 10th MP, airports recorded an average annual growth rate of 8.5% for passengers handled, and an increase of 39% in total volume between 2010 and 2014 to 85

million passengers in 2014. In May 2014, KLIA2 was opened as a new low-cost carrier terminal at the Kuala Lumpur International Airport (KLIA) and an additional third runway was operationalised at KLIA, to facilitate higher aircraft movement. These investments were in line with projected increases in demand, as the Government had ratified the ASEAN Open Skies Agreement in 2013 and also improved connectivity domestically to rural areas.

A people-centric public transport system was the main focus of development efforts. Four strategies were implemented - strengthening the regulatory framework, increasing transport capacity, promoting seamless connectivity, and establishing a robust monitoring and enforcement mechanism. The National Land Public Transport Master Plan 2012-2030 was formulated to set the direction for public transport development to achieve a 40% public transport modal share for urban areas by 2030.

Initiatives under the 10th MP enabled a 31.7% increase in the annual ridership of urban rail in Greater Kuala Lumpur / Klang Valley (GKL/ KV) - from 171 million in 2010 to 226 million in 2014. These initiatives included comprehensive investments in rail transport, which included upgrading and rehabilitation of existing infrastructure, constructing new rail lines, extending existing lines, and procuring new rolling stocks. New routes added include the Express Rail Link (ERL) extension from KLIA's main terminal to KLIA2 and light rail transit (LRT) extension from Kelana Jaya to Putra Heights and Sri Petaling to Putra Heights.

The Klang Valley Mass Rapid Transit (KVMRT) Line 1 from Sungai Buloh to Kajang started in 2012. The KVMRT Line 1 is expected to operationalise in 2017 and will bring greater convenience and connectivity to residents in the Klang Valley. For outside the GKL/KV area, the electrified double-track railway from Padang Besar, Perlis to Gemas, Negeri Sembilan was also completed during

this period. For bus service, additional 470 new buses were provided for Rapid KL, Rapid Kuantan, and Rapid Penang, leading to significant increases in passenger ridership. In Georgetown, stage bus ridership increased from 10.7 million in 2012 to 17.9 million in 2014, an increase of 67%, whereas in Kuantan it rose from 0.4 million to 4.1 million in the same period, a 10-fold rise.

The Go-KL free bus service was introduced in 2013 to ease road congestion during peak hours in the Kuala Lumpur central business district. Overall, stage bus annual ridership showed a mixed performance with an increase in four capital cities and a decrease in seven other cities from 2012 to 2014. Integration between transport modes was enhanced by providing first and last-mile connectivity including extending pedestrian walkways, building parking facilities at terminals, and revitalising inter-urban terminal hubs.

The opening of the Terminal Bersepadu Selatan and Pudu Sentral in Federal Territory (FT) Kuala Lumpur improved connectivity between different modes. In the GKL/KV region, the public transport modal share improved from 16.9% in 2010 to 17.1% in 2014, while the morning peak hour ridership increased from 314,965 to 747,859. Network coverage, measured by population living within 400 metres of public transport nodes, improved from 63% in 2010 to 72% in 2014. The current public transport network in the region covers 278km of rail with 115 stations (Table 7.6). In addition there is an extensive bus network operated by Rapid Kuala Lumpur, Metrobus and a number of smaller operators.

The KTMB Komuter runs on rail corridors that are the oldest in the country. In the early 1990s freight and passenger railway tracks between Port Klang, Sentul, Rawang and Seremban were upgraded and electrified. It was opened as the KTMB Komuter system in 1995. Since then there have been extended to Tanjung Malim, Batu Caves and Seremban to Sungai Gadut. The current system is operated

by Keretapi Tanah Melayu Berhad (KTMB). The Ampang Line (formerly STAR) was built of rade separated tracks using a combination of new alignments and the utilisation of disused freight rail lines from Pudu to Ampang.

Table 7.6 : Existing Rail Network

Rail Line	General Rail Category	Route Length (km)	No. Of Stations	Current Daily Ridership
KTMB Komuter	Suburban Rail	157	15 min	95,000
Kelana Jaya (PUTRA) LRT 1	Urban Rail / Metro	29	3 min	160,000
Ampang (STAR) LRT 2	Urban Rail / Metro	27	3-6 min	141,000
Monorail	Suburban Rail / Airport Express	8.6	5 min	57,500
KLIA Express Rail Link (ERL)		57	15 min	11,000
TOTAL		278.6	115	464,500

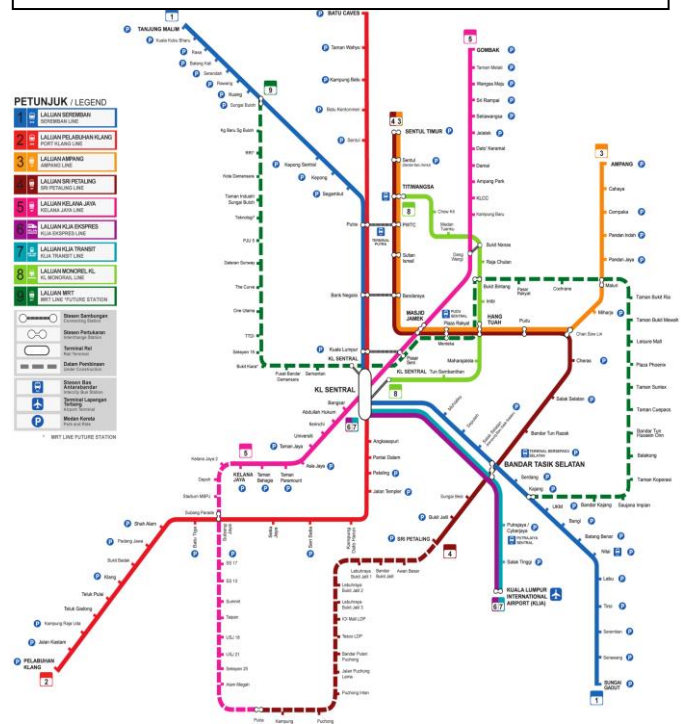
Source: Land Public Transport Commission 2015

The first phase of the system opened in December 1995 and fully operational in December 1998. The system is currently operated by Rapid Kuala Lumpur. The Kelana Jaya line opened in 1998 as the Putra LRT using a completely new grade separated alignment. The Kuala Lumpur monorail opened in 2003 and links areas within the centre of Kuala Lumpur that were not served by the other urban rail systems.

The current daily ridership on the urban rail network is over 464,000 passengers per day with the Kelana Jaya and Ampang LRT services having the highest passenger loads. Data provided by the rail operating companies shows that the busiest stations include the main interchanges such as Masjid Jamek and Kuala Lumpur-Sentral. Typically KTMB is being used for longer distance movements including locations outside the Greater Kuala Lumpur/ Klang Valley region such as Seremban. About 50 KTMB Komuter stations in the region, 12 have less than 250 passengers per day.

This reflects the inaccessibility from the surrounding areas as well as the low frequency and slow journey times on KTMB. This highlights a need to provide improvements to the KTMB services. One of the biggest challenges in urban transport development and implementation in the Klang Valley is the fragmentation of transport related agencies. Although several policies have been ‘beautifully crafted’, a lack of coordinated effort has hindered their effectiveness. This paper explores the issues of urban transport governance in the Klang Valley, Malaysia. In particular, it will specifically look at the issues of implementation of urban transport policy in the Klang Valley as it is often acknowledge that stated policy aims are often seldom realized in the manner envisaged by its proponent due to the fall out in the process from policy formulation to policy implementation. (Refer Figure 7.3)

Figure 7.1 : Proposed and Existing Rail Network



Source: Land Public Transport Commission 2015



8.0 INDICATORS

The indicators aim to involve the achievement of Malaysia (performing measuring) in ensuring the people wellbeing, especially in urban areas. This indicator is standard content set by UN-Habitat to every country to provide the relevant information within the assessment period. Most of this information is derived from data sources, namely the Statistical Department of Malaysia and also from the relevance agencies. Besides, FDTCP has introduced MURNInet (Malaysian Urban Indicators Network) in 1998. It is an innovative system to determine the sustainability level of an urban area by using a set of urban indicators. In MURNInet - A sustainable urban area is defined as an area that is capable of sustaining its social, economy and physical development achievements. LA in Malaysia can monitor their sustainability performance.

In 2011, FDTCP was reviewed the Malaysian Urban-Rural National Indicators Network for Sustainable Development (MURNInets) with 6 dimensions, 21 themes and 36 indicators. MURNInets will assist LA, States Planning Department and FDTCP to monitor cities sustainability more effective and efficient. As regards guidelines for the preparation of Malaysia National Report for HABITAT III, while reporting the progress in respect of desired 12 indicators, an attempt has been made to respond to the indicators on which data is available from year 2000 until 2014.

