

Special Supplement

43rd National Day of Malaysia



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Putrajaya – a Special Feature

THE creation of a new Federal Government Administrative Centre at Putrajaya marks a new chapter in the development history of modern Malaysia.

This move was deemed necessary to improve the urban environment and enhance the quality of life in Kuala Lumpur, and at the same time sustain the capital city as a premier business centre.

Strategically located along the Kuala Lumpur-KL International Airport (KLLA) growth corridor, Putrajaya will be easily accessible through planned inter-city networks by road and rail.

The Vision

Putrajaya will house the Federal Government ministries, departments and agencies to provide for more efficient management and operation. The envisaged goal would be the creation of a federal government administrative centre that portrays the image of a garden city in harmony with the environment, while being a modern, futuristic, intelligent and a unique world class city.

The master plan for the development of Putrajaya incorporates the best in city planning and landscape architecture. Its planning emphasises the preservation of its eco-culture while promoting an active, lively and caring society in a harmonious and refreshing environment designed a case the pressure and stress of modern living.

Putrajaya is a planned city with comprehensive policies and guidelines for land-use distributions, transportation system, utilities and infrastructure, housing, public amenities, information technology, parks and gardens.

Planning and Development Concept

The development concept of Putrajaya is based on the fundamental trinity of relationships, namely, between Man and His Creator, between Man and His Fellow Man which symbolises the caring and friendly society founded on Malaysian culture; and between Man and His Environment, preserving balanced eco-culture and environmental sensibility.

Putrajaya will be developed as an intelligent city with multimedia technologies to facilitate communication and interaction between government offices, business community and the people in the quest to enhance the quality of life and the pursuit of excellence in the working environment.

To successfully realise the government's goal to be an effective and efficient government centre with excellent civil service, Putrajaya is sited

paths providing linkages to all parts of the city.

Implementation Progress

Progress of development for Phase 1, earmarked from 1996 to 2000 includes the construction of the Prime Minister's Department and several Ministries, Wetlands Lake, Public Parks, Putra Mosque, Putra Square, Bridges and residential components.

These have been designed to suit topography, local climate and cultural norms, while creating an interesting cityscape with optimisation of scenic vistas and incorporation of intelligent building and infrastructure features. Phase II will be undertaken from 2001 to 2010.

Layout

The identity and spirit of the city are reflected in the core area of Putrajaya, making up 23% of total land use in the city. Divided into 5 precincts, the core area is linked by a 4.2 km Boulevard, designated as the spirit of Putrajaya, and forms the central axis linking the Government Precinct with the Sports and Recreational Precinct. Part of the Boulevard length will serve as a ceremonial parade concourse to cater for formal and festive processions.

Lakes and Wetlands

The water body and the Wetland of Putrajaya will be a distinctive component of the city's development and identity, designed to be a sustainable and balanced eco-system to cater for various uses including recreation, fishing, water sports and transportation. It will also serve as a scientific and biological research facility.

Putrajaya's parks and gardens will include the Botanical Garden that showcases the myriad of local plant species; the formal Taman Putra Perdana with the steel structure Mercu-tanda (land mark), and the Taman Rimba Alam that will be Putrajaya's very own natural forest park. There will be 12 parks and gardens in Putrajaya that contribute to its Garden City character.

Landmarks

The Perdana Putra located near the Putra Mosque, symbolises Putrajaya as the federal government administrative centre. The complex also houses the Deputy Prime Minister's office, offices of Ministers and their deputies in the Prime Minister's Department and the office of the Chief Secretary to the Government.

Located next to the lake, the Putra Mosque oozes Islamic heritage, enhanced by the 116-metre minaret. With a capacity of 15,000 at any one time, the mosque also has a VIP room, li-

of Malaysia's heritage, near a small dam at the Wetlands of Putrajaya serves as an exhibition centre and optimum breeding ground for greenery.

The Mixed Development Precinct incorporates commercial and government buildings, parks, open spaces and residential areas.

The Civic and Cultural Precinct will be the focal point for civic and cultural activities and will house Putrajaya's museums, art galleries, theatres, archives and amphitheatre. Located in this precinct will be the Grand Mosque of Putrajaya on the Kiblat axis that extends out of the western shore of the Lake, the Court Square, Cultural Square and the office complex of Putrajaya Corporation.

The Commercial Precinct will be the central business district of the city, deemed a prime area for investment and a prestigious address for businesses.

Stadiums, sports centres, exhibition buildings and educational institutions will be located in the Sports and Recreation Precinct.

Strategies

Strategies are formulated to incorporate environmental control measures within all development stages; to provide procedures for monitoring which are pragmatic, and comply with Department of Environment Approval Conditions; provide chains of command to identify and engender responsibilities for environmental controls and initiatives; and develop codes of practices, checklists and other working programs to aid gathering of information to provide an early warning system.

Putrajaya in Brief

When developed, Putrajaya will present an ideal working environment with its advanced IT infrastructure and support facilities to a working population of 76,000 in the public sector and 135,000 in the private sector.

Putrajaya presents investment opportunities to business and commercial enterprises that are related to government services and to cater to its population of 330,000 people.

