

## 1. Education depts to get more power

KUALA LUMPUR: The Education Ministry will give state education departments more power to speed up building projects in schools.

Deputy Prime Minister Tan Sri Muhyiddin Yassin said department directors will soon be able to directly approve construction and maintenance projects worth up to RM5mil per year in their respective states.

"The reason such school projects were delayed before was due to the slow process of approval — everything had to go through the ministry first. With this delegation of powers, state education department directors can decide on applications by schools for such projects and directly appoint contractors and suppliers.

"We started the pilot project for this in Sabah and Kedah last year, and hope to extend it to all states soon," he told reporters after visiting SJK(C) Chung Hwa here yesterday.

Muhyiddin, who is also Education Minister, added that this was the ministry's first phase of decentralising the education system as outlined in the Malaysia Education Blueprint 2013-2025 to tackle problems in schools more efficiently.

Previously, state education departments only had annual budgets of RM500,000.

Muhyiddin also said the ministry would focus on improving student proficiency in English as it will be a must-pass subject in the Sijil Pelajaran Malaysia (SPM) in 2016.

"A total of 5,000 teachers went through our upskilling programme to improve their language proficiency and this year, we will upskill 9,000 more.

Ifkifazar, a student at Sekolah Kebangsaan Setiawangsa, resting during the assembly on the first day of school. — Bernama

"We will also look at upskilling teachers in other important subjects such as Bahasa Malaysia, Mathematics and Science," he said.

On the increase in teaching hours for Bahasa Malaysia from 180 minutes to 240 minutes in vernacular primary schools this year, Muhyiddin said it was to ensure students were prepared for secondary school.

"For example, when I visited SMK St Gabriel, the principal told me one of their challenges was that students from vernacular schools, who did not have a good grasp of Bahasa Malaysia, had problems coping with the transition," he said.

Earlier, Muhyiddin visited SMK St Gabriel and SJK(T) Kampung Pandan here as well as SK Presint 14 (1) in Putrajaya on the first day of school.



Tuesday January 7, 2014

## **2. International Islamic assets to hit RM1.27tril**

KUALA LUMPUR: Malaysia's international Islamic banking assets are expected to grow to more than US\$390bil (RM1.27 trillion) by 2018 from US\$125bil (RM410bil) in 2012, says the Ernst & Young World Islamic Competitiveness Report 2013-14.

Ernst & Young Malaysia's country managing partner and Islamic finance leader Datuk Abdul Rauf Rashid said the introduction of the Islamic Financial Services Act 2013 had set Malaysia apart from other markets by providing greater regulatory clarity to the industry.

"Malaysia is considered one of the key reference centres and is expected to provide leadership for the next phase of the industry's progress," he said.

He said the ongoing liberalisation of the financial sector was creating opportunities for partnerships between Malaysian and global banks, particularly those in the Middle East.

"This may become a key driver for East-to-East linkages, promoting trade and increasing the size of the global Islamic finance industry," he added.

Abdul Rauf said with 91% of Malaysians multi-banking, banks were expected to embark on further customer segmentation and investment in customer loyalty schemes.

"Bridging the gap between the strategy, sales and product teams will be necessary to build a collaborative management model focused on improving profitability through cross-selling," he said.

According to the report, rapid growth markets (RGMs) Qatar, Indonesia, Saudi Arabia, Malaysia, United Arab Emirates and Turkey, recently known as "Qismut", are expected to see their collective Islamic banking assets reach an estimated US\$1.6 trillion in 2018.

The report said with expanding economies and a fast-growing customer base for financial services, Qismut was fast becoming an attractive prospect for any bank looking to grow its revenues, having commanded 78% of the international Islamic banking assets in 2012 and growing at a five-year compound annual growth rate of 16.4%.

By 2018, it said, these RGMs were also envisaged to represent gross domestic product of US\$4.8 trillion with a mostly young population of around 419 million, making them the drivers of the next wave of development for the industry.

Ernst & Young Global Islamic Banking Centre leader Ashar Nazim said these markets were vital to the future globalisation of the Islamic banking industry.

"They're home to 17 of the top 20 Islamic banks and to the global standard-setting bodies.

"They also hold the largest pool of financial and intellectual capital that will drive development across Islamic banking's existing and new markets," he said.

### **3. DBKL's budget to finance five strategic projects in city**

KUALA Lumpur mayor Datuk Seri Ahmad Phesal Talib has pledged a more accountable and transparent administration, with a focus on effective and efficient services.

DBKL has allocated RM2.79bil for its budget this year, which is an increase of 20% compared to 2013's budget of RM2.31bil.