8.1 Percentage of People (Household) Living in Poverty (%)

1970*	1992	2002	2009	2012	2014
49.3	12.4	5.1	3.8	1.7	0.6

Notes:

- Year 1970 refers to Peninsular Malaysia only
- Source - Survey of Household Income and Basic Amenities, Statistical compilations (Malaysia Plan, Mid-Term Review and others), Department of Statistics Malaysia (www.statistics.gov.my)
- From 1999 onwards, calculation of poverty is based on 2005 Methodology.
- Data is based on Malaysian citizens.

8.2 Percentage of Urban Population (Household) With Access to Adequate Housing (%)

2002	2004	2007	2009	2012	2014
61.2	64.4	68.6	66.6	70.9	74.0

Notes:

- Source - Survey of Household Income and Basic Amenities, Statistical compilations (Malaysia Plan, Mid-Term Review and others), Department of Statistics Malaysia (www.statistics.gov.my)
- Household Income Survey conducted twice in the last five years to provide basic services and income data includes only Malaysian citizen.

8.3 Percentage of People Residing in Urban Areas with Access to Safe Drinking Water (%) – (Water Supply)

2009	2011	2013	2015
93.0	94.4	95.1	95.5

i. Source – National Water Services Commission (SPAN)

8.4 Percentage of Urban Household Access to Adequate Sanitation (Flush Toilet) (%)

2002	2004	2007	2009	2012	2014
82.0	83.9	88.0	88.6	90.8	92.8*

Notes:

*Data not released in Publication of HIS &BA 2014 Survey Report

- Source - Survey of Household Income and Basic Amenities, Statistical compilations (Malaysia Plan, Mid-Term Review and others), Department of Statistics Malaysia (www.statistics.gov.my)

- ii. From 1999 onwards, calculation of poverty is based on 2005 Methodology.
- iii. Data is based on Malaysian citizens.

8.5 Percentage of People (household) Residing in Urban Areas With Access to Regular Waste Collection (Garbage Collection) (%)

2002	2004	2007	2009	2012	2014
89.2	88.4	89.4	91.1	91.2	93.4

Notes:

- i. Source - Survey of Household Income and Basic Amenities, Statistical compilations (Malaysia Plan, Mid-Term Review and others), Department of Statistics Malaysia (www.statistics.gov.my)
- ii. From 1999 onwards, calculation of poverty is based on 2005 Methodology.
- iii. Data is based on Malaysian citizens.

8.6 Percentage of People (Household) Residing in Urban Areas With Access to Clean Domestic Energy (On Electricity Supply) (%)

2002	2004	2007	2009	2012	2014
99.7	99.6	99.9	99.9	99.9	99.9

Notes:

- i. Source - Survey of Household Income and Basic Amenities, Statistical compilations (Malaysia Plan, Mid-Term Review and others), Department of Statistics Malaysia (www.statistics.gov.my)
- ii. From 1999 onwards, calculation of poverty is based on 2005 Methodology.
- iii. Data is based on Malaysian citizens.

8.7 Percentage of People Residing in Urban Areas with Access to Public Transport.

2000	2012	2014
N/A	35.10	49.70

Notes:

- i. Malaysian Urban Rural National Indicators Network for Sustainable Development (MURNInets).
- ii. Number of Sustainable Integrated Public Transport Terminals (more than 3 Integrated Public Transport Terminals) / Total numbers of Local Authorities.

Note: Integrated public transport terminals/stations are the place/area/building which houses a variety of public transportation (a combination of bus or taxi or rail or water) in one location/area. Integrated public transport terminals/ stations encourage the concentrated use of public transport to increase

accessibility, reduce the use of resources (land), and traffic congestion and saves time in changing modes of transport. More integrated public transport terminals reflect greater sustainability.

8.8 Level of Effective Decentralization for Sustainable Urban Development Measured By:

- i. Percentage of policies and legislation on urban issues in whose formulation local and regional governments participated from 1996 to the present

2000	2004	2014
N/A	N/A	N/A

- ii. Percentage share of both income and expenditure allocated to local and regional governments from the national budget

2000	2004	2014
1.27	0.83	0.03

Source: Development Division, Department of Local Government. Distribution of the Central Government to the local authorities in Malaysia (2010-2014).

- iii. Percentage share of local authorities' expenditure financed from local revenue.

2000	2012	2014
104.4	93.8	103.4

Source: Development Division, Department of Local Government. Distribution of the Central Government to the local authorities in Malaysia (2010-2014).

8.9 Percentage Of City, Regional and National Authorities That Have Implemented Urban Policies Supportive of Local Economic Development and Creation of Decent Jobs and Livelihoods

2006	2010	2014
100	100	100

Source : National Physical Planning Division, FDTCP

Note : Percentage is based on number of state that have implemented National Urbanization Policy

8.10 Percentage of City and Regional Authorities That Have Adopted or Implemented Urban Safety and Security Policies or Strategies

2010	2012	2014
7.9	100	100

Source : NKRA Unit, FDTCP
 Note : Percentage is based on number of local authorities involved and implement safe city program since 2010 2010 (12 PBT joined out of 151 = 7.95%)

8.11 Percentage of City and Regional Authorities That Have Implemented Plans and Designs for Sustainable and Resilient Cities That are Inclusive and Respond to Urban Population Growth Adequately

2008	2012	2014
100	100	100

Source : Project Coordination Unit, FDTCP
 Note : Percentage is based on number of local authorities that have prepared/gazette/ implemented the Local Plan Document for development control purpose.

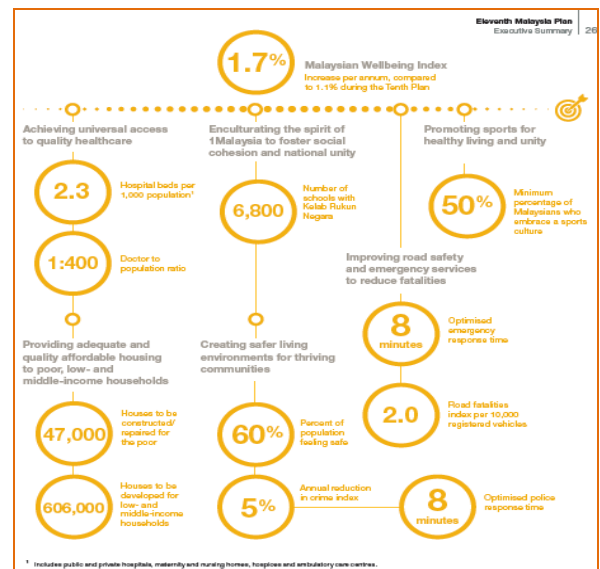
8.12 Share of National Gross Domestic Product (GDP) That is Produced in Urban Areas

2000	2004	2014
RM 15,169 (USD 3,800)	RM 18,560 (USD 4,500)	RM 36,161 (USD 8,868)

Notes:
 i. GDP per capita Ringgit Malaysia (RM) & The compilation of GDP in Malaysia is based on the concepts and methodology outlined in the "System of National Accounts (SNA), 1993 and 2008" of the United Nations.
 ii. *The Values of GDP Per Capita and GNI Per Capita 2014 based on the revised population estimation
 iii. GDP at Current Prices, 1947 – 2014, Malaysia (not specifically in urban areas)
 iv. Malaysia Economic Statistics Time Series 2015, Department of Statistics, Malaysia (www.statistics.gov.my)



Source : 11th MP Economic Planning Unit



Source : 11th MP, Economic Planning Unit



9.0 CASE STUDIES AND POLICY DOCUMENTS

Malaysia is committed to ensuring a high quality of life in urban and rural areas in line with Malaysia's aspiration to become a developed nation. Urban and rural areas will be attractive to live in, with quality housing and services and a wide variety of leisure and cultural activities. It means that rural areas retain their distinctive characteristics while benefiting from well provided essential services. Transportation is designed to move people, not vehicles, that everyone has access to quality healthcare and that people feel safe in their communities. Finally, the environment is being conserved for future generations. Today, most Malaysians live in places that have stable electricity supply, access to clean water and health services. Moving forward, Malaysia is faced with new challenges and opportunities: a rapidly urbanising population with rising expectations, changing demographics and a world confronting the effects of climate change. To address these challenges and take advantage of these opportunities, it will require significant shifts in policies and practices. Malaysia will not only need to continue to expand coverage of services, but also raise the quality of these services. In a tight fiscal environment, the provision of these services must be done in an efficient and cost effective manner to extract greater value for each *ringgit* spent. These shifts are important to ensure that all Malaysians can enjoy a higher quality of life and that Malaysia can compete globally to retain and attract the talent that is fundamental to shaping a developed nation.

