

# Govt to spend RM45b on 4,000 development projects to stimulate economy

Azmin also outlines 3 main dimensions for the formulation of the 12MP

by AFIQ AZIZ

THE government will spend up to RM45 billion on about 4,000 development projects to invigorate Malaysia's economic progress and activities.

Economic Affairs Minister Datuk Seri Mohamed Azmin Ali said the development expenditure will ensure robust economic growth in the coming years.

"Together with the resumption of several large-scale projects, these developments will be our growth drivers for this year and the next," Azmin said during the launch of the World Bank's latest Malaysia Economic Monitor and the kick-off conference of the 12th Malaysia Plan (12MP) yesterday.

In the first quarter this year, Azmin said the state economy expanded 4.5%, supported by steady domestic demand, particularly private consumption that is buoyed by favourable labour market conditions, and recovery in agricultural production.

Additionally, he said inflation also fell by 0.3%, mainly due to lower domestic fuel prices arising from the resumption of managed float fuel pricing mechanism and setting



(From left) World Bank Group Malaysia country manager Dr Firas Raad, country director for Brunei, Malaysia, the Philippines and Thailand Dr Mara K Warwick, Ministry of Economic Affairs secretary general Datuk Saiful Anwar Lebai Hussein, United Nations resident coordinator for Malaysia, Singapore and Brunei Stefan Priessner, World Bank Group lead economist Dr Richard Record and Rajni during the launch of the 20th edition of the 'Malaysia Economic Monitor: Re-Energising the Public Service' at Putrajaya Marriott Hotel in Putrajaya yesterday

of a lower price ceiling for RON95 petrol.

"Despite the negative overall inflation during this quarter, this decline was not broad-based as 81% of consumer items were not experiencing price declines," he added.

Apart from that, Azmin also outlined three main dimensions for the formulation of the 12MP.

There are economic empowerment, environmental sustainability and social re-engineering.

"These dimensions are to be underpinned by the principles of enhanced government and new policy tools," the minister said in a video recording as he is currently attending the sixth OPEC and non-OPEC Ministerial Meeting in Vienna, Austria.

The government, according to Azmin, has taken necessary steps to reduce regulatory burdens for doing business in Malaysia.

Among the steps being undertaken was the removal of

non-tariff measures (NTMs).

"As of 2018, the government has reviewed 668 NTMs under six ministries that had a total estimated compliance cost of RM2.96 billion, with potential cost savings of RM739 million," he said.

Meanwhile, World Bank lead public sector specialist Rajni Bajpai said currently, Malaysia has already managed to reach the desired level of indication in the East and Asia Pacific (EAP) region in its bid to become a

high-income nation.

As such, she said the country should set a new benchmark for its government institutional reform to be on par with the Organisation for Economic Cooperation and Development (OECD) countries.

"As Malaysia aspires to be a high-income economy, and by 2024, EAP would not be comparable for Malaysia. You need to be compared to the high-income economies like the OECD countries.

"If you compare Malaysia to OECD, there is still a gap. Malaysia needs to fill data openness, transparency, accountability and law," Rajni said.

OECD is made of high-income states, mainly countries with high-income status, sends about 80% of its investment to high-income nations including Canada, Germany and Japan.

Last year, Malaysia's national income stood at US\$10,460 (RM45,915) below the level of US\$12,375 World Bank current defining high-income status.

Rajni also said the perception towards servants is also compared to the OECD. She added that for four years, public sector openness has been compared to the recorded between 2014.

In previous reports, Minister (PM) Tun Dr Mohamad had war servants against good practices and power a

Subsequently, the blished the National Corruption Plan, a comp policy drawn up, re all leaders and civi to stay away from practices.