

## The 11MP differs from previous plans

7

The 11MP was co-developed over 18 months of stakeholder engagement with all segments of society. It is the final leg in our journey towards achieving Vision 2020, and lays the foundation for further growth.

**Action driven:** The 11MP is implementation-focused with clear strategies, initiatives, and outcomes. It will radically change our way of doing things and accelerate the country's development. What did not work will be eliminated; what is high-impact will be scaled up and accelerated.

**People-centric:** The 11MP will improve access to education, healthcare, and housing for all communities, across all regions, and bridge income disparity to create a more equitable society.

**Taking the long-term view:** The 11MP is more than just a five-year plan; it also lays the foundation for our growth beyond 2020. It is guided by the voices of Malaysians, especially our youth – the leaders of tomorrow.

## We will be more productive

8

Productivity is the key to delivering the Eleventh Plan. It is the foundation for sectoral growth, the catalyst for greater income equity at all levels, and the best hedge against future economic instability. Both business and government will undertake initiatives to ensure that the average worker's productivity level reaches RM92,300 in 2020 from RM77,100 in 2015.

### Business productivity:

Productivity Champions within industries will spearhead industry-specific initiatives. We will give performance-based incentives and assistance to firms who achieve set productivity targets. Capacity and capability building programmes will help firms enhance their work processes through the application of technology and improved workforce skills.

### Public sector productivity:

We will review and streamline regulations regularly to reduce the cost and complexity of doing business in Malaysia. Investments in new government projects will also be assessed against productivity key performance indicators (KPIs) to maximise return on investment.

## We will build an advanced economy

9

The way we learn, do business, and live must also evolve to meet the needs of an advanced economy. We need to ensure that workforce quality meets industry demand, new sources of growth are unlocked, and cities serve as vibrant hubs of economic and creative growth.

### Translating innovation to wealth:

We will strengthen the innovation ecosystem by encouraging greater integration and collaboration between industry, academia, communities, and government. Research will be driven by the needs of industry and communities, and public funding will be used to catalyse private sector investments.

### Building cities for global competitiveness:

We will further develop four cities – namely Kuala Lumpur, Johor Bahru, Kuching, and Kota Kinabalu – to stimulate economic growth and increase liveability. Residents will benefit from affordable urban housing, green and open spaces, adequate public transportation systems and economic opportunities in knowledge-based clusters.

### Enabling industry-led TVET:

60% of the 1.5 million jobs that will be created during the Eleventh Plan will require TVET-related skills. We will enable industry to play a greater role across the value chain, from student recruitment through to curriculum design, delivery and job placement, to ensure that the supply of graduates truly meets industry demand.

## We will grow sustainably

10

The “grow first, clean up later” development model is not sustainable. Green growth will ensure minimal impact on the environment and conservation of natural resources. We will fundamentally change how policy is determined, how institutions are regulated, how responsibilities are shared, and how people value their environment.

### Living and moving green:

We will reshape our lifestyles to be more energy efficient. Households and industries will be encouraged to use less energy during peak hours through demand side management practices such as energy labelling. Residents will have more and better public transport options, as we move towards energy efficient vehicles. The proportion of renewables in the energy mix will be increased.

**Reduce, reuse, and recycle:** We will look at waste as a valuable resource. Households will be encouraged to separate their waste to reach a 22% household recycling rate by 2020, while private sector will be encouraged to reuse waste as inputs for energy conversion or other products.

**Learning to be green:** We will instil a shared responsibility to protect the environment through education. In schools, sustainable consumption and production practices will be embedded in the curriculum to instil the right behaviour and mindset.

## We are committed to an inclusive society

11

Every Malaysian should be able to participate in and benefit from the country's economic growth. We will therefore elevate the bottom 40% households (B40) towards middle-class status.

**A decent quality of life for all:** We will enable B40 households to own their own homes through affordable housing schemes and special interest rate loans. We will expand price monitoring and subsidised good stores to enable them to purchase basic necessities, and improve access to essential public services such as healthcare, education, and public transportation.