9.1 The Eleventh Malaysia Plan, 2016-2020

The 11th MP, 2016-2020, marks a momentous milestone in Malaysia's history. With 2020 now just five years away, the 11th MP is the next critical step in our journey to become an advanced nation that is inclusive and sustainable. In the last five years, although Malaysia encountered headwinds from a global economic slowdown, our economy has done extremely well with GDP growth among the fastest in the region. The quality of life of the rakyat has also improved as reflected by the increase in both per capita income and the average household income. This was made possible by the numerous reforms that were put in place by the Government to improve the quality of life of the people. Key among them were the Government Transformation Programme and the Economic Transformation Programme, underpinned by the 10th MP.

Moving forward, we have to be cognisant that the global landscape is going to be increasingly challenging. We foresee greater volatility and uncertainty in the global economy as a result of the decline in oil prices, realignment of exchange rates, as well as geopolitical risks. In order to sustain our growth momentum and ensure that the people continue to prosper, we need to forge ahead with greater resolve and introduce bold measures for the long-term benefit of all Malaysians. The 11th MP will be premised on the Malaysian National Development Strategy that will focus on rapidly delivering high impact outcomes to both the capital economy and people economy at affordable cost. The 11th MP will disproportionately

focus on the people – will be the centre piece of all development efforts.

Productivity and innovation will be important pillars of the 11th MP. Although in previous 5 year plans, productivity and innovation have been alluded to, we have not fully realised the intended results. The 11th MP will make the difference – it contains specific strategies and programmes bounded on outcomes to unlock productivity and transform innovation to wealth. Spurring productivity and innovation will provide the basis for sustained economic growth, create new economic opportunities and ensure continued wellbeing and prosperity of the people.

The 11th MP not only marks the culmination of a 30 year journey towards Vision 2020; it also sets the stage for the next horizon of growth. Post 2020, the challenge will be to raise the bar even higher on the country's growth prospects along three dimensions, namely economy, people, and environment. The country will be governed by trusted and independent executive, legislative, and judicial institutions that protect all Malaysians equally. Malaysia will punch above its weight in the international arena, both as a strong independent nation and through prominent Malaysian thought leaders in various fields. The economy will be progressive, inclusive, and adaptable for the future, with highly productive world-class cities and thriving rural areas.

All Malaysians will be able to participate and benefit from the country's growth, and enjoy an elevated state of wellbeing. Malaysians will be passionate stewards of the environment and no longer see environmental protection as a trade-off to a strong economy, making Malaysia a truly beautiful place to live for all. The aspirations described above are neither exhaustive nor conclusive, but are intended to set in motion the prospect for further engagement Malaysians is progressive and inclusive and for the people to treasure unity and celebrate diversity.

9.2 Development Plans

Statutory development plans play an essential role in the development control system. These plans are a type of blueprint or backcloth against which an application for planning permission is determined. Development plans act as the main tool in leading the future development as well as translating government policies into action. Despite voluminous literature on planning laws there is not much literature within the field of planning theory that explicitly links development planning to policies assessment. The relationship between development planning and legislative context, in particular, demands more attention from international planning theory. Although Malaysian urban planning is rooted from and modeled after the British planning system, there are some differences in the spatial planning framework.

In Malaysia, spatial planning is implemented by three tiers of government system consisting of the federal government, the state governments (a region is an area situated in two or more states), and local authorities (city, municipal, and district councils). Each local authority is the local planning authority for its territory and is responsible to organize, plan and develop all land within the local plan boundary. Malaysia practices a plan-led development system that consists of NPP prepared by the NPPC; Structure Plan (SP) prepared by each state planning authority (SA); Local Plan (LP) prepared by state planning authorities or the local planning authority (LPA); Special Area Plan (SAP) prepared by state planning authorities/the local planning authority (LPA). This development planning framework now involves all three levels of Government. At the national level, spatial planning is guided by the Five-Year Malaysia Plans (FYMP), NPP and sectoral policies/plans. These plans address the strategic issues of national importance and provide the overall framework

9.3 National Urbanisation Policy (NUP)

The MUWHLG is preparing of 2nd NUP which aims to create a city of vision with a Sustainable Cities for the Peoples' Wellbeing. The policies are in line with the National and Ministry's vision in providing a safe and healthy living as well as peaceful and beautiful environment to promote socio-economic growth for a disciplined and developed Malaysian community. The preparation of the NUP is timely considering that rapid process of urbanisation in the nation. In Peninsular Malaysia alone, the rate of national urbanisation is expected to increase to 83.3% by 2025. Negative implications are to be expected if nothing is being done to properly manage the process of growth. Urbanisation issues being emphasized by the government, among others, are urban poverty, the rising crime rate, solid waste disposal, housing for the poor, environmental protection, pollution etc.

Towns as engines of economic growth, have a vital role towards attaining the national vision of a developed nation status by year 2020. For the past two decades, the rate of urbanisation has registered a significant increase and in future, is expected to rise further. To address and manage this effectively, there is a need to plan, develop and manage a more systematic and efficient urban service in order to achieve a better quality of living for the urban community. The potential for urban growth has to be planned in the best possible way in tandem with advances in technology and the challenge of globalisation so as to maximise its contribution to the national economic growth.

Nevertheless, there are currently various physical and social problems faced in urbanisation due to imbalance of development. In this regard, a comprehensive and integrated framework to guide the process of urbanisation for the nation should be formulated by means of a NUP. Urban areas in Malaysia will be planned accordingly via NUP. These issues need to be tackled

holistically to ensure the role of urban centre as the engine of economic growth will be continuously maintained and enhanced. Towns need to be governed efficiently and effectively to promote a sustainable and conducive environment as a place of work and living. At the same time, the uniqueness of town should also be preserved to maintain its image and distinct identity. The draft 2nd NUP aims to ensure that urban centres would be able to play optimal role as the engine of the nation's economic growth providing a high quality of life through a systematic and planned urbanisation process. The aspiration of the Draft 2nd NUP is tandem with the national mission to be a developed nation by year 2020. Upon the implementation of all the policies, our urban areas would be developed, and managed efficiently and effectively and well balanced with good governance and ultimately will become world-renowned cities in times to come.

The need to prepare a NUP was emphasized in the 8th MP and the 9th MP where the NUP will be formulated to increase the effectiveness in the quality of urban services for the creation of safer, systematic, modern and attractive towns. Provisions under Part IIB Section 6B(3), the Town and Country Planning Act (Act 172), amended in 2001 (Act A1129) also provided for the Director General of Town and Country Planning to take into consideration the current NUP or other similar policies when preparing the draft NPP. The NUP will guide and coordinate the planning and urban development of the country to be more efficient and systematic particularly to handle the increase in the urban population by 2020 with emphasis on balancing the social, economic and physical development within urban areas.

The NUP will be the main thrust for all urban planning and development activities in Peninsular Malaysia including development plans at the state and local level. This policy will outline the thrust, policy, measures and implementation plan to coordinate and

manage the urbanisation process of the country. The aim of the NUP is to provide the direction for government agencies to plan, implement and manage urban services. To ensure the effectiveness, the FDTCP will monitor the implementation of the NUP. However, it is the responsibility of all parties involved in planning, development and urban management to ensure these policies are being implemented properly. Hence all parties, in particular local authorities should be more innovative, transparent and efficient in promoting urban development that is of quality, healthy, competitive and progressive.

Efficient and effective urban governance will help to generate a competitive national development. Therefore, development potentials that exist in urban areas should be continuously adopted and supported as a place for investment and providing services of a high level. The NUP is an attempt by the department, in support of the national aspiration, to create a balanced growth not only in terms of economic development but also the social and spiritual aspects as stipulated in the 9th MP and the National Vision. The NUP will functionally steer and coordinate the efficient and effective planning and development of urban areas to face current and future challenges. It will also ensure a developed nation status is achieved by 2020.

The formulation of the NUP had undergone the process of consultation with various Federal, State and Local Agencies as well as non-government institutions, Institutions of Higher Learning, Corporate sector and specialists from all over the country. The NUP emphasises 5 principles that outlines strategies for the creation of a township that is safe, systematic, modern and attractive. There are altogether 30 policies covering vital aspects of planning, development and management of township in the country. It is hoped that with the NUP, the development of urban areas will be implemented in a planned, balanced, quality, sustainable and peaceful manner towards achieving the national vision

of being a developed nation economically, socially, politically and spiritually by 2020.

