



Rancangan Selangor Pertama

2021-2025

A Smart, Liveable, and Prosperous State

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Rancangan Selangor Pertama (RS-1)

A SMART, LIVEABLE, AND PROSPEROUS STATE

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The past few years have been a test for us all. While we continued to grapple with the challenges brought about by the COVID-19 pandemic, Selangor was also hit by a flood of an unprecedented scale. These events affected the livelihoods of thousands of Rakyat Selangor. In response, the State Government rolled out stimulus packages and assistance, such as the *Iltizam Selangor Penyayang* and *Bantuan Selangor Bangkit*, to lessen the burden on the *Rakyat* and businesses in continuing their daily activities.

Although Selangor's economy is now on track to recovery, the State Government recognises the need to examine and refine all previous targets and plans, given the significant shifts in the operating environment. The recovery process must therefore be accelerated to provide a steady foundation for sustainable, long-term State development.

Bearing this in mind, the Selangor State Government devised the Rancangan Selangor Pertama (RS-1), which was envisioned to address the State's near-term needs and build future resilience, paving the way towards achieving its aspiration to be a **Smart, Liveable, and Prosperous State** by 2025. As a caring State Government, RS-1 places the socioeconomic needs of the *Rakyat* at its heart while striving for economic growth that takes into account environmental sustainability and quality of life.

Not only will RS-1 expedite the State's economic growth through exciting investment opportunities with a business-friendly approach, it will also advance inclusive and equitable social and sustainable



development by increasing employment and reducing urban poverty, among others. Notably, establishing good governance, nurturing an agile public workforce, and the practical use of technology and data for policymaking will go a long way towards facilitating the State's progress efficiently and transparently.

As we navigate the new norm, we must keep firmly ingrained in our minds the need to move forward with complete confidence, armed with a clear vision, and bound by solidarity. All of this cannot be accomplished in isolation. Our spirit of togetherness will propel us towards more remarkable successes and a brighter future for Selangor *(#SelangorMajuBersama).* We hope that all stakeholders are ready to give their undivided commitment to RS-1's success and to be the implementing agents for the sake of our beloved State. Let me take this opportunity to express my most profound appreciation and gratitude to the Selangor State Executive Council, agencies under the Selangor State Government, all stakeholders, and the *Rakyat* of Selangor, who cooperated and supported the formation of this development plan. The long-term prosperity of the State depends on our determination in giving our all towards implementing RS-1 to the best of our abilities.

YANG AMAT BERHORMAT DATO' SERI AMIRUDIN BIN SHARI



he post-pandemic era presents an opportunity for Selangor to reset its strategic direction and priorities through developing a holistic State plan, Rancangan Selangor Pertama (RS-1). Going forward, implementation is vital for Selangor to achieve its aspiration to be a **Smart, Liveable, and Prosperous State** by 2025. The State Government stands ready to give total commitment to facilitating the execution of the plan for the benefit of the people and businesses.

Over the next five years, Selangor's development pace will be closely

guided by RS-1. The outlined strategies will focus on strengthening the State's overall economy, with enhanced social inclusivity, sustainability, and effective public service delivery playing critical roles in the framework's machinery. Amid heightened uncertainties, solid public governance, in particular, has become increasingly important in ensuring Selangor stays on a steady course and continues to thrive in the future.

The State Government looks forward to embracing a forward-looking, datadriven, and open governance approach to drive effective implementation. This



approach also leverages technological advancement to improve service delivery quality, especially for the *Rakyat* and investors. With clear strategies and initiatives, RS-1 aims to channel its resources towards impactful and inclusive development within both the public and private sectors.

As we move forward together, everyone has an important role to play, whether big or small, to ensure the successful implementation of RS-1. With a whole-of-state mindset, this would be an excellent avenue for the public sector to join hands with industry players, communities, and the *Rakyat* of Selangor to work towards a common goal.

YANG BERHORMAT DATO' HAJI HARIS BIN KASIM

PROLOGUE

BY State construction State construction State construction Encapsulating Views Brom Diverse Stakeholders

Malaysia's elangor is most progressive and developed state. It is the country's primary port of entry and is strategically located, with highly developed and interconnected infrastructure for significant industry clusters. Known for its diverse, highly skilled, and innovative knowledge workforce, Selangor has become the epicentre of economic growth. To continue to be Malaysia's economic powerhouse, the State of Selangor has developed its inaugural five-year development plan known as Rancangan Selangor Pertama (RS-1). RS-1 will provide guidance on short, mid, and long-term strategies, initiatives, and ways forward to develop Selangor as a Smart, Liveable, and Prosperous State by 2025.

RS-1 was developed through multiple syndications both physically and virtually - with a series of engagements involving Federal and State Government agencies, the private sector, academia, civil society, and the Rakyat. The approach for the development of RS-1 was anchored on extensive research and input from various stakeholders. These include a review of existing State strategies and plans, benchmarking of international practices, visioning best and stakeholder interviews, and strategic workshops. Over 400 public and private stakeholders were engaged, with more than 100 organisations involved. Multiple validation sessions were conducted with key State and Federal



stakeholders during the development and finalisation of the RS-1 document. There were visioning exercises and one-to-one interviews conducted with key stakeholders to obtain initial input and validate the proposed framework. 4 Strategic Online Workshops were also held over two weeks involving 390 participants from State and Federal agencies as well as the private sector and NGOs, with a total of 130 organisations. In addition, a Gallery Walkthrough was also organised for validation. It portrayed the overall RS-1 framework, 4 key strategic themes, and a delivery framework with 300 participants, ranging from State EXCOs to State and Federal agencies, as well as the private sector.

I would like to express my sincere appreciation and gratitude to all parties involved in the development of RS-1 for their commitment in providing invaluable insights, inputs, and suggestions to ensure Selangor remains competitive and maintains its position as a top destination for quality investments in the region.

YANG BERUSAHA **Dr nor fuad bin Abdul Hamid**

RANCANGAN SELANGOR PERTAMA (RS-1)

EXECUTIVE SUMMARY



n the face of the COVID-19 crisis, Selangor has remained resilient. While certain segments of industry and society have been affected more than others, some have found ways to navigate and thrive in these trying times. Emerging from the crisis, Selangor can build upon its strong foundation to leverage upon new opportunities and address key areas of concern.

In tandem with this, RS-1 is an overarching plan developed to chart Selangor's strategic direction towards being a **Smart, Liveable, and Prosperous State** by 2025. This document will

serve as a single-source reference for the *Rakyat*, government agencies, and businesses. The broad main themes of RS-1 cover the aspect of Economy, Social, Sustainability, and Governance.

Four (4) strategic themes (ST) make up the core of RS-1, namely, 'Strengthening the Economy', 'Enhancing Social Inclusivity and Wellbeing', 'Advancing Sustainability,' and 'S.M.A.R.T. and Effective Governance'. Underpinning these themes are 25 focus areas or sectors, 51 strategies, and 261 earmarked projects, programmes, and initiatives that will be rolled out over the next five years.



While Selangor has made great advancements as one of the most progressive state governments and as a major contributor to the Malaysian economy, the effective implementation of RS-1 will see it ascend to greater heights. Against the evolving global and domestic landscapes, holistic macro targets for the four (4) strategic themes have been set to ensure RS-1 goals are met by 2025.

The realisation of RS-1's objectives will see a rise in the incomes of Rakyat Selangor and their standard of living. As for businesses, it will provide more investment opportunities through dynamic policies, an investorfriendly ecosystem, and catalytic projects. The public sector will also benefit as it transforms into a more modern, forward-looking, and centric government that can act as a driving force in facilitating development.

The effective delivery of RS-1 will be crucial to turn this plan into action. This calls for close collaboration and coordination between the public sector, private sector, and civil society to realise the envisioned outcomes that will benefit all stakeholders in Selangor.

RS-1 AT A GLANCE

BY 2025, SELANGOR IS ENVISIONED TO BE A SMART, LIVEABLE, AND PROSPEROUS STATE





Cement status as the epicentre of economic growth and top destination for quality investments in Malaysia and the region





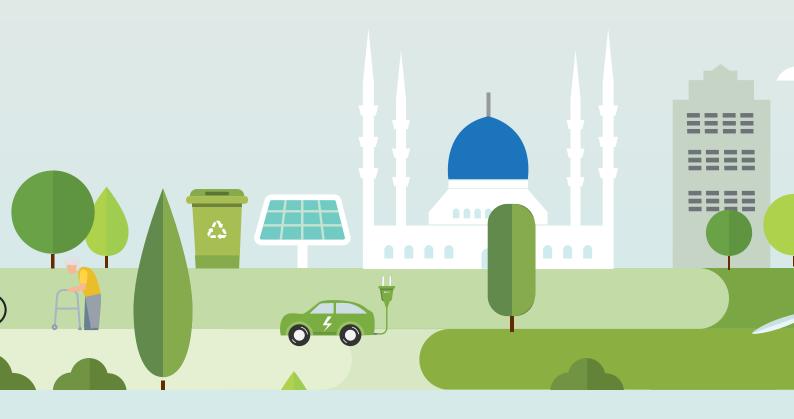
Be the ideal place to live by nurturing a society with the best standards of welfare and wellbeing that are equitable and inclusive



Be at the forefront of sustainable development to secure a clean and resilient environment for our future generations



Modern, forwardlooking and Peoplecentric government not just as an enabler, but a driving force to facilitate development



RS-1 AT A GLANCE

RANCANGAN SELANGOR PERTAMA (RS-1) IS A COMPREHENSIVE DEVELOPMENT PLAN TO CHART THE STRATEGIC DIRECTION OF THE STATE OVER THE NEXT FIVE (5) YEARS



EXECUTIVE SUMMARY

FOUR STRATEGIC THEMES OUTLINED IN RS-1

STRENGTHENING THE ECONOMY



RS-1 AT A GLANCE





RS-1 AT A GLANCE

FOURTEEN (14) MACRO INDICATORS CAPTURE THE KEY MEASURABLE **DIMENSIONS OF THE STRATEGIC THEMES**

RS-1 TARGETS

| | Annual GDP growth | 6.5-7.0% (2021-2025 avg) |
|------------------------------|--|--|
| | Annual approved investment in priority and high-complexity sectors | RM25-35 billion (2021-2025 avg) |
| STRENGTHENING THE ECONOMY | Annual total employment | 3.5-3.8 million persons (2021-2025 avg) |
| | Fixed broadband penetration per 100 premises | 70% (By 2025) |



| ENHANCING SOCIAL INCLUSIVITY AND WELLBEING | Median household income | RMY,ZYU/month (By 2025 |
|--|-------------------------|------------------------|
| | Absolute poverty* | 0.7% (By 2025) |
| | Relative poverty* | 11.0% (By 2025) |
| | Family wellbeing index | 8.0 (By 2025) |

| ADVANCING SUSTAINABILITY | Reduction in Greenhouse Gas (GHG) emission intensity of GDP | 35% (Ву 2025) |
|-----------------------------|---|---------------------------|
| | Hourly availability of clean water per day | 24 hours (By 2025) |
| | Waste recycling rate | 15% (By 2025) |



| | Completion of identified high-impact RS1 projects** 100% (By 2025) |
|---|---|
| E | National ranking for local authorities TOP 10 (all authorities) |
| | End-to-end digital public services 85% (By 2025) |

* Target to be complemented by the Index of Multiple Deprivation in the future ** Project scheduled to be completed beyond 2025 should be measured against progress milestones



INTRODUCTION

* * Rancangan Selangor Pertama (RS-1) is a comprehensive development plan to chart the strategic direction of the State over the next five years. This plan will serve as a single-source reference for the *Rakyat*, government agencies, and businesses.

THE VISION AND MAIN THEME EXPLAINED

By 2025, Selangor is envisioned to become a **Smart, Liveable, and Prosperous State**. This vision can be defined across four (4) main themes: Economy, Social, Sustainability, and Governance.

SMART - Empowering the people, public and private sectors through the optimal use of digital technology in their daily life.

LIVEABLE - High economic growth to drive inclusive development; the development of a society who is capable, enlightened and with integrity; as well as sustainable development through environmental care and conservation.

PROSPEROUS - Sustainable and equitable revenue throughout the State and its districts; society that is educated and diverse; with harmonious and fulfilling life.

In other words, as a caring State Government, RS-1 is also prioritising the *Rakyat's* socioeconomic needs, in addition to the efforts of rapid economic growth and widespread use of digital technology taking into account environmental sustainability and high quality of life.



BY 2025, SELANGOR IS ENVISIONED TO BECOME A SMART, LIVEABLE, AND PROSPEROUS STATE

- From the aspect of **Economy**, Selangor has been an economic powerhouse in the country for over a decade. The State aspires to cement its status as the epicentre of economic growth and the top destination for quality investments in Malaysia and the region. These will culminate in strong economic growth, investment opportunities, and higher employment.
- On the Social front, Selangor will be an ideal place to live in by nurturing a society with the highest standards of welfare and wellbeing that are equitable and inclusive. These will be reflected in higher household incomes, reduction in poverty rates, and improvement in the general wellbeing of Rakyat Selangor.
- On the Sustainability aspect, Selangor desires to be at the forefront of sustainable development to secure a clean and resilient environment for our future generations. It means commitment will be made towards being a low carbon State, ensuring consistent, clean water supply, and sustainable waste management practices.
- On Governance, Selangor hopes to transform its public sector into a more modern, forward-looking, and peoplecentric government. The public sector will not just be an enabler but a driving force to facilitate State development. In line with this, the State expects to see through the completion of all identified RS-1 initiatives, improve service delivery by local authorities, and advance the digitalisation of public services.



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01 | INTRODUCTION

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THESE STRATEGIC THEMES ARE ANCHORED BY THEIR RESPECTIVE FOCUS SECTORS OR AREAS, KEY STRATEGIES, AND SPECIFIC PROJECTS, PROGRAMMES, AND INITIATIVES

BROAD OVERVIEW OF THE RS-1 FRAMEWORK

To realise the overall vision of RS-1, the plan outlines four (4) strategic themes across the aspects mentioned above - 'Strengthening the Economy,' 'Enhancing Social Inclusivity and Wellbeing,' 'Advancing Sustainability,' and 'S.M.A.R.T. and Effective Governance'.

These strategic themes are anchored by their respective focus sectors or areas, key strategies, and specific projects, programmes, and initiatives (PPI). Of these, game-changing and impactful PPI have been identified. Underlying these are several critical enablers to catalyse transformational change in the State through RS-1.

More importantly, emphasis will be placed on the delivery mechanism of RS-1 to ensure successful implementation. A governance and delivery framework is currently in place to help with the execution of the plan.

CHART 1 THE RS-1 FRAMEWORK



and Prosperous State

3 Advancing Sustainability



- Provide smart and sustainable public infrastructure services and solutions
- Enhance social wellbeing while prioritising environmental sustainability through urban green infrastructure and natural resource conservation
- Anchor success with commitment towards a **low carbon future**



A S.M.A.R.T. and

Effective Governance

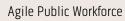


- Build a S.M.A.R.T. government that is aligned, productive, agile, and accountable in delivering its mandate
- Embrace a **people-centric** approach
- Diversify revenue sources and adopt technological transformation to drive public service delivery

5 Focus Areas

Strategic Alignment of Goals and Policies

Managing Performance and Accountability



Revenue Sustainability

Technological Transformation

Development, Digitalisation, Policy, and Regulatory Enhancement

and Initiatives

---02



THE MACRO LANDSCAPE OF THE GLOBAL AND DOMESTIC ECONOMY¹

Between 2021 and 2025, Selangor's economy will be shaped by major global and domestic factors.

Despite ongoing developments, global growth is projected to remain on the path to recovery, with growth rebounding from the COVID-19 crisis before moderating to around 3.3% in 2026. Regional economies are expected to improve more gradually than advanced economies as they recover from successive rounds of lockdowns amid ongoing vaccination drives.

On the other hand, global FDI flows will be driven by investments in life sciences, particularly pharmaceuticals, in the near-term. Continued investment momentum is expected going forward, with more vital global digitalisation and climate change agendas. The region will also benefit from multilateral agreements, including the recent signing of the ASEAN Investment Facilitation Framework in October 2021 and the Regional Comprehensive Economic Partnership (RCEP) Agreement, which came into force in January 2022.

¹ The macro landscape assessment holds as-at March 2022; Sources: International Monetary Fund World Economic Outlook (October 2021, January 2022), UNCTAD, UNESCAP, research houses







As a highly integrated State with the global economy, positive external spillovers will support the Selangor economy through increased trade and investment activity. On the domestic front, the rollout of local catalytic investments in key priority sectors and sustainable infrastructures will provide further impetus. Labour market conditions are also expected to improve with the rejuvenation of the economy.

In addition, a more positive sentiment is likely to prevail and reduce

precautionary behaviour as the State transitions to the endemic phase. Continued policy support, both in terms of fiscal and social policies, will safeguard the overall welfare of Rakyat Selangor.

Over the medium term, the mobilisation and scaling of existing and new technologies, as well as improvements in public governance, will drive productivity and efficiency in the State to meet its economic, social, and sustainability needs.

THE ESTABLISHMENT OF HOLISTIC MACRO TARGETS FOR RS-1 IS CRITICAL TO ENSURE THAT THE STRATEGIC GOALS ARE MET BY 2025

HOLISTIC MACRO TARGETS FOR RS-1

Against this landscape, establishing holistic macro targets for RS-1 is critical to ensure that the strategic goals are met by 2025. Fourteen (14) broad macro indicators covering all strategic themes have been selected based on four (4) key criteria: Measurable, Outcomebased, Specific, and Trackable.

CHART 2.1

14 BROAD MACRO INDICATORS CAPTURE THE KEY MEASURABLE DIMENSIONS OF THE STRATEGIC THEMES

| STRATEGIC THEMES | 14 BROAD MACRO INDICATORS | WHAT THEY CAPTURE |
|---|---|--|
| Strengthening the Economy | Annual GDP growth Annual approved investment in priority and high-complexity sectors Annual total employment Fixed broadband penetration | Level of economic activity, creation of quality investments, and extent of digitalisation in the State that can boost future productive capacity and the labour market |
| Chhancing Social Inclusivity and Wellbeing | S Median household income Absolute poverty Relative poverty Family wellbeing index | Ability of the <i>Rakyat</i> to achieve and maintain a decent standard of living* and social wellbeing |
| Advancing Sustainability | Reduction in Greenhouse Gas (GHG) emission intensity of GDP Hourly availability of clean water per day Waste recycling rate | Commitment towards a low carbon, liveable environment for all Selangor citizens |
| S.M.A.R.T. and Effective Governance | Completion of identified high-impact RS1 projects Top 10 national ranking of local authorities End-to-end digital public services | Accountability, efficiency and productivity of the State government in delivering its mandate, and satisfying the <i>Rakyat's</i> needs |

*Decent standard of living can be defined as "the capability of living a healthy life, guaranteeing physical and social mobility, and communicating and participating in the life of the community" (UNDF

CHART 2.2 THE MACRO TARGETS SET ARE MEASURABLE AND CAN BE TRACKED TO GUIDE POLICY DIRECTION AND GAUGE THE IMPACT OF RS-1 BETWEEN 2021-2025

| STRATEGIC THEMES | INDICATORS | RS-1 TARGETS |
|-------------------------|--|---------------------------------------|
| 12 | Annual annual GDP growth | 6.5 - 7.0% (2021-2025 avg) |
| | 2 Annual approved investment in priority and high-complexity sectors | RM25-35 bil (2021-2025 avg) |
| Strengthening | a Annual total employment* | 3.5 - 3.8 mil persons (2021-2025 avg) |
| the Economy | • Fixed broadband penetration | 70% (by 2025) |
| <u> </u> | s Median household income | RM9,290/month (by 2025) |
| 8.18 | 6 Absolute poverty** | 0.7% (by 2025) |
| Enhancing Social | 7 Relative poverty** | 11% (by 2025) |
| Inclusivity | a Family wellbeing index*** | 8.0 (by 2025) |
| and Wellbeing | | |
| \bigoplus | Reduction in Greenhouse Gas (GHG) emission intensity of GDP | 35% (by 2025) |
| Advancing | no Hourly availability of clean water per day | 24 hours (2021- 2025) |
| Sustainability | 1) Waste recycling rate | 15% (by 2025) |
| | 2 Completion of identified high-impact RS1 projects | 100% (by 2025) |
| S.M.A.R.T. and | 10 Top 10 national ranking of local authorities | Top 10 (all authorities) |
| Effective Governance | End-to-end digital public services | 85% (by 2025) |
| * Employment by skil | Is is included as part of "Indicators to Monitor" | |

** Target to be complemented by the Index of Multiple Deprivation in future

*** To be replaced with Malaysia Wellbeing Index (Selangor breakdown) when available in 2023

Source: Department of Statistics Malaysia, MIDA, MCMC, MAMPH, LPPKN, 12MP, RSN Selangor 2035, KPK1

KEY HIGHLIGHTS

- The Gross Domestic Product (GDP) target aims to bring the Selangor economy closer to its pre-pandemic levels. The COVID-19 crisis has resulted in significant output losses, which will take time to be recovered. Selangor can aim to grow at an average of 6.5
 7.0% to partially narrow the gap by 2025. This is higher than Selangor's recent five-year average growth and the Central region growth projected in the Twelfth Malaysian Plan (12MP).
- **Employment** is expected to benefit from the expansion in economic activity. Over the years, employment growth generally tracks GDP growth well in Selangor. As economic and labour market conditions improve, employment level is targeted to range between 3.5 and 3.8 million persons, equivalent to about 97% of the total labour force in Selangor.
- **Investment Approvals** target is expected to be driven by priority and more complex sectors. Beyond the

manufacturing sector, the approval target also includes the services sector, given its rising importance over time. As investment approvals bottomed out in 2021, it is targeted to average at about RM25 - 35 billion in Selangor, supported by a sustained investment climate going forward.

- The Digital Economy target focuses on expanding the outreach and coverage of quality digital services in Selangor. It measures the outreach of infrastructure that enables the delivery of reliable, high-speed, and low latency connectivity services to the *Rakyat* and businesses.
- The Social targets aim to uplift the people's financial wellbeing and standards of living through higher median household income and reduction in poverty rates, among others. Notably, a new deprivation index is proposed for development and set as a target going forward as it better reflects what the people are



deprived of in a highly urbanised State like Selangor at the district or local authority level.

- The Sustainability agenda in Selangor will be guided by various targets, covering mainly carbon emission, water, and waste management. Greenhouse Gases (GHG) emission intensity of GDP is targeted to decline by about 35% in 2025 compared to 2005. Projections for other indicators beyond carbon emission are largely guided by existing targets in the *Rancangan Struktur Negeri (RSN) Selangor 2035.*
- The Governance macro targets are mainly to reflect accountability, effectiveness, efficiency, and quality of public services. It directly measures the outcome from the delivery of RS-1, extent of digitalisation of endto-end (E2E) government services, and improvement in Selangor's local authorities overall score and star ratings in Malaysia.

In tandem with this, it is vital to monitor key progress indicators that will keep Selangor on track towards achieving the macro targets and aspiration (Chart 2.3).

CHART 2.3

KEY PROGRESS INDICATORS TO MONITOR

| Strategic Themes | Macro Targets | Key Progress Indicators to Monitor |
|---|--|--|
| Strengthening Economy | Annual GDP growth Annual approved investment in priority and high-complexity sectors Annual total employment Fixed broadband penetration per 100 premises | GDP per capita Sectoral Foreign Direct Investment (FDI) and Domestic Direct Investment (DDI) High to mid and low-skilled employment ratio Public expenditure on infrastructure development Ease of doing business indicator State Digital Economy Index |
| Enhancing Social Inclusivity & Wellbeing | 5. Median household income 6. Absolute poverty 7. Relative poverty 8. Family wellbeing index | Indeks Belia Malaysia Female Labour Force Participation Rate Stunting prevalence in children Prevalence of diseases (example: Dengue) Preschool and school enrolment rate Index of Multiple Deprivation |
| Advancing Sustainability | 9. Reduction in Greenhouse Gas (GHG) emission intensity of GDP 10. Hourly availability of clean water per day 11. Waste recycling rate | - Water consumption rate (litre per day) - Non-revenue water - Areas prone to be hit by floods - Renewable energy usage - Kilometres of cycling / low carbon mobility paths |
| Effective Governance | 12. Completion of identified high-impact RS-1 projects 13. Top 10 national ranking of local authorities 14. End-to-end digital public services | Duration of approval process Ratio of resolved to received complaints State Governance Perception Indicator Ratio of critical to redundant job roles Percentage of data stored on cloud systems |

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THE STRATEGIC THEMES (ST) OF RS-1

In transforming Selangor into a **Smart, Liveable, and Prosperous State** by 2025, four (4) strategic themes have been identified. These are 'Strengthening the Economy', 'Enhancing Social Inclusivity and Wellbeing', 'Advancing Sustainability', and 'S.M.A.R.T. and Effective Governance'.

Across these strategic themes, **25 focus** sectors or areas, **51 key strategies**, and **261 earmarked projects**, programmes, and initiatives will be implemented over the next five years.

03 | THE STRATEGIC THEMES (ST) OF RS-1



4 STRATEGIC THEMES





Enhancing Social Inclusivity and Wellbeing





S.M.A.R.T. and Effective Governance

STRATEGIC THEME 1: STRENGTHENING THE ECONOMY

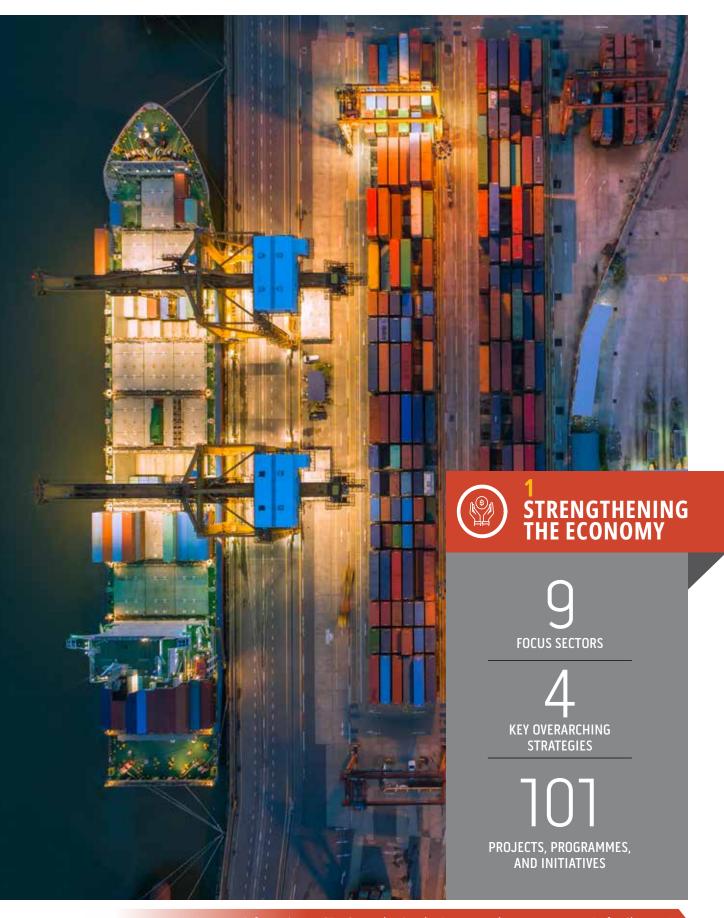
Selangor has seen strong economic growth over the last five years. It is also amongst the top performing states in Malaysia in terms of GDP contribution, total investments, and median household income. While the COVID-19 pandemic led to economic slowdown in 2020, Selangor remained the top investment destination in Malaysia during the year. Structurally, Selangor's economy is primarily driven by the services and manufacturing sectors, which make up more than 90% of the total GDP. This notwithstanding, there has been a recent push by the State Government to develop the agriculture sector.

Moving forward, the primary objective of this economic strategic theme is to align Selangor's growth development and investment strategies to attract world-class companies, including emerging unicorns. It also aims to drive catalytic projects in key focus sectors and selected geographical areas that leverage on the State's competitive advantages. These will help create additional job opportunities and spur stronger economic activity postpandemic and beyond.

There are **9 major focus sectors**, **4 key overarching strategies**, **and 101 projects**, **programmes**, **and initiatives** under this theme. The key focus sectors are:

- Ports and Logistics
- Tourism
- Digital Economy
- Aerospace
- Automotive
- Electrical and Electronics (E&E), and Machinery and Engineering (M&E)
- Halal Industry
- Life Sciences
- Agritech

The geographical-based development will include three (3) plans, which encompasses the Sabak Bernam **Development Area, the Integrated** Development Region in South Selangor, and Zon Pembangunan Ekonomi Selangor Maritime Gateway (ZPE SMG) that will include development in Sabak Bernam, Kuala Langat, Sepang, and along the Klang River.



For more information on ST-1 Strengthening the Economy, please turn to page 54 for Chapter 4

STRATEGIC THEME 2: ENHANCING SOCIAL INCLUSIVITY AND WELLBEING

Social inclusivity and wellbeing has always been one of the most important aspects of the State's development. As it directly impacts the Rakyat, Selangor has been very proactive in addressing a wide range of social challenges over the past years. Much focus has been placed on supporting vulnerable groups in particular to ensure socially inclusive development.

In this regard, efforts will continue towards enhancing the social wellbeing of the *Rakyat* going forward. The main objective of the social strategic theme is to provide opportunities for income generation for all, promote targeted intervention for urban poor and rural communities, and ensure an inclusive society that is enabled by technology.

There are **6 major focus areas**, **21 key strategies and 72 projects**, **programmes**, **and initiatives** under this theme. The six (6) major focus areas are:

- Income Generation and Social Welfare
- Special Focus on Target Groups (Youth, Senior Citizens and Persons with Disabilities)
- Women, Family, and Community
- Affordable Housing
- Public Health
- Education



03 | THE STRATEGIC THEMES (ST) OF RS-1

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For more information on ST-2 Enhancing Social Inclusivity and Wellbeing, please turn to page 102 for Chapter 5

STRATEGIC THEME 3: ADVANCING SUSTAINABILITY

Sustainability is at the core of global debate, with increasing prioritisation of Environmental, Social, and Governance (ESG) considerations when governments and businesses make decisions. Environmental and sustainability issues remain at the top of global risks and continue to garner attention in Selangor, particularly those linked to natural disasters and major water disruptions. Nonetheless, steps are being actively taken to tackle these issues.