He added that RM1.499bil had been set aside for management costs while RM1.29bil is for development costs.

The mayor stressed that a cost-effective and systematic approach would be practised throughout the planning and implementation of these projects.

Themed "Sustainable City, Prosperous Residents", Ahmad Phesal said the budget was to finance five strategic areas, namely connecting the city via pedestrian walkways and providing better road system, enhancing economic prosperity, turning Kuala Lumpur into an eco-city and improving good governance.

### **4. China company looking at RM2.5bil tourism development project on Sipadan**

KOTA KINABALU: A China-based company is looking at a massive RM2.5bil integrated tourism development project in the diving haven of Pulau Sipadan.

The company - Diving Best - is in discussions with the Sabah Economic and Development and Investment Authority (SEDIA) to facilitate its proposed development of the large-scale tourism project in the Semporna area.

SEDIA chief executive officer Datuk Dr Mohd Yaakub Johari said they had met the officials of the company for the second time on Monday as a follow-up to the first meeting in June last year.

He said the China group had expressed strong interest in developing a large area in Sipadan into a tourism-based resort, commercial and high-end residential areas with a focus on marine activities.

Under the proposal, he said the project would be developed under five zones – a residential area, commercial development, a high-end resort, a diving school and an administrative centre at a total investment cost of RM2.5bil.

He said the company expected to attract one million tourists annually, provide 4,000 jobs, house a population of 12,000, and have a construction scale of 700,000 sq metres with the project.

Mohd Yaakub said the meeting with Diving Best's delegation involved SEDIA, the Tawau Municipal Council, the Sabah Tourism Board and the Immigration Department.

The meeting served as an avenue for SEDIA to answer key enquiries on fiscal incentives, immigration policies, real estate and land policies, available resources, the advantages of investing in Sabah, and project construction management policies.

Diving Best is best known for its Sanya Diving Training Centre in Sanya City in China's Hainan Province.

It has been certified by the Confédération Mondiale des Activités Subaquatiques, the Professional Association of Diving Instructors – which is the world's largest recreational diving membership and diver training organisation – and Scuba Schools International, with qualified professional divers engaged in diving tourism and leisure sport.

The company is also known for working with various international hotel brands such as the Ritz-Carlton, Hilton, Sheraton, Marriott, and also China's Horizon Resort and Spa group in opening several sea tourism-based hotels and resorts in China.

Sabah is well-known in China as an eco- and marine-based tourism destination, hence raising the interest of Diving Best to venture into the state.

#### **5. Petronas's overseas ventures driven by value, contributed RM114bil to revenue in 2012**

KUALA LUMPUR: Petroliam Nasional Bhd's (Petronas) decision to invest overseas is driven by value while adhering to very strict and disciplined investment criteria and processes, according to executive vice-president (exploration and production business) Datuk Wee Yiau Hin.

He said international business contributed RM114.1bil to Petronas' revenue in 2012 and the company would continue to scout for opportunities that would bring value as well as meeting the stringent investment criteria.

"Over time, we will continue to assess our investments and make portfolio decisions accordingly. We would withdraw if we feel the business environment in that particular market is no longer conducive for us to continue our investments," he said.

Petronas has a presence in over 30 countries in a myriad of upstream and downstream activities including the recent RM16bil acquisition of Canada's natural gas producer, Progress Energy Resources.

However, the company had in recent years announced that it was pulling out of its exploration and production operations in India, Venezuela and Uzbekistan, but would maintain its operation in trouble-plagued Sudan.

"Sudan is a country where Petronas has been successful, albeit with some challenges in the last few years due to the political situation in the now Sudan and South Sudan.

"Production stalled for more than a year but resumed in March last year. The acreages in which we have interest are currently producing about 250,000 barrels of oil per day, whereby our share of production is about 110,000 barrels per day," he said.

Wee said while expanding its overseas footprint, Petronas was aggressively increasing domestic exploration and production activities through the implementation of new contract mechanism and advanced technology.

Among the improvement is the introduction of progressive volume-based (PVB) terms on new production sharing contract (PSC), which is currently applied to Kinabalu Oil PSC awarded to Talisman Malaysia Ltd and Petronas Carigali Sdn Bhd.

He said the PVB PSC had a fiscal system designed to provide incentives that commensurated with the level of risks associated with the redevelopment of brownfields to sustain and prolong production towards the tail-end of the fields.

He said the implementation of the PVB PSC was expected to contribute to the overall increase of Malaysia's production output in the medium to long term.

"Malaysia's basins are considered mature but we believe the potential still exists," he explained.