9.4 National Housing Policy

Over the last decade, housing market have experienced a spiralling of house prices, especially in major cities and this has caused relative inaccessibility to housing. The problem of accessibility to housing becomes more critical among the middle income group earners given that the lower income group housing needs are addressed by the governments in developed and developing countries. The middle income households are concerned because affordability affects not only their ability to become a homeowner, but also the size and type of the home they are able to purchase. Affordability problems can be viewed as operating at different levels, ranging from the narrower direct experience of severe problems of poverty and homelessness, through an intermediate level of risk, to a broader problem of access to the market.

Housing continue to be a priority of Malaysia's government programs aimed at improving the quality of life and contributing towards the formation of a caring society. In this respect, in the seventh plan period, various programs for the development of housing were implemented in urban and rural areas. Also, during the eighth plan period, the objective of the housing development will be to increase accessibility to adequate, affordable and good quality houses for all income groups. In this regard, several measures were taken by the government to accelerate the implementation of housing program. Housing programs were undertaken by both the public and private sectors and continued to be implemented based on human settlement concept, whereby housing estates were provided with communal and recreational facilities.

Malaysia has provided the necessary physical and social infrastructure for the implementation of the Habitat Agenda, which

includes the Zero-Squatter policy, and Integrated Peoples Housing. In the specific context of Malaysia, housing policy has evolved over the years through the number of national development plans. Housing programmes implementing the policy are subject to much of the same administrative regulations as applied to land policy. The objective of the policy is to provide affordable and adequate housing to the low income group. The current housing problem in Malaysia is, however, revolving more around the issue of inadequate provision of affordable housing not only for low income people but most importantly, the middle income households (MIH).

The demand for housing in Malaysia has increased in recent years as a result of healthy economic growth. This has been supported by decreasing mortality rates, the number of persons per household and the growth of nuclear families as against extended families brought about by economic development and decreasing unemployment. In spite of that, it was evident that little research has addressed the affordability problem faced by the middle income households. Drawing on case studies in major towns and cities in the country, this study seeks to investigate the affordability profiles of middle-income earners in few major cities in Malaysia to derive at the levels of house prices they could afford.

The study done by NHD also investigates the profiles of affordable housing supply (both existing and future supplies) by private and government agencies in terms of the prices, the types of houses and the locations. Housing development in Malaysia is spreading from the capital city to other parts of the state. The pace of development is very high and always ahead of development plans. As a matter of fact the government development program especially providing affordable housing is tending towards achieving developed nation status in 2020.

9.5 National Solid Waste Management Policy

The effective solid waste management continues to be a major challenge in developing countries including Malaysia, reflecting of rapid increasing of urban population and its solid waste generation. Malaysian government is committed to improve the quality of life of its citizens. In fact, solid waste management is one of the crucial factors that influencing the quality of life in urban area. Malaysian government has striven toward effective solid waste management through plenty of plans and strategies.

National Solid Waste Management Policy is the main thrust of solid waste management in Malaysia. The main goal of this policy is to create a comprehensive, integrated, cost-effective solid waste management system. The important of sustainable solid waste management is to ensure preservation of the environment and public health. Furthermore, the policy emphasizes waste management hierarchy that priority to waste reduction through the 3R (Reduce, Reuse and Recycle), intermediate treatment and final disposal.

Rapid economic transition and increasing of urban population will reflect the escalation of solid waste generation. In fact, it has become a threatened to human habitat nowadays as well as one of the critical challenges in sustainable development. The Government has set a goal of 22% household recycling rate by 2020. Government has made a mandotary to separate solid waste at source begining 1 September 2015. As now there 7 states adopted solid waste and and cleaning management Act 2007 (Act 672).

The government has set a policy to reduce by 40% the amount of solid waste disposed of in landfills by the year 2020. Among the technologies based on the waste management hierarchy. At present, the government is still depends on the treatment technology through sanitary landfills, thermal treatment and

biological treatment. The implementation of solid waste management policy in this country is a holistic one that starts from the generation that is to the disposal process. Along with the development of technology during the government also plans to explore opportunities to use the latest technologies to manage waste.

Besides, to empower the comprehensive solid waste management services through efficiency and cost effective measurement, concept of waste management hierarchy that focuses on the reduction of solid waste involves reuse and recovery of waste will be applied in various intermediate treatment technologies such as thermal treatment plants, material recovery facility, a mechanical and biological treatment to produce refuse derived fuel and disposal technologies have been included. Through this action plan, the Government has implemented various initiatives to reduce solid waste through the 3R (Reduce, Reuse, Recycle) and minimize the transmission of solid waste to landfills.

In addition, the Government will continue to raise awareness and educate the public about solid waste management on an ongoing basis. Raising awareness and public education to change attitudes and community practices related to solid waste requires a long period of time. This will include all parties involved in solid waste management on matters such as waste minimization and segregation of recyclable materials, the use of technology, the cost of services and charging for services. The involvement and contribution of the private sector and non-governmental organizations (NGOs) are crucial in raising awareness and education to the community on solid waste management. National solid waste management policy is strategic step towards achieving developed nation status and sustainability in solid waste management. It is in line with factors such as population growth, rapid urbanization, changes in socio-economic and technological advances towards creating a clean and healthy environment.

9.6 Local Authority Transformation Plan

In less than five years to come, Malaysia is going to be a developed country, thus, all government machineries are expected to render the utmost quality service delivery. In this regards, local authorities have a lot of active roles to do in order to materialize the national aspiration at their respective capacity. There have been many development agenda put in place by our local authorities while at the same time embracing new challenges and resolving existing issues.

The MUWHLG and a few of high performing local governments drafted a Local Authority Transformation Plan. It is a strategic plan aimed to improve service delivery as well as quality urban living by having local authorities to emulate and to subscribe to principles and action plans. This plan consists of six principles namely empowering human capital, excellent service delivery, boosting financials, people's happiness, people's involvement and effective communication internally as well as externally. Such aspiration entails overwhelming and whole-hearted support by all related parties whose roles are described in the plan including state governments.

The plan is tentatively to be launched in July 2016 and expected to be completed by the end of 2018. There are 208 programs developed by the committee and targeted selectively to different groups according to the six principles. Some of the programs are currently implemented by local authorities whilst others are new ones. In addition, this transformation plan also comes up eight high impact programs such as:

- i. Establishment of Local Authority Commission;
- ii. Establishment of Centre of Excellence in IKPKT;
- iii. Live Streaming of Local Authority's Full Council Meeting;
- iv. Initiating online application, iKEPOH;

- v. Exhibiting summary of income and expenditure at the back of assessment tax notice to illustrate transparency;
- vi. Self-Financing Local Authority,;
- vii. Strategic partnership cooperation with government agencies, private sector and NGOs; and
- viii. Local Government Department's internet radio

At the end of 2018, the committee will analyse the overall performance of local authorities as well as other parties involved to determine the future course of action and improvise certain aspects which require extra attentions to improve service delivery and creating more harmonious and joyous life for city residents.

9.7 Malaysian Urban-Rural National Indicators Network for Sustainable Development (MURNInets)

FDTCP, Peninsular Malaysia under MUWHLG is a focal point for the implementation of Malaysian Urban-Rural National Indicators Network for Sustainable Development (MURNInets) which now incorporates happiness indicators into its framework. This is in line with the Department's vision to be a "Leader in Town and Country Planning towards achieving a Quality and Sustainable Living Environment by 2020"; the FDTCP's Universal Planning and Development Doctrine produced in 1998; and MUWHLG's commitment in promoting sustainable communities. FDTCP has introduced Malaysian Urban Indicators Network (MURNInet) in 1998 as an innovative system to determine the sustainability level of urban areas by using a set of urban indicators. MURNInet was a program to assess the performance and level of sustainability of Malaysian towns. 56 indicators were identified to be used to rank the sustainability level of towns when it was first conceived.

Based on pilot projects carried out in 2002 on 6 towns, namely Kuantan, Georgetown, Johor

Bahru, Kuching, Batu Pahat and Pasir Mas, an agreement was reached to use only 38 indicators to the assessment purposes and this is due to data availability. In 2010, two more indicators were added, i.e the percentage of public amenities land use, and the percentage of public transport users. However after ten years of implementation and due to emerging issues such as local authority's participation, the choice and characteristics of indicators, the Research and Development Division of FDTCP, has agreed to review the framework and overall content of MURNInet to suit present condition. This includes the formulation of the Sustainable Development Strategies based on the NPP that has considered and interpreted government policies such as Vision 2020, the New Economic Model, 10th MP and also the Government Transformation Program.