Against this backdrop, this sustainability strategic theme is especially critical to provide smart and sustainable public infrastructure services and solutions to address imminent needs in Selangor. It will also focus on prioritising environmental sustainability while enhancing social wellbeing through the development of urban green infrastructure and natural resource conservation. The State is also committed towards a low carbon future.

There are **5 major focus areas**, **14 key strategies and 38 projects, programmes, and initiatives identified** under this theme. The focus areas are:

- Resilience and Disaster Management
- Water Management
- Low Carbon State
- Waste Management
- Biodiversity and Natural Resources



(A) (A)





T4 KEY STRATEGIES

PROJECTS, PROGRAMMES, AND INITIATIVES

For more information on ST-3 Advancing Sustainability, please turn to page 132 for Chapter 6

STRATEGIC THEME 4: S.M.A.R.T. AND EFFECTIVE GOVERNANCE

In a highly uncertain post-pandemic environment, strong public governance is more critical than ever to ensure that Selangor stays on a steady recovery path and thrives as a Smart, Liveable, and Prosperous State. Looking ahead, it is imperative for the State Government to integrate a more forward-looking, data-driven, and open governance approach to help Selangor achieve its aspirations.

Over the next five years, it is critical to revisit the meaning of 'smart' government. Building a S.M.A.R.T. Selangor Government will go beyond technology – it is also about being aligned, productive, agile, and accountable in delivering its mandate. It will continue to adopt a People-centric approach. On other fronts, the government will also seek to diversify public revenue sources to support the developmental needs of the State and embrace technological transformation to drive efficient and effective public service delivery.

There are **5 key focus areas**, **12 strategies and 51 projects**, **programmes**, **and initiatives** under this theme. The five (5) key focus areas that define S.M.A.R.T. are:

- Strategic Alignment of Goals and Policies
- Managing Performance and Accountability
- Agile Public Workforce
- Revenue Sustainability
- Technological Transformation





For more information on ST-4 S.M.A.R.T. and Effective Governance, please turn to page 154 for Chapter 7





ST-1 STRENGTHENING THE ECONOMY

ST-1 STRENGTHENING THE ECONOMY

Selangor has established itself as a key economic hub for the country and continues to be an attractive destination for investments, despite challenges faced due to the pandemic. Since 2015, Selangor has registered an impressive economic growth and is the largest contributor to Malaysia's Gross Domestic Product (GDP) at 24.3% or an equivalent of RM327.1 billion in 2020.

To further strengthen Selangor's status as a centre of economic development and as a major destination for strategic investments in Malaysia and in the Asian region, RS-1 has adopted two approaches to economic development, namely sector-focused development and geographic-focused development. RS-1 has identified nine (9) focus sectors based on its current GDP contribution, potential market growth, and future demand that will further propel Selangor's economy forward (Chart 4.1 and Chart 4.2).

These nine (9) focus sectors include Ports and Logistics; Tourism; Digital Economy; Aerospace; Automotive; Electrical and Electronics and Machinery and Engineering; Halal Industry; Life Sciences, and Agritechnology. All these sectors have the potential to boost the economic position of Selangor to dominate the regional economy, in addition to generating high quality jobs throughout the State.

In addition to the identified nine (9) focus sectors, to ensure equitable distribution of economic activities in the State, RS-1 has also identified selected regions that will be developed through geographicalbased development plans. These plans include the Integrated Development Region in South Selangor, the Sabak Bernam Development Area, and the Zon Pembangunan Ekonomi Selangor Maritime Gateway (ZPE SMG). Identified focus sectors within RS-1 will also be part of the geographic-focused development strategy. High impact projects in relevant focus sectors will be developed within geographical-based the identified development plans.

Efforts to strengthen the 9 focus sectors will be driven by 4 overarching strategies, namely, facilitating economic recovery post COVID-19, strengthening strategic core industries, catalysing development of new and emerging sectors, and enhancing the state's competitiveness. The 4 overarching strategies will be implemented through 101 projects, programmes, and initiatives in all 9 districts in the State of Selangor, with the target of boosting the GDP at a Compounded Annual Growth Rate (CAGR) of 6.5% by 2025.



Strategic Theme 1: Strengthening the Economy

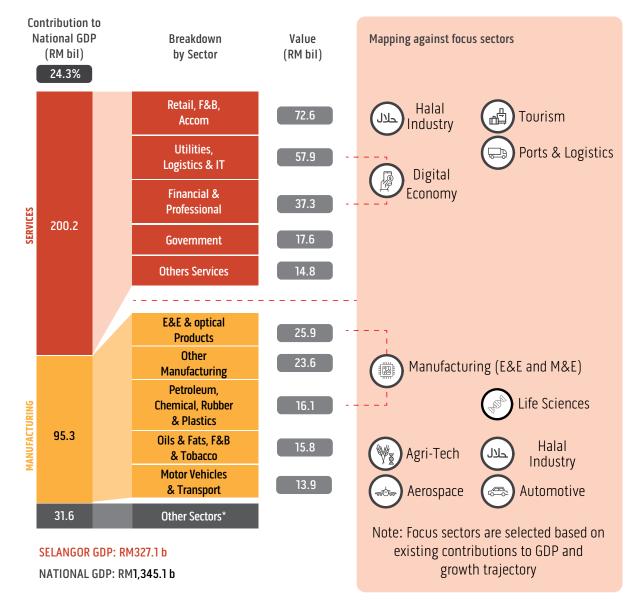
9 Focus Sectors, 4 Key Overarching Strategies, 101 Projects, Programmes, and Initiatives

| | | | Focus | Sectors | | | |
|--|--|---|---|--|---|---|--|
| | Serv | /ices | | | Manufacturin | g | Agriculture |
| Ports & Logistics Increasing capacity to meet industry demand and positioning Selangor as the regional logistics hub and leader in providing | Serv Tourism Increasing Selangor's tourist arrivals as well as tourist receipts | Digital Economy Increase in number of Selangor- grown startups/ unicorns and digitalised SMEs to remain as main contributor to Malaysia's | Aerospace Selangor as the number one choice of investment for the aerospace industry in Asia Pacific Automotive | E&E and M&E Increasing E&E and M&E domestic and foreign investments into the State Attracting high value-added segment of the E&E and | Manufacturing Halal Industry Positioning Selangor as a global halal hub to meet the future demand for halal products internationally while developing the State's halal industry | g Life Sciences Selangor to become a regional life sciences cluster in areas of biotechnology | Agritechnology Establishing Selangor as a major producer of high value agriculture products by promoting and enabling the use of IR 4.0 technology in agricultural |
| world class port services | | digitál economy GDP Complete coverage and reliable telecommuni- cation infrastructure to increase ease of doing businesses | Selangor as the automotive manufacturing and services hub | M&E value chain activities | | | operations and leveraging the latest seed/ breeding technology in the products |

RELEVANT STRATEGIES ARE MAPPED TO THE APPROPRIATE FOCUS SECTORS

| | | | | | FOCUS SEC | TORS — | | | |
|--|----------------------|---------|--------------------|-----------|------------|-------------|-------------------|---------------|-----------------|
| STRATEGY | PORTS & LOGISTICS | TOURISM | DIGITAL ECONOMY | AEROSPACE | AUTOMOTIVE | E&E AND M&E | HALAL INDUSTRY | LIFE SCIENCES | AGRITECHNOLOGY |
| Facilitating Economic Recovery Post COVID-19 | | | | | | | | | |
| Strengthening Strategic Core Industry | | | | (aiČio) | | | | | |
| Catalysing Development of New and Emerging Sector | | | | | | | | | (Market States) |
| Enhancing State's Competitiveness | | | | (aiČio) | | | | | (M) |

CHART 4.2 GDP AND TYPE OF ECONOMIC ACTIVITY, 2020 (RM BIL)



* Includes construction, agriculture, mining and quarrying and import duties

Source: Department of Statistics Malaysia (DOSM)

04 | ST-1 STRENGTHENING THE ECONOMY

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4.1 FOCUS SECTOR 1 PORTS AND LOGISTICS

Overview

Malaysia's logistics sector contributes about 3.5% of the GDP to the national economy annually. During the pandemic, postal and delivery services recorded the highest GDP growth in 2020 due to increased e-commerce activity among consumers. Selangor recorded a total of 220,930 individuals working in the logistics and storage sector in 2020, which is also the highest number of workers nationwide in the field. Thus, the ports and logistics industry have been recognised as key economic growth areas in the Shared Prosperity Vision 2030 (SPV2030), including in Selangor.

In the region, Malaysia is a container transhipment hub and market leader in handling and exporting oil and gas products. In fact, ports in the country handled almost as many containers as the ports of Rotterdam and Antwerp combined in 2018. Continuous efforts to expand and increase capacity in major ports have driven progress in the sector. For instance, there are future plans for Port Klang to increase its capacity up 50% to 30 million TEU (20-foot equivalent units) per year by 2040. Selangor's strategic position in the central region makes it the lifeblood of the logistics system in Peninsular Malaysia. Selangor was also responsible for managing about one-third of Malaysia's international trade worth RM549 billion in 2020. In addition, Port Klang mobilised 72% of these and controls half the market share of the country's port ecosystem.

4.1.1 Issues and Challenges

While there has been major progress in general, further development in this sector is subject to some teething issues. Among them is congestion at the ports due to expansion activities, especially at Port Klang. Cost factors such as inconsistent landside charges may also cause the port to lose its appeal to potential shippers. Last mile issues include traffic bottlenecks and the lack of integrated, multi-functional fulfilment centres, as well as the lack of workforce in this sector, resulting in under-capacity and lower productivity.

4.1.2 Key Strategies Strengthening Strategic Core Industry

Under this strategy, efforts will be directed towards identifying new business opportunities and increasing revenue by exploring new markets, products and services. The sector will also expand operational capacity to attract and meet industry needs, embrace automation and digitalisation to increase productivity, as well as unravel new value through increased operational efficiencies.

Enhancing State's Competitiveness

Investor-friendly policies and incentives will be introduced to ensure that Selangor becomes a major investment destination for the sector. Focus will also be placed on producing more highly skilled individuals in the ports and logistics sector to meet the future needs of the industry.

4.1.3 List of Projects, Programmes, and Initiatives

Under this focus sector, a total of nine (9) projects, programmes and initiatives (PPI) have been identified to drive development in this sector. Of these, the game-changing project include the Carey Selangor.

TABLE 4.1

| Key Projects, Programmes, Initiatives | Brief Explanation |
|---------------------------------------|--|
| Carey Selangor | Carey Selangor is a proposed Special Economic Zone (SEZ) development in Pulau Carey for mixed development comprising industrial area, commercial, logistics, port and leisure |
| West Port 2 Expansion | Expansion of port infrastructure to increase current port capacity to 28 mil TEUs |
| Pulau Indah Free Trade Zone | One-Stop Free Trade Zone for build, lease, maintain, and transfer scheme at Pulau Indah |
| Maritime and High Tech Industry Parks | Development of industry parks at Port Klang, Pulau Indah and Rantau Panjang |
| Port Klang Cruise Terminal | Development and promotion of Port Klang Cruise Terminal as a prime destination for luxury cruise ships |
| Selangor Digital Port Initiative | Introduction and adoption of digital technologies and IR4.0 at Selangor ports |
| Serendah Logistics Hub | Concurrent with the ECRL development, the State intends to make Serendah a logistics hub to meet the current economic needs |
| Klang: The Prime Port City | Programme to enhance the image of the Klang District as a prime port city and introduction of investor-friendly policies to ensure that Klang District is a prime investment destination for investors |
| Selangor Maritime University | Establishment and development of a world-class maritime university |



THERE ARE FUTURE PLANS FOR PORT KLANG TO INCREASE ITS CAPACITY UP **50%** TO **30 MILLION** TEU PER YEAR BY 2040

GAME CHANGER 1

CAREY SELANGOR OBJECTIVES Carey Selangor is a proposed Special Economic Zone (SEZ) development in Pulau Carey for mixed development comprising industrial area, commercial, logistics, port and leisure The development aims to boost and supplement the existing maritime economy ecosystem in Selangor, improve the availability of land for industrial development, enhance inland connectivity to support domestic consumption and foreign trade in the long run KEY Carey Selangor will have approximately 6,000 hectare of special economic zone focusing **HIGHLIGHTS** on three (3) main industries such as: Manufacturing (34%) Sea port (17%) Logistic and distribution hub (14%) The proposed new port is expected to have an additional capacity of 35.5 mil TEUs of containers with 23.9 mil tonnes of dry bulk and 15.5 mil tonnes of liquid bulk by 2060

| TIMELINE | 2025 - 2060 |
|----------|--|
| OUTCOMES | More than RM40.2 bil total gross value added to the economy in 2060 An estimated GDP contribution of RM4.71 bil in 2045 Creation of 115,000 jobs |





4.2 FOCUS SECTOR 2 TOURISM

Overview

Malaysia has a vibrant tourism industry in the region for its culturally rich and diverse attractions. It is one of the most important contributors to the country's economy. During the pandemic, growth in this sector was adversely affected, recording a sharp decline of 72% in 2020. The Visit Malaysia Year 2020 (VMY 2020) campaign was also called off due to stringent lockdowns and international border closures. Tourist spending dropped significantly, and hotel closures rose. As a result, these affected the jobs and livelihoods of many workers in the sector.

Prior to the pandemic, Selangor's economy also benefited from the growth of the tourism industry, with most visitors originating from regions such as People's Republic of China, Singapore, Japan and Indonesia. Like other industries, tourism activity in the State was also weighed down by the pandemic, where total receipts from domestic visitors declined by 54% in 2020. Nonetheless, various efforts such as the development of the Pelan Induk Pelancongan Negeri Selangor 2021-2026 were introduced to reinvigorate the industry post-pandemic. Selangor has much to share in terms of travel offerings across the different districts in the State to maximise potential of the tourism sector (Map).

4.2.1 Issues And Challenges

Among the challenges that affect the tourism industry in Selangor is the availability of structured management to ensure that tourist destinations are well-maintained. Lack of participation of the private sector is an issue thwarting the growth of tourism in Selangor. This sector also has an issue of funds constraints.

Furthermore, certain tourism destinations in Selangor have issues with the road infrastructure, which results in congestion during peak tourist arrivals.

4.2.2 Key Strategies Facilitating Economic Recovery Post COVID-19

Based on the strategy to assist in the post-COVID-19 economic recovery, RS-1 outlines initiatives to expand the promotion of state tourism products to boost business recovery activities, especially for micro, small and medium enterprises (MSMEs) in the services sector most affected by the COVID-19 pandemic. The recruitment process can be simplified with the help of jobmatching for low to medium-skilled workers in the tourism industry.

Strengthening Strategic Core Industry

Development in new sub-sectors also needs to be accelerated, covering new product development and additional marketing such as Eco Tourism, Agro Tourism, and Medical Tourism. The use of digital technology needs to be enhanced to improve the tourism experience in Selangor for domestic

MAP

SELANGOR'S DIVERSE OFFERINGS IN TOURISM ACTIVITIES FOR EVERYONE HAS THE POTENTIAL TO FURTHER PROPEL THE STATE'S ECONOMIC GAIN FROM THE TOURISM SECTOR



- Orang Asli Museum Gombak
- **Forest Research** Institute Malaysia
- **Bandar Palace Jugra Gold Coast Morib**
- Shah Alam
 - **Contemporary and** Modern Arts (SAMA)

Sultan Ibrahim

Mosque

and foreign tourists. A Public Private Partnership (PPP) policy needs to be developed, with state tourism assets being managed by the private sector all while ensuring effective monitoring and governance.

Enhancing State's Competitiveness

The State administration will also increase investment facilities in the tourism sector in Selangor as well as enhance capacity through human capital development and promote the use of technology in the tourism industry. Digital connectivity infrastructure in key tourist locations will also be improved.

4.2.3 List of Projects, Programmes, and Initiatives

There are ten (10) PPI that are identified for this sector). Five (5) programmes were implemented to strengthen the core strategic industries, namely the Selangor Eco Tourism Master Plan, the launch of the Go Selangor App, the Selangor Tourism PPP Programme, the Selangor Community Host, and the Selangor Tourism Cluster. The identified game changing project for this sector is Shah Alam Contemporary and Modern Arts (SAMA) under the Selangor Tourism Cluster initiative.

TABLE 4.2

| Key Projects, Programmes, Initiatives | Brief Explanation |
|---|---|
| Go Selangor App | Travel superapp for the state of Selangor |
| Selangor Tourism PPP Programme | Development of "Request for Proposal" (RFP) for PPP of State owned tourist attractions by the private sector |
| Campaign Pusing Selangor | Visit Selangor campaign to attract domestic visitors |
| Selangor Tourism E-Voucher | Tourism e-vouchers for products and services for tourist |
| Selangor Tourism Reemployment Programme | Employment subsidy and job matching programme for tourism industry workers |
| Selangor Ecotourism Master Plan | Development of State's Ecotourism master plan focusing on new attraction, enhanced promotion and development of geoparks (i.e Gombak-Hulu Langat Geopark) |
| Selangor Community Host | Training and promotion of local citizens who serve as local guides for guided tours of Selangor's tourist attractions |
| Selangor Tourism Cluster | Identification, introduction and development of new tourism clusters in Existing Selangor (Culture, Creative, Medical, Agro, Retail) |
| Digital Tourism Selangor - Training | Digital tourism promotion training for tourism operators |
| Digital Tourism Selangor - Connectivty | Development of digital and connectivity infrastructure at key tourism attractions to promote adoption of technology in tourism |

GAME CHANGER 2

| SHA | H ALAM CONTEMPORARY AND MODERN ART (SAMA) |
|-------------------|---|
| OBJECTIVES | SAMA will operate not only as a gallery but also as a catalyst for the development of the country's visual arts industry through development programs and other necessary assistance |
| KEY HIGHLIGHTS | Foster a high public awareness, understanding and appreciation of various forms of art produced such as sensory, visual, painting, photography, sculpture, and multimedia Acquire and document visual artworks as a permanent collection of visual art heritage that reflects the creativity and aspirations of cultural art in the country Promote and improve the quality of visual art to a higher standard by organising exhibitions of local artists for sales, seminars, workshops, competitions, and art activities in and outside the country |
| TIMELINE | Start date in 2023 |
| OUTCOMES | To increase the income of local artists and the revenue of Selangor's tourism sector |



4.3 FOCUS SECTOR 3 DIGITAL ECONOMY

Overview

The global e-commerce market was valued at USD4.3 trillion in 2020, and is expected to increase to USD6.4 trillion by 2024. In Malaysia, Selangor recorded the highest e-commerce revenue and expenditure in 2019, with annual growth rates of 27.9% and 18.5% respectively. This illustrates Selangor's potential to drive the development and growth of e-commerce.

Malaysia has the potential to become a regional e-fulfilment hub, but there are a number of obstacles that prevent the agenda from being realised, particularly from operational and technological aspects.

At the level of technology entrepreneurship, there are a number of rising entrepreneurs (unicorns) in Southeast Asia, but Malaysia only has one, which is Carsome. The neighbouring countries however own a few more unicorns. Therefore, there is certainly room for further development of Malaysia's future unicorns.

In terms of infrastructure availability, there is a significant gap between fixed broadband penetration in urban and rural areas. Rural areas are more dependent on mobile broadband as it is more affordable than fixed broadband. Internet access for urban areas in Selangor recorded only 53.1% for fixed broadband usage in 2020, compared to 93.4% in Singapore. Most households in rural areas also lack basic skills and knowledge of digital technology's potential, thus not seeing the need for fixed broadband.



4.3.1 Issues And Challenges

Lack of funding due to financial institutions' risk aversion to digital projects is causing difficulties to the startup ecosystem. The digital economy is also troubled by a lack of suitable manpower.

The lack of contact to global networks for startups is also constraining the growth of the digital economy. In addition, broadband coverage is poor in rural areas and industrial parks.

4.3.2 Key Strategies

Catalysing Development of New and Emerging Sector

This strategy shall focus on the development of the startup, creative industry, and e-commerce ecosystem in Selangor. In a move to produce more entrepreneurs and unicorn-status companies in the digital economy sector, the State will continue to conduct and enhance its incubator programmes and also provide financial support through funding assistance and direct investments through the State Government Linked Companies (GLC).

Enhancing State's Competitiveness

The State shall also focus on enhancing its competitiveness by providing statespecific incentives to draw more foreign direct investment (FDI), namely ICT and e-commerce-related investments.

Improvement of network connectivity will also be targeted to ensure that the digital economy is accessible to all of Rakyat Selangor. The State intends to achieve 99% network coverage benefit not only the digital economy sector, but the other eight (8) focus sectors as well.

4.3.3 List Of Projects, Programmes, and Initiatives

Strategies to strengthen the digital economy shall be implemented with some already underway, through 20 PPI. The game changing project for this sector is the Jalur Lebar Industri Selangor (JALIN).

Through these initiatives, RS-1 aims to add up to at least 300 startup companies, 10,000 active users in the gig economy market, and approximately 20,000 skilled professionals by 2025.

TABLE 4.3

| Key Projects, Programmes, Initiatives | Brief Explanation |
|--|--|
| Jalur Lebar Industri Selangor (Jalin) | High speed network infrastructure to be built in industrial areas |
| Selangor e-Commerce Education | Training programme for e-commerce merchants to adopt to new normal |
| Selangor e-Commerce Onboarding Programme | Providing traditional businesses free e-commerce platform to expand business |
| Malaysia Top e-Commerce Merchant Awards | Recognition and opportunities to further increase their brand's presence among the industry |
| Selangor E-Bazaar Campaign | Collaboration between the Selangor government and e-commerce platform Shopee and Lazada for onboarding and sales improvement initiatives |
| Selangor SME Digitalisation Matching Grant | 50% matching grant or a maximum of RM5,000 for State SMEs Grant |
| Jelajah Usahawan Digital Selangor | Promote e-commerce and digitalisation to businesses and entrepreneurs in the outskirts |
| Selangor Accelerator Programme and Pitch@ Selangor | 4 month intensive startup accelerator programme and pitching event |
| Selangor Logistics e-Fulfilment Centre | Development of a regional logistics e-Fulfillment centre |
| Amazon Web Services Smart Selangor Cloud Accelerator Learning Programme (SCALE) | Cloud computing training for selected civil servants, academia, citizens and businesses |
| Smart Selangor SME Platform | Platform for SME marketplace, logistics and SME performance monitoring |
| Rakan Digital Selangor / Platform Selangor - PLATS | Promotional platform and digital directory developed to drive the MSME economy |
| Establishment of Cybersecurity Unit | A centre that monitors state cybersecurity infrastructure, develop policies and protocols against internal and external cyber threat |
| Wi-Fi Smart Selangor | Free public Wi-Fi service to targeted groups in Selangor |
| 5G Network Facilitation in Selangor | SMARTSEL and KUSEL to facilitate the execution of 5G infrastructure development within Selangor |
| Selangor International Business Summit (SIBS) | Invest Selangor organises the Selangor International Business Summit (SIBS) annually, as an international marketplace for stakeholders to convene and explore the ASEAN market and its massive potential |
| Selangor Innovation Fund | Venture capital fund with initial funding of RM30 million |
| Smart Selangor Centre of Excellence (CoE) | Statewide physical collaborative centres for government/academia/industry to synthesise new solutions and showcase viable products for public testing |
| Selangor Digital School | Short courses, diploma, degree, with a digital focus curriculum |
| Perbadanan Perpustakaan Awam Selangor (PPAS) Network System | Extending network connectivity to all libraries and improving rural areas network connectivity |
| *Selangor Government Incentive (SGI) (refer to Chapter 4.6, E&E and M&E) | State specific incentives, involving land premium deposits, assessments and business license fees |

* Cross-cutting PPI

GAME CHANGER 3

| OBJECTIVES | Enhancement of internet connectivity in industrial parks to attract more FDI/DDI into the state and strengthen the position of the state of Selangor as a state of choice for local and foreign companies | | | |
|-------------------|---|--|--|--|
| KEY HIGHLIGHTS | SMARTSEL will initially cover Industrial parks/areas which have been identified to have severe internet connection issues via reports from Invest Selangor and investors | | | |
| | State is targeting to cover 20% of 228 industrial parks | | | |
| | SMARTSEL's execution mechanism: | | | |
| | Identifying strategic industrial locations with IR4.0 technology usage needs | | | |
| | SMARTSEL will collaborate with industry players and SKMM for infrastructure preparations | | | |
| | • Development of Telecommunication infrastructure will consider acquisition cost, investment risk, and benefits to the State within the high-tech industry | | | |
| | • Asset price to be reviewed concurrent with market price if there are acquisition requests by private players | | | |
| TIMELINE | 2022 - 2024 | | | |
| OUTCOMES | • Enhance connectivity for 20% of all industrial parks in Selangor (by 2025) | | | |
| | Achieve download and upload speed on par Selangor's average connectivity | | | |



4.4 FOCUS SECTOR 4 AEROSPACE

Overview

Malaysia has comprehensive а aerospace eco-system, encompassing Research and Development (R&D) and technology; engineering and design, manufacturing, Aero Maintenance, Repair and Overhaul (MRO), as well as a human capital development. Approximately 63% of the overall Malaysian Aerospace eco-system are based and located in the State of Selangor, thus making the State a strategic Aerospace Hub.

The industry is growing significantly in Malaysia and is the second largest in Southeast Asia. Malaysia's exports across aerospace products, covering aerospace parts and components recorded a significant increase of 72.8% between 2014 and 2018.

The manufacturing sub-sector in the aerospace industry is also among the fastest-growing and the largest contributor to the country's aerospace industry, recording a revenue of RM6.6 billion as of 2017.

Seeing this tremendous potential, the 12MP has set a target to boost the aerospace industry revenue to reach RM30 Billion by the year 2025, an increase of 158% compared to the year 2022.

In addition, the Malaysian Aerospace Industry Blueprint 2030 was also developed with the aim of positioning Malaysia as a Leading Aerospace country in the Southeast Asia by 2030, in line with the goals and actions outlined in the Selangor Aerospace Action Plan 2020-2030.

This sector aims, among other things, to increase Subang Airport's annual profit to RM2 billion by 2025, create 110,200 jobs, and increase operating capacity to more than five million passengers a year.

4.4.1 Issues And Challenges

One of the key issues that plague the aerospace industry is that aviation parts were exempted from GST but not SST, thus reducing their competitiveness. Another regulatory challenge facing the industry is the lengthy approval process to obtain various certifications.

Yet another constraint to the industry is that local certification is not recognised by the European Union Aviation Safety Agency (EASA) and Federal Aviation Administration (FAA), which is causing an additional burden for aero manufacturing players and shortage of future maintenance personnel and technicians.

4.4.2 Key Strategies

Strengthening Strategic Core Industry

Under this strategy, the State shall focus on improving and expanding on the current infrastructure to improve connectivity to the airport. Next, the State will facilitate access to new markets and higher value-added segments such as drone technology, which has been shown to be a rapidly growing industry across the globe.

THE STRATEGIC THEMES (ST) OF RS 4

63% OF THE **240** AEROSPACE COMPANIES AND AEROSPACE-RELATED COMPANIES IN MALAYSIA ARE BASED IN SELANGOR

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SEPANG AIRCRAF

Enhancing State's Competitiveness

The State shall continue to provide monetary and non-monetary incentives to attract and retain investments in Selangor. In addition, the State will continue to collaborate and engage with the private sector and higher learning institutions to ensure alignment of syllabus with industry requirements.

4.4.3 List Of Projects, Programmes, and Initiatives

RS-1 outlines seven (7) PPI to realize the goal of boosting the State's Aerospace sector, including the game changing project, the Selangor International Aero Park (SAP) which will be the first focused aerospace park in Malaysia.



TABLE 4.4

| Key Projects, Programmes, Initiatives | Brief Explanation |
|---|---|
| Selangor International Aero Park (SAP) | A joint venture between MBI Selangor and SELATI in developing the first aerospace park located in Sepang |
| Selangor Drone Centre of Excellence (SDCOE) | Establishment of a drone centre in Bestari Jaya |
| Bernam River Airfield | Establishment of a small airfield in Bernam for small and private jets |
| Selangor Skills Framework Platform | An online data centric platform hosting data of the jobs description, career pathways and competency skill sets for easy access for the companies |
| Positioning Selangor as the First Drone Port and Airwaze Friendly State In Malaysia | The State of Selangor registers and activate the first proposed Drone ports connectivity as well as the Drone Airwaze throughout the State of Selangor and KL |
| Selangor Aviation Show | An annual air show showcasing and promoting Selangor's aerospace industry |
| Apprenticeship 4.0: World-call Engineering Workforce and Aerospace Training for SMEs | To create the Selangor Apprenticeship programme in aerospace industry in collaboration with major Global OEMs |
| * Selangor Government Incentive (SGI) (refer to Chapter 4.6, E&E and M&E) | State specific incentives, involving land premium deposits, assessments and business license fees |
| | |

* Cross-cutting PPI

SELANGOR INTERNATIONAL AERO PARK (SAP) OBJECTIVES To ensure that Selangor continues to be the aerospace hub domestically and positions itself as a regional aerospace hub in the future SAP will complement and add value to the shrinking land available especially for the KEY HIGHLIGHTS aerospace expansion and Investment in Selangor SAP will include: End of Life (aircraft recycling) and the potential ecosystem surrounding it Engine Manufacturing, engine test cell, as well as potential R&D in aircraft engines with new source of fuels Bounded warehouse Aircraft painting and c-checks, galleries and aircraft retro-fitting **MRO** Activities Training and simulation hub Airport equipment manufacturing, aero manufacturing, defense, etc. 2022 - 2023 (a ten (10) year development plan) TIMELINE Revenue increase by Selangor GLC partners **OUTCOMES** Selangor as the preferred aerospace hub in the ASEAN region Increased number of companies established in Selangor Increased employment opportunities

GAME CHANGER 4

4.5 FOCUS SECTOR 5 AUTOMOTIVE

Overview

Selangor is the focus for the automotive industry in Malaysia, with 55% of automotive suppliers operating in the State (Chart 4.3).

