

Take5

for business

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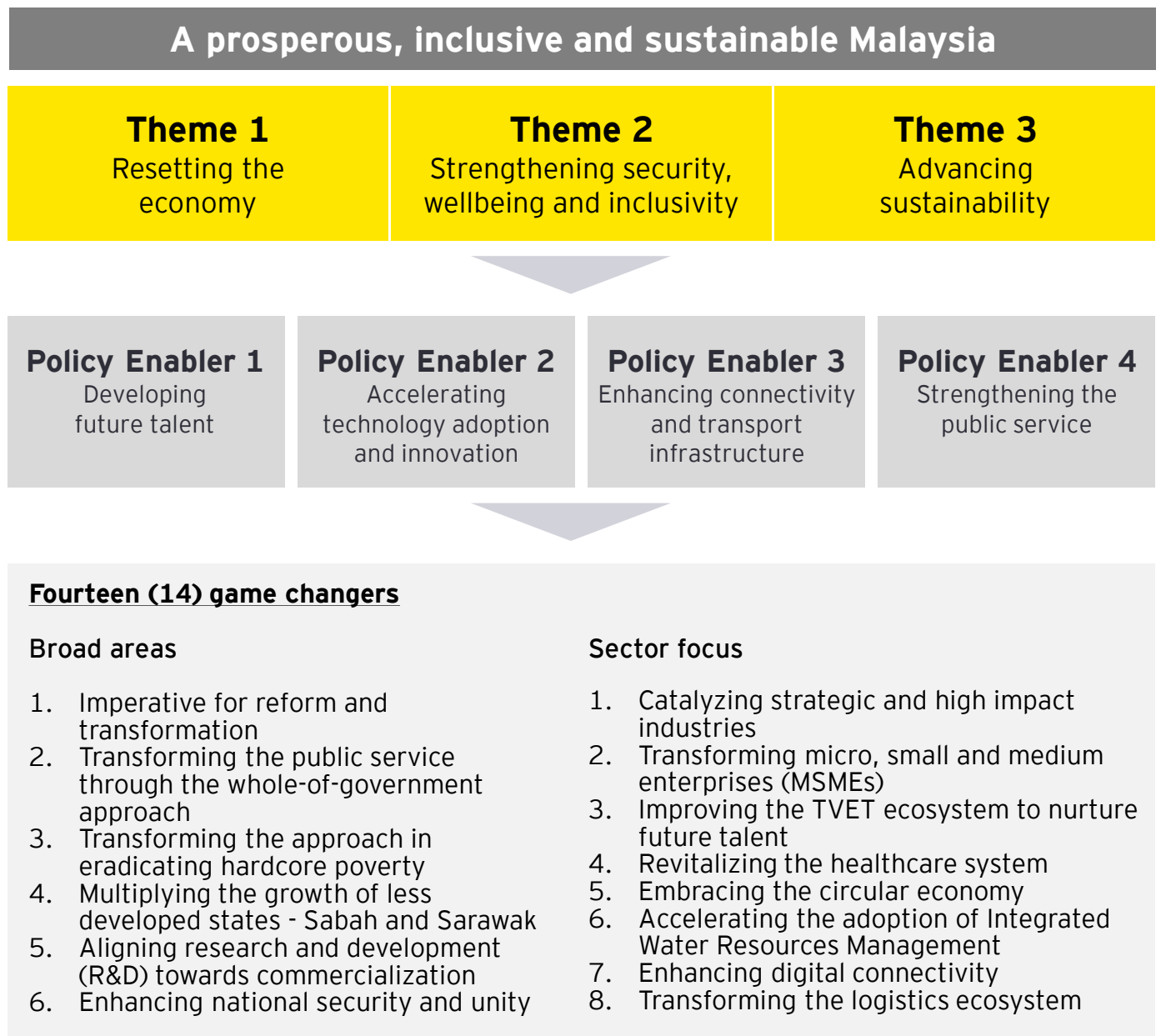
12th Malaysia Plan
2021-2025
Sector highlights

EY

Building a better
working world

12th Malaysia Plan: overview

The Twelfth Malaysia Plan (12MP) 2021 - 2025 is anchored around three key themes and four policy enablers to achieve economic growth and transform Malaysia into a prosperous, inclusive and sustainable country. The total 12MP development expenditure allocation is estimated to be RM400b.



This Take 5 focuses on selected business sectors to help organizations remodel their business operations, accelerate digital transformation and sustainability efforts, and embrace the new normal.

12th Malaysia Plan: goals and strategies

Goals articulated in 12MP are aimed at improving the livelihood of Malaysians, by increasing labor productivity, promoting a green economy, narrowing the development disparity on a regional scale and targeting gross domestic product (GDP) growth of 4.5 - 5.5% over the next 5 years.