The review asserts that indicators are no longer divided according to "sectors", as sustainable development is a cross and multisectoral concept encompassing all pillars of development. Within the review process, the relevant available indicators in MURNInet were modified and new targets are set accordingly. New indicators are also introduced. In line with this, MURNInet is rebranded and is now known as MURNInets. The new features of MURNInets include 36 sets of compulsory indicators grouped under 21 themes under 6 dimensions. Most of the targets and standards for the selected indicators were adjusted according to hierarchy of local authorities. Sustainable developments, in the contacts of MURNInets will be able to fulfil the needs of the present generations without neglecting the future generation's requirements. A sustainable urban area is defined as an area that is capable of sustaining its achievements in social, economy and physical development or competing globally at metropolitan regional level but still serves to maintain it's excellence in culture and environment. The definition acts as a basis in developing the dimension, theme and sustainable development that has been agreed upon.

In MURNInets at least 3 main new features are introduced. This includes the Happiness Index Study (HIS), an indicator under the quality of life theme to meet the current development trend that emphasizes on the wellbeing of community. HIS also based on values that have been exemplified by Malaysia's Total Planning and Development Doctrine that has been developed by the FDTCP in 1997. FDTCP used data-driven methodology to produce happiness index, which involved sending questionnaires to Local Authority Council Committee Members (MPP) and Resident's Associations (RA) members regarding issues related to wellbeing, and ranking their responses on a five point scale. HIS components include community vitality, cultural diversity and resilience, health, education, ecological diversity, quality of life and efficiency of governance. It also meets the concept of bottom-up directly with the community to identify inspiring people on wellbeing. This study was able to measure the happiness of the people on the economic, social and physical environment provided by local authority.

This approach is also consistent with the principles of effective urban governance in which people are considered as a development partner to local authorities. HIS can become a monitoring and management tool for local authorities in identifying urban wellbeing gaps and to assist in improving identified areas concern. The findings also shown that what matters most for communities in Local Authorities that has scored high happiness ranking is the happiness found with partner and family, in spiritual believes that provides inner peace and tranquillity and in good relationships with neighbours and community. Other supporting environments for happiness are related to health, enjoyment at the work place, income, safety, and efficient local authority services and facilities. Through this study, the people's hopes and aspirations for development were identified. Happiness is no longer limited to receiving the benefits of

development, but also the involvement of the people in the process of physical development, social and economic through empowerment, representation and consultation with residents.

9.8 Green Neighbourhood Action Plan

Green technology is the development and application of products, equipment, and systems used to conserve the natural environment and resources, which minimises and reduces the negative impact of human activities. Green technology is in line with the Low Carbon City (LCC) initiatives in tackling the global climate change issues for sustainable development. Additionally LCC is a city that comprises of societies that consume sustainable green technology and relatively low carbon energy as compared with present day practice to avoid adverse climate change. Low Carbon Society (LCS) will adopt a lifestyle that make more use of alternative renewable energy, less dependence on fossil fuel and practice 3Rs (reduce, reuse and recycle) in their everyday life.

In Malaysia, the improvement of environmental quality was emphasised through better management in major areas of concern particularly air, water quality and solid waste management as well as the utilisation of cleaner technologies (*EPU, 2006*). Nonetheless, green application and comprehensive low carbon emission policy in neighbourhood and city planning were not mentioned officially. In order for Malaysia to achieve LCS through green neighbourhood, it would involve a holistic balanced socio-economic and ecological conservation with the widely use green and low carbon technology and changes to lifestyles and institutions. Green technology and LCC in land use planning enables the integration of sustainable development concept by promoting mixed land use, public transportation and compact cities development.

The use of zoning system as in structure plans and local plans allows appropriate and compatible mixed use development by combining commercial with residential or office use in the same building or on the same site can help to reduce in between space movement. Hence, it can also reduce transportation energy and CO₂ emissions. This is done during the formulation of development plans from the highest plan level, i.e. National Physical Plan (NPP) and then translated to the lower levels that include structure plans and local plans. The key partners integral to the success of the LCC programme and green approaches are public sectors particularly local government and institutions with major influences of the housing associations and developers, large businesses and communities. For instance, the local authorities can impose conditions of the usage of green building materials and green neighbourhood design during the planning and building submissions.

FDTCP has introduced The Green Neighbourhood Planning Guidelines that take into consideration of the social, environment, application of green technology and wellbeing of the people. This planning guideline was approved by the Malaysian Cabinet in November 2011 and NPPC in March 2012. The guideline served as a tool to drive planning and the formation of green urban neighbourhoods in Malaysia, including carbon reduction assessed by Ministry of Energy, Green Technology and Water under the Low Carbon Cities Framework (LCCF). This guideline was prepared to:

- i. Assist state government to formulate policies and rules to promote green neighbourhood development in their respective states;
- ii. Assist local authorities as the basis to process and consider an applications for development projects; and
- iii. Provide design guidance for developers in designing and developing green neighbourhood.

The planning guideline sets five key

components that should be taken into account in planning and designing a green neighbourhood. The key components are: Site Selection and Site Planning, Green Design (which touches on community design, urban transportation, green network, green building features), The 3Es (Energy Efficiency, Renewable Energy And Water Efficiency) and Green Communities. FDTCP has set Implementation Guide for Green Neighbourhood Development Initiatives for Malaysia Local Authority in 2013 as an action plan which is:

- i. Provision of pedestrian walkway;
- ii. Provision of bicycle lane;
- iii. Rain water harvesting system (SPAH);
- iv. Waste composting; and
- v. Community farming.

Since then, FDTCP in conjunction with the celebration of World Town Planning Day presented the Green Neighbourhood Initiatives Award to local authorities which have successfully implemented 5 green neighbourhood initiatives in their areas of administration. The purpose of the award is to encourage local authorities to implement those initiatives as part of the nation's efforts towards achieving the target of reducing 40% of the carbon intensity by 2020. Walking and cycling will reduce the use of motorised vehicles which subsequently reducing carbon emissions. Rainwater harvesting system is to reduce the demand for treated water which directly reduces the need for water treatment process.

Waste composting will reduce generation of organic solid waste, thereby reducing the need to dispose and managed of waste. Community farming is a community activity which will promote closer relationship among residents and reduce vehicle trips made by residents to buy vegetables from local markets. Consequently, the FDTCP has to be the lead agency to actively initiate green neighbourhoods mission including policies as well as guidelines, particularly the green neighbourhood index (GNI). This will guide states and local authorities, developers,

architects, planners, engineers and the public in planning the development of green neighbourhoods.

9.9 National Landscape Policy

Malaysian government has entrusted the National Landscape Department with the responsibility in transforming the country into the Garden Nation. In line with the National Landscape Policy it is the vision and mission that Malaysia would, not only achieve the Garden Nation status, but also become among the most beautiful Garden Nation in the world. This is indeed a very high – ended target; yet not impossible; through sheer determination and commitment as well as concerted effort from all parties concerned, the goal is just within reach. Moving towards the National Vision 2020 in 4 years ahead, concentration for national landscape development will be focusing on providing high quality and conducive urban green infrastructure, public recreational facilities, seamless and well-connected green spaces – and well-preserved landscape resources all over the country.

The National Landscape Department (NLD) is holding the responsibility to be the driver to realize the concept of Beautiful Garden Nation by 2020 based on the need and importance of landscapes towards the socio-economic and environmental development in Malaysia. NLD will always work towards developing and protecting the sustainable green infrastructure as an effort to establish a healthy, conducive, and quality environments in line with the goal of improving the people's wellbeing.

9.9.1 Space/Insufficient Reserves For Green Spaces

The utmost challenges faced by the policy maker is to ensure a stricter emphasize on the provision and gazetting of space for green landscapes in order for all the landscape principles and proposals to be implemented. A concerted understanding needs to be improved for all other profession and

discipline to include the consideration for landscape as one of 'primary green infrastructure' in any development. In Malaysia, the provision of open spaces or green areas lies under the purview of government agencies¹. FDTCP through its open space standard outlined in the NPPC has suggested that 2 hectares of green spaces should be provided for every 1000 population in Malaysia. Taking Kuala Lumpur as an example, the city presently is recorded to have 0.36 hectares of space available per 1,000 populations as stipulated. Comparison has been made between Kuala Lumpur and other major cities of the world; which shows, a substantial difference of open space standards ranging from 2.8-3.2 hectares of open space for every 1,000 population provided for the respective cities. Thus, evidently Kuala Lumpur requires more green spaces to qualify as a liveable city.