Wee is also positive that more discoveries will be made in the future as demonstrated by the recent discovery of an onshore oilfield, Adong Kecil West, 20km northeast of Miri by JX Nippon Oil & Gas Exploration (Onshore Sarawak) Ltd and Petronas Carigali.



Thursday January 16, 2014

#### **6. Nur Jazlan: Changes in demand behind KLIA2 cost increase**

KUALA LUMPUR: Changes in demand of the aviation industry are among the reasons for the surge in cost of the KLIA2 project, said Public Accounts Committee (PAC) chairman Datuk Nur Jazlan Mohamed.

He said the aviation industry is constantly changing especially in the low-budget travel sector, resulting in the increase of cost and delay of the project.

"Due to the demands of the aviation industry... the plans for the KLIA2 project have been revised several times," he said at a press conference in Parliament after chairing a three-hour meeting with the Transport Ministry's official, here, on Thursday.

Acting Transport Minister Datuk Seri Hishammuddin Hussein had said the KLIA2 project was on track with its May 2 deadline and that 98% of the project was completed



Saturday January 18, 2014

#### **7. PAC to vet four more ministries**

JOHOR BARU: The Public Accounts Committee (PAC) will look into the expenses of another four ministries soon.

It would start next week with the ministries of Federal Territories and Urban Wellbeing, PAC chairman Datuk Nur Jazlan Mohamed said.

This will be followed by the National Film Development Corporation Malaysia (Finas) under the Communications and Multimedia Ministry.

"Next month, the PAC will examine the Education Ministry again on expenses spent on school security as well as the police force on their asset management where we will focus on the loss of weapons issue," he said during the Thaipusam celebrations at the Sri Subramaniam temple in Jalan Kolam Air here yesterday.

On a separate matter, the Pulai MP said he hoped that Malaysians would not get distracted by their differences but embrace them instead.

"Malaysia is a democratic and multicultural society. We should not cross the line of other people's religion, and learn to show respect to each other," he said.

He added that leaders should take time to visit the different places of worship, especially during festivals such as Thaipusam, so that they could observe for themselves the rituals and practices of other devotees.



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#### **9. National Feedlot Corporation CBT case up for mention on March 3**

KUALA LUMPUR: A Sessions Court here has fixed March for mention of the case of National Feedlot Corporation (NFCorp) executive chairman Datuk Dr Mohamad Salleh Ismail who is charged with two counts of criminal breach of trust totalling RM49.7mil.

Sessions Court judge Norsharidah Awang set March 3 for mention pending hearing of stay proceedings in the High Court on Feb 25.

With the new development, the court had also postponed the trial which was set for two days beginning Feb 24, pending outcome of the hearing in the High Court.

The hearing of an appeal in the High Court on the dismissal of his striking out application to drop the charges had been fixed for March 19.

On Nov 22, when judge Norsharidah dismissed Dr Mohamad Salleh's application to strike out the charges against him, she ruled the court could only strike out the charges if the elements of the offence were not mentioned as required under the law; if the charge did not state the offence; and when the court does not have jurisdiction over the case.

She said the applicant had failed to prove mala fide and abuse of the court process and that it was still premature to decide on the issues by the applicant, adding that the prosecution has the right to bring up documents and relevant witnesses, so affidavit on testimonies alone cannot release an applicant from a full trial.

Deputy Public Prosecutor Awang Armadajaya Awang Mahmud was the deputy public prosecutor while counsel Wan Shahrizal Wan Ladin acted for Dr Mohamad Salleh.

On March 12, 2012, Dr Mohamad Salleh claimed trial to dishonestly misusing funds amounting to RM9,758,140 through four cheques to partly finance the purchase of two units of One Menerung Condominium in Block B here, for the National Meat and Livestock Corporation Sdn Bhd, which he owns with one of his sons.

He was charged with transferring NFCorp's funds of RM40mil through a cheque into the National Meat and Livestock Corporation's account from May 6 to Nov 16, 2009.

He was charged under Section 409 of the Penal Code for criminal breach of trust, and under Section 132(2)(a) of the Companies Act for committing the offence without approval from an annual general meeting of NFCorp.



Tuesday January 21, 2014

#### **10. Khalid: MACC, Transparency to probe Azmin's sacking from PKNS**

KLANG: Selangor has asked Transparency International and the Malaysian Anti-Corruption Commission to investigate the sacking of Azmin Ali as board member of the Selangor State Development Corporation (PKNS).

Mentri Besar Tan Sri Khalid Ibrahim said PKNS was bound by an integrity pact that it signed with the state government.

He denied when asked if PKNS general manager Datuk Othman Omar and executive secretary Norita Mohd Sidek were made scapegoats in the issue.