8 multidimensional goals

- ▶ 4.5% - 5.5% GDP growth per annum
- ▶ 3.6% labor productivity growth per annum
- ▶ RM10,065 average monthly household income by 2025
- ▶ 45% reduction in greenhouse gas (GHG) emissions intensity to GDP by 2030
- ▶ RM57,882 gross national income (GNI) per capita by 2025
- ▶ 40% compensation of employees to GDP by 2025
- ▶ 1:2.5 GDP per capita gap between Central and Sabah regions by 2025
- ▶ 1.2% Malaysia Wellbeing Index growth per annum

8 macroeconomic strategies

- ▶ Enhancing productivity
- ▶ Promoting quality investment
- ▶ Accelerating structural economic transition
- ▶ Reducing regional development disparity
- ▶ Increasing share of compensation of employees
- ▶ Leveraging participation in the global value chain
- ▶ Strengthening fiscal governance
- ▶ Advancing green growth

High impact industries

Tourism

- ▶ The National Tourism Policy 2020-2030 is used as the overarching guide for the development of Malaysia's tourism industry
- ▶ Anticipated recovery of foreign tourists arrivals in 2023 and is expected to reach 24.3m tourists in 2025, generating RM73b in receipts
- ▶ Revitalize the 'Malaysia Truly Asia' tagline
- ▶ Enhance incentives and promotional campaigns to promote domestic tourism

DISF, DFTZ, agro-based, creative and cultural heritage products

- ▶ Leverage on existing funds such as the Domestic Investment Strategic Fund (DISF) to accelerate digitalization efforts and enhance capabilities of local Global Services (GS)
- ▶ Leverage on the Digital Free Trade Zone (DFTZ), Port Klang Free Zone (PKFZ) and halal eCommerce platforms to promote a seamless halal supply chain
- ▶ Develop a smart farming framework and embed it into the National Agrofood Policy 2021-2030 and the National Agricommodity Policy 2021-2030
- ▶ Accelerate the usage of modern technology in the agricultural sector (e.g. big data analytics, internet of things (IoT), artificial intelligence (AI), drones, robotics and sensors)
- ▶ The National Creative Industry Development Council, under the Ministry of Tourism, Arts and Culture (MOTAC) will propel the creative industry
- ▶ Enhance cultural and heritage products, including museums and galleries by utilizing advanced technologies

Manufacturing, electrical and electronics (E&E) and aerospace industries

- ▶ Develop a national E&E roadmap¹
- ▶ In line with the Fourth Industrial Revolution (4IR), the manufacturing sector is expected to shift towards producing more high value-added products and boosting investments of high-value activities (e.g. design and development and front-end manufacturing)
- ▶ Establish loans for investment in R&D in the E&E and aerospace industries; an intellectual property (IP) fund and a Centre of Excellence for future industries
- ▶ Upgrade the National Aerospace Industry Coordinating Office (NAICO) as an agency to facilitate action plans under the Malaysia Aerospace Industry Blueprint 2030
- ▶ Position Malaysia as the key producer of bio-jet fuel in the region. The first bio-jet fuel test on piloted aircraft is expected to be conducted in early 2022

Biomass

- ▶ Develop a national biomass policy
- ▶ Create a biomass database to integrate information across the value chain, from bio-resource supply to bio-energy and bio-product markets
- ▶ Increase research, development, commercialization and innovation (R&D&C&I) activities between research institutions, higher education institutions and government-linked companies (GLCs)
- ▶ Enhance local capabilities by adopting advanced biomass technologies that are sustainable and cost-effective
- ▶ Enhance existing green incentives, such as Green Technology Financing Scheme (GTFS), Green Investment Tax Allowance (GITA) and Green Income Tax Exemption (GITE) to attract more investors including MSMEs

Note: ¹E&E roadmap include semiconductors, solar photovoltaic (PV), light-emitting devices, electronics manufacturing services and manufacturing-related services sectors

Digitalization

- ▶ RM147.1 billion has been allocated to assist MSMEs through the eight (8) economic stimulus packages (ESPs) due to the COVID-19 pandemic
 - ▶ Out of this total, more than RM20 billion is dedicated towards the digital transformation agenda
- ▶ Launch a national MSMEs digitalization roadmap to drive digitalization efforts¹
- ▶ Increase targeted assistance for automation, digitalization, AI and other 4IR technologies to support MSMEs transformation efforts
- ▶ Encourage multinational companies (MNCs) to enhance capabilities of local MSMEs
 - ▶ Reinforce the Lighthouse Project to encourage MNCs to assist local MSMEs in embracing digitalization and Globalization 4.0 (e.g. AI, robotics and IoT)
- ▶ Improve financing access for new entrepreneurs, particularly start-ups to encourage the development and adoption of emerging technology in businesses
- ▶ Introduce financing mechanisms to accelerate the adoption of digital solutions by MSMEs
 - ▶ Promote the *eBerkat* initiative to assist MSMEs and B40 entrepreneurs to acquire knowledge, secure insurance and access micro-financing services
- ▶ Encourage MSMEs to safeguard their digital environment through the adoption of cybersecurity measures

Bumiputera MSMEs

- ▶ Achieve 15% of Bumiputera MSMEs contribution to GDP by 2025 through:
 - ▶ *Dana Kemakmuran Bumiputera* for Bumiputera companies
 - ▶ *Skim Pembiayaan Kontrak Expres* by Majlis Amanah Rakyat (MARA) for Bumiputera contractors
 - ▶ Participation of more Bumiputera entrepreneurs in the digital economy and high growth potential industries
- ▶ Increase participation of Bumiputera companies through the Halal Industry Master Plan 2030
- ▶ Expand the Vendor Development Programme (VDP) to create more competitive Bumiputera vendors among MSMEs