Moreover, most cities of the world have set a high standard on the provision of open space and good environment. World Health Organization (WHO) has set an ideal requirement stipulated at 16² metre for each person in an urban area as indicated in Table 9.1. Current green space ratio per person for Kuala Lumpur dwellers is recorded to be 12m² which is significantly low as compared to other liveable cities such as Melbourne (55m² per person) and Vancouver (22m² per person). Putrajaya, however, holding a substantial figure of 42m² per person as ratio.

In Kuala Lumpur, the total estimated open space only consists of about 6.5% compared to the total overall land use of 24,221.05 hectares. This green area includes open space and also recreational areas. The distribution of large open space, green area and green network in Kuala Lumpur is based on the availability of large publicly owned land that can be developed for that purpose. Parks and recreational area are normally selected and developed from ex-mining land, ex-landfill

¹Daik, Rotina (2010), *Malaysia Townplan Planning in Green*, p36

area, and, in rare cases, were identified from forest reserves. Open spaces in urban area can create more sustainable and community wellbeing. Therefore environment in urban areas are greener and quality of life will be improved.

Table 9.1: Ratio of Green Spaces to Population between cities of the world

CITY	OPEN SPACE
WHO Standard	16 m ² per person
National Urbanization Plan Standard (NUP)	20 m ² per person
Ottawa	51 m ² per person
Singapore	20 m ² per person
Kuala Lumpur	12 m ² per person
Putrajaya	42 m ² per person

Source: National Landscape Department, 2015

9.9.2 Progress and Achievement

Gearing towards the 2020 Vision, the department has set out several specific strategies in carrying out the task of providing high quality and conducive urban green infrastructure, public recreation facilities and seamless interconnected green spaces nationwide. Creating a liveable and sustainable living urban space shall be a real challenge if all related development players did not adhere to one's another's importance right from the planning phase. Considerations to landscape matters should be addressed at an early stage in order to connect and complement the fulfilment of city's wellbeing. It is somehow understood that 'quality-of-life' measures are more likely to be impacted by subjective characteristics of the population.

Major programmes of urban development are now providing greater opportunities than ever to improve the spaces we already have and to create inspiring new ones. In ensuring the effectiveness of landscape development nationwide; the department will require a combination of strategies. Besides putting on

maximum focus and close reference to the National Landscape Policy, it is also an essential move to incorporate landscape planning, development and management with Local Plans and other related or existing policies. This shall gear a holistic understanding and comprehensiveness of a development; especially in the urban areas.

In materializing the plans outlined in the Malaysia Plans, the NLD has been allocated a sum of RM220,682,190 (USD 54,116,626) (which includes RM 54,339,600 (USD13,325,388) for 10th MP alone) for the purpose of providing functional public parks and landscapes nationwide. The main objective is to develop new public parks and federal parks; as well as to manage open spaces assets for public recreational use following the stipulated criteria. The expected outcome from the development of such parks, open spaces and greeneries are to ensure ample, beautiful and functional recreational access to the public in experiencing active and healthy lifestyle nationwide. For the development of new public parks, a total number of 48 public parks have been successfully and completed until 2015.

The National Greening Program was the comprehensive greening program implemented all throughout the nation. A total number of 83 projects and programs were carried out nationwide; which includes the development of public open spaces and squares, pocket parks in urban areas, waterfronts, promenades, urban woodlands; also tree plantings at major cities' protocol roads. Various activities with regard to the greening initiatives were also launched, such as the Tree Planting Campaigns which has notably achieved the targeted planting 20 million trees by the year 2020. To date, the campaign has achieved a total number of 20,097,387 trees. Most importantly is to note the launch of the National Landscape Day – celebrated every year since 1997 with various activities related to landscape.

All landscape development shall not only to be accessible, attractive green networks, but must be able to promote higher values of landscape such as incorporating technologies, health and education oriented elements in the design principles. The creation and reinvention of a green, civic space that integrates aesthetic, health and recreation value for civilized society – are the fundamentals to creating a sense of place and a feeling of belonging. Having said that, the NLD is also looking forward in incorporating its service and expertise with other agencies as measure in ensuring a comprehensive urban planning – while making landscape development as one of primary infrastructure.

Despite the raised issues of space-scarcity and insufficient reserves for greeneries, the department shall introduce relevant (new) programs on how to implement landscape through green innovations and vertical landscape designs. The ethic of appreciating the landscape will also thrive as the living culture for Malaysian society so that a well balanced and harmonious development can be enjoyed by all levels of society. Moreover, focus will also be given to landscape research covering new approaches and technologies for Malaysia to be another benchmark and at par with other great landscapes in the world.





10.0 CHALLENGES EXPERIENCED AND LESSONS LEARNT

Malaysia has always pursued a strategy of balanced regional growth resulting in an increased quality of life for communities across the nation. Overall quality of life, as measured by the United Nations Human Development Index (HDI), has increased from 0.80 in 2000 to 0.83 in 2007. The pursuit of a higher quality of life for all citizens continues to be a priority for the Government – making Malaysia a better place to live, work and play. Over the past decade, Malaysia has experienced a trend of rapid urbanisation, with population in urban areas growing at a rate of 2.2% versus rural population growth rates of 1.6% over the period of 2000 to 2009. Urban populations in Peninsular Malaysia already represent 67% of total population, with urban areas growing at a rate of 2.1% versus a rural growth rate of 1.4% over the same period. In Sabah and Sarawak, urbanisation is increasingly apparent with urban areas growing faster than rural areas by 0.5% to 0.7% respectively from 2000 to 2009. This trend is expected to continue as the nation develops. In Peninsular Malaysia alone, 94% of population growth expected between 2000 and 2020 will be concentrated in urban areas.

Urban planning system is designed to regulate the development and use of land in the public interest. It is an important instrument for protecting and enhancing the built and natural

environment. It has a positive role to play in guiding appropriate development to the right place as well as preventing development, which is not acceptable. The Malaysian's urban planning system therefore should be able to adapt to changing needs and at the same time secure efficiency, effectiveness and simplicity in conception and operation. Towards this end there should be a constant review of the policies and practices in town and country planning including those that is provided in law. With the recent and upcoming amendment to the Act 172, another milestone in the progress of physical planning has thus far been accomplished. It reaffirms the view that physical planning plays an important role in nation building; Physical planning when properly carried out can translate the nation's vision into spatial terms that forms the very basis of physical development activity. In conclusion we are witnessing an improved and balanced system of town and country planning by introducing of an integrated and uniformed laws relating to physical planning, This should be seen as part of an overall effort to create a more humanistic and pleasant environment that will be enjoyed by all of us.

Malaysia has continuously learnt from the shortcomings and problems in every big environmental problems encountered disaster, traffic congestion and air pollution pertaining the improvement of existing management policy, mechanism, institutional capacity and capability. There is no explicit set of strategies for public security and safety, controlling traffic congestion and reducing air pollution although improving the citizens' quality of life is the overall goal of physical developments. The lack of reference to security and safety is a crucial gap in the context of climate change, air pollution and traffic congestion which represent a major sustainability issue in urban areas. (*National Physical Plan 2010*)

The challenges facing governments are becoming increasingly more complex due to technological and cultural changes,

demographic shifts, and the ever faster movement of money, goods and people. Increased affluence and exposure to global services has led to more sophisticated demand and rapidly rising expectations from the people, further escalating challenges in public service delivery. An important part of addressing these challenges requires adapting to new models of service delivery that are better suited to today's technologies, norms and citizen needs. These new delivery and service requirements provide a clear opportunity for the Government to reform in order to be more cost-effective and better equipped to meet the demands and expectations of the people for 2020 and beyond. This will also require the public sector to be leaner, facilitative, more efficient, productive, skilled, innovative, and less bureaucratic, in order to better deliver for the people and for Malaysia.

The global economy and financial crisis have caused major impact on local governments. Aside from these two critical challenges local governments face other structural challenges such as public service demands are growing rapidly and new demands are also arising as a result of emerging technology. Nowadays, people demand services to be delivered with integrity and responsive to their needs. It is a big challenge for local governments to meet the needs of their residents. Local governments must assist in providing ways and tools for them to exchange information about needs and resources. Local governments must engage their residents in planning and development because in the end of the day decisions taken will affect their interests being members of the town. By bridging the gap and working together with the community, it helps local governments and residents to come to a mutual understanding to achieve shared goals in creating conducive urban living community.