CHART 4.3 DISTRIBUTION OF MALAYSIA AUTOMOTIVE SUPPLIERS

| SELANGOR | | | 354 |
|------------|---|----|-------------------------------------|
| JOHOR | | 65 | |
| P.PINANG | | 52 | 55% of automotive |
| W.P | | 39 | suppliers are |
| KEDAH | | 32 | located at Selangor, |
| PERAK | | 31 | higher than Johor which accounts |
| N.SEMBILAN | | 28 | for 10% of |
| MELAKA | 2 | 25 | the total |
| PAHANG | 8 | | automotive suppliers |
| SARAWAK | 3 | | |
| TERENGGANU | 2 | | |
| SABAH | 2 | | |

Source: Invest Selangor, National Automotive Policy 2020

The country's automotive sector recorded a total investment of RM15.5 billion between 2014 and 2019, while total exports reached RM15.4 billion. The industry also contributes around RM40 billion or 4% of the country's GDP, with a workforce of close to 700,000 people.

The penetration rate of energyefficient vehicles (EEVs) in Malaysia has recorded a continuous increase since the National Automotive Policy (NAP) 2014 was launched. The EEV penetration rate recorded an increase of 48% in just four years, from 14% in 2014 to 62% in 2018, higher than the ASEAN average which recorded a penetration rate of 32% in 2018.

Currently, 38% of automotive manufacturers and assembly plants are located in Selangor. North Selangor, which includes Bukit Beruntung, Rawang, Batang Kali, Serendah, and Batang Berjuntai, is seen as an excellent automotive manufacturing hub with the presence of various private sector players.

However, the GDP of the automotive sector in Selangor recorded a decline of RM230 million in 2020 compared to 2019, while the slow growth of the sector currently requires the exploration of new opportunities. In line with the goals outlined in the NAP, the future objective is to expand and penetrate foreign markets and explore more opportunities in automotive services and automotive parts manufacturing.

4.5.1 Issues And Challenges

There are five (5) key issues plaguing the automotive industry in the State. The first is the lack of skilled manpower, followed by limited adoption of technology, low value-added activities, lack of economies of scale, and trading issues.

The lack of scale also prevents the automotive industry from offering products at competitive prices. Another challenge faced by the automotive industry is the existence of non-tariff barriers such as embargoes and quotas which restrict exports.

4.5.2 Key Strategies Strengthening Strategic Core Industry

One of the key strategies to further develop the automotive industry is to embrace digital transformation. In addition, Selangor's push to attract global players to set up operations in Selangor will bode well for the industry.

Enhancing State's Competitiveness

Another strategy to deploy is to provide incentives through concessionary quit rent and water rates to retain current investors. In addition, the facilitation of tech adoption of Electric Vehicles (EV) and EEV is one of several strategies to be deployed. Cross-fertilisation programmes between the private sector and educational institutions will also provide the necessary talent pool to grow the industry.

4.5.3 List of Projects, Programmes, and Initiatives

Among the initiatives outlined in RS-1 is to expand Malaysian Smart Factory (MSF) 4.0 as a Technology Emergence Centre, besides implementing ΕV development infrastructure by creating 10,000 charging stations by 2025. Selangor will also offer Selangor Government Incentive (SGI) and TVET Industry Curriculum Development under the Selangor Smart Technical Professional Skills Initiative and Programme (IKTISASS).

TABLE 4.5

| Key Projects, Programmes, Initiatives | Brief Explanation |
|---|--|
| EV Infrastructure development | 10,000 charging stations developed by 2025 |
| * Malaysian Smart Factory 4.0 -Expansion for Centre of Emerging Technologies (MSF4,0 - CET) (refer to Chapter 4.6. E&E and M&E) | The expansion of the MSF4.0 towards the Centre of Emerging Technologies would provide a comprehensive and unique integration of technology, talent; and innovation in a collaborative ecosystem. |
| * Bridging loans for SME development (refer to Chapter 4.6, E&E and M&E) | Loan assistance to bridge reimbursement type federal grants |
| * SIBS (refer to Chapter 4.3,Digital Economy) | Invest Selangor organises the Selangor International Business Summit (SIBS) annually, as an international marketplace for stakeholders to convene and explore the ASEAN market and its massive potential |
| * Selangor Government Incentive (SGI) (refer to Chapter 4.6, E&E and M&E) | State specific incentives; involving land premium deposits, assessments and business license fees |
| * IKTISASS - Pembangunan Kurikulum TVET Industri (refer to Chapter 4.6, E&E and M&E) | Development of a structured TVET courses to be offered in academic institutions with input and feedback from the industry |
| * IKTISASS - Penawaran Persijilan Profesional yang Diiktiraf oleh Industri (refer to Chapter 4.6. E&E and M&E) | Professional certification vetted and recognised by the industry to ensure that the talent pool trained are provided knowledge relevant to the industry needs |

* Cross-cutting PPI

4.6 FOCUS SECTOR 6

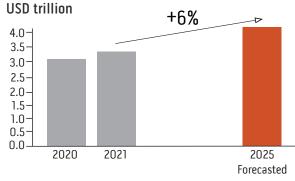
ELECTRICAL AND ELECTRONICS, AND MACHINERY AND ENGINEERING (E&E AND M&E)

Overview

The global electrical and electronics (E&E) sector was valued at approximately USD2.8 trillion in 2020 and is expected to grow further at a CAGR of 6% by 2025 (Chart 4.4).

CHART 4.4

FORECASTED GLOBAL ELECTRICAL AND ELECTRONICS MARKET SIZE



Source: The Business Research Company

Currently, Malaysia is ranked ninth in the list of the largest global E&E exporters and the third largest among ASEAN countries, apart from being one of the major semiconductor producers for the global market. The semiconductor market is showing early signs that it has resilience to withstand the economic impact of the COVID-19 pandemic.

However, most E&E companies in Malaysia are still focused on the low value segment in the sector's value chain, and face challenges in increasing involvement in high value segments, such as wafer manufacturing, chip design, and research and development (R&D).

Currently, Selangor has one of the broadest E&E value chains in Malaysia. The State of Selangor also ranks second in the 2019 list of E&E producers behind Penang, contributing RM25.1 billion or 28.5% of the national E&E GDP. Selangor is also the second highest recipient of FDI in Malaysia in the manufacturing sector, with a record of RM10.4 billion in 2019.

For Machinery and Engineering (M&E), a total of 1,418 companies of various sizes from various fields were recorded in Malaysia, with at least 85% of the companies being locally owned small and medium enterprises (SMEs). Accordingly, support for this industry is very important.

The M&E sub-sector is among the highest paid in Malaysia. The electricity, gas, steam and alternating current (AC) supply sub-sector recorded the second highest average annual salary of RM77,410, while the petroleum, rubber, chemical and plastics sub-sector ranked ninth with an average annual salary of RM37,836.

Over the past few years, the number of investors in the M&E industry has increased significantly. Total FDI approved for the industry increased from RM1 billion in 2016 to RM2 billion in 2020, but total domestic direct investment (DDI) jumped from RM540 million to RM4.7 billion over the same period. The specialised M&E sub-sector was the largest contributor to investments in 2020, with 21 projects approved.

M&E sector in Selangor contributed to the increase in Malaysia's overall M&E exports, which are now worth RM41.4 billion, with export destinations including the world's largest economies such as the United States and Japan.

4.6.1 Issues And Challenges

Among the key issues affecting the sectors include competitive threats from low-cost manufacturers in the region such as Vietnam, China and Indonesia. The lack of access to land and capital is also plaguing the sectors. These sectors are also held back by the lack of good infrastructure and a dearth of talent.

Poor coverage of mobile data (3G, 4G, and 5G) at many industrial parks hampers the growth of the sectors by preventing companies from setting up high tech infrastructures, machineries and services. Moreover, production is still labour intensive and has not shifted to automation on a large scale.

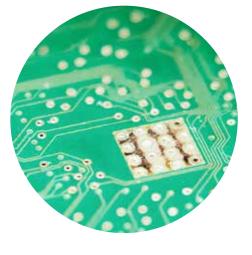
4.6.2 Key Strategies

Strengthening Strategic Core Industry

One of the key strategies for these sectors is the introduction of an outcomebased financial assistance programme for local manufacturers to build their design capabilities and undertake R&D activities. In addition, automation and digital transformation solutions shall be introduced to industry players for increase in productivity and exploring other segments in the value chain.

Enhancing State's Competitiveness

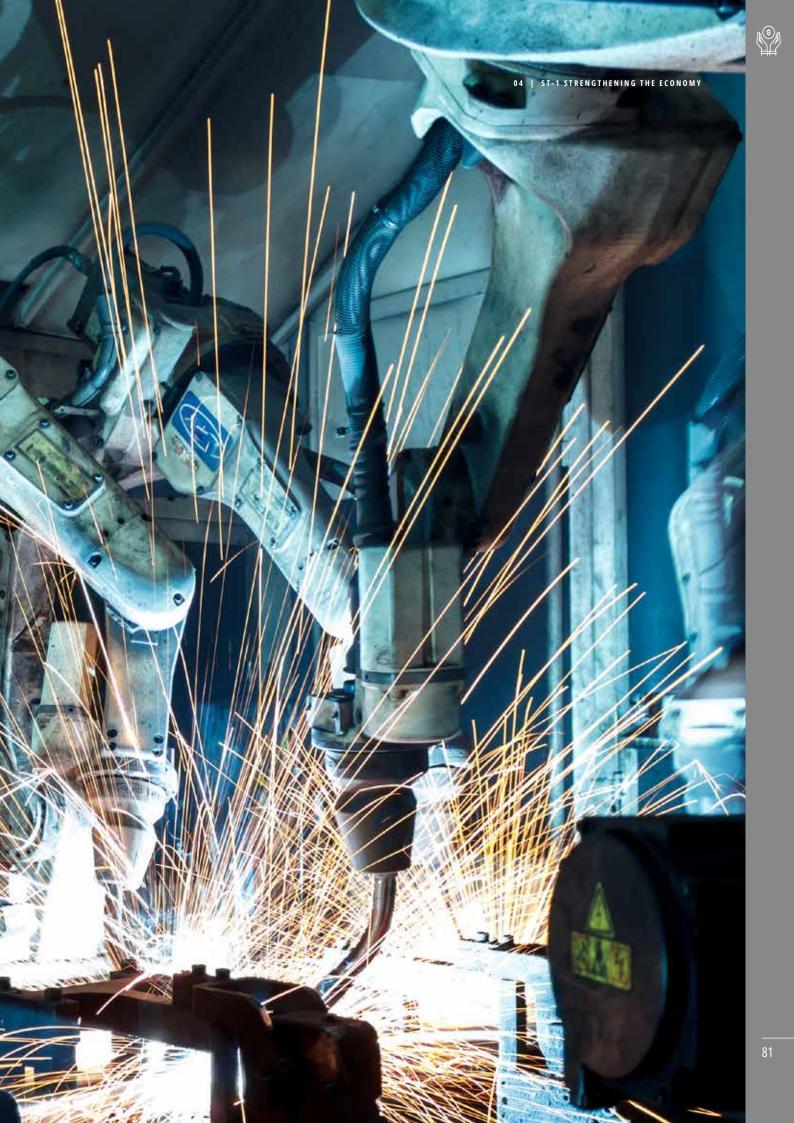
To address the quality of the workforce, the higher learning institutes within the State shall collaborate more closely with industry players via upskilling and training of current and future workforce leading to availability of skilled talents based on industry demand.



THE SPECIALISED M&E SUB-SECTOR WAS THE LARGEST CONTRIBUTOR TO INVESTMENTS IN 2020, WITH 21 PROJECTS APPROVED RANCANGAN SELANGOR PERTAMA (RS-1)



MALAYSIA IS RANKED NINTH IN THE LIST OF THE LARGEST GLOBAL E&E EXPORTERS AND THE THIRD LARGEST AMONG ASEAN COUNTRIES



4.6.3 List of Projects, Programmes, and Initiatives

RS-1 outlines seven (7) PPI to boost the State's E&E and M&E sector, thus realising the goal of strengthening Selangor's economy. Among them is the creation of a Solar PV Centre of Excellence (CoE) by making Selangor the CoE for Training and Talent Development for the Solar PV Industry in Malaysia.

The Selangor Government and Federal Government's incentives will also be provided to international and domestic investors, which involve land premium deposits, valuation, and business licence fees to attract and retain investors in Selangor coupled with the federal-level incentives that are already offered.

TABLE 4.6

| Key Projects, Programmes, Initiatives | Brief Explanation |
|---|--|
| Malaysian Smart Factory 4.0 - Expansion for Centre of Emerging Technologies (MSF4.0 - CET) | The expansion of the MSF4.0 towards the Centre of Emerging Technologies would provide a comprehensive and unique integration of technology, talent, and innovation in a collaborative ecosystem |
| Solar PV Centre of Excellence (CoE) | Becoming the central region Centre of Excellence for training and talent development of Solar PV Industry in Malaysia |
| Selangor Government Incentive (SGI) | State specific incentives, involving land premium deposits, assessments and business license fees |
| Bridging loans for SME development | Loan assistance to bridge reimbursement type federal grants |
| Buy local programme | Promote and encourage state GLCs to buy parts and materials from local SMEs |
| IKTISASS - Pembangunan Kurikulum TVET Industri | Development of a structured TVET courses to be offered in academic institutions with input and feedback from the industry |
| IKTISASS - Penawaran Persijilan Profesional yang Diiktiraf oleh Industri | Professional certification vetted and recognised by the industry to ensure that the talent pool trained are provided knowledge relevant to the industry needs |
| * SIBS (refer to Chapter 4.3, Digital Economy) | Invest Selangor organises the Selangor International Business Summit (SIBS) annually, as an international marketplace for stakeholders to convene and explore the ASEAN market and its massive potential |
| * Jalur Lebar Industri Selangor (refer to chapter 4.3, Digital Economy) | High speed network infrastructure to be built in industrial areas |

* Cross-cutting PPI



4.7 FOCUS SECTOR 7 HALAL INDUSTRY

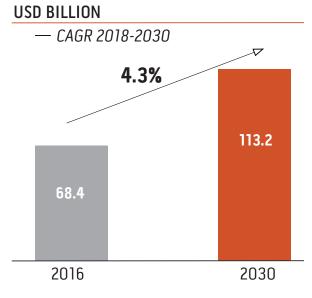
Overview

The global halal market is expected to grow to USD5 trillion by 2030 from USD3.1 trillion in 2018. The sector has huge potential in Asia Pacific for Malaysia as the region has the largest Muslim population and accounts for nearly 90% of total market share.

The Malaysian halal market is expected to grow to USD113.2 billion by 2030, driven by four (4) core sectors, namely food and beverage, pharmaceuticals, cosmetics and personal care, as well as other sectors such as fashion, medical equipment, and medical tourism (Chart 4.5).

CHART 4.5

MALAYSIA'S HALAL INDUSTRY MARKET CAPITALISATION, 2018-2030



Source: Halal Industry Master Plan 2030

In 2015, the number of companies registered as halal organisations in Selangor increased to 6,138, with most being in the manufacturing and services sectors. The halal manufacturing industry recorded a gross product value of RM178 billion in 2015, while the halal services industry recorded RM29 billion.

The global halal food industry involving meat and alternatives, milk and dairy products, grain products, fruits and vegetables is expected to grow to USD1.7 billion by 2027. Industry players in Selangor are in the best position to take advantage of the future demand and growth as the majority of halal certificate holders are involved in food products.

In an effort to attract more investors among the industry's key players, the Selangor Halal Hub in Pulau Indah was established as an industrial park for the halal industry. Aspire Flagship Sdn Bhd (a subsidiary of MBI) was also established with the role of expanding the halal sector by driving development programmes and initiatives within the Selangor Halal Action Plan (SHAP) 2021-2031.

4.7.1 Issues And Challenges

Among the issues affecting the halal industry is the access to funding that needs to be improved coupled with processes such as obtaining halal certification, which can be arduous. In addition, the inefficient flowing and gathering of data, poor usage of available resources, and insufficient specialised talents are also issues currently plaguing the industry which needs to be resolved.

4.7.2 Key Strategies

Strengthening Strategic Core Industry

Venturing into untapped markets is one of the key strategies to develop the halal market. In addition, moving up the value chain and producing valueadded products is also high on the list of priorities. Similar to other sectors, automation and digital transformation solutions shall be pushed forward to increase productivity and output for players in the halal industry.

Enhancing State's Competitiveness

The State government shall create an ecosystem that promotes entrepreneurship and business acumen among players. The State shall also assist in the improvement of MSME capabilities and capacity through human capital development initiatives. THE MALAYSIAN HALAL MARKET IS EXPECTED TO GROW TO USD113.2 BILLION BY 2030, DRIVEN BY FOUR (4) CORE SECTORS, NAMELY FOOD AND BEVERAGE, PHARMACEUTICALS, COSMETICS AND PERSONAL CARE

4.7.3 List of Projects, Programmes, and Initiatives

There are ten (10) PPI under the halal sector. One of the new initiative is the Selangor Halal SME programme. The implementation of these initiatives will ensure that Selangor reaps the full benefits of rapid growth in the halal market.

TABLE 4.7

| Key Projects, Programmes, Initiatives | Brief Explanation |
|--|---|
| Central Information Platform | Establishment of a centralised online halal portal for all industry stakeholders, which houses all industry related information |
| Selangor Halal Economic Zone | Establishment of an economic zone that focuses on high value halal products and services |
| Authorised Halal Operator | Developing the entire halal ecosystem via a structured authorisation programme |
| Selangor Halal Cooperative | Provision of common goods and services to cheapen operation cost and enable increased income and savings |
| Selangor Halal Funding Programme | Provision of Shariah compliant financial assistance and the development of a halal R&D network and ecosystem |
| Halal Ingredients Database | Establishment of a halal ingredients database that will become the key reference point for mitigation of certification |
| Halal Selangor Promotion | Establishment of "Halal Selangor" as a unified marketing and promotion strategy for halal products made in Selangor |
| Selangor Halal SME Development Programme | Development programme to guide SMEs in moving into higher value add products/ services by segmenting the industry value chain |
| Selangor Halal Business Hub | Establishment of a tech-driven assistance platform, and the introduction of development programme to enhance SME certification |
| Selangor Halal Capacity Development | Training and placement programme to equip the industry with specialised professional and a start-up incubation programme as well as to train personnels at state authorities/agencies |
| * Selangor Government Incentive (SGI) (refer to Chapter 4.6, E&E and M&E) | State specific incentives, involving land premium deposits, assessments and business license fees |

* Cross-cutting PPI

04 | ST-1 STRENGTHENING THE ECONOMY

THE HALAL MANUFACTURING INDUSTRY RECORDED A GROSS PRODUCT VALUE OF **RM178 BILLION** IN 2015, WHILE THE HALAL SERVICES INDUSTRY RECORDED **RM29 BILLION**

4.8 FOCUS SECTOR 8 LIFE SCIENCES

Overview

The increasing ageing population in emerging and developing markets as well as the gap in health spending to GDP in the Asia Pacific region (APAC) provide opportunities to accelerate the development of life sciences. Health spending in APAC represents only 6% of the region's GDP, compared to 17% of GDP in the United States.

Malaysia has a strong and growing health sector, but this sector still lags far behind neighbouring countries such as Vietnam in terms of percentage of GDP, as well as Singapore in terms of per capita health expenditure. Health spending in the public and private sectors in Malaysia is projected to reach five 5% or RM72.7 billion of GDP in 2021, but Vietnam has reached 5.9% of GDP in 2018.

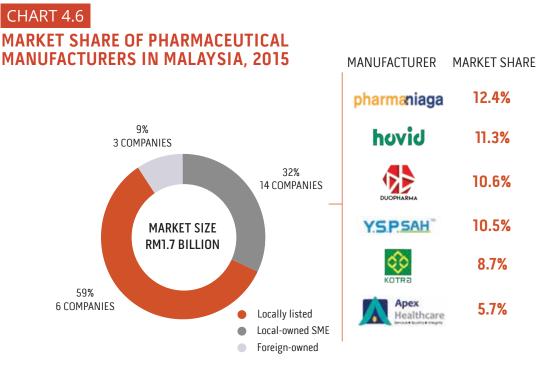
Globally, the biotechnology, pharmaceutical, and medical technology innovation industries growing are positively. **Applications** in Patent Cooperation Treaty (PCT) for the three industries increased globally between 5% to 7% between 2016 and 2020, but a different situation was witnessed in Malaysia when PCT applications for the three industries declined from 2015 to 2020.

The global pharmaceutical market value was over USD1 trillion by 2020 and is expected to continue to grow. In Malaysia, the pharmaceutical industry market grew steadily at a rates of 9.7% yearly from RM3.4 billion in 2006 to RM8.6 billion in 2016. However, Malaysia is still dependent on pharmaceutical imports. Between 2009 and 2020, Malaysia's imports of medical and pharmaceutical products recorded an average increase of 5.2% per annum to USD391 million, compared to exports which also grew at 3.4% per annum to USD187 million.

The pharmaceutical industry in Malaysia is more prominent in the central region of the Peninsula, especially in Selangor. All six publicly listed pharmaceutical manufacturing companies are based in Selangor. They account for 59% of the market share in Malaysia valued at RM1.7 billion in 2015 (Chart 4.6). Data in 2019 showed households spending an average of RM105.60 per month on healthcare, with RM54 or more than 50% of it being on pharmaceutical products.

Meanwhile, the biotechnology industry recorded an increase in demand in the global and Asia Pacific markets. Revenue in the global biotechnology industry is projected to continue to grow from USD414 billion to USD600 billion from 2018 to 2023. Revenue generated by the biotechnology industry in Malaysia is also growing consistently with the increasing number bio-based companies of participating in the industry. In the nine years from 2007 to 2015, the industry's revenue recorded a growth of 44.7% yearly from RM80 million to RM1.5 billion.

In 2017, a total of 283 companies were awarded the BioNexus status by the government compared to only 38 companies in 2007, from which 102 companies operate in Selangor. The



Source: Bursa Malaysia

BioNexus status is awarded to qualified companies that implement value-added biotechnology and/or life science activities. A total of 32% of the total investment in the agricultural biotechnology industry nationwide is in Selangor. In addition, 71% of the total agricultural biotechnology revenue is contributed by Selangor.

The medical device industry is also growing rapidly in Asia Pacific. The Japanese medical devices market is estimated to be worth USD 32.9 billion, and is among those dominating the global market due to the factors of a rapidly ageing population, universal health insurance coverage, and strong regulatory network. At the same time, markets in India, Australia, Malaysia, and Thailand are catching up due to middle-class development factors that support private sector development, improved medical devices regulation, and growth of medical tourism.

In Malaysia, more than 90% of medical equipment produced in the country is

exported to foreign countries, with 50% of it to the United States, Germany, Japan, and China. Malaysia's export of medical equipment recorded a double-digit growth of 25% worth RM30 billion in 2020 due to increased demand for face masks and rubber gloves during the pandemic. However, about 50% of Malaysia's medical device exports are more focused on low-value products, thus creating opportunities for the industry to grow and move higher in the medical device industry value chain.

Through several outlined strategies, RS-1 aims to increase the value of new biotechnology investments in Selangor to RM423 million and the State's biotechnology industry revenue to RM712 million by 2023. In addition, RS-1 also targets an additional 800 new jobs in the Selangor to be generated in the life sciences industry.

4.8.1 Issues And Challenges

The lack of skilled talent is one of the more pressing issues affecting this sector. In addition, lack of funding for R&D is also a hindrance to this sector's development. Consequently, the constraints in R&D result in lack of innovation in the sector.

The lack of talent in the sector is also exacerbated by the brain drain plaguing the sector.

4.8.2 Key Strategies

Catalysing Development of New and Emerging Sectors

Availability of funds remains one of the key concerns which can impede the growth of this sector so one of the key strategies to be deployed by the State is to provide access to funding via direct investments or through investor and investee matching. Accelerator programmes will also be conducted for entrepreneurs or start-ups wanting to create a minimum viable product and network with investors.

Enhancing State's Competitiveness

Another strategy is to provide incentives so that R&D can be carried out to move up the value chain. In addition, incentives and competitive salaries for skilled workers in this sector shall also be pushed forward to solve the problems of lack of skilled talent in the industry.



4.8.3 List of Projects, Programmes, and Initiatives

There are eight (8) PPI outlined in RS-1. For example the establishment of S-BIOCO, a division within Invest Selangor, as an implementer of Selangor's Biotechnology Plan.

TABLE 4.8

| Key Projects, Programmes, Initiatives | Brief Explanation |
|---|--|
| S-BIOCO establishment | Implementer of the Selangor Biotechnology Action Plan 2021-2030 |
| SELBIO Accelerate | Selangor Biotech Accelerator Programme |
| Online Biotech networking and promotion portal | All in one portal for promotion and networking purposes with public and private organisation |
| Selangor Biotechnology Funding Programme (Matching grant) | Facilitate biotechnology companies in securing public and private funding financing sources |
| Trainings for bridging University-Industry- Government and strengthening talents | Professional development programme to strengthen knowledgeable workers |
| Special Incentive Allowance (SIA) | Allowance for competent knowledgeable workers |
| Soft Landing Centre | Establishment of a centre for contacts and network with local clients and stakeholders for investors |
| Lab partnership programs with IHLs and RIs | Special lab partnership program |
| *SIBS (refer to Chapter 4.3, Digital Economy) | Invest Selangor organises the Selangor International Business Summit (SIBS) annually, as an international marketplace for stakeholders to convene and explore the ASEAN market and its massive potential |
| *Selangor Government Incentive (SGI) (refer Chapter 4.6, E&E and M&E) | State specific incentives, involving land premium deposits, assessments and business license fees |

* Cross-cutting PPI

4.9 FOCUS SECTOR 9 AGRITECHNOLOGY

Overview

The agriculture sector in Malaysia has grown steadily over the past few years and contributed RM101.6 billion to the country's GDP in 2019 compared to RM93.9 billion in 2016. However, like most other sectors, agriculture also recorded a pandemic decline when its contribution to the GDP in 2020 shrank 2.4% to RM99.1 billion.

The area of agricultural land in Malaysia is estimated at around 5.5 million hectares out of a total land area of 33 million hectares. Malaysia is also able to supply agricultural produce continuously due to the continuous growing season throughout the year. Among the major agricultural products in Malaysia include livestock and dairy, fisheries, grain and flour products, cocoa and sugar, pepper, fruits and vegetables, and palm products.

However, the country's agriculture sector recorded slower growth from 2015 to 2020, with a CAGR of 0.4%. In addition, the performance of almost all agricultural sub-sectors such as rubber, forestry and logging, fisheries and palm oil declined due to the pandemic in 2020.

However, the agriculture and food industry remains potentially attractive to investors because of research and development (R&D) activities and incentives for investors offered by government agencies. Among the agencies involved in agricultural industry R&D include the Malaysian Palm Oil Board (MPOB), the Malaysian Cocoa Board (LKM), the Forest Research Institute of Malaysia (FRIM), and the Fisheries Research Institute (FRI).

In addition, efforts to accept the use of technology in agriculture began in 2017, which successfully started the agritechnology industry. Since then, several important players have emerged and redefined as well as introduced new practices in the country's agriculture. Among them are the usage of drones and satellites, smart agriculture, Internet of Things (IoT), blockchain and big data, biotechnology as well as production technology and innovation.

In Selangor, the agriculture sector grew at a rate of 3% from 2015 to 2020 and continued to grow despite the COVID-19 pandemic. The GDP of the Selangor agriculture sector recorded a marginal increase to RM4.72 billion in 2020, compared to RM4.71 billion in 2019.

Selangor's commitment to the agriculture specifically for sector, agritechnology sector can be seen through specific allocations in the Selangor Budget 2021, including initiatives to produce high value crops through the use of IoT and technology, which involves an allocation of RM26.4 million. The Selangor Accelerator Programme is also geared towards the development of agri-technology with in line national industries addition. Pelan aspirations. In Transformasi Agro Selangor (PeTA) aims to holistically expand key areas in the state's agricultural sector. These include the promotion of high value crops cultivation, adoption of agritech, development of a complete food supply chain, capability development of agropreneurs and intensifying agrotourism in the state.

RS-1 identifies several strategies to encourage the agritechnology sector in Selangor through the adoption of new agricultural practices, producing high value agricultural products, producing more technology entrepreneurs and strengthening the capabilities of SMEs. Through the initiatives planned, RS-1 aims to increase the GDP contribution of the agriculture sector to RM6 billion by 2026.

4.9.1 Issues And Challenges

Among the issues affecting the growth of the sector include land availability, tech adoption, internet connectivity and availability of tech solutions.

The issue of mismatch between what the agritech industry (e.g. IOT) can offer

versus farmer's expectations is also a major challenge for the sector.

4.9.2 Key Strategies

Strengthening Strategic Core Industry

The State will promote immediate adoption of technology to increase productivity and unlock new value in the agriculture sector, with the introduction and adoption of readily available technological solutions, for example drone technology and smart farms.

Catalysing Development of New and Emerging Sectors

The State will enhance digital entrepreneurship by promoting the development of high technology solutions related to the agriculture sector.

In addition, the State will develop capabilities to produce higher valued crops by leveraging on the adoption of technology to enhance agricultural returns.

Enhancing State's Competitiveness

Under this strategy the State will create an enabling ecosystem to facilitate business operations in the agri-tech sector by improving the ease of doing business, providing state-specific incentives, and developing relevant infrastructure to ensure Selangor continues to become the destination of choice for investors.

4.9.3 List of Projects, Programmes, and Initiatives

There are six (6) PPI outlined for the sector. Examples of initiations to increase agriculture yield include the Selangor Agricultural Modernisation Programmes.