Other initiatives

- ▶ Widen market access, international trade opportunities and capitalizing cooperatives, agricultural-based associations and social enterprise to develop entrepreneurs
- ▶ Extend MSMEs support to cooperatives (access to programmes, financial assistances and business opportunities)
- ▶ Increase MSMEs access to the global halal market through compliance with international standards and requirements, i.e. Hazard Analysis Critical Control Points (HACCP) and Good Manufacturing Practice (GMP)
- ▶ Encourage MNCs to use locally produced materials by MSMEs in their production supply chain
- ▶ Enhance the 'Buy Malaysia Campaign' to support the growth of local MSMEs
- ▶ Introduce the *Perusahaan Sosial 2021-2025* Blueprint to drive social enterprise development
- ▶ Enhance eCommerce programmes to assist rural entrepreneurs to migrate from traditional business methods to digital platforms
- ▶ The Inclusive Business (IB) model, which promotes the involvement of MSMEs in GLCs and MNCs supply chain, will be expanded to include social enterprise participation

Note: ¹This include strengthening frameworks for MSMEs digitalization process through, inter alia, Digital On-Boarding for Micro Businesses (DigitalNiaga), Digital Transformation Acceleration Programme (DTAP), and *Warongku* initiatives

Digitalization and advanced technologies

Digital infrastructure

- ▶ The implementation of digital initiatives will be anchored by the Malaysia Digital Economy Blueprint and National 4IR Policy
- ▶ RM28b is allocated to improve existing 4G network (investment by public and private sectors)
- ▶ An additional RM15b to expedite the implementation of 5G network (investment by private sector)
 - ▶ Expected to be launched by end 2021
 - ▶ Target to achieve 25.5% digital economy contribution to GDP by 2025
- ▶ RM7.7b is allocated for the implementation of *Pelan Jalinan Digital Negara* (JENDELA) in Sabah and Sarawak
- ▶ JENDELA to provide 100% 4G coverage¹ in populated areas, wider 5G coverage and fixed line broadband for 9.0m premises by 2025
- ▶ Introduce digital-by-default laws to promote digital infrastructure development
- ▶ Increase fixed broadband coverage (up to 500 Mbps) in rural areas, targeting at least 20% of premises

Digital economy

- ▶ Develop a national digital identification policy as a framework for digital transactions and data movement; and facilitate the usage of new technologies, eCommerce and other administrative processes
- ▶ Implement the National eCommerce Strategic Roadmap 2.0 (2021-2025) to spur eCommerce activities
- ▶ Develop a national e-Invoicing framework to enable seamless trade using digital mechanisms, particularly in the export of digital products and services
- ▶ Digital devices will be provided to targeted groups through people-private-public partnerships
- ▶ A complimentary data plan will be provided to underprivileged students
- ▶ Revive the National IoT Strategic Roadmap
- ▶ Establish 4IR innovation parks to provide a secure testbed and assemble 4IR technology providers²

R&D&C&I

- ▶ Implement the National Policy on Science, Technology and Innovation (NPSTI) 2021-2030 to propel STI and strengthen the R&D&C&I ecosystem
- ▶ The Research Management Unit (RMU), under the Economic Planning Unit (EPU) to coordinate the funding mechanism for all R&D&C&I activities
 - ▶ At least 50% of total R&D expenditure will be allocated for experimental development research with high commercialization potential
- ▶ Establish an endowment fund to source funds, matching grants, crowdfunding and *waqf*
- ▶ Launch the National Technology and Innovation Sandbox for industry players to test their innovation in a live environment
- ▶ Enhance the Malaysia Commercialization Year 2.0 to increase commercialization, improve the transfer rate of R&D outputs (lab to market), leverage collaboration and the sharing of resources

Others

- ▶ Review the Personal Data Protection Act (PDPA) to provide greater control and rights over personal data, transparency on personal data management using technology and increase accountability in safeguarding personal data and privacy
- ▶ Position Malaysia as the regional fintech center (conventional and Islamic) by introducing fintech accelerator programmes to encourage fintech businesses to set up operations in Malaysia
- ▶ Implement the Malaysia Cyber Security Strategy (MCSS) to manage cyber threats
 - ▶ Enactment of the Cyber Security Act
 - ▶ Strengthen the cyber security framework
- ▶ Introduce incentives such as tax exemptions and matching grants for digital education and training programmes

Notes:

¹As of August 2021, 94% of populated areas have access to 4G networks

²To stimulate new technology breakthroughs, provide access for MSMEs and innovators to develop products and solutions utilizing emerging technologies (AI, IoT and big data analytics)

Green growth and sustainability

Carbon emissions

- ▶ Introduce a roadmap to reduce GHG emissions and develop a national adaptation plan
- ▶ Develop a Nationally Determined Contribution roadmap to outline mitigation plans in fulfilling the Paris Agreement commitment
- ▶ Conduct a feasibility study on carbon pricing (e.g. carbon tax and emission trading scheme)
- ▶ A study on the long-term low emissions development strategies is expected to be completed by end 2022
- ▶ Reduce hydrochlorofluorocarbon (HCFC) consumption by 67% in 2025
- ▶ Encourage more Government-linked companies (GLCs) and Government-linked investment companies (GLICs) to pledge their commitments to achieve net zero carbon emissions by 2050