**A graduate in every household:** We will help students in rural and remote areas to complete primary and secondary education by providing financial aid, transport, and hostels. Higher education and skills training institutions will also be encouraged to provide more places for students from B40 households through preferential entry criteria and enrolment quotas.

**Productive entrepreneur communities:** We will invest in enhancing the dynamism and resilience of Bumiputera communities through asset ownership and entrepreneurship programmes. We will support cooperative-based community enterprises through incentives on funding and facilities, and leadership and management programmes. Farmers, fishermen, smallholders, and other self-employed households in rural areas will be encouraged to adopt technology to increase productivity and income.



# 11 things to know about the ELEVENTH MALAYSIA PLAN 2016-2020

ANCHORING GROWTH ON PEOPLE



# THE THEME OF THE ELEVENTH MALAYSIA PLAN (11MP) IS Anchoring growth on people

The 11MP reaffirms the Government's commitment to the people, and the belief that growth cannot be measured by economic success alone. The wellbeing of the *rakyat*, and a commitment to inclusive and sustainable growth, are necessary hallmarks of an advanced nation.

**People are the bedrock of the nation:** The future is increasingly uncertain; a volatile global economy and rapid technological advances are changing the way we live and work like never before. The one constant we have is our people – investing in Malaysians increases Malaysia's resilience.

**Preparing people for the future:** We need a nation where the *rakyat* are prepared for a future that is increasingly knowledge-based. This means investing in talent and skills development, increasing productivity, and unleashing the power of innovation.

**Everyone enjoys growth and development:** We will leave no Malaysian behind. To ensure that everyone prospers from the country's growth, the Plan will address what matters most to the *rakyat*, such as jobs, education, security, public transport, rural infrastructure, and the cost of living.

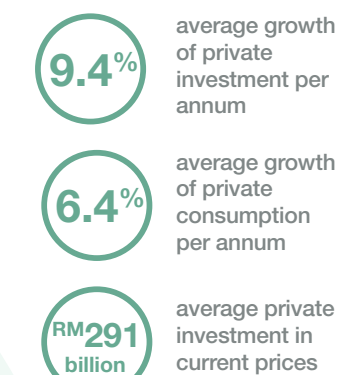


## We are strengthening macro-economic resilience for growth

Our economic fundamentals need to be rooted in stable prices, productivity, and a high level of savings. Our goals will not only be GDP-focused, but balanced with equitable wealth distribution and enhanced wellbeing.

### Increasing private investment and consumption

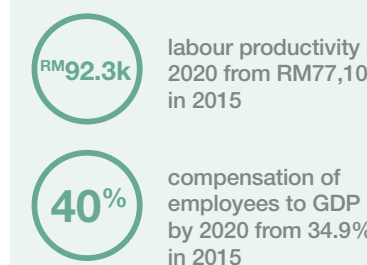
To boost our country's growth, the private sector will be a key driver for innovation and productivity. We will promote private consumption and investment across all sectors to spearhead economic growth.



5%-6% GDP growth per annum from 2016 to 2020

### New growth through productivity and knowledge

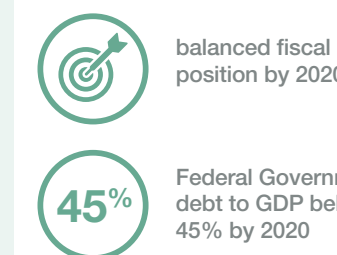
Industry and government will collaborate to boost productivity. We will grow modern services, shift towards higher value-added products within manufacturing, and modernise agriculture to create higher-skilled and higher-paid jobs.



RM54,100 Per capita income in 2020

### Prudent public finance

By 2020, we will achieve a balanced fiscal position by prudent spending through outcome-based budgeting and further rationalising subsidies.