TABLE 4.9

| Key Projects, Programmes, Initiatives | Brief Explanation |
|--|---|
| Selangor Agriculture Modernisation Programme - Phase 1 | Promote modernisation of agricultural practices by facilitating UPEN Sektoral the immediate adoption of readily available agri-tech solutions (i.e. Drone, Irrigation Management) among farmers who are currently producing Selangor's key crops (i.e. Coconut, Cassava, Pineapple, Banana, Melon) |
| Selangor Agriculture Modernisation Programme - Phase 2 | Promote modernisation of agricultural practices by facilitating the adoption of high technology solutions in agriculture |
| Selangor High Value Agriculture Programme | Developing import substitution capabilities by adopting tech solutions and increasing production of high value crops in Selangor (i.e. Melon, Papaya, Maize, Corn) |
| Smart Selangor Agro Park and Smart Selangor Agro Farm | Establishment of agro parks and agro farms that will promote multiple agricultural activities, ranging from R&D activities, to training and capacity development to introduce new crops among farmers |
| Selangor Agri-Tech Accelerator Programme | Accelerator programme to promote and facilitate digital entrepreneurship in Selangor by supporting the development of new high technology agritech solutions, leveraging on Sidec |
| Development of Digital and Connectivity Infrastructure | Development of digital and connectivity infrastructure at key agricultural locations to ensure availability of internet coverage which is key to the adoption of high technology agritech solutions |
| *Infrastructure Selangor Government Incentive (SGI) (refer to Chapter 4.6, E&E and M&E) | State specific incentives, involving land premium deposits, assessments and business license fees |
| * Cross-cutting PPI | |





RS-1 AIMS TO INCREASE THE GDP CONTRIBUTION OF THE AGRICULTURE SECTOR TO RM6 BILLION BY 2026

4.10 FOCUS SECTOR 10

GEOGRAPHIC-FOCUSED DEVELOPMENT

GAME CHANGER 5



6. University / College

4. UNISEL Global Campus

7. Putrajaya Holdings 3. Sepang Gold Coast Global Village 5. Guocoland Emerald Sepang

GAME CHANGER 6



GAME CHANGER 7

ZON PEMBANGUNAN EKONOMI SELANGOR MARITIME GATEWAY (ZPE SMG)



| OBJECTIVES | Zon Pembangunan Ekonomi Selangor Maritime Gateway (ZPE SMG) is a new economic development corridor for Selangor which will cover 27,960 ha of area revolving around the Klang river |
|-------------------|---|
| KEY HIGHLIGHTS | Two main development zones identified within the ZPE SMG starts from upstream (MidValley) to the river downstream and includes the surrounding islands: |
| | A. Economic Development Zone of approximately 22,780 ha recognised in MPK's Local Plan 2035 |
| | B. Economic Development Zone to include 3 municipalities namely MBSA, MBSJ and MBPJ with a total acreage of approximately 5,180 ha |
| | Estimated total investment of RM2.2 bil for the development of ZPE SMG, across an area of 27,960 ha |
| TIMELINE | 2022 - 2024 |
| OUTCOMES | By 2023 |
| | Establishment of ZPE SMG Master Plan |
| | Implementation of Integrated Water Resource Management (IWRM) Project |
| | Development of 50% of total units of affordable housing on 234 ac of land |
| | By 2024 |
| | Launching of Riverfront Development at Section 24, Shah Alam |

SELANGOR HAS REGISTERED AN IMPRESSIVE ECONOMIC GROWTH AND IS THE LARGEST CONTRIBUTOR TO MALAYSIA'S GROSS DOMESTIC PRODUCT (GDP) AT 24.3% OR AN EQUIVALENT OF RM326.8 BILLION IN 2020 

04 | ST-1 STRENGTHENING THE ECONOMY



-05----



ST-2 ENHANCING SOCIAL INCLUSIVITY AND WELLBEING

ST-2 ENHANCING SOCIAL INCLUSIVITY AND WELLBEING

Social inclusivity and wellbeing are one of the most important aspects in the development of the state as it has a direct impact on the people. Selangor has always strived to ensure economic development done in socially-sustainable is а and inclusive manner to benefit the Rakyat from all walks of life. The State Government has launched various peoplecentric initiatives, particularly during the pandemic, to ensure that the wellbeing of the *Rakyat* is always prioritised, especially for vulnerable groups.

The six (6) focus areas have been identified based on an in-depth study of various wellbeing indices in Malaysia and around the globe to comprehensively cover all the key factors that impact the wellbeing of the people. 21 key strategies are outlined, with 72 programmes, projects and initiatives to deliver the intended outcomes to elevate the *Rakyat's* wellbeing and realise a socially-inclusive Selangor (Chart 5.1).

CHART 5.1

Strategic Theme 2: Enhancing Social Inclusivity & Wellbeing 6 Focus Areas, 21 Key Strategies, 72 Projects, Programmes, and Initiatives **Special Focus on Income Generation** Women, Family Affordable Housing **Public Health** Education **Target Groups** & Social Welfare & Community S1: Promoting S5: Catalysing the S8: Enabling women S12: Exploring new S14: Supplementing S19: Ensuring youth of in the workforce models for healthcare entrepreneurship equitable access affordable to education to improve Selangor and a genderservices to livelihood inclusive housing drive equitable S6: Preparing for an Selangor access S20: Expanding S2: Talent supplementary ageing Selangor S13: Expansion of upskilling to S9: Increasing home rental S15: Strengthening education to S7: Making Selangor accessibility to and repair advocacy for improve improve employability persons with prevention and early childhood programme student disability-friendly early detection outcomes and special outcomes of diseases needs education **S3**: Strengthening S21: Ensuring targeted social **S10**: Strengthening S16: World-class industry-driven core family pandemic welfare for workforce and vulnerable groups values management elevating tertiary S4: Enhancing S11: Making S17: Targeting education landscape delivery and growing Selangor safe healthcare outcome assessment for concerns social welfare S18: Digitalising programmes healthcare programmes

5.1 FOCUS SECTOR 1 INCOME GENERATION AND SOCIAL WELFARE

Income generation and social welfare focus on household income, poverty, and unemployment across all demographic groups in the state. Alleviating all types of poverty, from rural to urban, as well as both absolute and relative poverty, is a key aspiration for Selangor in the next five (5) years. Whilst income generation strategies play a key role in elevating households from the poverty line, social welfare is also crucial to address immediate challenges for vulnerable groups to survive. Under this focus area, there are four (4) strategies.

5.1.1 Issues and Challenges

Selangor is the third highest state in terms of household income in Malaysia and has a lower unemployment rate than the national average. However, there is a wide income gap across the state, with two districts placed below the median level of national household income (Chart 5.2). Moreover, the COVID-19 pandemic has caused the unemployment rate to increase in 2020, with a total of 52,800 unemployed persons.

In terms of absolute poverty, Selangor ranked third lowest in the country; however, Selangor is in the third highest position for relative poverty (Chart 5.3). Selangor had the second highest Consumer Price Index (CPI) in Malaysia in 2020, and the third highest inflation rate in 2019. The CPI in Selangor is higher than the national rate for almost all components of goods. This demonstrates the high cost of living in Selangor. Consumption expenditure is also increasing faster than household income growth.

Measuring overall wellbeing in a highly urbanised and modern state like Selangor is challenging as the current wellbeing indicators are not measured at the district level. Moreover, existing state-level poverty indicators, such as absolute and relative poverty, and the multidimensional poverty index measure mainly income and basic deprivations, which do not capture all the challenges impacting wellbeing in an urbanised state.

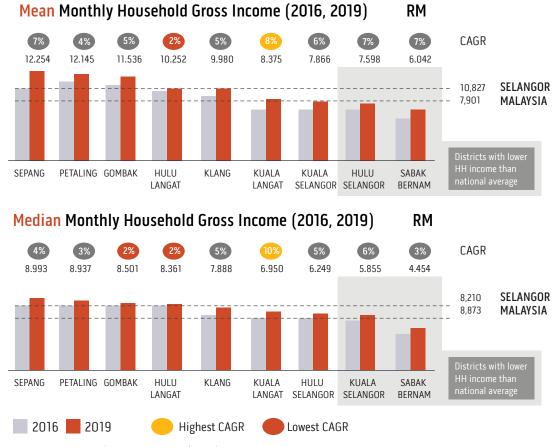


Source: Department of Statistics Malaysia (DOSM)

CHART 5.2

MEAN AND MEDIAN HOUSEHOLD INCOME ACROSS DISTRICTS IN SELANGOR

(Definition: B40 household income is below RM4,850, M40 household income is between RM4,850-RM10,959 and T20 household income is above RM10,960)



Source: Department of Statistics Malaysia (DOSM)

5.1.2 Key Strategies

STRATEGY 1: Promoting entrepreneurship to improve livelihood

This strategy focuses on raising household income levels and eradicating poverty through entrepreneurship assistance programmes. For example, the Selangor Hijrah Scheme offers various micro financing schemes between RM1,000 to RM50,000 with repayment schemes from 6 months to 3 years.

STRATEGY 2: Talent upskilling to improve employability outcomes

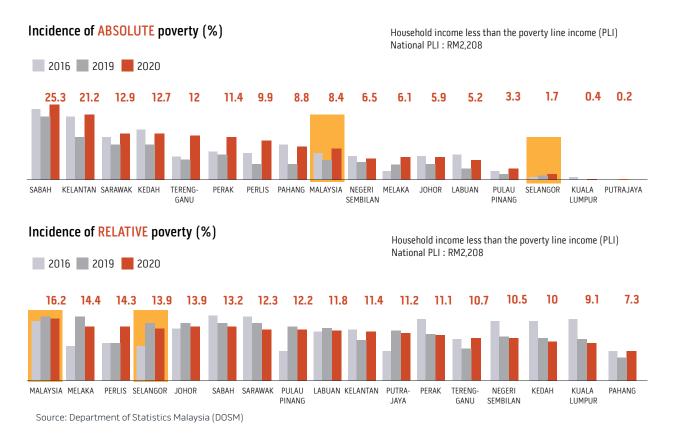
This strategy is focused on increasing household income and improving the employment rate through talent upskilling programmes such as technical and vocational skills training and professional upskilling via certification and professional courses.

STRATEGY 3: Strengthening targeted social welfare for vulnerable groups

Targeted households living in poverty will be assisted through social welfare programmes as an immediate-term solution.

CHART 5.3

INCIDENCE OF ABSOLUTE AND RELATIVE POVERTY IN MALAYSIA

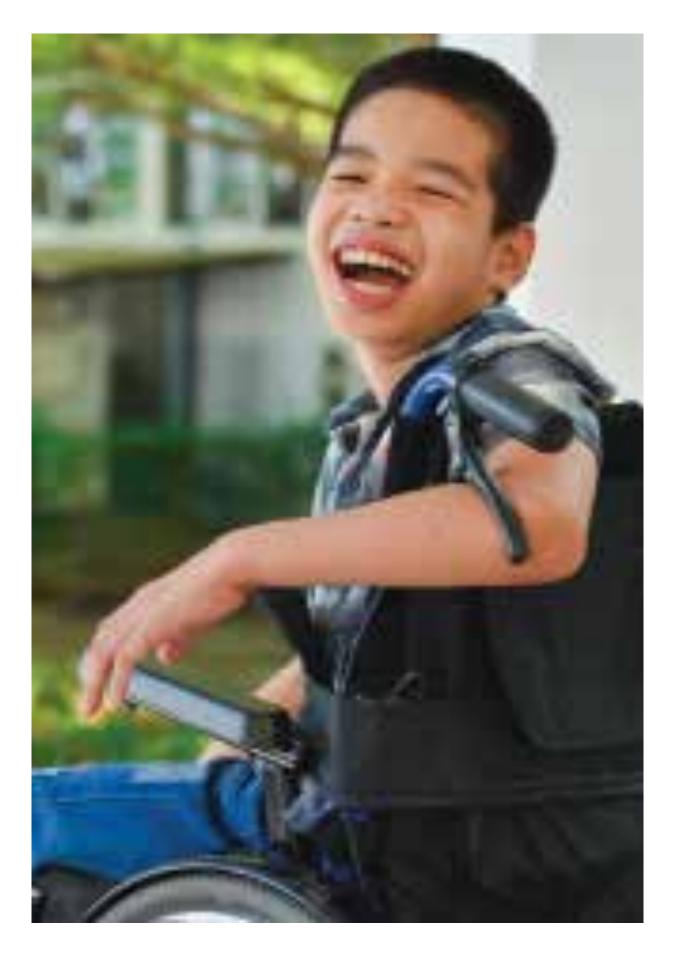


STRATEGY 4: Enhancing delivery and outcome-assessment for social welfare programmes

A monitoring framework for all government-funded social welfare programmes will be implemented to ensure effectiveness in delivery and to achieve the intended outcomes. Also, a new wellbeing index will be developed to comprehensively measure the Rakyat's wellbeing at a more granular level, with indicators that more accurately captures the deprivations faced in an urbanised state.

WHILST INCOME GENERATION STRATEGIES PLAY A KEY ROLE IN ELEVATING HOUSEHOLDS FROM THE POVERTY LINE, SOCIAL WELFARE IS ALSO CRUCIAL TO ADDRESS IMMEDIATE CHALLENGES FOR VULNERABLE GROUPS TO SURVIVE

RANCANGAN SELANGOR PERTAMA (RS-1)



5.1.3 List of Projects, Programmes, and Initiatives

Of the 13 PPI in this focus area, the game-changing project is Iltizam Selangor Penyayang, a super social welfare programme with the aspiration of empowering the Rakyat to improve overall wellbeing, and increasing social safety net, as part of the state's Sustainable Development Goals (SDG). Iltizam Selangor Penyayang is an expansion and enhancement of existing social programmes, to provide greater benefits to the *Rakyat*

TABLE 5.1

| Key Projects, Programmes, Initiatives | Brief Explanation |
|--|--|
| Iltizam Selangor Penyayang | A super social welfare programme with the aspiration of empowering the Rakyat to improve overall wellbeing, and increasing social safety net, as part of the state's Sustainable Development Goals (SDG). Iltizam Selangor Penyayang is an expansion and enhancement of existing social programmes, to provide greater benefits to the <i>Rakyat</i> |
| Skim Hijrah Selangor | Offer various microfinance schemes to assist micro-entrepreneurs with loans worth RM1,000 - RM50,000 |
| Dana Usahawan Mikro Selangor | Provide one-off grant up to RM30,000 in the form of equipment for Selangor entrepreneurs |
| A new wellbeing index for the state of Selangor | A new wellbeing index at district or local authority level, to support decision- making and impact monitoring |
| Pusat Wanita Berdaya (PWB) | Provide women empowerment training and upskilling programme in 56 PWB centers across the state |
| Program Blueprint Pembasmian Kemiskinan Micro-grant scheme | Provide micro-grants up to RM10,000 in the form of equipment and for micro- entrepreneurs |
| Indian Selangor Empowerment and Entrepreneurs Development (I-SEED) | Provide micro-grants up to RM10,000 in the form of equipment and conduct training programmes for Indian micro-entrepreneurs |
| Selangor Freelance Job Matching Platform | Facilitate job matching platform for freelancers in Selangor via online platform |
| Incentives and promotions for professional certifications | Provide fee assistance and incentives to upskill via professional certifications to improve employability and income |
| Skim Mesra Usia Emas | Provide cash assistance of RM100 vouchers once a year for senior citizens and one-off cash assistance to support families on event of death of senior citizens |
| Welfare Centers Assistance Programme | Provide cash assistance and collaborate with NGOs to improve wellbeing in welfare homes for PWDs, orphans and senior citizens |
| Implement a monitoring framework for all social welfare programmes | Set up centralised database, outcome-based targets, annual impact assessments for all state funded social welfare programmes |
| Increase promotion and outreach for social welfare programmes and collaboration with NGOs for implementation | Increase the outreach and number of beneficiaries of social welfare programmes through collaborations with local NGOs and promotional campaigns |

RANCANGAN SELANGOR PERTAMA (RS-1)

ajah Penyayang Kehidupan Bermartabat

19 Jun 2022 Ahad

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Hulu Langat Padang Taman Kosas

Ampang

GAME CHANGER 8

ILTIZAM SELANGOR PENYAYANG

OBJECTIVES

A super social welfare programme with the aspiration of empowering the *Rakyat* to improve overall wellbeing, and increasing social safety net, as part of the state's Sustainable Development Goals (SDG). Iltizam Selangor Penyayang is an expansion and enhancement of existing social programmes, to provide greater benefits to the Rakyat

KEY HIGHLIGHTS

Consisting 44 social programmes by the state government encompassing social welfare, entrepreneur micro-financing and grants, healthcare schemes and incentives, affordable housing schemes, education programmes and various assistance programmes

- Examples of the programmes consist of:
 - Bantuan Kehidupan Sejahtera Selangor (BINGKAS) that provides RM300 monthly cash assistance via e-wallet to alleviate cost of living expenses
 - Iltizam Selangor Sihat that provides health insurance benefits to low income families
 - Skim Hijrah Selangor Microfinancing Scheme to assist micro entrepreneurs with loans from RM1,000 to RM50,000
 - Program Tuisyen Rakyat Selangor to provide free extra classes to Form 5 students in preparation for the SPM examination
 - Skim Rumah Selangorku and Skim Smart Sewa to provide affordable housing for the Rakyat

Ongoing TIMELINE OUTCOMES

Increased Rakyat wellbeing, increased household income, reduction in cost of living expenses, reduction in poverty

05 | ENHANCING SOCIAL INCLUSIVITY AND WELLBEING

Ğ,



BANTUAN KEHIDUPAN SEJAHTERA SELANGOR (BINGKAS)

JIII

A financial assistance programme to reduce cost-of-living expenses and increase wellbeing for low-income families. Assistance of RM300 per month to be dissbursed via e-wallet application directly to eligible households, to purchase basic necessities from participating merchants. This initiative is ongoing.

5.2 FOCUS AREA 2 SPECIAL FOCUS ON TARGET GROUPS

Overview

Under RS-1, the State Government aims to ensure that the wellbeing of all its citizens is taken care of. Focus Area 2 shines a special focus on three (3) target groups: youth, senior citizens, and persons with disabilities (PWDs). Under this Focus Area, there are three (3) strategies.

5.2.1 Issues and Challenges

Special focus on target groups looks into the wellbeing of the youth, the elderly and persons with disabilities (PWDs). Selangor is transitioning into an ageing society, and is projected to be a "super-aged" state by 2040. According to the World Bank, a super-aged society is when at least 20% of the population consists of senior citizens aged 65 and above. With this, issues affecting senior citizens such as physical and mental health, as well as low-income are expected to impact public expenditures on social welfare and healthcare.

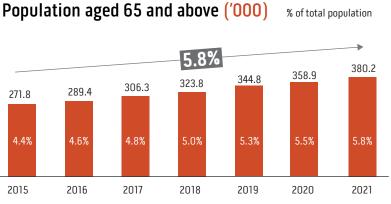
The percentage of the youth population in Selangor has decreased from 29% (2015) to 25% (2020), whereas the number of persons in Selangor aged 65 years and above has increased at 5.8% CAGR over the past six (6) years (Chart 5.4).

Selangor has consistently ranked among the lowest in the Malaysian Youth Index. This index measures the wellbeing of youth accross several dimensions such as economics, education, health and others. Unemployment and jobs that are not commensurate with qualifications are among the main causes of unhappiness among youths in Malaysia.

Selangor has a total of almost 90,000 registered persons with disabilities (PWD) and aspires to become a more PWD-friendly state. Persons with disabilities and orphans aged 18 and above are found to be one of the most underserved and most vulnerable groups, who are often lacking support after they leave welfare homes.

CHART 5.4

POPULATION AGED 65 AND ABOVE IN SELANGOR



Selangor is projected to be a 'super-aged' state by 2040

Source: Department of Statistics Malaysia (DOSM)

5.2.2 Key Strategies

STRATEGY 5: Catalysing the youth of Selangor

Focus is given to improve the level of youth wellbeing across ten (10) key domains identified in the 'Dasar Belia Selangor' (2020-2030), with the aim of producing a progressive, competitive, and sustainable generation of Selangor youth tandem with in Selangor's slogan "Maju Bersama". In addition, focus is also given to youth employability improve to address unemployment and underemployment.

STRATEGY 6: Preparing for an ageing Selangor

This strategy emphasises Selangor's transition to an ageing society and preparation to address the key challenges of the elderly including physical health, low-income, and universal wellbeing.

STRATEGY 7: Making Selangor PWD-friendly The strategy is focused in improving wellbeing and providing incomegenerating opportunities for Persons with Disabilities (PWDs).

5.2.3 List of Projects, Programmes, and Initiatives

To deliver these strategies, 12 programmes and initiatives have been outlined, with the Selangor Silver Workforce Employment Platform having been outlined as a gamechanger. An employment platform to provide suitable work opportunities for senior citizens shall be created. This platform will assist in job-matching for low-impact physical work with flexible hours suitable for seniors, such as clerical work, baby-sitting, cooking, and teaching, among others.

TABLE 5.2

| Key Projects, Programmes, Initiatives | Brief Explanation |
|---|--|
| Selangor Silver Workforce Employment Platform | Establish a job matching platform focusing on jobs and services suitable for senior citizens to provide income and improve wellbeing |
| Implementation of Dasar Belia Selangor | Implement various programmes under Dasar Belia Selangor to improve youth wellbeing, in areas including sports, mental health, etc |
| Penggerak Belia Selangor (PeBS) | Youth development programme run by PeBS volunteers at every DUN to increase youth engagement and wellbeing |
| Selangor Youth Community (SAY) Volunteer Programme | Youth empowerment programmes to enhance the wellbeing in the state |
| Selangor Keriaya (MBI) Job Matching Platform | Facilitate employment through job matching and training platform |
| JelaJah Selangor Bekerja Mega Job Fair | Facilitate employment through job fairs, bringing together employers and potential employees |

RANCANGAN SELANGOR PERTAMA (RS-1)

| Key Projects, Programmes, Initiatives | Brief Explanation |
|--|---|
| Selangor Youth Excel Programme | Improve the employability of youth through the provision of career mentorship programmes, english language and soft-skills training |
| Selangor Active Ageing Programme | Promote active ageing in Selangor through various programmes such as regular health screening, advocacy campaigns, community programmes for senior citizens and financial planning courses for working age population |
| Establish retirement facilties and provision of caretaker training for senior citizens | Increase the supply of senior citizen caregivers in the state by providing specialised training for elderly care services and promote the development of retirement villages to property developers to fulfill future demand of properties which cater to the need of the elderly |
| Implementation of Dasar Mesra OKU Selangor | Implement various programmes under Dasar Mesra OKU Selangor to make Selangor PWD-friendly |
| SAY LEAD | Empower Persons with Disabilities (PWDs) to generate income independently through a structured entrepreneurship programme |
| Expansion of sheltered workshops, and independent learning centers (ILC) | Empower PWDs to be financially independent through expansion of sheltered workshops and independent learning centers (ILC), which provide employment opportunities, empowerment and skills training |

GAME CHANGER 9

| SEL | ANGOR SILVER WORKFORCE EMPLOYMENT PLATFORM |
|-------------------|---|
| OBJECTIVES | Development of an employment platform for the senior citizens in Selangor with supporting physical centres |
| KEY HIGHLIGHTS | Digital Employment Platform: Business and communities can advertise jobs that are suitable for senior citizens Senior citizens can apply to the jobs via the platform, or contact the advertisers directly, or visit the physical centres for help to accesss the platform Types of jobs targeted: Professional: Tuition teacher, Quran teacher, Advisory, Proof-reading, etc Non-professional: Babysitting, school pick-up, newborn support, shop-keeping, etc Physical Centres for Elderlies to Seek Employment: Pusat Aktiviti Warga Emas, Pusat Wanita Berdaya and religious centres will be identified in each local authority to serve as centres where senior citizens can get help to access the employment platform |
| TIMELINE | Start date 2023 |
| OUTCOMES | Increase income level and wellbeing of senior citizens |

5.3 FOCUS AREA 3 WOMEN, FAMILY AND COMMUNITY

Overview

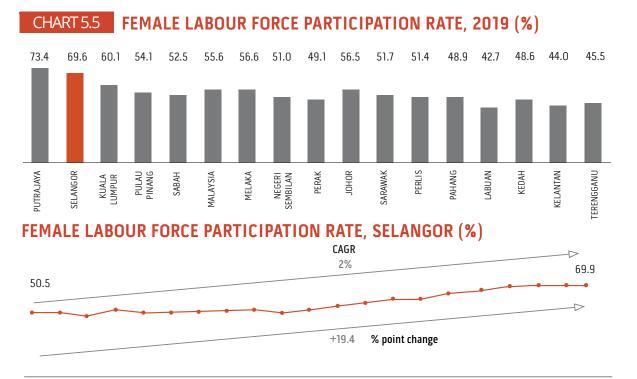
Family is the key building block for a society and the state as a whole. Addressing challenges that impact women, family and community is essential to prevent social issues, as well as to shape the future generation of Selangor. Under this Focus Area, there are four (4) strategies and ten (10) initiatives, with the targeted outcomes of improving family wellbeing, improving female participation in the labour force, addressing gaps in early childhood education and childcare services, and enhancing the security of Selangor.

5.3.1 Issues and Challenges

Selangor's female labour force participation rate is the second highest in Malaysia, at 69.6%, with the potential

to be among the best globally (Chart 5.5). However, childcare-related concerns remain a major challenge faced by working women, with major concerns about safety and quality, location, and affordability. The preschool enrollment rate in Malaysia is still below the global enrollment target of more than 95%.

for special needs education, As enrollment in the Early Intervention Programme has increased in recent vears. However, there are still major concerns such as shortage of teaching staff and a lack of funding for early intervention programmes. Selangor ranks the fifth lowest in the Family wellbeing Index, with 5 out of 8 domains scoring lower than the national average. As for the crime index, Selangor recorded the second highest crime index rate per 100,000 of the population in Malaysia in 2019, with property theft cases contributing 78% to the total of reported crime.



5.3.2 Key Strategies

STRATEGY 8: Enabling women in the workforce and a gender-inclusive Selangor

The first strategy focuses on providing the support needed by working women, namely safe, reliable, and strategically located childcare centres to improve the wellbeing of working women and increase female labour force participation. Apart from that, Selangor also aims to be a more gender-inclusive state, as outlined in the 'Dasar Wanita Selangor'.

STRATEGY 9: Increasing accessibility to early childhood and special needs education

This strategy pays attention to increase access to early childhood education, especially for low-income families. Incentives will be given to increase special needs teachers, childminders and childcare centres to meet the needs of the community in underserved areas.

STRATEGY 10: Strengthening Core Family Values

Efforts on improving family relationships and wellbeing will be intensified to directly contribute to the general wellbeing and prevent social issues in Selangor. Selangor has the highest female labour force participation rate, indicating that the majority of families in Selangor have both parents working, which may impact the wellbeing of the family, especially in the absence of a strong support system for the family. To address family wellbeing, the State Government will focus on advocacy programmes to encourage both public and private sector employers to provide more flexible work arrangements, such as working from home and hybrid working¹ for suitable professions, and flexible working hours.

STRATEGY 11: Making Selangor safe

Selangor plans to improve security in urban areas through increased crime surveillance using smart technology and conducting awareness campaigns to prevent crimes.



 $^{\rm 1}$ Hybrid work is a flexible work model that supports a blend of in-office, remote, and on-the-go workers

5.3.3 List of Projects, Programmes, and Initiatives

This focus area has ten (10) programmes and initiatives to realise the strategies and deliver the intended outcomes.

TABLE 5.3

| Key Projects, Programmes, Initiatives | Brief Explanation |
|---|---|
| Ensuring Safe and Reliable Childcare and Support Services | Execute various initiatives to facilitate childcare registration, training of childminders, improving safety of childcare centers and support services such as school transporters, babysitters and transit centers |
| Implement Dasar Wanita Selangor initiatives and programmes | Implement programmes under Dasar Wanita Selangor to empower and improve wellbeing of women |
| Kursus Intensif Perkembangan Kanak-Kanak (KIPK) | Increase number of formally-trained childcare workers in Selangor through provision of specialised childcare and parenting courses |
| ASUH Pintar Cash Assistance programme | Provide cash assistance of RM100/month to subsidize childcare costs |
| TUNAS Cash Assistance Programme | Provide cash assistance of RM50/month to subsidize preschool fees |
| Anak Istimewa Selangor Programmes (ANIS) for Special Needs Children | Provide various programmes on Special Needs Children such as cash assistance for families with special needs children, cash incentives for special needs education, training programmes, and therapy centers |
| Encouraging private preschool operators to set up in underserved areas | Provide incentives and other means to encourage childcare center operators to open up more centers in underserved areas |
| Advocacy of positive family practices and working arrangements | Promote positive family practices and working arrangements conducive for family wellbeing such as flexi-working and extended paternity leave |
| Implementation of Dasar Pembangunan Kanak- Kanak Selangor | Full implementation of the recommendations and pilot programmes identified in Dasar Pembangunan Kanak-Kanak Selangor |
| Implementation of smart city solutions for crime preventions by Smart Selangor Delivery Unit (SSDU) | Reduce crime through smart city solutions such as Digital CCTVs with centralised analytics panic buttons and a centralised command centre |

5.4 FOCUS SECTOR 4 AFFORDABLE HOUSING

Overview

As Selangor becomes a more urbanised state, housing affordability will be an increasingly pertinent issue to resolve in order to achieve the state's vision for social inclusivity. As seen in other countries, when cities and states become more urbanised, houses become more unaffordable as measured by the increasing median multiple standard. Under this focus area, there are two (2) strategies with the targeted outcomes of increased rates of home ownership, improved family wellbeing, and reduced cost of living.

5.4.1 Issues and Challenges

While the state's median house prices were the third highest in Malaysia in 2019, its median multiple score of 3.86 in 2019 indicated that Selangor is the eighth most affordable state in Malaysia (Chart 5.6). Median house prices vary greatly across the districts in Selangor. Median house prices in the most expensive districts cost 2.5 to 3.8 times more than median house prices in the least expensive districts (Chart 5.7).