Renewable energy

- ▶ Achieve 31% of the total installed capacity of Renewable Energy (RE) generation by 2025
- ▶ Promote the RE Certificate to enable procurement and trading of RE
- ▶ Introduce a strategic long-term National Energy Policy, in line with the carbon neutral aspiration
- ▶ Introduce an Act on energy efficiency and conservation to regulate energy consumption by high intensity consumers in the commercial and industrial sectors

Sustainable Cities

- ▶ 120 cities are targeted to achieve sustainable city status
- ▶ Adopt the green and resilient city concepts in cities, townships development and industrial estates¹
- ▶ Adoption of green certification tools during construction and operational phases (e.g. Sustainable INFRASTAR, MyCREST and Malaysia Green Highway Index) will be expanded to include more government buildings and infrastructure projects
- ▶ Introduce the Policy on Disaster Risk Management (DRM)

Green economy

- ▶ Introduce an economic model based on the green economy to ensure sustainable growth, improve resource efficiency and maintain environmental ecosystem resilience
- ▶ Implement the Low Carbon Mobility Blueprint action plan
- ▶ Mandatory adoption of National Green Standards
- ▶ Enhance existing green incentive schemes (i.e. GTFS, GITA, GITE)
- ▶ Introduce the Green Transport Index to promote a cleaner and sustainable transport system
- ▶ Expand the government green procurement (GGP) initiative to state governments and local authorities
 - ▶ Increase Government green procurement to 25% by 2025
- ▶ Increase the recycling rate of household waste by 40% and scheduled waste by 35%

Note: ¹adopting the building information modelling, Malaysian Smart City Framework and Planning Guideline for Disaster Resilient City in Malaysia

Circular economy

Waste management

- ▶ Manage waste by executing waste separation at source, bolstering the reduce, reuse and recycle (3R) initiative and minimizing single-use plastics (National Cleanliness Policy 2019)
- ▶ Improve waste management and sanitation services in rural areas
- ▶ Establish integrated waste management facilities to manage different types of waste (e.g. solid waste, industrial waste and sewage)
- ▶ Develop an extensive monitoring database for all types of waste
- ▶ Introduce a blueprint for the circular economy concerning solid waste, plastics, scheduled waste and agricultural commodities
- ▶ Enforce the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal in 2021 to ensure that waste brought into Malaysia is safe to be treated and recycled as materials for production
- ▶ Escalate efforts to track illegal waste operators and impose stiffer penalties to curb illegal operations

Water management

- ▶ Develop the Water Sector Transformation 2040 (WST 2040) agenda across four phases
 - ▶ Develop a roadmap for each phase outlining strategies, initiatives and programmes
- ▶ Promote resource recovery from water and wastewater treatments including sludge, bio-sludge, bio-effluent and biogas
- ▶ Build recovery centers to manage, treat and convert residue for safe and beneficial use
- ▶ Build integrated wastewater treatment plants in new eco-industrial parks
 - ▶ Plants to be provided with resource recovery technology and supportive infrastructure to treat and reuse domestic and industrial wastewater
- ▶ Adopt an Integrated Water Resources Management (IWRM)
 - ▶ Improve the governance of water-related agencies at the Federal level

Business design and processes

- ▶ Companies involved in high value-added local waste recycling activities, utilizing green technologies are eligible for the Pioneer Status or Investment Tax Allowance¹ (Promotion of Investments Act 1986)
- ▶ Encourage businesses to design products that are more durable, repairable, reusable and recyclable, use recycled materials as inputs and green labelling
- ▶ Encourage private sectors to implement energy efficiency initiatives in their operation, premises and intensify the development and utilization of renewable energy sources
- ▶ Enhance existing green incentives (GTFS, GITA, GITE) to encourage businesses to produce green products and services