72% Increase in average monthly household income from RM6,141 in 2014 to RM10,540 in 2020

# Six strategic thrusts will address the end-to-end needs of the *rakyat*



Enhancing inclusiveness towards an equitable society

Inclusivity ensures all Malaysians benefit from economic growth regardless of gender, ethnicity, socio-economic status, or geographic location. Key initiatives include:

**Uplifting vulnerable households:** We will focus on outcome-based support and productivity-linked assistance for these groups, including the bottom 40% households. This includes programmes on entrepreneurship, skills training, technology adoption, asset ownership, and investments in connectivity and basic amenities.

**Six target segments:** We will strengthen family institutions with integrated support systems; implement youth leadership and entrepreneurship programmes; increase female labour participation through flexible arrangements; improve childcare and child protection; support active ageing for the elderly; and enhance employment and training for persons with disabilities.

**Balanced geographic growth:** We will transform rural areas by creating employment and business opportunities, enhancing rural-urban linkages, increasing access to basic government services, and expanding financial services. Accelerated investments in five regional economic corridors will ensure higher income for local communities, with the Border Economic Transformation Programme targeting border regions.



Improving wellbeing for all

Healthy individuals and happy households, living in cohesive and united communities – this embodies the vision for a socially advanced Malaysia. Key initiatives include:

**Right care, right setting, right time:** We will invest in mobile healthcare, mobile emergency services, and ambulance services to enable faster services to all communities. Hospitals will adopt lean management practices to increase capacity, reduce wait times, and improve patient outcomes.

**A home for every household:** We will develop 606,000 houses for low- and middle-income households. Affordable housing financing schemes such as My First Home, Youth Housing, and MyHome, will be enhanced, and transit housing programmes for youth and young married couples will be introduced.

**Making our communities safer:** We will intensify crime prevention efforts through omnipresence, the Safe City Programme, and community policing partnerships. The C4i integrated information system will reduce police response time from 12 to 8 minutes.



Accelerating human capital development for an advanced nation

The focus on cradle-to-grave talent development and lifelong learning will improve labour productivity, deliver a higher-skilled workforce, and create a virtuous cycle of job creation, growth and social development. Key initiatives include:

**A labour market that works for everyone:** We will prioritise investments in knowledge-intensive areas for high-skilled jobs and labour productivity. Targeted interventions for youth and women will address concerns of unemployment and underemployment.

**An education for 21st century graduates:** We will prepare graduates for a dynamic future by embedding critical knowledge and skills, and ethics and morality, from preschool to higher education. Learning will be personalised with expanded online and lifelong learning resources.

**A decent wage for all:** We will introduce a National Wage Index and the Productivity Linked Wage System to ensure fair and transparent wages based on qualifications, skills, and productivity. We will enforce greater compliance to minimum wage levels to enhance financial security.



Pursuing green growth for sustainability and resilience

"Green growth" will be a way of life. This will lead to strengthened food, water, and energy security; lower environmental risks; and ultimately, better wellbeing and quality of life. Key initiatives include:

**Do more with less:** We will lead by example on sustainability practices for the industry. Government buildings will be retrofitted to be energy efficient. Green procurement practices will be promoted to stimulate domestic market for green products and services.

**Conservation culture:** We will protect our biodiversity by intensifying enforcement against illegal deforestation, and undertaking reforestation and enrichment efforts in degraded areas. We will conserve and increase the population of endangered plants and wildlife to safeguard the nation's rich biodiversity.

**Build back better:** We will strengthen disaster risk management to reduce vulnerability and prepare the people for natural disasters. We will upgrade detection and early warning systems, and improve capabilities of disaster-related agencies for relief, response, and recovery efforts.



Strengthening infrastructure to support economic expansion

All Malaysians will have access to basic amenities and be connected through integrated transport and high-speed Internet. New investments will focus on lowering cost of business and enhancing competitiveness. Key initiatives include:

**Basic amenities for all:** 99% of the population will have clean and treated water by 2020, 99% of rural homes will have electricity supply, and 95% of populated areas will have broadband access at lower prices.

**Connecting each other:** Investments will focus on connectivity between transport modes, rural and urban localities, and cities. The Klang Valley MRT will become operational, stage bus coverage will be expanded, and intercity express bus networks will be enhanced. We will build 3000km of paved rural roads.