CHART 5.6

MEDIAN HOUSE PRICE AND MEDIAN MULTIPLE BY STATE (2019)

Median house price by state (2017-2019) Median multiple RM ('000) (2019)2016 2019 2020 185 KEDAH PUTRAJAYA 2.17 196 MELAKA MELAKA 2.75 200 PERI IS 3.41 N.SEMBILAN 225 PAHANG K.LUMPUR 3.79 230 N.SEMBILAN TERENGGANU 3.83 230 KELANTAN KEDAH 3.84 231 PERAK **P.PINANG** 3.85 280 TERENGGANU SELANGOR 3.86 285 P.PINANG LABUAN 3.96 295 MALAYSIA PERLIS 3.99 300 LABUAN PAHANG 4.09 300 SABAH MALAYSIA 4.11 SARAWAK 327 PERAK 4.22 345 JOHOR 4.54 JOHOR 390 SELANGOR KELANTAN 4.91 455 PUTRA. JAYA SARAWAK 5.74 K.LUMPUR 480 SABAH 5.90

Source: National Property Information Centre (NAPIC)

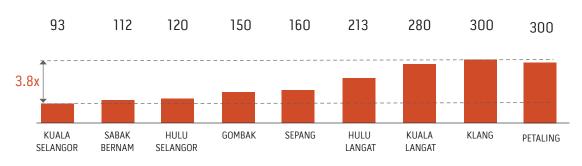
CHART 5.7 MEDIAN HOUSE PRICES IN SELANGOR BY PROPERTY TYPES

55 81 115 115 120 133 138 140 2.5x N/A HULU KUALA HULU KLANG KUALA SEPANG PETALING GOMBAK SABAK SELANGOR SELANGOR LANGAT LANGAT BERNAM

Median house price for Low-Cost Flats, Selangor (2019) (RM '000)

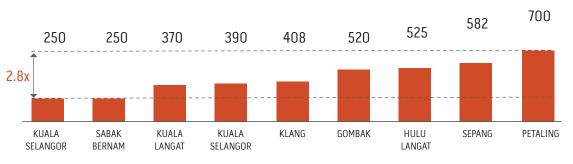
Source: National Property Information Centre (NAPIC)

Median house price for Low-Cost Houses, Selangor (2019) (RM '000)



Source: National Property Information Centre (NAPIC)





Source: National Property Information Centre (NAPIC)

Affordable housing in Selangor faces three main issues: a mismatch between supply and demand for the size and type of house, location of affordable housing units, and the difficulty in obtaining financing for lower-income households, especially for those without steady income. The mismatch between supply and demand for the size and type of affordable housing units is caused by applicants' preference for larger, nonstrata units.

A survey conducted for Rumah Selangorku owners indicated that they preferred properties which were 1,000 to 1,500 square feet and non-strata properties, due to the additional maintenance associated with strata properties. The majority of units offered under affordable housing programmes by the state are strata units below 1,000 square feet in size. The non-strategic locations of some affordable housing projects have left them unsold. This issue was previously highlighted in the National Housing Policy 2018-2025. Lastly, many low-income applicants who successfully qualify for affordable homes in Selangor are unable to secure financing to purchase their homes due to non-steady income.

5.4.2 Key Strategies

STRATEGY 12: Exploring new models for affordable housing

The strategy is focused on providing affordable housing which addresses connectivity and size of affordable housing units through enhancements and improvements of existing affordable housing policies, which will be complemented by a study of supply and demand for affordable housing by district.

STRATEGY 13: Expansion of home rental and repair programmes

This strategy addresses the needs of those who do not qualify for home financing or who are not financiallyready to purchase a home by increasing the number of affordable rental units available, implementing a rent-to-own scheme, and expanding the existing home repair schemes in Selangor, such as Skim Ceria and Program Bina Baru dan Baikpulih Rumah Kerajaan Prihatin.

<u>Å</u>

5.4.3 List of Projects, Programmes, and Initiatives

Under this focus area, there are a total of six (6) PPI.

TABLE 5.4

| Key Projects, Programmes, Initiatives | Brief Explanation |
|--|--|
| Rumah Selangorku Programmes; Rumah IDAMAN, and Harapan | Affordable housing policy in Selangor requiring developers to construct 60,000 affordable housing units by 2025, focusing on Rumah IDAMAN and Harapan with a minumum built of 1,000 sq ft |
| Skim Smart Sewa and SkimSmart Sewa to Ownership (2STAY) | Affordable rental programme for maximum of 5 years renting period with the option to transition to a rent-to-own scheme. Tenants are eligible for a 30% rebate of their total rent payment |
| Post-COVID-19 Affordable Home Construction Incentives | Waiving of development fees (RM500) for all affordable housing projects in Selangor until 2023 and reduction of land premium deposit from 150% to 100% for Selangor |
| Skim Ceria Home Repair Programme | Provide home repair assistance to fix low-cost housing and Rumah Seiangorku properties |
| Program Bina Baru dan Baikpulih Rumah Kerajaan Prihatin | Provide home repair for B40 homeowners living in a property which is considered 'not suitable for occupancy' |
| Repair of homes in Orang Asli villages | Improve the living standards of Orang Asli communities by repairing dilapidated homes |



5.5 FOCUS AREA 5 PUBLIC HEALTH

Overview

Public Health is an important focus area that not only impacts a person's wellbeing, but also impacts productivity level for the economy. In this focus area, the accessibility of public and private healthcare services, the prevalence of diseases and health risk factors, as well as emerging healthcare concerns are studied in Selangor. This focus area contains five (5) strategies, to achieve these objectives.

5.5.1 Issues and Challenges

The density of doctors and nurses in Selangor per 1000 population at 1:482 and 1:354 respectively is lagging behind several other states in Malaysia and many upper-middle-income and highincome countries, despite the state's high number of hospitals and clinics.

Dengue; Hand, Foot, and Mouth Disease (HFMD); and Tuberculosis (TB) were the top three (3) communicable diseases in

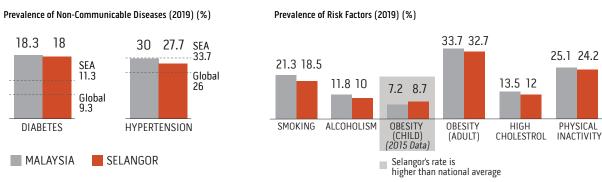
Selangor in 2019, with 56% of all dengue cases in Malaysia coming from Selangor. The prevalence of Non-Communicable Diseases (NCDs) and risk factors in Selangor such as high cholesterol, obesity, and smoking are generally below the national averages (Chart 5.8).

Childhood malnutrition is also a serious issue in Selangor, with stunting and wasting prevalence rates among children being higher than many uppermiddle countries, at 18.5% and 9.6% respectively (Chart 5.9).

As for mental health, in 2015, Selangor had the fifth highest prevalence of mental health problems and amongst the lowest density of psychiatric doctors and nurses in Malaysia. As the country transitions into the endemic phase of the COVID-19 pandemic, Selangor will continue efforts in containing the spread of COVID-19 and other communicable diseases to ensure a safe and stable healthcare situation to facilitate the state's recovery.

CHART 5.8

PREVALENCE OF NON-COMMUNICABLE DISEASES AND RISK FACTORS



Source: Ministry of Health (MOH), World Health Organisation (WHO)

CHART 5.9

STUNTING AND WASTING PREVALENCE IN SELANGOR

Stunting & Wasting Prevalence Rate of Children, 5 y/o, (2016) %



Source: Ministry of Health (MOH), World Health Organisation (WHO)

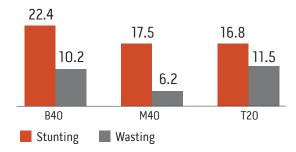
5.5.2 Key Strategies

STRATEGY 14: Supplementing healthcare services to drive equitable access

This strategy focuses on complementing healthcare services in underserved areas through complementing existing MOH services with private healthcare services, providing transport assistance and providing incentives for patients to receive treatment and screenings at healthcare facilities. In addition, this strategy also aims to increase healthcare insurance penetration rate to make private healthcare more accessible and affordable.

STRATEGY 15: Strengthening advocacy for prevention and early detection of diseases

The strategy is focused on prevention efforts for communicable and noncommunicable diseases, to reduce the prevalence of diseases and risk factors in Selangor, to achieve national healthcare targets and improve the wellbeing of Rakyat Selangor. The strategy covers advocacy initiatives, regular health screening for early detection and treatment, as well as prevention of vector-borne diseases. Stunting & Wasting Prevalence Rate, Malaysia (2019) %



STRATEGY 16: World-class pandemic management

As the country moves into the endemic phase, the state needs to proactively manage COVID-19, as well as other infectious diseases through programmes such as Prevention of Outbreak at Ignition Site (POIS) to control infection rates (Rt) to a manageable level.

STRATEGY 17: Targeting growing healthcare concerns

The strategy is focused on tackling malnutrition in children to drastically reduce stunting and wasting rates in the state, from infancy to childhood. Stunting and wasting in childhood can lead to permanent developmental issues into adulthood. Newly focused healthcare areas include mental health, geriatric services and routine treatments such as dialysis, which are also highlighted under this key strategy.

STRATEGY 18: Digitalising healthcare programmes

The strategy is focused on integrating and digitalising all state-funded healthcare programmes through the SELangkah app for more efficient, seamless implementation and performance monitoring of these programmes.

5.5.3 List of Projects, Programmes, and Initiatives

Under this focus area, there are a total of 12 PPI. The game-changer in this focus area is Iltizam Selangor Sihat, a health insurance scheme for the low-income group to help reduce the burden of healthcare costs at private healthcare facilities. The coverage offered is RM500 per year for families and RM200 per year for single individuals

TABLE 5.5

| Key Projects, Programmes, Initiatives | Brief Explanation |
|--|--|
| Iltizam Selangor Sihat | Provide insurance scheme for the lower income group with benefits of up to RM5,000 and access to 1,500+ panel clinics in the state |
| Enhancement of Program Nutrisi Kanak-Kanak / Program Anak Selangor Anak Sihat | Children nutritional programme for low-income families to reduce the prevalence rate of stunting and wasting |
| Bantuan Sihat Selangor Aid Programme | Provide aid to promote regular health screening and support medical treatment such as cataract, dialysis, and tuberculosis |
| SELCAN Selangor Cancer Screening Programme | Provide free cancer screening programmes to increase early detection |
| Advocacy campaigns for M40 and T20 to take-up private health insurance | Executing advocacy campaigns to increase health insurance take up rate to make private healthcare more accessible |
| Program Slim Selangor to encourage healthy lifestyle | Various programmes to promote healthy lifestyle |
| Program Kawalan dan Pencegahan Denggi to reduce dengue prevalence | Various initiatives to control the spread of dengue such as fogging and awareness campaigns |
| Program Selangor Saring Health Screening | Promote regular health screening in order to increase early detection of diseases |
| Prevention of Outbreak at Ignition Sites (POIS) | Control of COV1D-19, and other communicable diseases infection rate through regular testing at potential outbreak locations |
| Preparing for ageing healthcare | Advocacy to increase private healthcare services in geriatric services and routine treatments such as dialysis |
| Program Mental Sihat Selangor | Mental health self-screening service via SELangkah app, with high risk cases being channeled for counseling services |
| Consolidation and digitalisation of all state healthcare programmes on SELangkah app | Consolidate all healthcare programmes in the SELangkah app to increase access and ease of use |

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A health insurance scheme for the lower income group to assist with healthcare costs at private healthcare facilities.

Amongst the coverage offered is RM500 per year for families and RM200 per year for single individuals. Beneficiaries will only need to show their MyKad at participating clinics to claim the benefits. This initiative is ongoing. ್ರಿ

WORK IN

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5.6 FOCUS AREA 6 EDUCATION

Overview

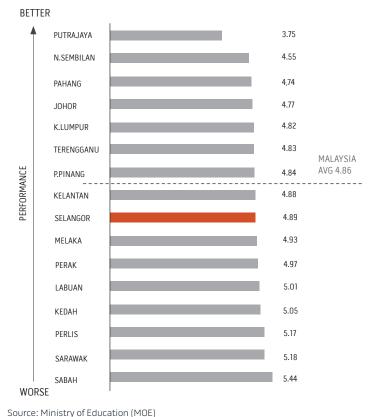
Education is a key focus area in RS-1 as one of the main enabling factors required to supply quality human capital to the state and the country, as well as building a lasting foundation to improve livelihood and escape poverty.. The education focus area is centred on primary to tertiary education, with strategies to improve accessibility to education, supplementing schools with additional education programmes, as well as ensuring an industry-driven

workforce. To accomplish this, the focus area consists of three (3) strategies.

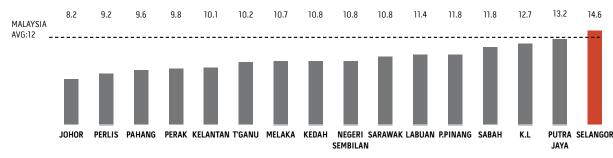
5.6.1 Issues and Challenges

Selangor has the highest student to teacher ratio in Malaysia, with 14.6 students per teacher (Chart 5.10). This figure is above the national average of 12 students per teacher and above the OECD and national upper-middle-income averages. Apart from that, Selangor's academic performance in Sijil Pelajaran Malaysia (SPM) is lower than the national average (Chart 5.11). The unemployment rate of graduates in Selangor has increased at a faster rate than the national average. The COVID-19 pandemic has also caused various issues during online learning (PdPR) such as lack of devices and unreliable internet connection, impacting the effectiveness of teaching and learning, particularly for low-income families.









Source: Department of Statistics Malaysia (DOSM)

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EDUCATION IS A KEY FOCUS AREA IN RS-1 AS ONE OF THE MAIN ENABLING FACTORS REQUIRED TO SUPPLY QUALITY HUMAN CAPITAL TO THE STATE AND THE COUNTRY

5.6.2 Key Strategies

STRATEGY 19: Ensuring equitable access to education for all

This strategy aims to provide equitable access to education through state scholarship programmes and cash assistance to students from lower income families. The targeted outcomes for this strategy are increase in school completion rate and improved students' wellbeing.

STRATEGY 20: Expanding supplementary education to improve student outcomes

The next strategy focuses on complementing schools with additional academic and non-academic improve programmes to student outcomes. Academic performance can be improved through tuition programmes such as Pusat Tuisyen Rakyat Selangor (PTRS), High Potential Students (HIPERS) programme as well specific programmes as to address education gaps caused by the pandemic. This strategy also aims to increase students' interest in STEM subjects through various STEM programmes and improve nonacademic education through characterinnovation building, and creative programmes.

STRATEGY 21: Ensuring industry-driven workforce and elevating tertiary education landscape

strategy for education The final focuses on ensuring sufficient supply of quality graduates and workforce required by the industry and economy, In addition, focus is also given to elevate higher education in the State of Selangor to improve the wellbeing of students, and produce graduates with high marketability. In this effort, partnerships between institutions of higher learning and industry players as well as promoting academic disciplines that meet the demands of the job market are needed to ensure an industry-ready human capital.

5.6.3 List of Projects, Programmes, and Initiatives

There are various initiatives that have been implemented by the Selangor State Government to strengthen the level of education in Selangor.

05 | ENHANCING SOCIAL INCLUSIVITY AND WELLBEING

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TABLE 5.6

| Key Projects, Programmes, Initiatives | Brief Explanation |
|--|---|
| Pusat Tuisyen Rakyat Selangor (PTRS) | Provide tuition classes for Form 5 students from low-income families or high performing students through physical class and online learning on the PTRS website platform |
| Inisiatif Kemahiran Teknikal Ikhtisas Smart Selangor (IKTISASS) | Provide TVET course and various industry training and certification programmes to produce industry-ready workforce |
| Selangor Bitara (BPSM) | Scholarship for Selangor students to further their education in internationally- renowned universities |
| BITARA Programme (Yayasan Selangor) | Provide sponsorship for high potential low-income students from Standard 4 until SPM to level the playing field for low-income students |
| Convertible Loans (Yayasan Selangor) | Provide education loans for low-income students at public and private higher learning institutes of Selangor for Bachelor and Diploma level |
| Hadiah Institut Pengajian Tinggi (HPIPT) | Provide a one-off RM1,000 cash grant for eligible Selangor students starting their tertiary education who are from households earning less than RM5,000 |
| Program Sekolah Angkat Zakat Selangor (PROSAZ) | Provide cash aid to poor students in selected schools to help keep the students in schools |
| Form Six Sponsorship Programme (PTEYS) | Provide scholarship, coaching classes, and self developmental programmes for Sijil Tinggi Pengajian Malaysia (STPM) students |
| Convertible Loans (BPSM) | Provide education loans for Selangor students at public and private higher education institutions, locally, and internationally |
| HIPERS Programme | Provide tuition classes for high potential students to continue their education in high performing schools such as SBP and MRSM |
| Covering education gaps from the lost generation | Provide supplementary education programmes for early primary and pre-school students (age 5-8) focusing on 3M skills (Membaca, Mengira, Menulis) |
| Language Discovery Programme @ Selangor Public Library | Provide subsidised language learning classes for interested parties, with 14 languages offered in a 3-6 month programme |
| Program Pembangunan Kemahiran STEM | Conduct teacher-training programmes on effective methods of teaching STEM subjects, and conduct innovation competitions amongst school students focusing on STEM subjects |
| Program Pembangunan Remaja | Conduct seminars on character-building and moral values for teenagers (aged 11-17), on topics such as anti-bullying, embracing diversity, and anti-sexual harassment |
| Program Pemerkasaan Mahasiswa Selangor | Conduct various engagement programmes and conventions for tertiary students to improve their employability and wellbeing |
| Program Pembangunan Gugusan | Development of education clusters area in Selangor to promote better inter- university collaboration and create a conducive and lively education community |
| Majlis Konsultasi Akademia-Industri Selangor | Provide a platform for industry-institutions discussion and collaboration to ensure industry driven workforce |
| Program Pembangunan and Penyelidikan Selangor | Encourage research and development activities in Selangor via grants, platform, and R&D events |
| Pemerkasaan Institusi Pengajian Tinggi di bawah Kerajaan Negeri | Strengthen UNISEL, KUIS and STDC via improvements in facilities, teaching, and learning process to provide a conducive learning environment |

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05 | ENHANCING SOCIAL INCLUSIVITY AND WELLBEING

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ST-3 ADVANCING SUSTAINABILITY

ST-3 ADVANCING SUSTAINABILITY

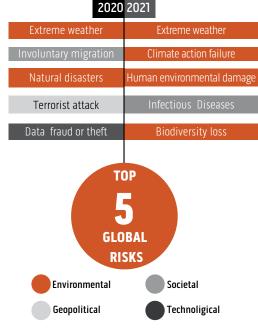
Environmental and sustainability issues remain at the top of global risks. Based on the 2021 World Economic Forum's Global Risk Report, the top long-term risks faced today are mostly related to environmental risks, climate change as well as the lack of regulation and enforcement against bad actors (Chart 6.1). In Malaysia and Selangor, these issues have always been the norm, resulting in various consequences such as landslides, flooding, and polluted water resources.

national At the level, Malaysia highlighted its targets in the 12MP to achieve carbon-neutrality by 2050, with a 45% reduction in GHG emissions intensity to GDP by 2030. Similarly, in Selangor, RS-1 will take on several strategic approaches to advance sustainability for the State. A shift to a more sustainable approach is needed at every level, with decision-making to increase prioritisation of sustainable Environmental, Social, and Governance (ESG) factors.

Five (5) focus areas will underpin the State's sustainable development and are selected based on State and global environmental concerns, recent events, and research on the areas of improvements required by the State to align itself with the Sustainable Development Goals (SDGs). Fourteen (14) key strategies are outlined with 38 projects, programmes, and initiatives highlighted to be carried out within the next five years to achieve the State's targets in advancing sustainability Chart 6.2).

CHART 6.1

World Economic Forum – Top 5 Long-Term Risks in terms of Likelihood



Source: World Economic Forum



Strategic Theme 3: Advancing Sustainability 5 Focus Areas, 14 Key Strategies, 38 Projects, Programmes, and Initiatives

| Resilience and Disaster Management | Water Management | Low Carbon State | Waste Management | Biodiversity and Natural Resources |
|--|---|--|--|--|
| S1: Enhancing preparedness and rapid response for disaster risks and vulnerabilities in communication, coordination, and governance S2: Addressing immediate and long-term flood and landslide disasters through mitigation measures S3: Enhancing community resilience with local solutions | S4: Improving water quality resources through monitoring, enforcement, and digitalisation S5: Reducing Non-Revenue Water (NRW) and water consumption S6: Adapting to climate risks towards long term water security | S7: Streamlining alignment to the National Low Carbon Cities Masterplan (NLCCM) S8:Accelerating the adoption of low carbon mobility | S9: Improving efficiency of waste management supply chain S10: Accelerating the use of green technologies in waste management | S11: Increasing protections of forests and biodiversity S12: Promoting nature-based solutions towards enhancing biodiversity S13: Enhancing urban biodiversity |
| | S14: State pioneerir | ng for sustainable developm | ent and actions | |

6.1 FOCUS AREA 1

RESILIENCE AND DISASTER MANAGEMENT

Overview

Incidences of floods and landslides in Selangor have been a common occurrence, due in part to accelerated development and exacerbated by extreme weather events. Additionally, as experienced during the pandemic, there is a need to enhance resilience and disaster response at the State level. With climate change increasing the risk of disaster incidences, further risk reduction strategies will need to be assessed and enhanced to bolster the State's resilience.

Enhancements towards mitigation, preparation, response, and recovery are crucial for the State in reducing disaster risks. Collaborative actions between Federal, State, and Local-level stakeholders are also essential and should be leveraged accordingly during all stages of a disaster. The focus area outlines three (3) key strategies and seven (7) PPI to improve the State's resilience and disaster management capabilities.

6.1.1 Issues and Challenges

Floods and landslides due to soil erosion have been a common occurrence in Selangor. This was particularly evident during the 2021 - 2022 Malaysian floods, highlighting several potential improvements that can be made in the State's disaster response mechanism. As the magnitude of the flood was not forecasted, the State was underprepared in its response. This showcased the need to better identify and reduce the short and long-term risks and vulnerabilities.

Governance and communications were also underprepared for a flood of this magnitude, resulting in several organisations struggling to provide aid and perform their basic duties during the disaster. This highlights the need for further coordination and capacitybuilding across all levels of government. Overall, better planning, communications and forecasting are needed to enhance the State's resilience against disasters.

6.1.2 Key Strategies

STRATEGY 1: Enhancing preparedness and rapid response for disaster risks and vulnerabilities in communication, coordination, and governance

Selangor is as susceptible to disasters as any other region and must take precautionary actions to enhance preparedness. Natural disasters are often hard to predict and can occur at any moment, further highlighting the need for mitigative planning. Effective collaboration between governments and its agencies is also essential in disaster risk reduction.

STRATEGY 2: Addressing immediate and long-term flood and landslide disasters through mitigation measures

The unpredictability of flash floods and landslides demands a preventive measure for Selangor to combat devastating aftermaths, and can be achieved through sufficient development of infrastructures and nature-based solutions (NbS).

STRATEGY 3: Enhancing community resilience with local solutions

A resilient community is necessary when considering the impact of natural disasters on supply chains which have the potential to cripple economies and availability of resources. Community preparation is vital in ensuring their safety and wellbeing during times of crisis.

6.1.3 List of Projects, Programmes, and Initiatives

Overall, there are seven (7) key PPI under this focus area. Some notable PPI include the enhancement to the Smart Selangor Operations Centre and the development of a Disaster Management Action Plan to improve disaster mitigation, preparation, response, and recovery.

TABLE 6.1

| Key Projects, Programmes, Initiatives | Brief Explanation |
|---|--|
| Smart Selangor C5i Operations Centre (SSOC) | Enhancement of the established central command centre at SSOC in the collection, compilation, and dissemination, as well as improvements towards real-time public communications through capacity building and collaboration |
| Disaster Management Action Plan development | Proactive planning on key actions required in response to specific types of disasters outlining disaster management preparedness, response, and recovery with a focus on effective governance and communications |
| Implementing flood mitigation infrastructure projects immediately | Implementation of the identified flood mitigation infrastructure projects including dredging and deepening of rivers, construction and upgrade of river bunding and retention ponds, etc |
| Adopting nature-based solution projects for disaster mitigation | Utilising bioengineering techniques for disaster mitigation such as development of natural floodplains to mitigate floods and planting of deep-rooted plants to mitigate landslides |
| Skuad Pantas Selangor | Leveraging on Skuad Pantas at every district to rapidly respond to disaster and local issues |
| Reassessment of existing drainage systems and catchment areas | Conduct an assessment on existing drainage systems and catchment areas to ensure they are built to standard, are unobstructed, and have sufficient capacity to manage excessive stormwater |
| Disaster Preparedness and Awareness Programme | To conduct disaster preparedness and awareness campaigns to better educate the public on actions to take and authorities to contact before, during, and after a disaster |



6.2 FOCUS AREA 2

WATER MANAGEMENT

Overview

Selangor has the highest general water consumption rate and consumption per capita in the country. The State also consumes 45% more water than the United Nations' (UN) water usage recommendation (Chart 6.3). However, over 90% of Selangor's raw water is from rivers, whereby 62% requires extensive treatment before it can be used as water supply.

CHART 6.3 COMPARISON OF DAILY WATER CONSUMPTION PER CAPITA



In addition to this, water theft and leaks due to old pipes have led to high Non-Revenue Water (NRW). Although there are various moves towards reducing NRW within the State, the number of incident reports received by the State's water operator, Air Selangor, with regards to unscheduled water interruptions is still high when compared to the national average.

That is why action is needed to improve water resource quality, water supply operations, and water security. This focus area outlines theree (3) key strategies and nine (9) PPI for Selangor to achieve these objectives. Selangor has pledged to invest RM300 million in river pollution reduction efforts over a span of 18 months under Skim Jaminan Air Mentah (SJAM) through four major programmes.

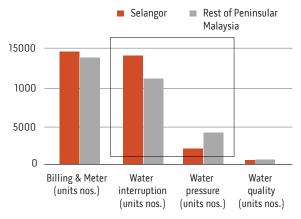
6.2.1 Issues and Challenges

There are three (3) major concerns when it comes to water in Selangor: water quality, availability, and security.

On water quality, the number of incidents related to raw water pollution has shown an increase from 2018 to 2020, resulting in mass disruption of water supply. The number of complaints in Selangor accounts for the majority of the total complaints in Peninsular Malaysia with water interruptions being 27% higher than the rest of the states (Chart 6.4). Nine (9) of the State's rivers have been classified as polluted, with 29 classified as slightly polluted and only 15 classified as clean. These also affect the availability of water supply to the people of Selangor.

CHART 6.4

NUMBER OF WATER DISRUPTION COMPLAINTS IN SELANGOR COMPARED TO THE REST OF PENINSULAR MALAYSIA



Source: Suruhanjaya Perkhidmatan Air Negara (SPAN)

Selangor has previously experienced major droughts in 2014, when dams and river levels went below critical levels and caused a major water disruption in the State. In the long-term, there may be further risks associated with climate change such as droughts which could affect water source availability and quality, increasing the need to ensure long-term water security.

6.2.2 Key Strategies

STRATEGY 4: Improving water quality resources through monitoring, enforcement and digitalisation

River water quality is an important resource for Selangor, considering that 90% of the State's raw water is derived from rivers. Proper quality monitoring and pollution mitigation through enforcement is needed to ensure that the water availability to the people is not affected abruptly. Digital tools should be utilised effectively where relevant to enhance the implementation of this strategy.

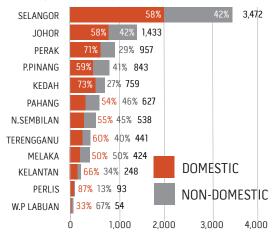
STRATEGY 5: Reducing Non-Revenue Water (NRW) and water consumption

Reducing NRW and water consumption would be beneficial to ensure sustainable water supply in the long run. Improvement towards water delivery mechanism could help in reducing the NRW from 28.6% in 2020 to reach the target of 25% in 2025. Water scarcity is also a potential issue that needs to be mitigated by reducing consumption in commercial and industrial areas. Currently, 42% of water usage within Selangor is for non-domestic uses (Chart 6.5), hence targeting water efficiency or alternative water sources in commercial and industrial areas could bring a positive impact.

STRATEGY 6: Adapting to climate risks towards long-term water security using an Integrated Water Resource Management (IWRM) approach

Water availability become may unpredictable due the more to impact of climate change. Extreme weather scenarios such as droughts, exacerbated by natural occurrences such as the El Nino phenomenon, may be more frequent with the changing climate. Long-term adaptation plans will be required in order to address water security risks. New water supply sources are required to reduce dependence on the Sungai Selangor water supply scheme and to diversify the source of water resources to reduce risk of water availability due to pollution.

CHART 6.5 WATER COSUMPTION BY STATES (MLD), 2019



Source: Department of Statistics Malaysia (DOSM)

6.2.3 List of Projects, Programmes, and Initiatives

In total, there are nine (9) key PPI for this focus area. The game changer for the focus area is the Selangor Maritime Gateway (SMG) - Klang river cleaning and rehabilitation initiative.