Others

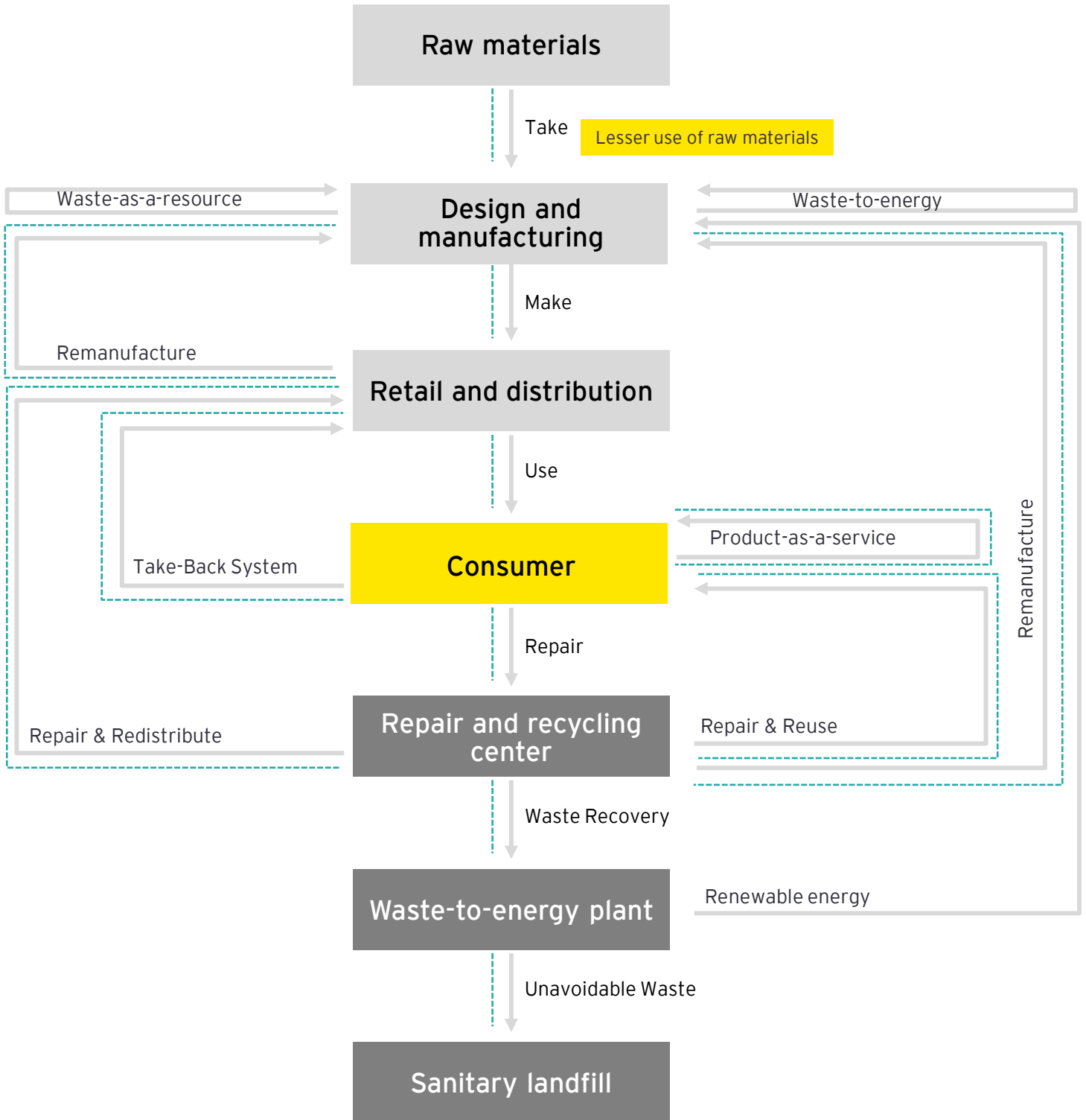
- ▶ Implement the National Policy of Remanufacturing²
- ▶ Authorize economic instruments, environmentally motivated subsidies and enhance existing green financing incentives to support greening activities
- ▶ Strengthen R&D&C&I and smart partnerships among stakeholders to support the implementation of the circular economy

Notes:

¹Companies are only allowed to recycle waste obtained within Malaysia, and importation of waste from overseas are prohibited. Eligible activities include recycling of agricultural waste or agricultural by-products, recycling of toxic or non-toxic waste, recycling of chemical and reclaimed rubber and the production of reconstituted wood-based panel boards or products.

²Five main sector focus: aerospace, automotive, electronics and information technology, marine and machinery and equipment (M&E)

Circular economy



Note:
Green logistics

Transportation and logistics

Logistics (ports, warehousing)

- ▶ Malaysia aims to become a regional transportation and logistics hub by 2025
- ▶ Strengthen the National Logistic Taskforce to ensure the effective implementation of policies, strategies and initiatives, improvement in delivery and increase stakeholder collaboration
- ▶ Boost industry efficiency by raising port infrastructure and services capacity, improving last-mile connectivity, encouraging multimodal cargo movement, upgrading the aviation system and implementing preventive maintenance on roads and bridges
- ▶ Establish a centralized database which include a comprehensive layered map and statistics related to roads, rail, aviation and maritime services
 - ▶ The database will include information on greening the transport sector
- ▶ Ubiquitous Customs (uCustoms), a single-window transaction platform, to be fully operationalized
 - ▶ Develop an integrated database to increase efficiency and productivity, reduce costs and ensure compliance with international standards
- ▶ Each port authority to develop its own integrated port community system (benchmarked against Port Klang Net)
- ▶ Establish a national port committee to coordinate port development planning and develop standard operating procedures (SOPs) for port operations
- ▶ On-going study to establish a single border agency to oversee, strengthen the standard of operations and security along national borders and entry points (land, air and sea)
- ▶ Develop a national warehouse regulation, taking into account various development parameters and measures
 - ▶ Identify suitable locations, improve approval processes and develop a national warehouse inventory website

Transit oriented development (TOD)

- ▶ Improve accessibility to public transportation by integrating different modes of transportation and encourage TOD
- ▶ Incorporate the TOD concept in future rail project planning in new development areas, particularly along major transportation alignments such as Mass Rapid Transit (MRT) 2, Electrified Double Track Gemas - Johor Bharu and East Coast Rail Link (ECRL)

Public transportation and connectivity

- ▶ Increase the frequency of feeder buses and realign routes
- ▶ Integrate e-hailing services with the MRT and other modes of transportation
- ▶ Increase the usage of micro-mobility vehicles and improve pedestrian lanes in urban areas to increase safety and promote active mobility
- ▶ Consider innovative and non-traditional public transport options (e.g. 'dial-a-ride system', phone call-based facility, door-to-door services) in rural areas
- ▶ Extend unlimited passes for trains and buses to encourage ridership
- ▶ Impose measures such as limiting parking spaces and imposing higher parking fees in areas with good public transportation connectivity to manage the inflow of private vehicles in city centers
- ▶ On-going study to review and identify the most viable integrated mode of transportation to link Putrajaya with Cyberjaya, Bangi and Kajang
- ▶ Develop a National Airports Strategic Plan to provide direction on the development of airports to meet future demand and strengthen the governance of the aviation industry