There are many reasons that can be associated with squatters' reluctance or even refuse to move out from their settlements. Part of it may be linked to lack of job opportunities in

the resettlement areas, distance to working place, family rearrangement (for instance to send children to new schools), accessibility of public transports and also new environment in the new areas. In fact, all of the reasons are the major hurdle in the government's attempts to peacefully remove squatters. Moreover there are a few squatters who feel that there is no surety of fulfilment of the promises made by the government, thus hampering them from giving their trust to the promises. In most cases, new accommodations are smaller and cannot accommodate their families. Some of them used to live in a single storey wooden bungalow with proper ventilation though lack of other facilities or amenities and after resettlement programme, they have to stay in public houses or low-cost houses which are comparatively smaller.

Malaysia has always adopted a balanced development approach that gives equal emphasis to both economic growth and the wellbeing of the people. While there is no standard definition of wellbeing, the term is generally associated with a standard of living and quality of life that encompasses economic, social, physical and psychological aspects, and is beneficial for society. In Malaysia, these aspects are manifested in quality healthcare, affordable housing, improved public security and safety, enhanced emergency services, greater social integration and unity, as well as widespread participation in sports. Improvements in wellbeing will also promote productivity and upward mobility of the people.

During the 10th MP 2011-2015, the Government invested significant resources to enhance the wellbeing of the people. Improvements in the healthcare sector led to an increase in life expectancy, a decrease in infant and maternal mortality rates, and improvements in access to healthcare services. Housing programmes improved affordability for both low- and middle-income households, and guidelines were developed to create more conducive living environments. Crime rates fell by more than 20% through

measures such as omnipresence in hotspots and greater community participation in voluntary neighbourhood watch activities. Social interaction programmes involving government agencies, non-governmental organisations (NGOs) and communities increased significantly, creating shared experiences and values that fostered social cohesion and strengthened national unity. The involvement of Malaysians in sports activities increased from 32% in 2011 to 40.8% in 2014, highlighting in turn, a growing appreciation of the benefits of sports, from supporting healthy lifestyles to strengthening national unity.

In the 11th MP 2016-2020, wellbeing remains a priority thrust for realising Vision 2020. Improvements in healthcare will focus on addressing underserved populations, improving health system delivery to enhance efficiency and effectiveness, and intensifying collaboration with the private sector and NGOs. Housing support will be maintained for the poor, low and middle-income households, including youth and young married couples. Crime prevention efforts will focus on intensifying collaboration across public and private sector stakeholders, building the capabilities of law enforcement personnel, tightening regulations and strengthening enforcement.

A new focus area on enhancing road safety and emergency services will also be introduced. Platforms for interaction between and among different social groups will be enhanced to foster social cohesion and national unity, while more programmes to inculcate ethics and moral values will be implemented at schools and institutions of higher education. Finally, emphasis will be placed on mass sports participation, developing high-performance athletes, and building youth leadership capabilities in sports and sports-related activities. Urbanization imbalance is an on-going process in the urbanization cycle with convergence occurs initially in major cities (primate cities).

10.1 Future Challenges and Issues



Moving forward, Malaysia's agenda will be one of protecting the environmental quality of life, caring for the planet, while harnessing economic value from the process. In achieving this, among others, the Government will be guided by sustainable production practices to decouple economic growth from environmental degradation. It will be guided by the view that environmental sustainability is not only about saving the planet, but also about developing business models to compete sustainably in the global economy and in building values in ways that help address some of the world's most profound social, economic and environmental challenges.

At the heart of any national development strategy lies the imperative to raise the quality of life of its citizens. For Malaysia, this means continuing to invest in physical infrastructure as well as driving productivity and efficiency gains across the board. A new and rapidly evolving environment requires a new approach. The Government will move towards an approach of concentrated growth, adopting strategies to build density, develop clusters and specialise in high value sectors to exploit increasing returns to scale in cities. To position them as catalysts of growth, the attractiveness and vibrancy of cities will take centre stage, with a renewed emphasis on creating attractive public spaces and cultivating arts, culture and leisure activities to support an increasingly cosmopolitan population. Denser growth in cities will be

managed and supported by world-class infrastructure.

Every city in Malaysia is unique with distinctive characteristics and strengths and each city will have strategies tailored to its unique heritage, composition and potential opportunity for growth. Every generation of Malaysians has the responsibility of keeping the environment safe for the next. In a world confronted with the impacts of climate change and increasing environmental pressures, the Government is presented with the challenge of managing its environmental endowments prudently while unleashing the economic potential of these resources in a sustainable manner.

This means establishing policies and mechanisms for the proper valuation of environmental resources in terms of assessing opportunity costs and environmental impacts of both public and private investments. The policies, strategies and programmes to be implemented in the Tenth Plan will not only contribute towards the proper valuing of Malaysia's environmental endowment, but will also ensure that the quality of life of all Malaysians is sustainable.

Malaysia has set its target to become an advanced economy nation by 2020. This will be achieved in a resilient, low-carbon, resource-efficient, and socially inclusive manner. Future challenges require that Malaysian urban planning system be able to adapt to changing needs and at the same time secure efficiency, effectiveness and simplicity in conception and operation. Towards this end there should be a constant review of the policies and practices in town and country planning including those provided in the law.

Planning and development approaches shall also shift from the conventional and costly 'grow first, clean-up later' path to a more green trajectory - Green Growth - which will ensure that socio-economic development is pursued more sustainably, beginning at the planning stage, and continuing throughout the

implementation and evaluation stages. To pursue green growth, the enabling environment will be strengthened particularly in terms of policy and regulatory framework, human capital, green technology investment, and financial instruments. To encourage compact form and high intensity development, mechanisms for managing growth such as zoning, growth boundaries, growth control regulations and other development incentives shall be of better use. This will produce cities that are efficient in the long run.

Federal Government shall also co-operate with and provide more comprehensive support to the relevant state and local agencies in pursuit of this shared objective of building vibrant and sustainable cities. Green growth requires fundamental transformation, in regulations and guidelines applicable to businesses, in guiding consumers to make household purchasing decisions and in managing the nation's energy and natural resources. For this change to take place smoothly, strategies on strengthening the governance to drive transformation, enhancing public awareness to create shared responsibility and establishing sustainable financing mechanism are required.

While Malaysia is blessed with large forested areas, some have suffered environmental degradation in the recent past, highlighting the need to further intensify conservation efforts. Ensuring natural resources security by conserving terrestrial and marine areas as well as endangered plant and wildlife species, managing natural resources and enhancing alternative livelihood for indigenous and local communities remain the biggest challenges for natural resources conservation.

Moving forward, to be a developed country by 2020, local governments have a lot of active roles to put in place while embracing new challenges and resolving existing issues. Excellent service delivery is catalyst to public satisfaction. Hence, MUWHLG and high performing local governments drafted a Local

Government Transformational Plan aimed to improve service delivery as well as quality urban living by having local governments to subscribe to principles and action plans. This plan consists of six focuses namely empowering the human capital, service delivery, boosting financials, people's happiness, people's involvement and effective communication internally as well as externally. Such aspiration entails overwhelming and whole-hearted support by all related parties whose roles are described in the plan including state governments.

For instance, Malaysian local governments are largely dependants on both Federal Government and State Governments in financial funding. Annual federal grant is awarded to assist in developing their place. Simultaneously, many small-scaled local project funded by both governments as many of the local governments are struggling to meet their expected service. In light of the move, the Federal Government is looking into amending the current Local Government Act 1976. It is expected to be completed in 2017 with several sections are now being reviewed to make them more responsive and relevant with the current needs. Local governments are also encouraged to revisit their local council by-laws as some may have obsolete functions given the rapid growth and dynamic economic landscape regionally.

By 2020, Malaysia aspires to become an advanced nation on multiple dimensions. This is not merely about becoming an advanced economy, but also about building a caring and inclusive nation that is grounded in ethics and morality, and truly integrated and united. The wellbeing of the people plays a key role in realising this aspiration. Under the 11th MP, the Government will accelerate efforts.

Finally, the Government will continue to public service transformation, by promoting streamlined operations across agencies to optimise the use of public resources, and intensify the use of interventions that bring together all stakeholders – public, private sectors and NGOs – in an integrated and

collaborative manner. The latter shift is particularly important, as all citizens and stakeholders have a collective responsibility to build a more cohesive society that reflects the best ideals of Malaysia's founding fathers, and the hopes and dreams of future generations.

The 10th MP succeeded in increasing inclusivity nationwide, as seen in improved income distribution in both rural and urban areas. Access to rural infrastructure has improved, and various opportunities have been created for rural and other communities to partake in economic development opportunities. Nevertheless, more needs to be done, in particular to address the needs of selected segments of society who do not feel that they are benefiting from the nation's growth and development. In addition, vulnerable households, particularly within the B40 households and rural communities remain prone to socioeconomic shocks.