TABLE 6.2

| Key Projects, Programmes, Initiatives | Brief Explanation |
|---|--|
| Selangor Maritime Gateway (SMG) - Klang river cleaning and rehabilitation | SMG is a project by Landasan Lumayan Sdn. Bhd. (LLSB), a state-owned entity under MBI focusing on Klang river cleaning and rehabilitation through various methods such as deployment of water quality monitoring systems, log booms, and the Interceptor |
| Digitalisation of Water Resource Monitoring | Digitalise water resource monitoring with sensors, surveillance and telemetry systems, and drones to detect and enforce water source pollution |
| Development of new water supply schemes and water treatment plants | Development, construction and commissioning of new water supply schemes and water treatment plants to increase water capacity: • Labohan Dagang Phase 1 (200 MLD) • Langat 2 Phase 1 (1,130 MLD) • Rasau Stage 1 (700MLD) • Labohan Dagang Phase 2 (200 MLD) • Rasau Stage 2 (700 MLD) • Langat 2 Phase 2 (760 MLD) • HORAS 3000 (475 MLD) |
| Enhancements of regulation and enforcement capacity | Reevaluate regulation regarding developments within 5km of water intake sources as well as increase enforcement capacity through digital assistance |
| Friends of River Selangor | Community empowerment initiative to compliment water quality preservation and renabilitation efforts by the government through awareness, sense of ownership, and accountability of communities towards water resources |
| Implementation of Polluter Pay Principle and Zero Discharge Policy | To implement a payment system whereby polluters are required to pay the state covering partial cost of restoring water quality |
| Non-Revenue Water (NRW) reduction programme | Implementation of NRW reduction programme by Air Selangor including detection and replacement of leaking pipes, old pipe replacement programme, pressure sensor installations, and metering zone establishment |
| Promote water efficiency programme at residential, industrial, and commercial premises | Develop programmes and incentives to promote water efficiency at residential, industrial, and commercial premises |
| Holistic integrated water resource management study for long-term water security with regards to climate change | Study on new water sources and mechanisms to address long-term water security with regards to climate change as well as consolidation of other Integrated River Basin Management (IRBM) studies such as the Klang River 2022 - 2030 study |

GAME CHANGER 10

SELANGOR MARITIME GATEWAY (SMG) – KLANG RIVER CLEANING AND REHABILITIATION

| OBJECTIVES | To enable new opportunities, improve the quality of life, and increase sustainable development along the river by enhancing the overall condition of Klang River and its tributaries |
|-------------------|--|
| KEY HIGHLIGHTS | • Six (6) log booms currently in operation with one more under development intercepting floating debris on the Klang River |
| | • Deployment of continuous river water quality monitoring system at four (4) points along the Klang River |
| | SMG has deployed two (2) interceptors in Klang River |
| | • 50,000 Mt of waste removed from the Klang River since project launched |
| TIMELINE | Ongoing |
| OUTCOMES | Improve the water quality of the Klang river |

CLEANUP

GAME CHANGER 11

005

| SUNGAI RASAU WATER SUPPLY SCHEME | | |
|----------------------------------|--|--|
| OBJECTIVES | Identify new water sources to ensure that 8.4 million consumers continue to have access to clean water while also acting as a flood mitigation system The development of Sungai Rasau Water Treatment Plant will increase the water reserve margin in Selangor by 15% | |
| KEY HIGHLIGHTS | The entire Rasau Water Supply Scheme is expected to produce 1,400 MLD when fully completed in 2028 Largest Off-River Storage project in Malaysia Consists of three (3) packages namely: Package 1 - Treatment Package 2 - Pipeline Package 3 - Storage Resevoir Construction of river barrage and embankment on the Klang River Development of flood mitigation system Establishment of water quality monitoring station | |
| TIMELINE | Start date Q3 2022 | |
| OUTCOMES | Increase the margins of reserved water storage and reduce flood risk | |

6.3 FOCUS SECTOR 3 LOW CARBON STATE

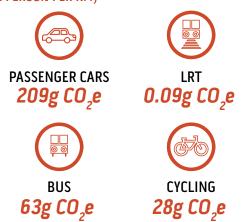
Overview

Selangor is a carbon positive state, with sectors such as Energy, Transport, and Construction as key contributing sectors. Selangor has the potential to be a low carbon State by focusing on potential improvements in said key emitting sectors through the use of innovative means. These sectors are focused on in RS-1, with suggested strategies and initiatives over the next five years to lay the groundwork for a low carbon future.

Limitations are acknowledged for advancing sustainability in the energy sector due to the structure of the energy market in Peninsular Malaysia. However, reduction of carbon emissions in cities is an area Selangor can greatly improve upon through implementation of low carbon strategies to measure, manage, and mitigate GHG emissions and reduce its contribution to climate change. Reducing the carbon footprint from the urban environment will require the measurement of the baseline GHG and an active strategy to address key emitting sectors.

Transportation is another sector that requires emphasis, especially when considering the number of private vehicles within the State. Despite the abundance of public transportation services, it is still insufficient to meet the needs of the *Rakyat*, resulting in a high dependency on private transportation. Considering emissions per kilometre per person for passenger cars (209g CO_2e), LRT (0.09g CO_2e), buses (63g CO_2e) and cycling (28g CO_2e), the continued push towards increasing public transport and reducing reliance on private transportation should be focused on to reduce carbon emissions. Addressing climate action will be important for both investment attraction and the *Rakyat*.

EMISSIONS FACTOR (PER PERSON PER KM)



6.3.1 Issues And Challenges

Throughout Peninsular Malaysia, energy is mainly generated using fossil fuel resources with a slow progression towards transitioning into the use of renewable energy generation, due to a lack of incentives and high cost. There is no allocation for residential buildings to improve energy efficiency in ageing residential areas and Projek Perumahan Rakyat (PPR) housing. The energy sector, including electricity and heat production, was the highest contributor of CO_2 emissions in 2016, accounting for 39% of the total CO_2 emissions (Chart 6.6).

With regards to transport, there is a high dependency on private transport, with the number of new registered personal vehicles increasing in the State annually. Insufficient first and last mile connectivity, low on-time performance and absence of holistic travel demand management leads to the inefficiency and unreliability of public transport, which were all cited as the cause for discouraging utilisation.

Under the National Low Carbon City Masterplan (NLCCM), seven of Selangor's city and municipal councils have been identified for further action towards reducing carbon emissions. However, Selangor state currently does not have a GHG baseline inventory, which is important to assess current carbon footprint and address future emissions. There is no intervention to address the reduction of absolute GHG emissions from key emitting sectors.

CHART 6.6



6.3.2 Key Strategies

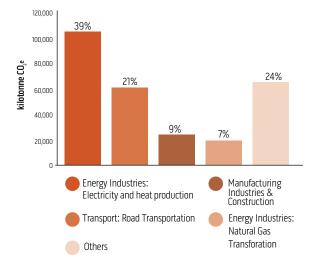
STRATEGY 7: Streamlining alignment to the National Low Carbon Cities Masterplan (NLCCM)

Cities contribute 70% of the world's GHG emissions. With Selangor being one of the most developed cities in Malaysia, it stands to reason that it contributes greatly to the production of carbon emissions within the country. This results in the need for the State to take immediate action towards reducing its carbon emissions.

STRATEGY 8: Accelerating the adoption of low carbon mobility

Transport is the second highest carbon emitting sector in Selangor, contributing to 21% of total emissions in 2016 and increasing annually with no signs of slowing down (Chart 6.6).

Although transport policies fall under Federal Government jurisdiction, Selangor must develop a state-level master plan on the transportation sector, highlight recommendations, and provide aid to local authorities in adopting a low carbon mobility strategy.



Source: United Nations Framework Convention on Climate Change (UNFCCC)

6.3.3 List of Projects, Programmes, and Initiatives

There are three (3) PPI under the low carbon focus area. The GHG inventory and low carbon cities capacity building is considered a game-changer whereby GHG emissions tracking will need to be implemented across the State by each local authority.

TABLE 6.3

| Key Projects, Programmes, Initiatives | Brief Explanation |
|--|---|
| Developing GHG inventory and low carbon cities capacity building for every local authority | Tracking of GHG emissions in all sectors for better low carbon planning at the local level by mandating monitoring and reporting of emissions |
| Net-zero cities Selangor 2050 | Selangor to utilise the National Low Carbon Cities Master plan in driving state and local-level actions for reducing carbon emissions with a target to achieve net-zero carbon by 2050 in some of it's cities |
| "Adoption of the national Low Carbon Mobility Blueprint for statewide implementation | To utilise the National Low Carbon Mobility Blueprint as guidance for Selangor's transport master plan and to implement initiatives focusing on: • Electrification of public and private vehicles including Smart Selangor Bus • Increasing public transport network coverage • Improving first mile last mile transportation connectivity • Development of EV charging stations |



GAME CHANGER 1



DEVELOPING GHG INVENTORY AND LOW CARBON CITIES CAPACITY BUILDING FOR EVERY LOCAL AUTHORITY

OBJECTIVES

KEY

Selangor to commit in achieving net-zero emissions by 2050 in some of its cities. A key success factor is the accurate reporting of GHG emissions. Tracking of GHG emissions in all sectors must be undertaken through the deployment of carbon reporting mechanism for industries and development of framework for GHG calculations to allow for better low carbon planning at the local level

Process Review: HIGHLIGHTS

- Review GHG accounting standards and methodologies
- Identify data requirements for establishing GHG inventory and generate calculation standards and tools to obtain data
- Establish standardised GHG emission reporting structure
- Establish systems for verification and validation of GHG emissions and reporting

Regulatory:

- To mandate annual GHG emissions reporting from all commercial and industrial sector
- To establish a carbon cap based on the operational capacity of each establishment
- To set emissions reduction targets for all commercial and industrial sectors

Technology:

- To install GHG emissions sensors such as flow meters to measure GHG output at industrial sectors
- To develop GHG calculation tools and be made publicly available
- To leverage on big data solutions for consolidation of GHG reporting

2022 onwards TIMELINE

OUTCOMES Overall reduction in GHG emissions, increased resilience to climate risks and enhanced biodiversity protections

6.4 FOCUS AREA 4 WASTE MANAGEMENT

Overview

Selangor generates the highest amount of solid, scheduled, and clinical waste in the country. On average, Selangor generates 7,220 tonnes of solid waste per day, which is 22% of the national solid waste. There are various categories of waste that need to be managed and properly regulated. This includes domestic waste, commercial and industrial waste, construction and demolition waste, as well as scheduled and clinical waste. It is estimated that 80% of the collected solid waste has potential for recycling, reusing, or reselling.

Selangor is moving towards an integrated waste management system, with further opportunities to reduce waste to landfill. Technological and innovative solutions such as Waste-to-Energy (WTE) facilities, biogas refinery, and many others could change waste into a valuable resource. To that end, this focus area outlines two (2) strategies and five (5) PPI.

6.4.1 Issues and Challenges

Considering the capacity for recycling, reusing or reselling solid waste, there is insufficient Materials Recovery Facility (MRF) to take advantage of the potential waste resource available. In addition to that, 70% of solid waste is disposed of in landfills which have a limited capacity. The waste management value chain also faces issues whereby it lacks sufficient integration between collections, processing and disposal operators for more efficient waste reduction, recycling and recovery. Commercial and industrial as well as some construction and demolition waste is not well regulated resulting in illegal dumping by small waste operators.

There are also too few options for alternative disposal of waste aside from landfills. In Selangor, existing waste management technologies such as WTE and digitalisation towards datadriven waste management are in their early stages and are not fully realised, utilised or adopted throughout the waste management cycle.

6.4.2 Key Strategies

STRATEGY 9: Improving efficiency of waste management supply chain

As with any supply chain, bottlenecks can be a major issue in waste management, especially when the supply chain is managed by various fragmented parties with misaligned priorities. Supply chains can also be vulnerable due to lack of innovation. Selangor's waste management supply chain must be improved to ensure it is evolving continuously to meet the evergrowing demand within the State.

STRATEGY 10: Accelerating the use of green technologies in waste management

Waste management methodology and technology has advanced and presents alternative disposal and management practices that can be adopted by the State through programmes, projects, and initiatives to greatly improve the sector in an effort to be more sustainable.

6.4.3 List of Projects, Programmes, and Initiatives

The waste management sector of the State can be further enhanced by five (5) key PPI with the Development of Integrated Solid Waste Management Centre (ISWMC) with WTE plants as a game-changer. The WTE plants will provide an alternative method for disposal of solid waste while generating electricity.

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| Key Projects, Programmes, Initiatives | Brief Explanation |
|---|--|
| Development of Integrated Solid Waste Management Centre (ISWMC) with a Waste-to- Energy (WTE) treatment plant | Facilitate the construction of a Waste-to-Energy (WTE) treatment plant(s) with site identification, policy, and funding support as part of an Integrated Solid Waste Management Centre (ISWMC) development |
| Developing Materials Recovery Facilities (MRF) in every district | Identity areas and requirements to build a Materials Recovery Facility (MRF) at every district to increase waste recovery and recycling |
| Developing a waste management blueprint for Selangor | Generate a waste management blueprint for the state of Selangor to better consolidate and outline future targets for the waste management sector in the state |
| Priontise efforts on separation at source and 3R (reduce, reuse, recycle) programmes | Enhance waste separation at source and 3R programmes within the State by incentivising behavioural changes, and through innovative programmes and corporate partnerships |
| Centralise and coordinate scheduled, industrial, and commercial waste collection | Leverage on KDEBWM's existing central fleet command centre to manage all collection agents for scheduled, industrial, and commercial waste to improve efficiency and reduce illegal waste disposal practices |

GAME CHANGER 13

DEVELOPMENT OF INTEGRATED SOLID WASTE MANAGEMENT CENTRE (ISWMC) WITH A WASTE-TO-ENERGY (WTE) TREATMENT PLANT **OBJECTIVES** Facilitate the construction of a Waste-to-Energy (WTE) treatment plant(s) with site identification, policy, and funding support as part of an Integrated Solid Waste Management Centre (ISWMC) development In 2016, the ISWMC Master Plan was set up outlining a 30-year solid waste KEY **HIGHLIGHTS** management plan to be implemented in stages Part of the ISWMC Master Plan was the development of four (4) WTE plants with three (3) already currently underway and are expected to be operating by 2026 Combined, the three (3) WTE plants are expected to be able to manage 4,700 tonnes of solid waste daily and generate over 90 MW of electricity, accounting for over 67% of the total solid waste generated in Selangor today WTE 1: WTE 2: WTE 3: Location: Jeram Location: Jeram Location: Tanjung Dua Belas Waste capacity: Waste capacity: Waste capacity: 2,000 1,200 tonnes/day 1,500 tonnes/day tonnes/day Generation: 26 MW Generation: 26 MW Generation: 38 MW 2016 - 2026 TIMELINE Increased renewable energy mix, reduced sanitary landfill usage, and increased **OUTCOMES** recycling rate

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6.5 FOCUS AREA 5 BIODIVERSITY AND NATURAL RESOURCES

Overview

The top ESG issues faced today are largely environmental in nature due to the impact of climate change and regulatory requirements. One of the key contributing factors towards climate change is loss of biodiversity and natural resources such as forestry.

Malaysia twelfth ranks globally according to the National Biodiversity Index by the Convention on Biological Diversity (CBD) based on its richness of endemic life. After climate change, biodiversity and nature-related issues continue to grab attention. Malaysia has reiterated its commitment to maintain a 50% forest cover. Conservation of biodiversity is important both from a climate perspective as well as to avoid future natural disasters. Biodiversity is a key concern highlighted in the 12MP. Efficient management of natural resources to safeguard national capital was highlighted as a priority area in advancing sustainability.

State and local governments have a key role to play in prioritising nature and biodiversity, covering land use and urban planning, licensing and regulation, facilitation, advocacy and civic leadership, community and engagement, as well as business and ecosystem development. With the increased attention of international communities on nature preservation, there is potential for new models of public-private-civil partnerships (PPCP) to mobilise resources and funding

for conservation, rehabilitation and biodiversity-related development.

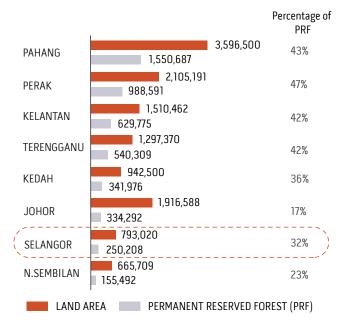
With Selangor being highly urbanised, the State should also explore alternative solutions towards preservation and enhancements of biodiversity and natural resource protections, such as the development of urban green spaces to increase tree cover and improve local biodiversity in urbanised environments. To improve the sustainability of biodiversity and natural resources in the State, three (3) strategies and nine (9) PPI are highlighted.

6.5.1 Issues and Challenges

Selangor has almost 32% or more than 250,000ha of its land area as permanent reserved forest (Chart 6.7), 82,000ha of peat swamp and almost 19,000ha of mangrove forest area. This is well below the 50% forest cover target set by Malaysia. The Selangor State Government was the first state to impose a moratorium on logging and implement a public investigation method as one of the conditions for the degazettement of permanent forest reserves. These steps are taken as part of its efforts in preserving its forest reserve and its biodiversity.

Notwithstanding the above, the highly urbanised landscape of Selangor poses a challenge to ensure environmental sustainability, as well as its resilience against risks of landslides. Excessive rainfall also contributes to occurrences of landslides and floods.

CHART 6.7 LAND AREA AND PERMANENT RESERVED FOREST BY STATE (HECTARES), 2019



Source: Department of Statistics Malaysia (DOSM)

6.5.2 Key Strategies

STRATEGY 11: Increasing protections of forests and biodiversity

State and local governments must prioritise the protections of forests and biodiversity over economic development, with governments taking a hard stance on maintaining the remainder of forest cover available in the State. Malaysia is one of the most biodiverse countries in the world and has pledged to maintain 50% forest cover since 1992, with Selangor having over 30% forest cover among the large states. However, the State faces threat of development on its permanent reserved forests and often faces challenges surrounding degazetting.

STRATEGY 12: Promoting nature-based solutions towards enhancing biodiversity

NbS has the capacity to advance sustainability especially with the increasing need for conservation of biodiversity. It also has the ability to address potentially unsustainable overreliance on grey infrastructure which is finite and often unrecyclable.

Replenishing and maintaining natural resources in existing and new developments and projects would help by ensuring and creating habitats for endangered species, lowering overall carbon emissions, and restore and maintaining the natural beauty aesthetics of nature, which may also lead to increased economic revenue.

STRATEGY 13: Enhancing urban biodiversity

Urban biodiversity must be implemented and enhanced within Selangor, especially when considering the majority of the State's land area consists of developed land. The increase in urbanisation must be supplemented with thoughtful design and initiatives to ensure the sustainability of biological diversity in urban areas.

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6.5.3 List of Projects, Programmes and Initiatives

There are nine (9) key PPI identified in enhancing the State's efforts in conserving its biodiversity and natural resources. For example, the application a voluntary carbon market (VCM) standard on Selangor's forestry to generate revenue while promoting conservation and rehabilitation.



TABLE 6.5

| Key Projects, Programmes, Initiatives | Brief Explanation |
|---|--|
| Leveraging on existing voluntary carbon market standards for Selangor's natural resources | Applying for carbon offset credits, water credits and biodiversity credits for Selangor's natural resources to increase protections, provide additionality and generate funding for the State using existing voluntary carbon market standards |
| Gazettement of environmentally sensitive areas for government land according to its type | Identify environmentally sensitive areas for gazettement as protected areas and maintain commitment to protect biodiversity areas |
| Control development on peatlands subject to its terms and conditions set by State and local authorities | Maintain the remaining available peatland by regulating or preventing any development |
| Prevent intrusive activities in water catchment forest areas | Limiting development in water catchment areas as well as upstream of water intake points to prevent disruption and pollution of water bodies |
| Maintenance of at least 30% permanent forest reserve areas of total State land | Selangor's remaining forest area cover is 30% of State land and must be maintained to align with national target of 50% |
| Selangor Central Forest Spine (CFS) Management Plan 2020 -2029 | Development, maintenance, preservation and conservation of interconnectivity of the forest areas in Peninsular Malaysia to ensure a physical network of connected forests throughout the CFS region. |
| Selangor State Park Development Master Plan | To generate a development master plan for the Selangor State Park. focusing on protections and maintenance of the ecology, hydrology, air quality, and climate as well as prevention of floods and landslides |
| Emphasise sustainable development principles through a green technology approach | To have more consideration towards maintaining biodiversity in urban areas through sustainable design principles such as limiting building height and incorporating structures with surrounding environment |
| Enhancing urban biodiversity through the development of urban green spaces | Allocation of green spaces must be made in all new developments in urban areas to maintain and enhance urban biodiversity |

6.6

CROSS-CUTTING PROGRAMMES PROJECT AND INITIATIVES

Overview

Efforts towards advancing sustainability often have a ripple effect towards the greater ecosystem of sustainable development. Small actions also often result in a chain reaction towards improving environmental sustainability. For example, utilising WTE plants as an alternative disposal method results in prolonging the lifespan of landfill sites and less reliance on fossil fuels for energy generation may result in GHG emissions reductions.

The Selangor State Government must therefore initiate sustainable development actions to drive changes towards improving its environmental sustainability. The State should lead by example by taking initiative to be an early adopter of systemic changes for the purposes of improving sustainability. Five (5) projects, programmes, or initiatives are highlighted in which the Statecanundertaketoshowitsdedication towards achieving the strategic theme of advancing sustainability.

6.6.1 Key Strategies STRATEGY 14: State pioneering for sustainable development and actions

The State must lead by example and take the initiative to drive change in advancing sustainability by pioneering certain PPI pertaining to all aspects of environmental sustainability. This can be done by adhering to the SDGs. SDGs provide a framework for cities to develop sustainably in regards to economy, social, environment, and governance.

The State should generate a framework for each local authorities to adhere to in developing their own review of SDGs relevant to their locality and should be prioritised. Aid should also be provided in this effort.

6.6.2 List of Projects, Programmes, and Initiatives

Five (5) PPI are identified as actions that can be undertaken by the State to advance its sustainable development agenda. For example, the Voluntary Sub-National Review (VSR) which highlights the State's actions towards SDG implementation while sending a signal to all local authorities to perform their own Voluntary Local Review (VLR).

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TABLE 6.6

| Key Projects, Programmes, Initiatives | Brief Explanation |
|--|--|
| Voluntary Sub-National Review Selangor | Voluntary Sub-National Review (VSR) is an approach by the Selangor State Government to report, monitor, and improve the progress of the SDGs implementation at the State level |
| Promoting green buildings to reduce operational and embodied carbon impacts in State-owned buildings | To utilize IBS systems for new state development projects such as Rumah Selangorku as a pilot initiative for wider IBS adoption within the state and to utilise low carbon practices in operational and development phases of state-owned buildings |
| Electrification of Government transport fleets | To replace all Government fleets at their end of service life with electric vehicles |
| Water efficiency programme at Government and State-owned premises | Government to lead the way in water efficiency by investing in water efficient measures, rainwater harvesting, and water consumption reduction in Government buildings and premises owned by State-owned entities |
| Small Environmental Grants (GKAS) and Small Green Technology Grants (GKTH) | To provide incentives to SMEs and MMEs to enhance and innovate the industry in advancing sustainability using green technology or environmentally friendly approaches |







ST-4 S.M.A.R.T. AND EFFECTIVE GOVERNANCE

ST-4 S.M.A.R.T. AND EFFECTIVE GOVERNANCE

Robust governance is vital for public administration in a time where the operating environment is fastchanging and uncertain. When it comes to the fundamentals of governance, performance planning, policy monitoring, transparency, as well as organisational capacity are often talked about to effectively facilitate state development. As the needs of the *Rakyat* and businesses shift with emerging trends, Selangor must also integrate a progressive approach into its governance framework. In other words, one that is more forwardlooking, data-driven, and open.

There are eight (8) essential elements of quality governance that can be applied to the Selangor State Government (Chart 7.1). Among other things, this comprises collective intelligence, partnerships and empowerment, risk management, customer-centricity, and connected government. In addition, this also includes organisational culture capacity, transparency and and accountability, as well as planning and performance monitoring.





As it is, Selangor has a sizeable number of operating entities in place to service its *Rakyat*, supported by specific State legislative powers to execute its mandate. However, there are some challenges that need to be addressed to enhance the standards of public service delivery. RS-1 highlights 5 areas of focus, 12 key strategies and 50 projects, programmes, and initiatives (PPI) to shape a Selangor State Government that is coordinated, accountable, productive, and agile in carrying out its mandate (Chart 7.2).

CHART 7.2

| Strategic Theme 4: S.M.A.R.T. and Effective Governance 5 Focus Areas, 12 Key Strategies, 51 Projects, Programmes, and Initiatives | | | | |
|--|--|---|---|---|
| Strategic Alignment of Goals and Policies | Managing Performance and Accountability | Agile Public Workforce | R evenue Sustainability | Technological Transformation |
| S1: Reducing overlaps in roles and responsibilities to improve synergy S2: Ensuring more coordinated, collaborative, and holistic planning and operations across the State S3: Strengthening macro risk management practices and oversight | S4: Institutionalising formal monitoring, performance measurement, and reporting mechanisms S5: Elevating public confidence and trust with effective communication and high integrity | S6: Driving talent and change management in the public sector S7: Advancing public workforce career development S8: Promoting robust stakeholder partnerships for collaborative developmental efforts | S9: Diversifying revenue sources of the State to minimise concentration risk S10: Enhancing overall revenue performance to support State expenditure | S11: Raising awareness, efficiency, and equitable access for digital government services S12: Innovative use of data and technology for policymaking |



7.1 FOCUS AREA 1

STRATEGIC ALIGNMENT OF GOALS AND POLICIES

Overview

As there are many variables in a dynamic environment, it is easy to get pulled in many different directions. When goals are different, the steps taken to address problems or efforts to undertake new ventures can vary substantially. As a result, there is bound to be inefficient use of resources, time and effort. The outcome of this is that a state may not achieve its goals in an impactful way.

That is why strategic alignment of goals (where the State aims to head towards) and policies (what is done to get there) is crucial. This warrants close collaboration and coordination among different stakeholders in Selangor, particularly in an interconnected world. Beyond this, it is also important to manage the accompanying risks or the State may get easily thrown off the path towards achieving its goals. This focus area outlines three (3) key strategies and eight (8) PPI for Selangor to achieve these objectives.

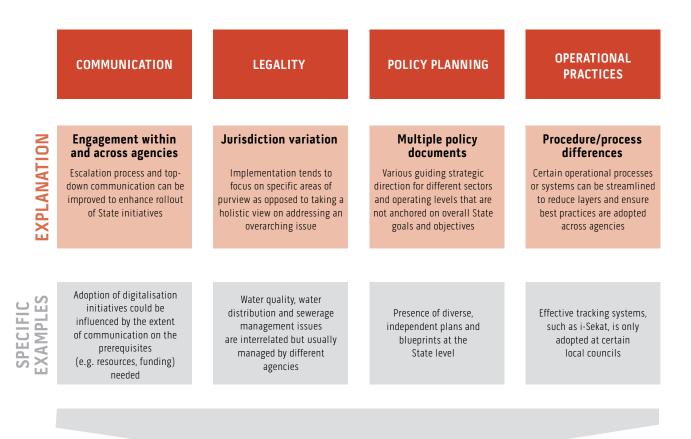
7.1.1 Issues and Challenges

In Selangor, there is room to improve the State's alignment in strategic goals and planning through better horizontal collaboration and reduced overlaps in roles and responsibilities. Various aspects of planning and implementation can also be enhanced in moving towards a common direction. These are communication, legality, policy planning, and operational practices (Chart 7.3). For example, engagement within and across agencies can be improved to support the rollout of State initiatives, among others.

In line with the need to proactively manage risks, macro risks oversight and management at the state-level are critical to prepare for potential shock. Currently, Selangor is facing emerging multifaceted risks arising from extreme weather events and infectious diseases (Chart 7.4). Despite rising cross-cutting risks, various risks are managed separately without a central risk management body in Selangor (Table 7.1). This could result in the lack of preparedness when these risks materialise, which can have a pronounced impact on businesses and Rakyat Selangor's livelihood (Chart 7.5).

CHART 7.3

KEY AREAS THAT AFFECT ALIGNMENT ACROSS PLANNING AND IMPLEMENTATION PHASES



IMPLICATION: LESS EFFICIENT RESOURCE ALLOCATION, LOWER SUCCESS OF PROJECT IMPLEMENTATION AND LESS IMPACTFUL OUTCOMES

CHART 7.4 EMERGING MULTIFACETED RISKS OVER TIME

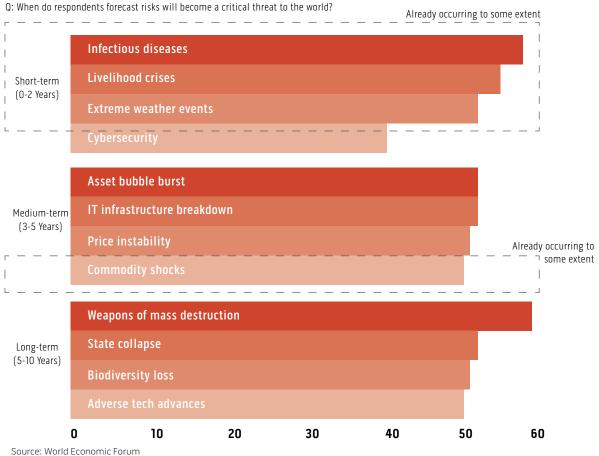


TABLE 7.1

RISK FOCUS AREAS, POLICIES AND RELEVANT IMPLEMENTATION AUTHORITIES IN SELANGOR

CHART 7.5

CURRENT STATUS AND IMPLEMENTATION CHALLENGES BY PROCESS CHAIN IN SELANGOR

| Key | Existing | Key State | | Risk Management Phase |
|------------|---|--|-------------------|---|
| Risks | National Policies | Authorities | Pre- Incident | (Strategies, identification, analysis, prioritisation, measures, operations and result monitoring) |
| No | central oversight ac | ross risks | | Risk management plans are available in some national policies/local plans only |
| Disaster | Majlis Keselamatan | Unit Pengurusan | | May not be actively practiced across the State |
| | Negara Arahan 20 | Bencana Local authorities | During | Risk Materialisation Phase |
| Health | Malaysia Strategy for Emerging Diseases and Public Health | Jabatan Kesihatan Selangor | Incident | (Emergency operations and recovery management rolled out based on existing directives, if available) |
| | Emergencies (MySED) | Selangui | | Case study (Dec 2021 floods) |
| Water | National Water Resources Policy | LUASAir Selangor | | Lack of clarity in roles and responsibilities (lead and operational agencies) |
| | Resources roney | | Post- Incident | Lack of communication with the public |
| Technology | Rangka Kerja Keselamatan Siber Sektor Awam (RAKKSSA) | • BPM | incluent | Resource preparedness was inadequate (e.g. equipment, manpower) |
| | | | | Impact: Adverse impact on |
| Economic | Formulated upon need | • UPEN | | businesses and livelihoods |

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7.1.2 Key Strategies

STRATEGY 1: Reducing overlaps in roles and responsibilities

Revisiting the State's organisational structure and functional roles will help the State's public administration to adapt to fast-changing and emerging needs of the people, while reducing bureaucracies to improve organisational efficiency. This enables swift alignment of objectives and goals, improves synergy, increases productivity, and enhances quality of service delivery.