"No...no...we should allow the parties conducting the investigation to complete their tasks first," he said.

"Once the investigation is completed, they (the investigation team) could make a statement on the entire issue and until then it is best not to make any speculation," Khalid said, adding that the issue of integrity should not be questioned by any parties as it reflected on the leadership of Pakatan Rakyat leaders.

He reiterated that Othman had no right to issue sacking letters to board members, adding that it was the powers of the mentri besar and state executive council.

The investigation process, he said, was expected to be concluded before the Chinese New Year.

Asked why State Secretary Datuk Mohd Kusrin Munawi was picked to represent the state government in handling the matter, Khalid said: "Because I cannot be the one as I am the chairman of the corporation".

On the removal of Othman and Norita from PKNS, Khalid said he was not pressured to do so, adding that it was a procedure that needed to be done in order to conduct a fair investigation.

On Monday, Khalid announced that Othman and Norita would be transferred to the state secretariat building to assume administrative roles in order to facilitate probe.



Wednesday January 22, 2014

#### **11. PAC to question former Finas D-Gs over financial mismanagement**

KUALA LUMPUR: The Public Accounts Committee (PAC) will call upon former National Film Development Corporation (Finas) Director-Generals to explain its poor financial management from 2009 to 2012.

PAC chairman Datuk Nur Jazlan Mohamed said in that period, Finas' financial management had been "patchy and inconsistent" which resulted in the Auditor-General issuing varying audit certifications to the corporation.

"We will be calling former Finas Director-Generals for the period 2009 to 2012 (Datuk Mohd Mahyidin Mustakim and Mohd Naguib Razak) to explain what happened," he said.

He was commenting on Finas' overall poor financial management resulting in the Auditor-General issuing a "qualified" certificate to the agency for 2012.

"This means that the A-G refused to accept Finas' accounts and issued a qualified certification as a total rejection of their audited accounts," he said.

In 2009 and 2010, Finas accounts received unqualified certification from the A-G for its "clean and fair audit", and was given an exceptional certification for its "clean but accounts with reservations" in 2011.

Although Finas operates independently, he said that the agency had internal safeguard mechanisms to ensure good governance of financial management.

Nur Jazlan also said that the Government should review its policy of employing private sector talents for agencies to ensure that only capable people were hired.

"(We have) to ensure that only those hired have the ability to work and not for any other reasons," he said.

He said that although talents from the private sector film industry were hired to manage Finas, they had failed to do so.

Finas, he added, received an annual allocation of about RM40mil via the Multimedia and Communications Ministry



Friday January 24, 2014

## **12. Government urged to relook NEM in quest for developed status**

KUALA LUMPUR: The Government should relook the New Economic Model (NEM) to drive Malaysia towards achieving developed nation status, suggested Global Movement of Moderates chief executive officer Datuk Saifuddin Abdullah.

He said the NEM was lacking as it was not inclusive enough.

"The Government will do well to relaunch the NEM," Saifuddin said at the Malaysia Strategic Outlook Conference organised by the Asian Strategic and Leadership Institute (Asli).

He was on a panel which discussed "Malaysia's new politics - What next after GE13 and party elections?". Also on the panel were former MCA vice-president Gan Ping Sieu, PKR vice-president Nurul Izzah Anwar and Johor DAP chief Liew Chin Tong.

Nurul Izzah said that when the NEM was first unveiled to MPs in 2010, the Opposition was unnerved as there wasn't much of it that could be criticised.

"But then Perkasa intervened, and (the original) NEM was shelved," she claimed.

Saifuddin also spoke of the need for more government and economic transformations, and hoped to see bipartisan governance.

"I would love to see the Government and the Opposition sitting at the table to discuss fundamental policies such as education and delineation of electoral constituencies.

"Also, can we migrate from race-based policies to needs-based policies?" he asked.

Gan stressed on the importance of a shared vision to achieve the nation's destiny.

He also said Barisan Nasional has not been "inclusive enough" and that the Barisan decision-making process was flawed.

"If your own allies (component parties) don't buy in your reforms, how are you going to convince others?" he said.

Liew expected the state of economy to be a hot topic among members of the public this year, saying the Government was not pursuing the right policies.

"All the price hikes will diminish the disposable income of the bottom 60% (of wage earners)," he said, adding that it would be timely to have a full-time Finance Minister.

Currently, Najib also holds the position of Finance Minister.

### **13. RM56.9m for road, slope rehabilitation in Terengganu, Pahang and Johor**

KEMAMAN: The cost of rehabilitating damaged roads and slopes as a result of the recent floods in Terengganu, Pahang dan Johor would amount to RM56.9 million, according to Works minister Datuk Fadillah Yusof.

