

KERATAN AKHBAR

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Govt reviews 12MP development project priorities for 2022 — Mustapa



KUALA LUMPUR (July 19): Development projects under the 12th Malaysia Plan (12MP) for 2022 will be reviewed for implementation in line with guidelines issued by the Ministry of Finance (MOF), said Minister in the Prime Minister's Department (Economy) Datuk Seri Mustapa Mohamed.

He said in a statement that this is to optimise government spending in financing some of the additional subsidy-related expenditure.

Mustapa, who chairs a coordination meeting on the implementation of development projects under the 12MP once a month, said a meeting on the allocation of development expenditure (DE) had been held on Tuesday (July 19) and attended by representatives of the MOF; Ministry of Works; Implementation Coordination Unit, Prime Minister's Department (ICU); and Public Works Department.

“Today’s meeting, among others, decided that the proposed projects be reviewed for implementation involving new and existing projects that have not yet started the procurement process or [are] being advertised, non-priority projects that have been identified except projects that have an immediate impact on the well-being of the people, and new and existing projects that face implementation problems such as site issues,” he said.

Meanwhile, projects for which tender advertisements, letters of intent, and letters of acceptance have been issued, will be continued, to support the government’s efforts to accelerate the post-Covid-19 economic recovery.

The Economic Planning Unit in the Prime Minister’s Department (EPU) clearly noted that expenditure for aid and subsidies is projected to reach RM77.7 billion compared to the allocation of RM31 billion approved in Budget 2022.

Mustapa also said an engagement session between the MOF, EPU and ICU with all ministries would be held next week to provide clarification on the proposed review of priorities for the implementation of development projects in 2022.

“The government will ensure that the austerity measures implemented do not affect the country’s economic recovery efforts and the well-being of the people,” he added.

The Public Expenditure Savings Guidelines issued by the MOF on July 14, among others, outline that operating expenditure achieves at least 5% savings from the remaining allocation for 2022.

As for DE, projects that have not started the procurement process or are being advertised are reviewed for priority; and non-priority projects that have been identified should be postponed, except for projects that have an immediate impact on the well-being of the people.