Real Estate and Property

Property development

- ▶ Review existing Industrialised Building System (IBS) incentives to further encourage the use of IBS technology
- ▶ Develop housing redevelopment guidelines using the PPP model, to rebuild public housing (e.g. dilapidated flats, old or abandoned government quarters)
- ▶ Revise the *Akta Pemajuan Perumahan (Kawalan dan Pelesenan)* 1966 to improve existing housing laws and regulations to protect homebuyers
 - ▶ Stronger actions will be taken against developers and individuals associated with companies that abandon housing projects and give unfair treatment to homebuyers
- ▶ Introduce a commercial development act to protect the interest of small property owners in commercial development projects
- ▶ Introduce a Residential Tenancy Act to regulate proprietors and protect tenants' rights
- ▶ Amend the Strata Management Act 2013 to strengthen the roles of joint management bodies and management corporations
- ▶ Encourage private developers to adopt a universal design concept to cater to specific target groups, particularly persons with disabilities and elderly groups
- ▶ Encourage local authorities to build more environmental-friendly facilities and amenities, particularly in high-density residential areas

Affordable housing

- ▶ 500,000 affordable houses will be built for B40 and M40 groups
- ▶ Develop a national guideline for the state governments' reference in the construction of affordable housing in new township development
- ▶ Introduce a affordable housing model based on a cost-sharing mechanism through collaboration between the federal and state governments and private developers
- ▶ Affordable houses made as prerequisite in new township development
- ▶ Build more affordable houses within proximity of transportation hubs to improve mobility and connectivity
- ▶ Standardize charges and fees imposed by local authorities and utility providers for the construction of affordable housing
- ▶ Enforce the *Piawaian Perumahan Berkualiti* (PPB)¹ to meet the minimum quality standards in the construction of affordable houses
 - ▶ Under PPB, the Quality Assessment System for Building Construction Works (QLASSIC) will be mandatory and a pre-requisite for development approval

Financial assistance

- ▶ RM2.25b allocation for housing assistance to the poor
 - ▶ Build and repair 85,500 houses under the Housing Assistance Programme in both rural and urban areas²
- ▶ Improve housing financing facilities including the Fund for Affordable Housing, Youth Housing Scheme and Rent-to-Own (RTO) Program for B40 and M40
 - ▶ Expand RTO scheme to cover houses up to RM500,000 with an option to purchase the property within five years of renting
- ▶ Strengthen the *Skim Pinjaman Perumahan* to assist land owners to build affordable houses
- ▶ Introduce the *murabaha-to-ijarah-to-murabaha* programme (own-to-rent-to-own) to allow home owners facing financial difficulties to repurchase the property acquired by banks

Note:

¹The National Housing Standard is the prescribed guideline for PPB. The standard, developed by the Construction Industry Development Board (CIDB), provides minimum quality standards for housing and guidelines in the planning, design and construction of affordable housing projects in Malaysia.

²This exclude houses built by state governments, the corporate sectors and civil society organizations