STRATEGY 2: Promoting coordinated, collaborative, and holistic planning and operations

Aligning strategic objectives and operational processes both vertically and horizontally, as well as encouraging inter-agency knowledge sharing will help break down silo ways of working. This will create a well-connected government with improved policy design and increased impact of policy implementation, as well as foster a more conducive business environment.

STRATEGY 3: Strengthening macro risk management practices and oversight

It is important to empower the State Government with a core risk management entity and a robust framework to holistically address crosscutting macro risks, from anticipation to mitigation. These include risks related to natural disasters, health, water, technology and economy. This strategy aims to increase policy readiness to respond to potential shock.

7.1.3 List of Projects, Programmes, and Initiatives

There are seven (7) PPI under this focus area, of which Central Risk Management Committee (RMC) is a game-changer.

TABLE 7.2

| Key Projects, Programmes, Initiatives | Brief Explanation |
|---|---|
| Central Risk Management Committee (RMC) | A core risk management committee that is tasked to conduct risk planning, analysis and collaboration to manage cross-cutting macro risks and threats in the State beyond disaster |
| Annual Progress Review of Rancangan Selangor 1 (RS-1) | Conduct a full RS-1 review cycle with a clear reporting line, prioritisation, key performance indicator (KPI)-setting, outcome-based budgeting, implementation monitoring, outcome evaluation, and public reporting to promote coordinated planning and execution of the plan (see RS-1 Delivery Framework) |
| SEPAKAT Internal Collaboration Platform for local authorities | Establish a virtual engagement platform that allows all local authorities to share latest news, innovative ideas, and best practices to promote horizontal collaboration that culminates in tangible outcomes |

| Key Projects, Programmes, Initiatives | Brief Explanation |
|---|---|
| Strategic review of roles and functions across the State Government | Conduct periodic organisational review within or across State entities, which could include review of focus areas, structure, and functional roles of each entity to reduce overlaps and improve resource allocation |
| Review of the Selangor State Structure Plan ("Rancangan Struktur Negeri Selangor") | Perform mid term review of the plan as highlighted in Selangor Budget 2022, including the review of scope, focus areas, and priorities to meet intended outcomes |
| Preparation of Local Authority Plans ("Rancangan Tempatan") | Draft strategic plan for relevant local authorities to guide overall direction and planning going forward |
| Expedite implementation of Centralised Government Digital Procurement | Accelerate adoption of a centralised procurement platform for IT to ensure consistency of specifications and cost reduction |
| Extend i-Sekat system to all local authorities | Provide implementation support to enable all local authorities to adopt the system that tracks arrears in a consistent manner, including on assessment tax, rental, compounds, and fines using MyKad number or business registration number |

GAME CHANGER 14

| CENTRAL RISK MANAGEMENT COMMITTEE (RMC) | | |
|---|---|--|
| OBJECTIVES | Establish a core risk management committee to conduct risk planning, analysis and collaboration to manage macro risks and threats across the State, beyond disasters. Central visibility and coordination is critical to enable alignment in policy preparedness to mitigate risks and address implementation challenges for timely responses | |
| KEY HIGHLIGHTS | Establish a Central Risk Management Committee to strengthen risk management pre-incident | |
| | Key risk areas to be monitored will cover economic (includes fiscal risks), disaster, health, water, and technological risks | |
| | The RMC to oversee the risk management process for the key risk areas. This will include risk identification, analysis, prioritisation, developing risk management measures, implementing measures, and monitoring results | |
| | The risk management process will be part of the pre-incident exercise to anticipate and mitigate risks during and post-incidents | |
| | Frequency of meeting to be done on a quarterly basis | |
| | As part of risk mitigation during and post-incidents, there should be a clear outline of roles and responsibilities to mitigate collaboration risks. Emergency responses should still be guided by national policy directives | |
| TIMELINE | 2H 2022 (setup) – 2023 (operational) | |
| OUTCOMES | Increased preparedness to ensure quicker response to threats, enable faster recovery, and minimise adverse impact to the <i>Rakyat</i> and businesses | |

RANCANGAN SELANGOR PERTAMA (RS-1)



07 | ST-4 S.M.A.R.T. AND EFFECTIVE GOVERNANCE



7.2 FOCUS AREA 2 MANAGING PERFORMANCE AND ACCOUNTABILITY

Overview

Organisational performance and accountability are often subjects of public scrutiny. This is no different for the government sector as it concerns the *Rakyat*, investors, and other stakeholders of the State. Performance management in Selangor can be enhanced, ranging from performance planning and implementation monitoring to reporting.

However, it is insufficient to only performance internally. manage It is important to also be able to demonstrate accountability to the State's stakeholders. Often, public reporting of the State's performance alone may not be adequate to demonstrate accountability. The key lies in how decisions, actions, and outcomes are communicated. Communication in itself can serve as a policy tool for the State Government to reliably deliver its commitment and build public confidence. This is particularly so with the widespread usage of social media in this digital age.

In this regard, RS-1 introduces two (2) key strategies and nine (9) PPI for Selangor to revisit its frameworks, processes, and mechanisms to improve performance management and accountability.

7.2.1 Issues and Challenges

The existing performance measurement mechanisms in Selangor can greatly benefit from enhanced standardisation and formalisation. Currently, in the performance planning phase, Key Performance Indicator (KPI)-setting can be rather fragmented at different administrative levels in the State. There is also a need to shift from process-based to outcome-based KPIs in order to clearly measure the impact of public initiatives for the *Rakyat*, businesses, and the Government.

In terms of implementation, there can be a more centralised monitoring unit with clearly identified project owners, to avoid risk of selective reporting and non-compliance. This also gives rise to the risk of selective reporting and noncompliance. The recent establishment of the Selangor Implementation and Performance Monitoring (SIAP) Unit, which was announced in the Selangor State Budget 2022, is a positive step forward. Finally, reporting is also an integral part of effective performance management. The public sector needs to move towards digital reporting to speed up the processes and help eliminate the myriad of problems that arise from the usage of physical reports.

In order to demonstrate accountability and reach out to the wider population, public communication will be further enhanced in the State. Proactive social media engagements by all State agencies including local authorities are needed to address issues mainly on infrastructure and waste management. This would help enhance the relationship between the State and local authorities with taxpayers, and build trust and confidence in the services rendered by State agencies and local authorities.

7.2.2 Key Strategies

STRATEGY 4: Institutionalising formal monitoring, performance measurement, and reporting mechanisms

This strategy aims to instil common discipline in performance measurement, tracking, and reporting which are transparent, relevant, and efficient. It will also promote a systematic approach and an analytical basis to identify priority areas for improvement while considering public opinion. These improvements will help the State to achieve greater success of policy implementation and improve service delivery.

STRATEGY 5: Elevating public confidence and trust with effective communication and high integrity

Building a robust foundation of trust in the government will enable effective operations of State institutions, expand outreach of government initiatives, and increase public cooperation and engagement. Ultimately, this would help to improve overall public sentiment.



7.2.3 List of Projects, Programmes, and Initiatives

Nine (9) PPI have been identified under this focus area for Selangor to improve its performance management and accountability.

TABLE 7.3

| Key Projects, Programmes, Initiatives | Brief Explanation |
|---|--|
| State Government website and social media enhancement | Reorganise State's website information and navigation strategically and develop more interactive social media contents on key communication channels to improve usability and enhance public understanding of policy information, decisions, and outcomes |
| Real-Time Monitoring and Reporting System (RMRS) | Build a central integrated system that records State project/initiative information (ranging from application and approval, budget application and distribution, to progress and outcomes) that will be summarised in a real-time traffic light dashboard to enable instantaneous performance tracking and report preparation |
| Publication of official State annual reports | Outline the performance of the State to the general public, including on fiscal position, as well as economic, social, and sustainability performance under RS-1 to demonstrate accountability, increase transparency and boost public confidence |
| Adopt SMART criteria for KPI-setting for RS-1 initiatives | Apply the Specific, Measurable, Achievable, Relevant, and Timely (SMART) criteria to ensure KPIs for key projects are set using a consistent framework |
| MURNInets 2.0 | Maintain updates for the "Malaysian Urban Rural National Indicators Network for Sustainable Development" tool to assess the progress of sustainable development at the local authorities areas |
| Construct formal State Governance Perception Indicator | Develop and launch an index to measure public's current satisfaction and future expectations of the State Government in terms of public sector administration, political governance, public procurement, judicial/legal proceedings, rule of law, and voice and accountability to affirm overall performance evaluation and drive performance improvements |
| Extend annual Budget planning and implementation consultation to the general public | Seek feedback on the design and effectiveness of measures through active engagements with the private sector and civil society to build public trust and policy understanding |
| Integrity and Governance Policies of MBI subsidiaries | Accelerate the implementation of the identified policies to strengthen integrity across State GLCs |
| Accelerate programmes under the Organisational Anti-Corruption Plan (OACP) | Ensure that the rollout of anti-corruption action plans across the State Government progresses according to the OACP to strengthen integrity across the State departments and agencies |

7.3 FOCUS AREA 3 AGILE PUBLIC WORKFORCE

Overview

An effective government must be powered by a workforce that is agile and dynamic, especially in a fastpaced environment. The ability of an administration to act swiftly will depend on the capability of its workforce to navigate a variety of situations, particularly unexpected ones.

Based on the Smart Selangor Action Plan Survey conducted in 2020, Rakyat Selangor has placed responsive and accessible government as the eighth top priority apart from their basic life necessities (Table 7.4). With that in mind, the State Government can further improve on this aspect to fulfil the needs of communities and businesses. Equally important is for the public workforce to be able to build sustainable partnerships with these external stakeholders going forward.

In order to elevate the quality of service delivery by the State Government, the public workforce transformation has to begin as soon as possible. This focus area features three (3) key strategies and ten (10) PPI to drive this transformation.

TABLE 7.4

SMART SELANGOR ACTION PLAN SURVEY 2020: CITIZEN PRIORITIES

- 1. Education that prepares citizens for digital future
- 2. Uninterrupted water supply for all
- 3. Clean and green Selangor
- 4. Happier, healthier citizens with better wellbeing
- 5. Make citizens feel safe anywhere and anytime
- 6. Reduce domestic waste in Selangor
- 7. Reduce climate change by going low carbon
- 8. Create responsive government services available to everyone, accessible everywhere and anytime. To have well maintained and operational public facilities
- 9. Establish reliable public transportation which will become the preferred travel mode by all
- 10. Make it easier for citizens to look for meaningful jobs and businesses to prosper
- 11. Make it easier for both citizens and businesses to enter the digital economy based on innovation
- 12. Make Selangor the destination of choice for Arts, Culture and Tourism

Note: Number of respondents - 51,515. Survey conducted by SSDU between 1Q-3Q20 Source: Smart Selangor Action Plan

7.3.1 Issues and Challenges

The main challenges faced in nurturing the Selangor's public workforce include aspects of talent resourcing, skills enhancement, and career development.

Talent hiring and role assignment in the public sector can benefit from greater emphasis on technical competency, practical experience and job-skills compatibility. The process of creating new job roles can also be simplified to enable employment of emerging in-demand skills necessary to support policy analysis, decisions and communication. To this end, existing skills gaps are apparent in terms of business acumen, soft skills, as well as technical competency. A distinct and recognised career development path for government employees, including progression and incentives, also needs to be explored to motivate the workforce in executing their roles more effectively.

Selangor, attractive state for an investment and living, can gain more from improved management partnerships of stakeholder and expectations. While partnerships with the private sector are generally more well-established, partnerships with the civil society tend to be less formal, with the State giving some support on funding.

7.3.2 Key Strategies

STRATEGY 6: Driving talent and change management in the public sector

This strategy seeks to empower the public workforce by introducing futureready skills to increase adaptability to the evolving needs of the *Rakyat*, as well as to equip public servants with the right tools and knowledge to thrive in a fast-shifting landscape. As a result, this would instil a deeper sense of purpose in the workforce and improve its capabilities to think forward, relate to the *Rakyat's* needs, and ultimately help the State to create practical policies.

STRATEGY 7: Advancing public workforce career development

This strategy aims to anchor the expectations of the professional career path and quality of work required for career progression, as well as motivate public servants to explore opportunities to take up new responsibilities and strive for excellence. Equipping the workforce with experience, soft skills and clear career goals can create greater job satisfaction and increase overall productivity within the public workforce.

STRATEGY 8: Promoting robust stakeholder partnerships to support the State's development

Cultivating formal collaborative relationships with the private sector and civil society in developing and implementing core projects will help unlock vast opportunities for the benefit of all parties. This will contribute towards maximising both economic and social returns of projects and policies.

7.3.3 List of Projects, Programmes, and Initiatives

There are ten (10) initiatives in total, and two (2) game-changers, namely, the establishment of a dedicated State Intelligence Analytics Unit (IAU) to utilise the wealth of State data, and Public-Private-Civil Partnership (PPCP) which formalises collaborations with the civil society.

TABLE 7.5

| Key Projects, Programmes, Initiatives | Brief Explanation |
|--|---|
| Establish a dedicated State Intelligence Analytics Unit (IAU) | Foster technical expertise to research, process, analyse and derive critical intelligence and insights from the State's wealth of open and big data to inform policy decisions and actions |
| Public-Private-Civil Partnership (PPCP) | Introduce a formal collaboration framework with civil society which will include platforms for proposals, agreements, discussions, and incubation for pilot projects to support innovative community-based and broader policy solutions |
| Internal Job-Skills Matching System | Develop an internal talent platform that empowers employees to self-track their preferred future job roles and identify current skills gap that will guide their upskilling needs to facilitate transition to their target job roles |
| Cross-Fertilisation Scheme | Enable employees to move either across different roles within or across host organisations (e.g. State departments, local authorities, private sector) via secondments/attachments to promote knowledge expansion and skillset diversification |
| Develop Cost-Benefit Analysis and Impact Assessment Frameworks | Introduce a uniform and systematic approach to objectively weigh both near- and long-term costs and benefits, and assess the impact of proposed initiatives in the State to support prospective partnerships with different stakeholders and inform approval decisions |
| Digital Accelerator | Create dedicated roles and appoint in-house experts to identify and increase digital technology usage in everyday work processes |
| Introduce experiential, outcome-based training programmes for high-demand skills | Design a programme covering foundational to advanced modules based on emerging needs (e.g. negotiation skills, strategic communication, data science, cloud computing) with learnings applied at the workplace to produce tangible outputs |
| Statewide Employee Engagement and Exchange Forum | Initiate an open, constructive live meeting platform with the public workforce focused on deepening their understanding of shifts in strategic directions and culture, the purpose, and how they fit in the implementation to effectively drive change across the State |
| Mentor-Mentee Programme | Run regular and structured consultations between mentors and mentees on expectations for career progression, job performance, leadership development and general wellbeing checks |
| Review career enhancement and performance management framework | Conduct periodic review of career progression criteria and tools, performance metrics, and the corresponding incentives and issue resolution to provide clarity and transparency in public career development path |

GAME CHANGER 15

ESTABLISH A DEDICATED STATE INTELLIGENCE ANALYTICS UNIT (IAU)

| OBJECTIVES | Establish a team of technical experts to research, process, analyse and derive critical intelligence and insights from the wealth of State, open, and big data to inform policy decisions and actions | |
|-------------------|---|--|
| KEY HIGHLIGHTS | To assess the State's critical job role requirements aligned with emerging needs, which will form the IAU. This unit can comprise roles such as: Data scientists Behavioural economists Communication strategists Risk analysts Creation of job roles to be facilitated by federal agencie (JPA and SPA). Other relevant teams (e.g. BPM, UPBN, STANDCO Strategic Communication) to provide guidance on job scope and skill requirements | |
| TIMELINE | 2H 2022: Drafting of the IAU's objectives, job scopes and structure 2022-2023: Commencement of recruitment and training programmes | |
| OUTCOMES | Data-driven and strategic approach to formulate, communicate, and evaluate public policies Enhanced capabilities to deliver targeted policies | |

GAME CHANGER 16



7.4 FOCUS AREA 4 REVENUE SUSTAINABILITY

Overview

The unprecedented economic turbulence brought upon by the pandemic necessitated the rollout of large-scale fiscal stimulus measures. On the path towards rebuilding the economy, the State must remain vigilant in safeguarding medium-term fiscal resilience to support future development needs.

Since the onset of COVID-19, revenue growth of the State shrank due to reduced fees and waivers offered. In terms of composition, more than half of the State's revenue is non-tax revenues (Chart 7.6), comprising mainly land premiums (Chart 7.7). This gives rise to concentration risks in terms of revenue sources.

This focus area outlines two (2) key strategies and ten (10) PPI to enhance Selangor's revenue sustainability to support the State's recovery and development going forward.

7.4.1 Issues and Challenges

RS-1 has identified several aspects that have contributed to the challenging revenue situation in Selangor, comprising mainly the issues of collection, leakages, and arrears.

Firstly, collection issues arise from the lack of public awareness, particularly on quit rents and assessment taxs at

district and some local authority areas, as well as increasing land scarcity for development which limits land premium collection. Furthermore, there is potential to improve contributions from the State GLCs in return for the State's initial fiscal injection into relevant investments.

Secondly, a few factors contributing to revenue leakages include non-uniform tax write-off processes across local authorities, and forgone permit and licensing fees due to continued illegal activities such as unpermitted forest exploration and encroachment, as well as improper land use. Thirdly, landrelated arrears by state's GLCs also contributed to lower State revenue.

7.4.2 Key Strategies

STRATEGY 9: Diversifying State's revenue sources

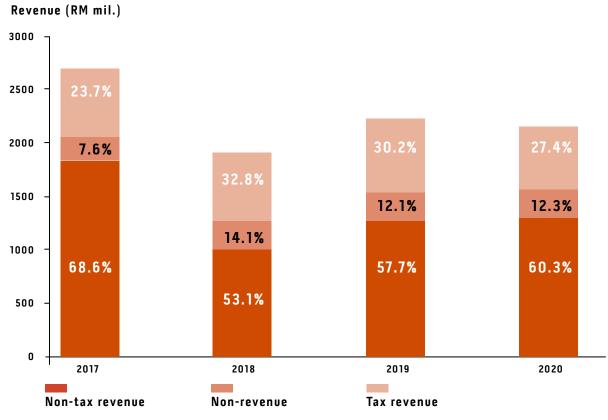
Diversifying the State's revenue streams will help safeguard Selangor's fiscal sustainability by minimising concentration risks and reducing reliance on any single source of revenue.

STRATEGY 10: Enhancing overall revenue performance

This strategy aims to maximise collection from existing revenue sources and address gaps that are contributing to unintended revenue losses. This will help improve tax payments and compliance, and ensure sustainable revenue streams to support the State's developmental needs.

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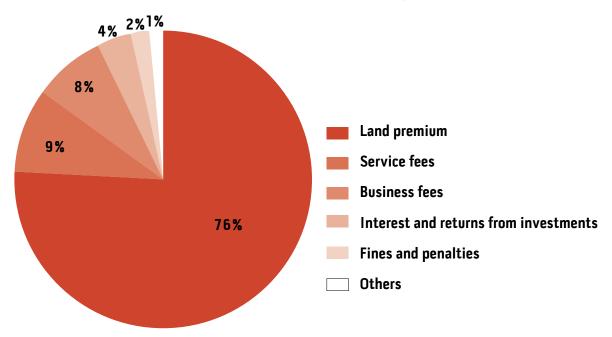
CHART 7.6 BREAKDOWN OF SELANGOR STATE REVENUE (2017-2020)



Source: Selangor Government Financial Statement

CHART 7.7

BREAKDOWN OF NON-TAX REVENUE, %SHARE (2019)



Source: Selangor Government Financial Statement

7.4.3 List of Projects, Programmes, and Initiatives

There are ten (10) PPI under this focus area.

TABLE 7.6

| Key Projects, Programmes, Initiatives | Brief Explanation | |
|--|--|--|
| Develop formal dividend payment framework for State GLCs | Develop a framework to determine criteria for dividend payment rates or contributions from GLCs | |
| Strengthen awareness of State GLCs for tax arrears settlement | Strengthen existing task force in GLCs to ensure relevant tax payments, especially land tax, are made on time to relevant authorities | |
| Build market-based Resilient Investment Model | el Utilise the Equity, Sukuk or Balanced Model to generate returns as stated in the State Treasury Strategic Plan | |
| Adopt PPP model to enhance the value of State properties and increase rental income | Partner with the private sector to develop State assets or enhance surrounding development of State properties to improve attractiveness for rental purposes | |
| Impose no tax arrears conditions for business licence renewal | Impose a suspension on business licence renewal for firms with tax arrears to ensure timely payments | |
| Adopt nudge economics to reduce tax arrears and improve penalty collection | Deploy a simple behavioural experiment to influence individuals' or businesses' payment patterns for timely and increased collection | |
| Land Administration Office and Local Authorities Tax Awareness Campaign | thorities Streamline efforts across land administration and local authorities to improve public awareness and understanding of the different types of taxes, particularly parcel rents ("Cukai Petak") to further improve collection | |
| Establish uniform guidelines on write-off processes and procedures for local authorities | Introduce standardised checklist across local authorities to use in write-off assessments to reduce leakages | |
| Innovative identification of illegal activities using data and technology | Leverage on modern technology and systems to share information and build criminal intelligence for breach of regulations, such as inappropriate land use, by businesses and individuals to increase revenue collection (e.g. through penalty collection and special permits) | |
| Implement enforcement actions under the Pemutihan Kilang Tanpa Kebenaran programme | Perform monitoring and enforcement activities for factories identified through the programme to ensure reduced leakages and appropriate revenue generation resulting from the alteration of land use category and the amendment of express condition | |

7.5 FOCUS AREA 5 TECHNOLOGICAL TRANSFORMATION

Overview

The word 'digitalisation' is no stranger to people nowadays. In the context of governance, the ability to harness the power of technology can positively transform public service delivery. It not only increases operational efficiency and drives more data-driven policymaking, but also enables wider outreach to the masses and enhances the ease of doing business.

In Selangor, about 76% of government services have been fully digitalised from end-to-end, with the potential to be further expanded. This percentage is significantly higher compared to the national average of around 57%. The public sector digital transformation process in Selangor can be accelerated by overcoming several fundamental obstacles in its execution.

In this regard, this focus area highlights 2 strategies and 14 PPI to propel the State's technological transformation efforts and aspirations.

7.5.1 Issues and Challenges

From a public administration standpoint, challenges are observed in the process of digital government service delivery, where approvals tend to be done manually due to legal requirements. Current internal systems are also dated to some extent due to a multitude of gaps with regard to digital transformation. These include inadequate talent and infrastructure, workforce mindset and resistance, and regulatory challenges for database integration as well as data sharing in the public sector.

From a service demand perspective, there is a need to ensure readiness and awareness for users to embrace digital government services. Existing digital public services offered may face issues related to outreach, adoption, and engagement by users, particularly in the underserved areas. For instance, the State mobile applications various serve important functions, but also represent fragmented touchpoints for users. Ultimately, low rates of user adoption would result in inefficient use of resources; low outreach of services represents inequitable access to government services.

7.5.2 Key Strategies

STRATEGY 11: Raising awareness, efficiency and equitable access for State digital government services

This strategy aims to maximise the public's usage and ability to engage with available online government services in an efficient manner. This can lead to greater speed of service delivery and wider outreach of government services.

STRATEGY 12: Innovative use of data and technology for policymaking

Leveraging data, technology, and digital tools can help to propel data-driven and evidence-based policy formulation and actions. The outcomes are the creation of a more secured and centralised data management system for the State Government, reduced administrative costs and workload, and greater data utilisation and sharing to inform policy decisions.

7.5.3 List of Projects, Programmes, and Initiatives

There are 14 PPI identified under this focus area, with Selangor State Data Exchange Platform (SelGDX) as a game-changer.

| TABLE 7.7Key Projects, Programmes, Initiatives | Brief Explanation |
|--|--|
| Selangor State Data Exchange Platform (SelGDX) | Implement a safe, fast and accurate cross-agency data sharing platform that catalyses a comprehensive and integrated digital-centric public sector service delivery system |
| Government Approval Acceleration | Implement a single digital channel for businesses to apply for government approvals on projects and monitor application status, and an internal review of processes/guidelines to distinguish approvals for simple and complex projects to improve ease of doing business |
| Komuniti Digital Bergerak | A mobile community-based digital literacy education platform to improve digital outreach of government services, particularly in less-developed areas |
| Digital First Programme | Accelerate the programme to enhance government usage of cloud services by maximising and centralising digital data storage |
| Expedite Digital Onboarding of local authorities and land district offices | Enhance digital infrastructure by onboarding local authorities or land district offices onto Selangor Gigabit Network (SeGNet), Smart Selangor Data Centre (SSDC), and Smart Selangor Digital Platform (SSDP) to improve service efficiency and delivery |
| Review of public sector data policies and framework | Review the implementation aspects of existing data sharing and open data policies, including both legal impediments and data classification to ensure practicality |
| Introduce digital government services kiosk | Designate digital kiosks that cover government services in targeted hotspots to increase outreach to citizens |
| Standardised State mobile application Framework | A standard framework and guideline for the setup of any State mobile applications to ensure distinct functions, quality services, and a seamless user experience |
| Selangor e-Wallet Super App | Consolidate digital services across the State Government, local authorities and statutory bodies, including welfare services to enhance efficiency and usability |
| e-Semakan, e-Bayaran and e-Tanah Project | Online portals for citizens and businesses to get information online and/or make payments for land-related taxes and transactions |
| Citizen E-Payments App (CEPat) | Utilise a single application for all paid government services at various levels of State Government, Local Government and statutory bodies |
| SISMAPS | Increase usage of the spatial system to facilitate town planning and land use zoning |
| Selangor Digital ID | Accelerate implementation of single citizen digital identification to be used for login to all government services at all levels |
| Enhance usage of existing intelligence systems for evidence-based policymaking | Elevate the utilisation of intelligence systems and databases, such as Selangor C5i Operations Centre, iRS, and IDRS, across State agencies and local authorities to support policy decisions and actions (refer to Chapter 6.1 Resilience and Disaster Management) |

(refer to Chapter 6.1 Resilience and Disaster Management)

GAME CHANGER 17

| SELANGOR GOVERNMENT DATA EXCHANGE (SELGDX) | | |
|--|--|--|
| OBJECTIVES | Enable the reuse of data across public sector agencies to reduce duplication in data collection efforts that can save time, energy, and cost of developing public sector service applications Ensure data can be shared across public sector agencies safely, efficiently, and effectively Accelerate data-driven innovation to strengthen the implementation of service delivery towards realising integrated, inclusive, and secure public sector digital services | |
| KEY HIGHLIGHTS | SelGDX is a safe, fast, and accurate cross-agency data sharing platform that catalyses a comprehensive and integrated digital-centric public sector service delivery system. SelGDX is part of the process of empowering integrated and data-driven public service delivery. The SelGDX operation can be summarised as follows: | |
| | SelGDX is the administrator, facilitator, and coordinator of the data sharing process between government agencies that provide services to the people. The agencies involved are data providers and data users | |
| | • The data provider agency provides and registers APIs (i.e. protocols that enable inter- agency data integration) in the SelGDX Portal, processes data sharing requests, and shares data through registries and/or repositories | |
| | User agencies apply for provider agency's approval for data integration through SelGDX, develop applications based on received data APIs, and use specific data for authorised purposes only | |
| | • Repositories store and maintain data from multiple sources with the same data structure that can be shared across public sector agencies. The registry is a directory or list of APIs that have been created to serve as a reference directory to facilitate access to individual information. Both are stored in a secure cloud storage that guarantees data security and protection | |
| | Memorandum of Understanding (MOU) and Data Sharing Policy will be utilised. Data users must comply with the terms and conditions stated in the approval letter, MoU/ Cooperation Note or agreement. Data cannot be shared with third parties without the provider's approval | |
| TIMELINE | Q2 2020 – Q1 2025 | |
| OUTCOMES | Readily available data can be used by the public and businesses to create new products and services. This will lead to a higher growth in the economy, specifically in the digital economy sector | |
| | SelGDX will be key in making appropriate decisions and actions in formulating policies that are responsive to the needs of the people while ensuring the wellbeing and prosperity of the people of Selangor | |

- 08-----



ENABLING AGENDA

ENABLING AGENDA

Five (5) key enablers will help catalyse transformational change in Selangor through RS-1. These include:

- Public Infrastructure Development
- Digital Infrastructure Development and Digitalisation
- Human Capital Development
- Small and Medium Enterprise (SME) Development
- Policy and Regulatory Enhancement

These enablers are identified based on common elements across the strategic themes (Chart 8.1). Certain projects, programmes or initiatives may embody a catalytic factor that can facilitate or accelerate the overall implementation of RS-1. They can either be part of RS-1, the State budget or other Federal and State projects.

> CERTAIN PROJECTS, PROGRAMMES OR INITIATIVES MAY EMBODY A CATALYTIC FACTOR THAT CAN FACILITATE OR ACCELERATE THE OVERALL IMPLEMENTATION OF RS-1

Enabler Components



CHART 8.1

MAPPING OF PROJECTS, PROGRAMMES, AND INITIATIVES UNDER RELEVANT FOCUS AREAS AND STRATEGIC THEMES TO THE ENABLERS

| Common Themes | Examples of Key Projects/Initiatives (Non-exhaustive) |
|---|--|
| Enhancing first and last mile connectivity and access to public transport Developing sustainable and inclusive infrastructure Supporting and strengthening industry competitiveness | Development of Kompleks Sukan Shah Alam (KSSA) Pulau Indah Power Plant (PIPP) Smart Selangor Bus Water, irrigation and drainage infrastructure East Coast Rail Link (ECRL), Mass Rail Transit (MRT), (Light Rail Transit (LRT), and highways |
| Improving digital connectivity and infrastructure Narrowing the digital divide Accelerating digital adoption and sustainable technology Enhancing delivery of government services | JALIN PPAS Network System SSOC Komuniti Digital Bergerak SEPAKAT Internal Collaboration Platform for local authorities State Intelligence Analytics Unit (IAU) |
| Realigning education and training to meet industry demand Improving the TVET ecosystem Leveraging emerging technologies | IKTISASS including Pembangunan Kurikulum TVET Industri Selangor Kerjaya Job Matching Platform Selangor Skills Framework Platform |
| Transforming SMEs as a driver of growth Strengthening SME participation and contribution to the economy Boosting entrepreneurial capabilities | Selangor Accelerator Programme and Pitch@Selangor Bridging loans for SME development Skim Hijrah Selangor Buy local programme |
| Improving ease of doing business Pioneering for sustainable development and actions Improving quality of delivery | Selangor Government Incentive (SGI) Government Approval Acceleration Implement a monitoring framework for all social welfare programmes Adoption of the national Low Carbon Mobility Blueprint |

8.1. Public Infrastructure Development

Developing Materials Recovery Facilities (MRF) in every district
Development of Integrated Solid Waste Management Centre (ISWMC)

with a Waste-to-Energy (WTE) treatment plant

Description: The availability of adequate public infrastructure in key identified locations across the State to support the execution of other PPI.