The strategies in the 11th MP will increase inclusiveness in line with the aspiration of uplifting more B40 households into the middle-class society. Key segments within the community will continue to be engaged and supported, with outcome based incentives to stimulate independence and results-orientation. Rural transformation will continue, with the objective of uplifting the wellbeing of rural communities to enable them to participate in and benefit from the nation's economic growth. The various strategies proposed will result in more equitable access to economic opportunities. Malaysians will enjoy improved income, reduced vulnerability and a better quality of life as well as continue contributing towards the nation's growth and development.

In the 11th MP 2016-2020, eleven factors have been identified as the focal areas in modernising agro-food subsector:

- i. Eliminate duplication of functions;
- ii. Reduce ineffective incentives;
- iii. Lessen post-harvest loss;

- iv. Raise adoption of Information communication technologies (ICT);
- v. Intensify research, development and commercialisation (R&D&C) in priority areas;
- vi. Increase compliance to Malaysian Good Agricultural Practices (MyGAP);
- vii. Raise access to agriculture financing;
- viii. Promote services that support agro-food industry;
- ix. Advance youth agropreneur development and training;
- x. Create market access and logistic support.
- xi. Preserve and optimise agricultural land;
- xii. Generate capacity of agri-cooperatives and associations along the supply chain.

More efforts will be needed to improve food security and safety, increasing income of farmers and boosting productivity, particularly food commodities with low self-sufficiency level. The targeted sub-industries are paddy and rice, fruits and vegetables, ruminant and fisheries (EPU, 2015b). To further improve urban mobility in Malaysia, the following suggestions including the proposals by World Bank (2015) shall be carried out to meet the challenges:

- i. Establish transport agency at the conurbation or intercity level to lead the planning and integration of different public transport modes. Currently, SPAD and Public Works Department are the lead federal agencies planning for city level public transport and road system;
- ii. Identify and implement sustainable financing mechanism for public transport projects. Gains from local taxes on fuel can subsidise city public transport, reduce fiscal deficit and improve environmental costs. Collaborate with businesses that have synergies with public transport, like advertisement, retail and property development and increase non-farebox (NFB) revenues;
- iii. Implement transit-oriented development but must consider implication for affordability and inclusivity;

- iv. Align policies to promote public transport with incentives to discourage the use of private vehicles in congested areas. For example introduce congestion pricing at areas well covered by public transport; and
- v. Encourage more public-private and government-NGO-community partnership to increase public transport ridership.

The Government remains committed to ensuring that all Malaysians are able to enjoy a level of wellbeing that enables them to live a happy, healthy and productive life. The 11th MP therefore aims to improve wellbeing through six focus areas: enabling universal access to quality healthcare; providing adequate and quality affordable housing; creating safer living environments; improving road safety and emergency services; fostering social cohesion and national unity; and increasing mass participation in sports. The end vision is of an inclusive, caring society wherein every Malaysian has access to quality healthcare, regardless of their socio-economic background.

Similarly, homeownership will not be a milestone restricted to the wealthy, but one that poor, low- and middle-income households are also able to aspire to, through an adequate supply of affordable housing. Malaysians will feel safer in their neighbourhoods, on the streets and in public spaces as crime prevention efforts stem instances of violent and property crime. Sports and other physical activities will be made accessible, making it easier to achieve a healthy life. Most importantly, Malaysians of all backgrounds will have many platforms to engage with one another, and to come together as one community, united through a common goal and commitment for nation building.



11.0 CONCLUSION

Malaysia succeeded in increasing inclusivity nationwide, as seen in improved quality of life in both rural and urban areas. Access to rural infrastructure has improved, and various opportunities have been created for rural and other communities to take part in economic development opportunities. Nevertheless, more needs to be done, in particular to address the needs of selected segments of society who do not feel that they are benefiting from the nation's growth and development. In addition, vulnerable households, particularly within the B40 households and rural communities remain prone to socioeconomic shocks. The strategies in the 11th MP will increase inclusiveness in line with the aspiration of uplifting more B40 households into the middle-class society.

The majority of the global population lives in urban areas, including one billion living in informal settlements. Poverty has become an urban phenomenon, cities produce most of the green-house gas emissions, and they are increasingly vulnerable to disasters and the effects of climate change. While cities face major problems, from poverty to pollution, cities also power houses of economic growth and catalysts for inclusion and innovation. With vision, planning and financing, cities can help provide solutions for the world.

Key segments within the community will continue to be engaged and supported, with outcome based incentives to stimulate independence and results-orientation. Rural transformation will continue, with the

objective of uplifting the wellbeing of rural communities to enable them to participate in and benefit from the nation's economic growth. The various strategies proposed will result in more equitable access to economic opportunities. Malaysians will enjoy improved income, reduced vulnerability and a better quality of life as well as continue contributing towards the nation's growth and development.

The Government remains committed to ensuring that all Malaysians are able to enjoy a level of wellbeing that enables them to live a happy, healthy and productive life. The 11th MP therefore aims to improve wellbeing through six focus areas: enabling universal access to quality healthcare; providing adequate and quality affordable housing; creating safer living environments; improving road safety and emergency services; fostering social cohesion and national unity; and increasing mass participation in sports.

The end vision is of an inclusive, caring society wherein every Malaysian has access to quality healthcare, regardless of their socio-economic background. Similarly, homeownership will not be a milestone restricted to the wealthy, but one that poor, low and middle-income households are also able to aspire to, through an adequate supply of affordable housing. Malaysians will feel safer in their neighbourhoods, on the streets and in public spaces as crime prevention efforts stem instances of violent and property crime. Malaysians of all backgrounds will have many platforms to engage with one another, and to come together as one community, united through a common goal and commitment for nation building.

Malaysia places a high priority on the development of more sustainable and inclusive communities due to our contribution to strengthen the economy, creating good jobs, using energy more efficiently, protecting the natural environment and human health. Malaysia is committed to participate in Habitat III in order to demonstrate the benefits of a sustainable economic pathway for rapidly urbanising communities.

Malaysia is committed to support and implement the 2030 Agenda for Sustainable Development. Malaysia is on the right track towards achieving the global 2030 Sustainable Development Goals Agenda. The current five-year development plan, the 11th MP with the theme **Anchoring Growth on People** is formulated with people as the centrepiece of all development efforts and guiding policy for sustainable development in the country. Malaysia's commitments to ensuring environmental sustainability were implemented through the National Climate Change Policy, National Green Technology Policy and National Policy on Biodiversity to address issues of climate change and sustainability of natural resources.

Malaysia is committed to ensuring a high quality of life in urban and rural areas in line with Malaysia's aspiration to become a developed nation. This means that both urban and rural areas will be attractive to live in, with quality housing and amenities. Habitat III offers a unique opportunity to discuss the important challenge of how cities, towns and villages are planned and managed, in order to fulfil their role as drivers of sustainable development.

Habitat III is also expected to discuss and agree on a New Urban Agenda (NUA) that aimed at enhancing the contribution of cities to sustainable development, and at ensuring that cities are inclusive, safe, resilient and sustainable. NUA will constitute the international framework and mechanisms to guide sustainable urban development for the next two decades, including the political role

of cities and local governments. Together, these agendas point to the importance of combining social and environmental sustainability issues, which should be one of the hallmarks of the New Urban Agenda.

The New Urban Agenda, coming on the heels of the crystallization of the Post-2015 Development Agenda, will seek to create a mutually reinforcing relationship between urbanisation and development. The idea is that these two concepts will become parallel vehicles for sustainable development. Malaysia is preparing of 2nd National Urbanisation Policy (NUP2) which aims to create a city of vision in line with the national vision in providing a safe and healthy living as well as peaceful and beautiful environment to promote socio-economic growth for a disciplined and developed Malaysian community. NUP2 also will guide and coordinate the planning and urban development of the country to be more efficient and systematic particularly to handle the increase in the urban population by 2020 with emphasis on balancing the social, economic and physical development within urban areas.

Kuala Lumpur is ready to become the showcase to support the Post 2015 UN-Habitat Declaration which gives emphasis to the sustainable development agenda at the local level. The Ninth session of the World Urban Forum 2018 (WUF9) would be of particular relevance to the monitoring of implementation of NUA after Habitat III in 2016 at Quito, Ecuador.

Finally, Malaysia places a high priority on the development of more sustainable and inclusive communities due to our contribution to strengthen the economy, creating good jobs, using energy more efficiently, protecting the natural environment and human health. Malaysia will contribute towards strengthening partnerships between various stakeholders in the quest for development of Malaysia for the next 20 years and beyond.

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