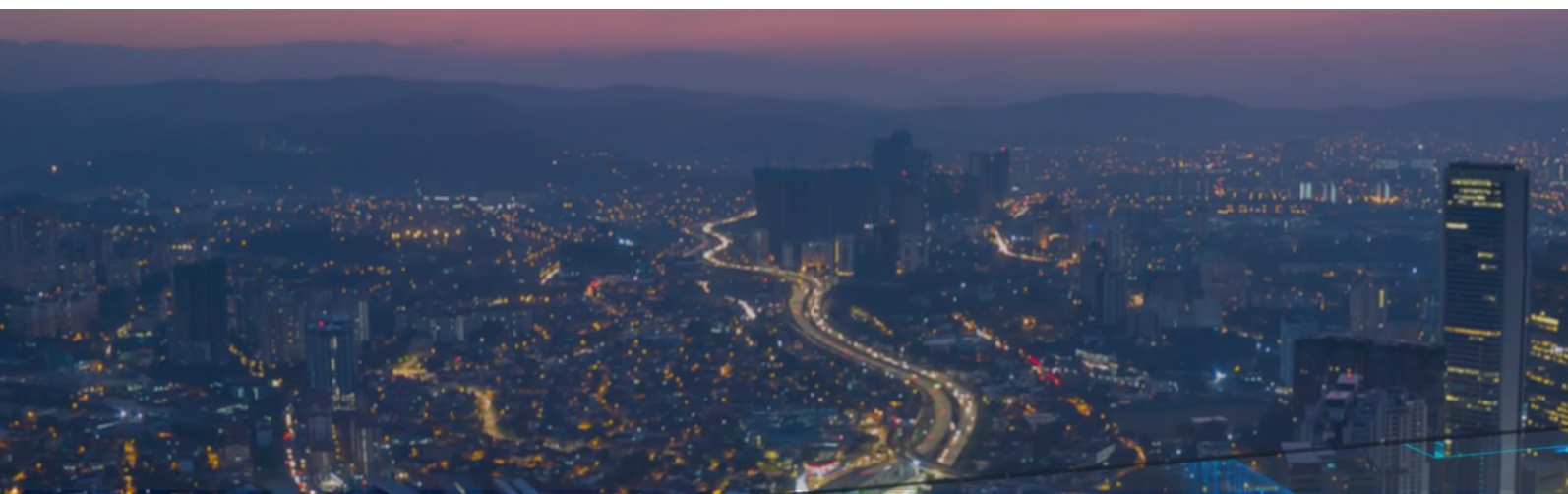
Infrastructure development

Utilities

- ▶ RM25.8b allocation for the development of water infrastructure to enhance coverage and water services
- ▶ Construct a new power plant and upgrade the Sabah East-West Grid transmission
- ▶ Explore new transboundary interconnections of the existing Lao PDR-Thailand-Malaysia power transfer under the ASEAN Power Grid
- ▶ Expand water supply coverage to reach 98% of rural households, including alternative water supply and reticulation systems
- ▶ Expand electricity supply to reach 99% coverage in rural areas through grid connection and alternative supply (small hydro, solar hybrid and solar PV)

Infrastructure and construction

- ▶ Accelerate the use of advanced technology, such as augmented reality and virtual reality, in the construction sector (Construction 4.0 Strategic Plan)
- ▶ Review the Uniform Building By-Laws 1984 to accommodate evolving construction technology and requirements
- ▶ Adopt the Highway Network Development Plan 2030 as the mechanism for prioritizing new highways and available funding options
- ▶ Restructure the current model for existing and new highway development
 - ▶ Reduce government risk while allowing concessionaires to undertake operations and maintenance, and generate fair returns from toll collections
- ▶ RM1.6b allocation for the construction of Jalan Perhubungan Desa
- ▶ Improve rural infrastructure by constructing and upgrading 2,800km of paved roads, 100 bridges and installing street lights, including:
 - ▶ RM280m for Jalan Nanga Tulie to Rumah Bujah, Nanga Pelagus in Kapit, Sarawak
 - ▶ RM179.2m for a new road from Kampung Gagu to Ulu Beranang, Negeri Sembilan
 - ▶ RM135.3m for a rural road from Simpang FELCRA Ulu Kerut to Kampung Orang Asli Bot-Bot to FELDA Jengka 7 to Jalan Kilang Sawit Jengka 18 in Maran, Pahang
 - ▶ RM101m for Jalan Dudar to Taburan to Mendawang in Kota Belud, Sabah



List of selected major construction projects

Project	Expected start year
Rapid Transit System Link (RTS) Johor - Singapore	End 2021
Project Jalan from Sempadan Ba'kelalan/CIQ complex heading towards Lawas	2022
Project	Expected completion year
Sungai Besi - Ulu Kelang Elevated Expressway (SUKE)	4Q 2021
Damansara - Shah Alam Elevated Expressway (DASH)	4Q 2021
East Klang Valley Expressway (EKVE)	4Q 2021
Setiawangsa - Pantai Expressway (SPE)	4Q 2021
Putrajaya - KLIA Expressway (MEX II)	4Q 2021
Preliminary works for Lebuhraya Pantai Timur 3 (LPT3)	2022
MRT 2 (Sungai Buloh to Putrajaya)	2022
Klang Valley Double Track (KVDT) Phase One (Rawang - Salak Selatan)	2022 ¹
Pan Borneo Highway (Telok Melano to Miri, Sarawak)	2022
Electrified Double Track Gemas-Johor Bharu (Padang Besar - Johor Bharu)	2023
West Coast Expressway (Selangor-Perak)	2024
Pan Borneo Highway (Sindumin to Tawau, Sabah)	2024
Central Spine Road (Bentong, Pahang - Kuala Krai, Kelantan)	2025
Kota Bharu - Kuala Krai Highway (Ketereh to Kuala Krai)	2025
Baleh hydroelectric, Kapit, Sarawak	2025
East Coast Rail Link (ECRL)	2026
KVDT Phase 2 (Salak Selatan to Seremban; Simpang Pelabuhan Klang to Pelabuhan Klang)	2026

Note:

¹The expected completion year for KVDT Phase One (Rawang - Salak Selatan) is based on the official speech by the Prime Minister in the Dewan Rakyat 27 September 2021 on Twelfth Malaysia Plan 2021 - 2025.

Source: Twelfth Malaysia Plan, Economic Planning Unit, 27 September 2021



Healthcare

Healthcare policy

- ▶ Develop a blueprint for Malaysia Healthcare System Reform,
- ▶ Establish a national immunization registry
- ▶ Introduce new policies and strategic plans on specific health needs (oral healthcare, mental health and immunization)
- ▶ Incorporate a more detailed analysis of public health expenditure in the Malaysia National Health Accounts
- ▶ Review current healthcare charges and subsidies
- ▶ Strengthen multi-hazard public emergency response teams at selected entry points (e.g. Kuala Lumpur International Airport)
- ▶ Improve the National Postgraduate Training Programme curriculum
- ▶ Introduce a national health endowment fund (particularly from *waqf*) to diversify sources of funding and create alternative financing options
 - ▶ Reduce dependency on government allocations through public-private partnerships (PPP), rent-to-own, leasing and sharing of facilities
- ▶ Introduce a price control mechanism for medicines
- ▶ Expansion of the pooled procurement approach in the purchase of pharmaceutical products and medical equipment
- ▶ Expand the PeKa B40 programme to cover the cost of treatment and services at private healthcare facilities through strategic purchasing and service level agreements
- ▶ Expand existing social protection schemes under the Social Security Organisation (SOCSO) to cover informal sector, including agriculture and retail trade