RELEVANT PROJECTS, PROGRAMMES AND INITIATIVES

| Rancangan Selangor 1 - Relevant Projects, Programmes and Initiatives | Selangor Budget 2022 | Other Federal & State Projects |
|---|--|--|
| Selangor Logistics e-Fulfilment Centre | Road network including: - New roads - Maintenance - Bridges | - Development of Kompleks Sukan Shah Alam (KSSA) - Pulau Indah Power Plant (PIPP) |
| Smart Selangor Centre of Excellence (COE) Perbadanan Perpustakaan Awam Selangor (PPAS) Network System EV infrastructure development | Pewartaan Public facilities including: Building maintenance and upgrade | Serendah-Port Klang Rail Bypass Upgrading of road networks to support expansion of existing |
| ADVANCING SUSTAINABILITY | Sports programme and infrastructure Mosques & islamic schools Mechanical and electrical infrastructure Public transport - Smart Selangor Bus | operation and new ports - East Coast Rail Link (ECRL) - Mass Rail Transit (MRT) |
| Reassessment of existing drainage systems and catchment areas Implementing flood mitigation infrastructure projects immediately Adopting nature-based solution projects for disaster mitigation | Water, irrigation & drainage including: - Raw water - Flood barriers - Upgrade and maintenance Emergency | - Light Rail Transit (LRT) - Highways |
| Non-Revenue Water (NRW) reduction programme Development of new water supply schemes and water treatment plants | Emergency | |







| OBJECTIVES | Pulau Indah Power Plant (PIPP) will support the increasing demand for electricity through a more efficient and cleaner process, reducing carbon output |
|-------------------|---|
| KEY HIGHLIGHTS | The Pulau Indah Power Plant, is a 1,200 MW power plant in Pulau Indah, Selangor. It's a natural gas-powered Combined Cycle Gas Turbine (CCGT) with an efficiency of more than 60%, much higher than its coal or oil equivalent The gas-fired power station is being developed by PIPP Sdn. Bhd., a consortium of Worldwide Holdings Berhad (75%) of which is wholly owned by PKNS and Korea Electric Power Corporation (25%) |
| TIMELINE | Q2 2021(construction starts) – Q1 2024 (commercial operations) |
| OUTCOMES | Once completed PIPP will support the increased in energy demand in Klang Valley which contributes to 43% of total electricity demand in Peninsular Malaysia In addition to creating additional employment, PIPP will support Malaysia's aspiration to reduce CO₂ emission by 45% by 2030 |



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GAME CHANGER 19

DEVELOPMENT OF KOMPLEKS SUKAN SHAH ALAM (KSSA)

OBJECTIVES

The development of Kompleks Sukan Shah Alam (KSSA) aims to make KSSA a vibrant and sustainable stadium, replete with sports facilities complete with the latest technological features to breath new life into the area

The redevelopment will:

- Regenerate economic activities in the surrounding area
- Act as a flood mitigation measure
- Improve traffic flow through the development of LRT3

| KEY HIGHLIGHTS | Key success factors for this project include: Performance of the developer in delivering the stadiums and sport facilities Coordination and cooperation of all the stakeholders in ensuring the requirements of Selangor State are fulfilled KSSA will provide a state of the art stadium and facilities with better efficiency in terms of maintenance and operations In addition, KSSA will lead to enhancement of properties values in Section 13 Shah Alam and surrounding areas |
|-------------------|--|
| TIMELINE | 2022 to 2026 |
| OUTCOMES | Improvement in sports achievements by Selangor athletes due to better facilities Enhancement of economic activities in the region |



8.2. Digital Infrastructure and Digitalisation

Description: Implementation of digital infrastructure to expedite the delivery of services for the *Rakyat*, facilitate the expansion of economic activity, and enable improved data collection for effective monitoring and assessment.

RELEVANT PROJECTS, PROGRAMMES AND INITIATIVES



Consolidation and digitalisation of all state healthcare
 programmes on SELangkah app

SETANGUR Digital Tourism 4.0 & E-Commerce



Key Highlight Smart Selangor Action Plan

Highlights of the Smart Selangor Action Plan



Smart Selangor Action Plan to 2025

OVERALL SMART VISION AND DESIRED OUTCOME

Smart Government

 Digitally capable government, utilizing digital technologies to derive data-driven policies, and to deliver more responsive and efficient services



 Digitalisation of all industries with focus on SMEs, enabling startups to flourish through complete ecosystems and development of next gen industries

Smart Community

 Affordable accessible digital tools, equipping citizens with skills to use digital tools an encourage adoption of technology to improve community liveability

Mart Digital Infrastructure

 Availability of platforms/apps for government and private services, availability of hybrid data centres & sensors in the city and a high speed network to connect everything efficiently

PROGRAMMES AND INITIATIVES (2020-2025)*



- Single application for all paid government services at various levels
- Currently supports 8 different services (i.e compound, licence, assessment tax etc)

Amazon Web Services Smart Selangor Cloud Accelerator Learning Programme (SCALE)

• Cloud computing training for selected civil servants, academia, citizens and businesses

C5 Smart Selangor C5i Operations Centre (SSOC)

- The SSOC C5i provide access to key stakeholders from the Selangor State to a:
- 1) Centralised monitoring of disaster incidents
- 2) Consolidated display of live analytics data from Smart Selangor applications

Smart Selangor Centre of Excellence (CoE)

 State wide physical collaborative centres for government/academia/ industry to synthesise new solutions and showcase viable products for public testing



8.3. Human Capital Development

Description: Develop and establish a comprehensive framework to nurture a highly-skilled and agile workforce that can support the growing needs of the State while driving labour productivity. The workforce will support the expansion of knowledge-intensive sectors and activities.

| Rancangan Selangor 1 - Relevant Projects, Programmes and Initiatives | Selangor Budget 2022 |
|--|---|
| ENHANCING SOCIAL INCLUSIVITY & WELLBEING • Pusat Wanita Berdaya (PWB) • Incentives and promotions for professional certifications • Implementation of Dasar Belia Selangor • Selangor Kerjaya Job Matching Platform • Selangor Youth Excel Programme • Selangor Bitara (BPSM) • BITARA Programme (Yayasan Selangor) • Convertible Loans • HIPERS Programme • Initiatif Kemahiran Teknikal dan Ikhtisas Smart Selangor (IKTISASS) • Program Pembangunan Gugusan WWW STRENGTHENING THE ECONOMY • Selangor Maritime University • Selangor Tourism Reemployment Programme • Selangor Community Host | Selangor Budget 2022 Strengthening the skilled worker pipeline with projects and initiatives focusing on • Women-focused workshop and policies to ensure equitable work opportunities • TVET programmes • Maximising the youth's potential through character-building programmes |
| Selangor Tourism Reemployment Programme | |





8.4. SME Development

Description: Provision of necessary financial and technical support to drive participation and sustainable growth of SME across all key economic sectors.

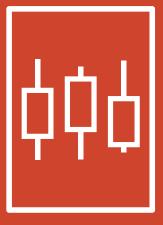
| | Selangor Budget 2022 |
|---|--|
| Strengthening the Economy | Rejuvenating the Small and Medium-Sized |
| Selangor e-Commerce Onboarding Programme Malaysia Top e-Commerce Merchant Awards Selangor Accelerator Programme and Pitch@ Selangor Selangor Aviation Show Positioning Selangor as the First Drone Port and Airwaze Friendly State in Malaysia Bridging loans for SME development Buy local programme Selangor Government Incentive (SGI) Selangor Biotechnology Funding Programme (Matching grant) Selangor Biotechnology | Enterprises sector through strategic programmes such as: Focused microfinancing programmes Equipment grants for SMEs |

8.5 Policy and Regulatory Enhancement

Description: Review of key policies and regulations to improve efficiency, quality, and ease of implementation across all strategic themes to meet both the needs of businesses and the *Rakyat*.



RANCANGAN SELANGOR PERTAMA (RS-1)



THE RS-1 DELIVERY FRAMEWORK

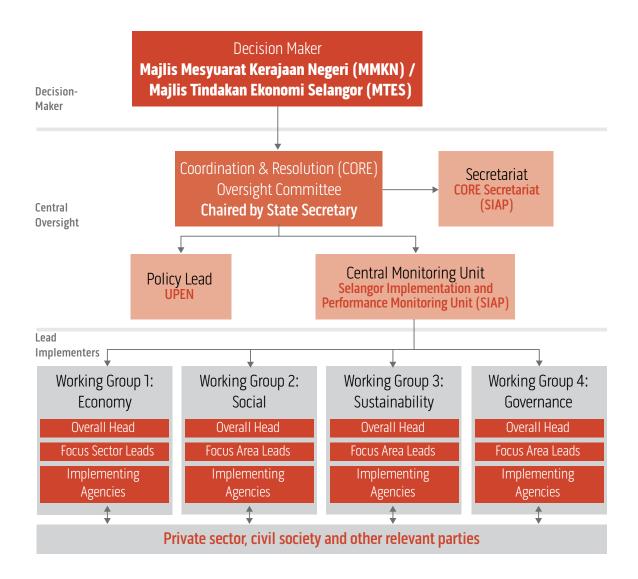
A structured delivery framework was designed to drive the policy direction and effective implementation of RS-1. The framework integrates avenues for issue escalation and resolution, as well as elements of stakeholder collaboration and accountability to make RS-1 an actionable plan.

9.1. Overview of the Governance Structure

The governance structure comprises three (3) key parts, namely the decisionmaker, central oversight, and lead implementers (Chart 9.1). They serve dedicated functions to ensure clarity in roles and responsibilities during implementation.

CHART 9.1

THE RS-1 DELIVERY GOVERNANCE STRUCTURE COMPRISES THREE (3) KEY ASPECTS, NAMELY THE DECISION MAKER, CENTRAL OVERSIGHT AND LEAD IMPLEMENTERS



Key components include:

- Majlis Mesyuarat Kerajaan Negeri (MMKN) / Majlis Tindakan Ekonomi Selangor (MTES) to provide strategic direction and approvals on key decisions
- Coordination and Resolution (CORE) Oversight Committee to discuss overall progress update, implementation issues and mitigating solutions
- Policy Lead as the advisor for matters pertaining to strategic policy direction and macro target reviews

- Central Monitoring Unit to track overall progress, evaluate implementation outcomes and impact, and advocate change management
- Working Groups to lead initiation, implementation, monitoring and problem-solving of projects, programmes, and initiatives under their respective strategic themes. They are also responsible for engaging technical experts, firms, and the community to facilitate implementation.







9.2. Coordination and Resolution (CORE) Oversight Committee

The CORE Oversight Committee constitutes six (6) permanent members, led by the Selangor State Secretary (Chart 9.2). Relevant Standing Committee members (STANDCOs) and other stakeholders such as industry players, technical experts, civil society and local authorities, may be invited to participate in key meetings based on the scope of matters discussed.

CHART 9.2

CORE OVERSIGHT COMMITTEE WILL INCLUDE 6 PERMANENT MEMBERS AND MEMBERS UPON INVITATION

| omprise 6 members, | | | | | | | | | Other stakeholders | | | | | | | | |
|---|--|---------|-------|----|-----|---|-----|---|--------------------|---|---|---|---|-----|---|---|--|
| ncluding the policy lead, | Focus Areas | 1 2 3 4 | 5 6 7 | 89 | 1 2 | 3 | 4 5 | 6 | 1 2 | 3 | 4 | 5 | 1 | 2 3 | 4 | 5 | Industry players |
| entral monitoring unit and | Ekonomi | | | | | | | | | | | | | | | | Technical expert |
| orking group heads for each neme | Pelaburan, Perdagangan, Perindustrian, IKS | | | | | | | | | | | | | | | | Civil society Local authorities |
| State Secretary | Pelancongan | | | | | | | | | | | | | | | | Others |
| (Chairperson) | Pembangunan Luar Bandar Kampung Tradisi | | | | | | | | | | | | | | | | |
| · UPEN (Policy Lead) | Infrastruktur & Kemudahan Awam | | | | | | | | | | | | | | | | |
| SIAP (Central Monitoring | Hal Ehwal Agama Islam | | | | | | | | | Г | | | | | | | |
| Unit) | Hal Ehwal Pengguna | | | | | | | | | | | | | | | | |
| | Industri Halal | | | | | | | | | | | | | | | | |
| Overall Working Group Heads | Pertanian, Perladangan & Industri Asas Tani | | | | | | | | | | | | | | | | |
| Economy Menteri Besar | Pembangunan Wanita & Keluarga | | | | | | | | | | | | | | | | |
| Incorporated | Perpaduan | | | | | | | | | | | | | | | | |
| Social | Kesihatan Awam | | | | | | | | | | | | | | | | |
| UPEN Seksyen Sektoral | Pemberdayaan Perkerja | | | _ | | | | | | | | | | | | | |
| | Pembangunan Sosio-Ekonomi | | | _ | | | | | | | | | | T. | | | |
| Sustainability | Kebajikan Masyarakat | | | | | | | | | | | | | | | | |
| UPEN Seksyen Pihak Berkuasa Tempatan | Kerajaan Prihatin | | | | | | | | | | | | | | | | |
| Beinousa reinpatan | Pembangunan Usahawan | | | _ | | | | | | | | | | 17 | | | |
| Governance | Perumahan | | | _ | | | | | | | | | | | | | |
| Timbalan SUK (Pengurusan) | Kesejahteraan Bandar | | | | | | | | | | | | | | | | |
| (rengorosuri) | Hal Ehwal Orang Asli | | | | | | | | | | | | | | | | |
| | Pembangunan Generasi Muda & Sukan | | | | | | | | | | | | | | | | |
| | Pembangunan Modal Insan | | | | | | | | | | | | | | | | |
| | Pendidikan | | | | | | | | | | | | | T | | | |
| | Pengurusan Bencana | | | | | | | | | | | | | | | | |
| | Perubahan Iklim | | | | | | | | | | | | | | | | |
| | Pembangunan Tanah, Sumber Alam | | | | | | | | | | | | | | | | |
| | Pengangkutan Awam | | | | | | | | | | | | | | | | |
| | Kerajaan Tempatan | | | | | | | | | 1 | | | | | | | |
| | Teknologi Hijau | | | | | | | | | | | | | | | | |
| | Alam Sekitar | | | | | | | | | 1 | | | | | | | |
| | Komunikasi Strategik | | | | | | | | | | | | | | | | |
| | Kewangan | | | | | | | | | | | | | | | | |
| | Pembangunan Kampung Baru | | | | | | | | | | | | | | | | |
| | Pembudayaan Inovasi, SMART Selangor | | | | | | | | | | | | | | | | |

Note: Chart 9.2 to be read with the RS-1 Framework on page 30

9.3. Central Monitoring Unit

The Selangor Implementation and Performance Monitoring Unit (SIAP) plays a pivotal role in the monitoring, evaluation and reporting of RS-1 delivery.

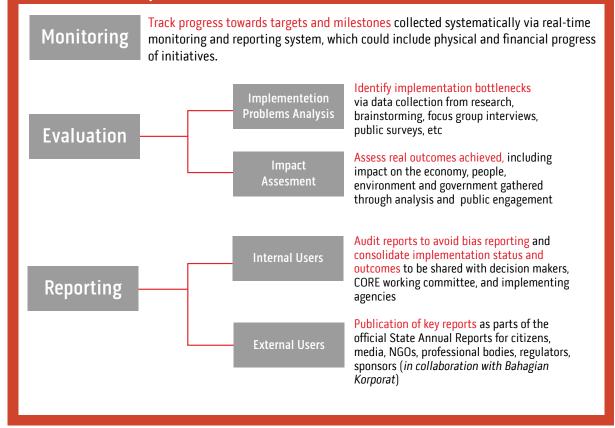
This is essential to ensure outcomes and impact of initiatives are objectively assessed, and implementation issues can be resolved in a timely manner. Importantly, this will also help the State prioritise its resources for impactful initiatives that can contribute towards achieving the RS-1 macro targets.

GAME CHANGER 20

SELANGOR IMPLEMENTATION AND PERFORMANCE MONITORING

SIAP'S ROLE IS CRITICAL TO ENSURE THAT IMPLEMENTATION BOTTLENECKS ARE ADDRESSED AND TO DEMONSTRATE ACCOUNTABILITY

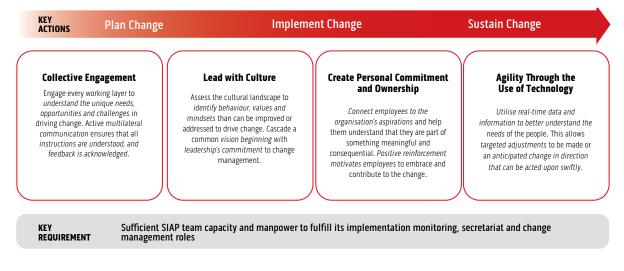
SIAP's roles and responsibilities



In addition to the above responsibilities, SIAP also acts as a change management advocate to facilitate the transition of the State's goals, processes, or technologies (Chart 9.3).

CHART 9.3

A STRUCTURED APPROACH TO DRIVE CHANGE MANAGEMENT IN THE STATE

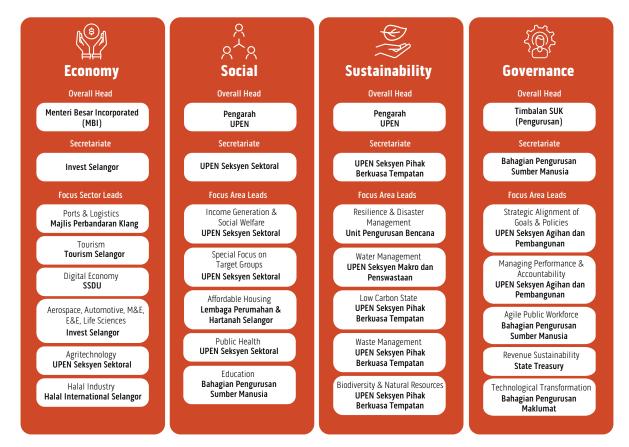


9.4. Implementation Working Groups

Each strategic theme is spearheaded by the respective champions, assisted by the focus area leads (Chart 9.4).

CHART 9.4

KEY STRATEGIC THEME CHAMPIONS AND FOCUS AREA LEADS HAVE BEEN IDENTIFIED TO DRIVE THE OUTCOMES



9.5. RS-1 Review Cycle

In general, the review cycle will cover several phases (Chart 9.5), beginning with goal prioritisation and KPI-setting, as well as budget review and allocation.

Upon the rollout of projects, programmes or initiatives, discussions will be held at Working Group meetings, CORE Oversight Committee Meetings, and MMKN / MTES meetings. These meetings will discuss implementation issues, outcome and impact evaluation, as well as required decisions.

An annual performance report will be published to demonstrate transparency and accountability in the delivery of RS-1.

CHART 9.5

THE REVIEW CYCLE WILL COVER SEVERAL KEY PHASES TO DRIVE POLICY DIRECTION AND EFFECTIVE IMPLEMENTATION OF RS-1

| | | Phase Month | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
|--|--|--------------------------------------|---|---|---|--------|--------|--------|--------|-------|--------|-------|----|----|
| D 0 – | 1 | Goal Prioritisation & KPI Setting | | | | | | | | | | | | |
| itoring | 2 | Budget Review and Allocation | | | | | | | | | | | | |
| Real-Time Monitoring and Reporting System | 3 | Reporting to Working Group | | | | | 11 x V | Vorkin | g Grou | р Ме | eting | | | |
| R | 4 | Monitoring and Evaluation | | | | | | | | | | | | |
| Reporting to working committee | 5 | Reporting: Issues & Outcomes | | | | 4 x C(| ORE O | versig | ht Cor | nmitt | ee Me | eting | | |
| Reporting to decision makers | 6 | Reporting to MMKN / MTES | | | | | 3 x | ммкі | N / MT | ES m | eeting | 3 | | |
| Reporting to public | 7 | Publication of Performance Report | | | | | | | | | | | | |
| | By Policy Lead and Working Group By Implementing Agencies to Working Group By SIAP to key stakeholders By State Treasury with inputs from SIAP on outcomes of initiatives By Bahagian Korporat with inputs from SIAP | | | | | | | | | | | | | |

and Working Groups

Note: Chart 9.6 to be read with Chart 9.1 on page 198

Note: The method and frequency of reporting will be detailed and determined at the CORE committee level during the implementation phase



CALL TO ACTION

A SHARED RESPONSIBILITY FOR ALL





The time for a great reset is now - to reinvigorate Selangor and strengthen its future resilience. RS-1 will play that central role to guide Selangor towards becoming a **Smart, Liveable, and Prosperous State** by 2025. It takes into consideration aspects that matter to all stakeholders with firm, measurable targets.

What will make this plan a true success is the unwavering commitment of all stakeholders - the *Rakyat*, businesses, communities and governments in its implementation. The State functions like the human body. Its systems are all interconnected and interdependent. This means everyone has a part to play, and together, will turn this vision into a reality for the collective benefit of all in Selangor.

GLOSSARY

| Term | Definition |
|--|--|
| 12MP | 12th Malaysia Plan |
| Absolute poverty | The income of the family or household is below the Poverty Line Income (PLI) |
| ac | Acre |
| AC | Alternating current |
| ANIS | Anak Istimewa Selangor |
| APAC | Asia Pacific |
| ASEAN | Association of Southeast Asian Nations |
| BINGKAS | Bantuan Kehidupan Sejahtera Selangor |
| BPM | Bahagian Pengurusan Maklumat |
| BPSM | Bahagian Pengurusan Sumber Manusia |
| CAGR | Compound annual growth rate |
| CBD | Convention on Biological Diversity |
| CCGT | Combine Cycle Gas Turbine |
| CEPat | Citizen e-Payment |
| CO2 | Carbon Dioxide |
| CO2e | A unit of measurement for Carbon Dioxide Equivalent |
| СоЕ | Centre of Excellence |
| Communicable disease | Disease that is transmissible directly from one person to another |
| CORE | Coordination and Resolution Oversight Committee |
| COVID-19 | Referring to the pandemic of Coronavirus Disease, SARS-CoV-2, discovered in 2019 |
| CPI | Consumer Price Index |
| DDI | Domestic Direct Investment |
| DOSM | Department of Statistics Malaysia |
| DUN | Dewan Undangan Negeri |
| E2E | End-to-end |
| E&E | Electrical and Electronics |
| EASA | European Union Aviation Safety Agency |
| EEV | Energy-efficient vehicles |
| ESG | Environmental, Social and Governance |
| EV | Electric Vehicles |
| F&B | Food and Beverage |
| FAA | Federal Aviation Administration |
| FDI | Foreign Direct Investment |
| Female labour force participation rate | Female Labor force participation rate is the proportion of the female population ages 15 and older that is economically active: all people who supply labor for the production of goods and services during a specified period |
| FRI | Fisheries Research Institute |
| FRIM | Forest Research Institute of Malaysia |

| Term | Definition |
|-------------------------|---|
| GDP | Gross Domestic Product |
| GHG | Greenhouse Gas |
| Gini | Measure of statistical dispersion to represent income inequality within a nation or social group |
| GLC | Government-linked companies |
| GST | Goods and Services Tax |
| ha | A unit of measurement for hectares |
| HFMD | Hand Foot Mouth Diseases |
| HIPERS | High Potential Students Programme |
| HPIPT | Hadiah Institute Pengajian Tinggi |
| IAU | Intelligence Analytics Unit |
| IBS | Industrialised Building System |
| ICT | Information and Communications Technology |
| IDRS | Intelligent Disaster Response Selangor |
| IEP | Inclusive Education Programme |
| IKS | Industri Kecil dan Sederhana |
| IKTISASS | Inisiatif Kemahiran Teknikal dan Ikhtisas Smart Selangor |
| ILC | Independent learning centres |
| IoT | Internet of Things |
| ISWMC | Integrated Solid Waste Management Centre |
| iRS | Intelligent Response Selangor |
| IT | Information technology |
| IWRM | Integrated Water Resource Management |
| JALIN | Jalur Lebar Industri Selangor |
| JPA | Jabatan Perkhidmatan Awam |
| KEGA | Key Economic Growth Activities |
| KPI | Key Performance Indicator |
| LKM | Malaysian Cocoa Board |
| LLSB | Landasan Lumayan Sdn Bhd |
| LRT | Light Rail Transit |
| LUAS | Lembaga Urus Air Selangor |
| M&E | Machineary and Engineering |
| MBI | Menteri Besar Incorporated |
| Mean Household Income | Average (or mean) household income is calculated by dividing the total household income in the target geography by the number of households |
| Median Household Income | Median household income is the income cut-off where half of the households earn more, and half earn less |
| Median multiple | The ratio of the median house price by the median gross (before tax) annual household income |
| MLD | Million Litres per Day |
| MMKN | Majlis Mesyuarat Kerajaan Negeri |
| МОН | Ministry of Health |

GLOSSARY

| lemorandum of Understanding Ialaysian Palm Oil Board Iaterials Recovery Facility Ialaysian Smart Factory Iicro, small, and medium enterprises Iega tonne Iega watts Iajlis Tindakan Ekonomi Selangor |
|---|
| laterials Recovery Facility Ialaysian Smart Factory Iicro, small, and medium enterprises Iega tonne Iega watts |
| lalaysian Smart Factory licro, small, and medium enterprises lega tonne lega watts |
| licro, small, and medium enterprises lega tonne lega watts |
| lega tonne lega watts |
| lega watts |
| - |
| lailis Tindakan Ekonomi Selangor |
| |
| alaysia Strategy for Emerging Diseases and Public Health Emergencies |
| ational Automotive Policy |
| ature-based Solutions |
| on-Communicable Diseases |
| ational Low Carbon Cities Masterplan |
| isease that is not transmissible directly from one person to another |
| on-Revenue Water |
| rganisational Anti-Corruption Plan |
| rganisation for Economic Cooperation and Development |
| er annum |
| eer-to-peer |
| engajaran dan Pembelajaran di Rumah |
| ulau Indah Power Plant |
| elangor State Development Corporation |
| erbadanan Kemajuan Pertanian Selangor |
| overty Line Income |
| ermodalan Negeri Selangor Berhad |
| revention of Outbreak at Ignition Sites |
| erbadanan Perpustakaan Awam Selangor |
| ublic-Private-Civil Partnership |
| rojects, programmes, and initiatives |
| ublic Private Partnership |
| rojek Perumahan Rakyat |
| usat Tuisyen Rakyat Selangor |
| hotovoltaic |
| ersons With Disabilities |
| esearch and development |
| angka Kerja Keselamatan Siber Sektor Awam |
| itizens in general |
| ne citizens of the state of Selangor |
| ne income of the family or household is below half of the median income of the state or country |
| entral Risk Management Committee |
| eal-Time Monitoring and Reporting System |
| |

| Term | Definition |
|-----------------|--|
| S-BIOCO | Selangor Biotechnology Coordination Office |
| SABDA | Sabak Bernam Development Area |
| SAP | Selangor International Aero Park |
| SAY LEAD | The Selangor Youth Community - Leaders, Entrepreneurship, Acceleration and Development |
| SCALE | Smart Selangor Cloud Accelerator Learning Programme |
| SDCOE | Selangor Drone Centre of Excellence |
| SDG | Sustainable Development Goals |
| SELATI | Selangor Aviation Technology and Innovation Sdn Bhd |
| SELGDX | Selangor State Data Exchange Platform |
| SELPHAC | Selangor Public Health Advisory Council |
| SGI | Selangor Government Incentive |
| SHAP | Selangor Halal Action Plan |
| SHRDC | Selangor Human Resource Development Centre |
| SIAP | Selangor Implementation and Performance Monitoring Unit |
| SIDEC | Selangor Information Technology and Digital Economy Corporation |
| SISMAPS | Sistem Maklumat Perancangan Negeri Selangor |
| SME | Small Medium Enterprise |
| SMG | Selangor Maritime Gateway |
| SPA | Suruhanjaya Perkhidmatan Awam Malaysia |
| SPV2030 | Shared Prosperity Vision 2030 |
| SSAP | Smart Selangor Agro Park |
| SSDC | Smart Selangor Data Centre |
| SSDP | Smart Selangor Digital Platform |
| SSDU | Smart Selangor Delivery Unit |
| SST | Sales and Service Tax |
| STDC | Selangor Technical Skills Development Centre |
| STEM | Science, Technology, Engineering, and Mathematics |
| Stunting | Stunting is the impaired growth and development that children experience from poor nutrition, repeated infection, and inadequate psychosocial stimulation |
| Super-aged | A society where more than 20% of its population is aged 65 and above, according to World Bank |
| TB | Tuberculosis - Contagious infection that usually attacks your lungs |
| TEU | Twenty-foot equivalent unit |
| TVET | Technical and Vocational Education and Training |
| UN | United Nations |
| Underemployment | The condition in which people in a labor force are employed at less than full-time or regular jobs or at jobs inadequate with respect to their training or economic need |
| Unicorn | A unicorn is a startup company with a value of over USD1 billion |
| UPBN | Unit Pengurusan Bencana Negeri |
| UPEN | Unit Perancang Ekonomi Negeri |
| VMY 2020 | Visit Malaysia Year 2020 |
| VSR | Voluntary Sub-National Review |
| Wasting | Low weight-for-height. It often indicates recent and severe weight loss, although it can also persis for a long time |

GLOSSARY

TermDefinitionWTEWaste-to-EnergyZPE SMGZon Pembangunan Ekonomi Selangor Maritime Gateway



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