He said of the figure, RM41.5 million would be allocated to Pahang, RM10.3 million to Terengganu and RM5.1 million to Johor.

"The ministry has identified the locations through technical inspections and will apply for the allocation from the Finance ministry as soon as possible.

"However, for roads and slopes that need critical attention, the ministry would expedite the rehabilitation through its own available funds," he told reporters after visiting the Bukit Kuang bridge project site here today.

He said the government spent almost RM200 million to repair roads and bridges in the country, in the aftermath of floods some years ago.

Fadillah also said the Bukit Kuang bridge was already 84.8% completed and expected to be ready by August.

"Traffic congestion from Chukai to the Teluk Kalong industrial zone is so critical particularly during peak hours that crossing the bridge takes 45 minutes. But once the bridge is completed it would only take five minutes," he said.

He said the bridge was part of the RM225.725 million project to upgrade the road to four two-way lanes: "The initial cost was RM190.725 million; the expenditure increase of RM35 million was for the additional direct route between Chukai and Teluk Kalong."

#### **14. MIER expects GDP to grow 5.5% in 2014**

KUALA LUMPUR: Malaysia's economy is expected to grow at 5.5% in 2014 due to expected fiscal consolidation measures to rein in the Budget deficit, says the Malaysian Institute of Economic Research (MIER).

It said on Tuesday other factors were the generally tight monetary conditions and more downside risks, especially on the domestic front.

MIER said however, external demand was expected to provide strong support for growth, especially with the strong expansion in the world economy, although global risks remain on the horizon.

"These include risks arising from volatility of capital flows and deflation in key advanced economies, especially with inflation running below many central banks' targets," it said.

"As for 2015, real GDP growth is projected to move away nicely along the potential output growth path of between 5.5% and 6%," it added.

The factors were economic efficiency and innovation, especially with expected stiffer competition in both product and services markets, less market distortions and imperfections, greater labour market flexibility and more importantly productivity gains as well as more efficient allocation of scarce resources.

#### **15. RM10.7bil in NCER investments last year**

PUTRAJAYA: The Northern Corridor Economic Region attracted a total of RM10.7bil in investments last year, mostly from the tourism and manufacturing sectors.



The investments in projects in Kedah, Penang, Perlis and Perak created 18,400 jobs. Local private sector participation in the economic region also saw a jump to 61.7% last year from 38.3% the previous year.

The companies involved are Inokom Corporation Sdn Bhd (in Kulim, Kedah), Telekom Malaysia Bhd (Perlis), B. Braun Medical Industries Sdn Bhd (Penang) and Yayasan Kemajuan Sosial Malaysia (Kerian, Perak).

Their investments were revealed at the conclusion of the Northern Corridor Implementation Authority's (NCIA) 11th council meeting here yesterday.

Prime Minister Datuk Seri Najib Tun Razak chaired the meeting, which was held at the Perdana Putra Building here.

Present were Mentris Besar Datuk Seri Mulhриз Mahathir (Kedah), Azlan Man (Perlis), Datuk Seri Dr Zambry Abdul Kadir (Perak) and Penang Chief Minister Lim Guan Eng.

Najib witnessed the exchange of documents for the projects between the companies and the respective state governments.



Thursday January 30, 2014

#### **16. Iskandar solar power project in the works**

JOHOR BARU: The Iskandar Regional Development Authority (Irda) has put up a proposal to start a community-based solar power project in the economic growth corridor this year.

The newly appointed Irda adviser Tan Sri Shahrir Abdul Samad said the proposal has been given to the Prime Minister Datuk Seri Najib Tun Razak in December last year.

Shahrir's appointment was made by Najib at the opening of Johor Baru Umno headquarters at Taman Putera here on Sunday.

He said the Energy, Green Technology and Water Ministry would study the project's viability before forwarding the proposal to the Cabinet for approval and financial allocation.

The project is solely for community-based organisations where they could sell the solar power to Tenaga Nasional to generate revenue for them," Shahrir said in an interview.

Shahrir, who is also Johor Baru MP, said the project would take off in Johor Baru as there were many buildings where solar panels could be installed on the rooftop.

"We should fully utilise the rooftop of buildings instead of leaving them bare. The project would be viable as we have sunshine all year round, and the method is environmentally friendly," he said.

Shahrir said as an adviser, his main focus would be more on engaging with the local communities and Johoreans at large to ensure they also benefited from the progress and development that was taking place in Iskandar.

On the issue of large tracts of lands being sold to foreign property developers especially from China, he said most of the land belonged to private companies or individual land owners.