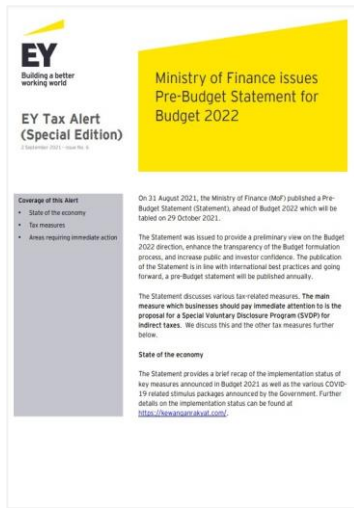
Food, beverages and health

- ▶ Review the food safety policies
- ▶ Introduce the Drinking Water Quality Act
- ▶ Amend the Food Hygiene Regulation 2009 as well as refine other related legal and regulatory frameworks to reduce incidences of food borne diseases caused by home-based food businesses
- ▶ Expand the scope of sugar tax to include premix drink products
- ▶ Introduce dedicated information systems on health, water, sanitation and hygiene for health surveillance and audit purposes

Healthcare facilities and services

- ▶ Improve healthcare services with better facilities, services, personnel and equipment to increase the level of preparedness in handling health crises
- ▶ Accelerate the construction of healthcare facilities, especially in remote areas to provide equitable access to various healthcare services
- ▶ Refine the design of new healthcare facilities to fulfil post-COVID-19 requirements
- ▶ Expand cluster hospital concepts to include more public hospitals, teaching hospitals, health clinics and accessibility to specialist services
- ▶ Develop a master plan on healthcare facilities and human resources
- ▶ Improve aged healthcare facilities (above 50 years) and replace obsolete medical equipment
- ▶ Explore the leasing of medical equipment to enable rapid technology adoption in medical equipment procurement
- ▶ Establish a virtual platform that will be integrated with the Malaysian Health Data Warehouse (MyHDW) to allow data sharing among government agencies
- ▶ Roll out the Electronic Medical Record initiative in phases to create lifetime health records and a seamless information flow among healthcare facilities
- ▶ Ensure clinical laboratories are in full compliance with World Health Organisation (WHO) standards to improve capacity and safety measures
- ▶ Ensure the compliance of the design of private healthcare facilities with the Private Aged Healthcare Facilities and Services Act 2018 and Care Centres (Amendment) Act 2018
- ▶ Leverage on e-hailing services to provide better home healthcare services
- ▶ Expand virtual clinic services to 250 clinics over five years
- ▶ Introduce a mobile app for patients to schedule appointments and view their medical histories online
- ▶ Expand e-wallet services in public health clinics nationwide
- ▶ Intensify the prevention and intervention of communicable diseases for targeted groups, particularly COVID-19, HIV, dengue, tuberculosis (TB), rabies, hepatitis B and C
- ▶ Intensify efforts to combat non-communicable diseases, particularly cancer, cardiovascular diseases, diabetes mellitus and mental illness
- ▶ Increase the number of mobile health clinics for screening and diagnosis services for colorectal, oral, breast and cervical cancers

EY Malaysia thought leadership



**EY Tax Alert (Special Edition)
Pre-Budget Statement for
Budget 2022**
September 2021



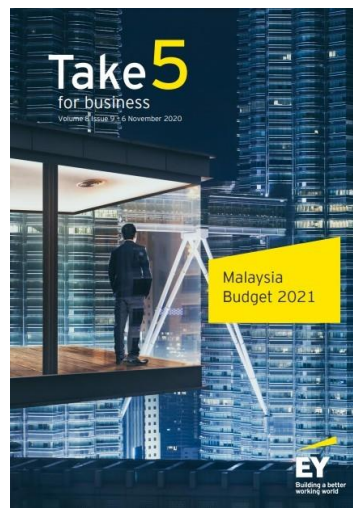
**Re-modelling strategies with
ESG**
June 2021



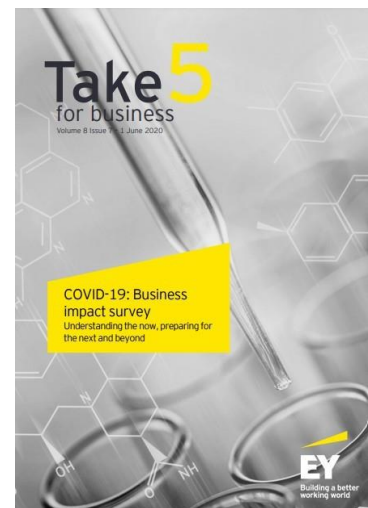
**Fortifying governance: MCGG
2021 updates**
May 2021



**Climate Risk Disclosure
Barometer 2020 Malaysia**
December 2020



Malaysia Budget 2021
November 2020



**COVID-19: business impact
survey (Malaysia)**
June 2020

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