**Connecting regionally:** We will upgrade freight and logistics infrastructure and increase container handling capacity to position Malaysia strategically in the region. Trade will be facilitated through simpler, paperless, and business-friendly procedures.



Re-engineering growth for greater prosperity

We will ensure quality growth and international competitiveness. All economic sectors will migrate towards more knowledge-intensive and high value-added activities with greater productivity. Key initiatives include:

**Services sector transformation:** We will accelerate the growth of the services sector, focusing on modern services such as Islamic finance, oil and gas, ICT, healthcare, education, professional services, ecotourism, and the halal industry.

**Small is big:** We recognise that small and medium enterprises (SMEs) are the backbone of Malaysia's economy. We will simplify procedures to set up SMEs, partner with SMEs to improve productivity, improve access to funding, and create home-grown champions. SMEs will provide 9.5 million jobs by 2020.

**Going global:** We will enable services, manufacturing, and agriculture sectors to increase exports. Manufacturing will transition towards more complex and diverse products, with chemicals, electrical and electronics, machinery and equipment as catalytic subsectors. Agriculture will focus on modern farming technology, building agropreneurs, and creating market access.

## We are transforming the public service for productivity

We are committed to transforming the public service by becoming more citizen-centric, productive, and efficient. The aspiration is to deliver more accessible public services with multi-skilled talent, and with less bureaucracy, hierarchy, and centralisation.

**Citizens at the centre:** We will co-create public services with the *rakyat* through crowdsourcing and greater engagement to understand preferences and needs. Urban, Rural and Mobile Community Transformation Centres (CTCs) and alternative delivery models will offer accessible, consolidated services with faster response times by streamlining back-end processes.

**Productivity and efficiency:** We will rationalise institutions, commissions, and agencies to reduce redundancies and create a leaner, more agile, and responsive public sector. This will include improving talent management, intensifying capability building, rightsizing the public service, introducing exit policies for underperformers, and integrating productivity indicators into KPIs of ministries and local authorities.

**Digital government:** 77% of government services are now online with more to be provided via the single sign-on and mobile platforms. We will launch the National Open Data initiative to allow interactive feedback, transparent data analyses, and open innovation by businesses and individuals.

## We need collective effort to deliver on our aspirations

Over the next five years, close collaboration, hard work and commitment from all stakeholders is critical. Success is not dependent on the government and public service alone, but also on the actions of the private sector, civil society, local communities, and individuals.

**"It is my belief that the true greatness of our nation comes from the enduring spirit of Malaysians, our shared values and ideals, and the great talent of our people. I urge all Malaysians to join us on the last leg of our momentous journey towards becoming a developed nation. We will come together as a nation and we will get there together."**

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

# WE ARE BUILDING MALAYSIA Beyond 2020

The future of Malaysia beyond 2020 will depend on how the *rakyat* navigate the highly volatile new economic era. Malaysia's future is fuelled by the optimism and aspirations of its people, especially its youth. Our aspirations below are informed by their voices.

## Malaysia will be...



Economy

... an advanced, progressive and an inclusive economy that leaves an imprint on the world. Our national development will move beyond a focus on economic growth and consumerism, towards becoming a socially advanced economy with emphasis on the *rakyat's* wellbeing.



Environment

... a passionate steward of the environment. We will value, protect, preserve, and take pride in our unique flora and fauna. Environmental sustainability will no longer be seen as a trade-off to a strong economy, but a prerequisite to sustained economic growth.



People

... united in diversity, possess unshakeable national identity and share a common set of values.

... a great nation as reflected in how we care for the underprivileged, the vulnerable, the disabled, and those with special needs.

... guided by inspirational leaders and towering personalities, who are moulded by a holistic education system and driven by an insatiable appetite for knowledge.

... a major player in the global arena. We will have innovative leaders who actively influence and shape global discourse.

... governed by trusted and independent executive, legislative, and judicial institutions that protect our rights and treat all Malaysians equally.

... led by a government that delivers, led by leaders with integrity and conviction who embrace the concept of *amanah*.