The planning and design of Putrajaya's residential areas is intended to achieve a sense of identity through neighbourhood focal points, landscaping and the treatment of the public realm to experience a quality of life that nurtures oneself physically, mentally and spiritually.

Benefits of Putrajaya Development

The government decision to move from Kuala Lumpur to Putrajaya gained Cabinet approval as the pace of growth, traffic jams, environmental



Prime Minister
Dato' Seri Dr. Mahathir Mohamad

MESSAGE

Assalamualaikum Warahmatullahi Hiiwabarakatuh.

Today Malaysia celebrates the 43rd anniversary of its birth as an independent country. As Malaysia celebrates this joyous occasion, I wish to take this opportunity to convey, on behalf of the Government and people of Malaysia, my warmest greetings and sincere best wishes to the government and people of the People's Republic of Bangladesh. It is also with great pleasure that I take note of the continuing bond of friendship and cooperation between our two countries.

The past one-year has indeed witnessed a further strengthening of the bilateral ties between our two countries not only at the official level, but also in other areas of cooperation involving the private sector community of both sides. Whilst the recent successful visit to Malaysia of Prime Minister Sheikh Hasina bears witness to the excellent state of our official ties, Malaysia's growing private sector investment in projects ranging from telecommunication, transportation and power generation to education and agro-based industries in Bangladesh augurs well for the future relationship between the two brotherly countries. Malaysia, on her part, is also appreciative of the important contribution made by Bangladeshi workers towards the economic development of Malaysia. Given the positive nature of our current relationship, I am confident the future holds great potential for a further widening of these cooperative ties into other areas which would bring mutual benefits to both sides. Malaysia's rapid recovery from the recent Asian financial crisis can only accelerate the process.

In the field of bilateral trade, I am also happy to note of the continuing increase in the level of bilateral commerce between

us. Aside from being an important source of foreign workers to Malaysia, Bangladesh has also remained an important market for Malaysian goods ranging from foodstuff and electrical and electronic appliances to the import of Malaysian-made motor trucks and the Proton cars. Given the tremendous potential that exist in this sector, I am confident that greater interaction between the trading community of both countries could only further enhance this healthy state of relationship in the future. It is my fervent hope to be able to make important contribution to this endeavor during my tenure of office here.

This year also witnessed the second year Malaysia has moved rapidly out of the region-wide recession. In this, Malaysians can take deep pride in the Malaysian Prime Minister's choice of heterodox means, despite initial wide spread criticisms, to surmount the regional economic crisis. Today, Malaysia has once again proved the critics wrong. With a burgeoning foreign reserve of more than USD30 billion and a projected growth of between 5-6% this year, there is no denying the Malaysian economy is back on the fast track to recovery. In this regard, Malaysia is ever ready to share with Bangladesh its own experiences in fields which could bring mutual benefit to both countries, whether within the framework of the Malaysian Technical Cooperation Programme (MTCPP) or any other bilateral and multilateral cooperative mechanisms.

I am also pleased to note of the excellent state of our cooperation in various regional and multilateral agencies where both countries have consistently sought to further the cause of peace and stability in the international community. Our common membership of the United Nations Security Council, Organization Islamic

Conference (OIC), the Commonwealth, Non Aligned Movement (NAM), Development-8 (D8) and other regional and international agencies testifies to this fact. Our valuable contribution in these institutions has been duly recognized by the international community. In this regard, I would like to wish the People's Republic of Bangladesh every success in its effort to host the next NAM Summit in Dhaka in the year 2001.

Finally, allow me to express my sincere gratitude and happiness to be able to serve in your beautiful country and I pray to Allah Almighty for the continued peace and prosperity of the Government and people of the People's Republic of Bangladesh. On my part, I shall endeavor to do my very best to further strengthen and solidify the already close cordial ties of friendship and cooperation that exist between our two brotherly countries. Insha-Allah.

Wassalamualaikum Warahmatullahi Hiiwabarakatuh.



Dr. Mohd Yusof Bin Ahmad
Ahamad
High Commissioner of Malaysia to Bangladesh

NEAC Steers the Economy out of Recession

THE National Economic Action Council (NEAC) was established in January 1998, six months after the onset of the crisis in mid-July 1997 following speculative attacks on the Ringgit. The setting up of the NEAC reflects firm commitment and also determination on the part of the Government to deal with the worst ever economic and financial crisis afflicting Malaysia and other countries in the region. In the early phase of the crisis, Malaysia adopted the IMF's style of austerity measures, including a tight monetary policy. High interest rates, tight credit environment and reduced public sector expenditures further contributed to the contraction in the economy. The downward spiral of the economy had also been exacerbated by sharp depreciation of the ringgit and across-the-board decline in share prices.

Following meetings and discussions with over 2000 organizations and individuals from both the public and the private sectors, including foreign experts and analysts, a completely new independent approach was taken with more proactive, preemptive and prudential measures to deal with the crisis. The recommended policy measures and lines of action were spelled out clearly in the National Economic Recovery Plan (NERP) which was released in July 1998. The public and investor confidence has to be restored, the currency and capital markets stabilized, while the country's economic fundamentals which were initially strong needed new strength and support. Thus, a fiscal stimulus package was implemented coupled with an easy monetary policy through reduction in statutory reserve ratio (SRR) and interest rates. While the expansionary fiscal and monetary policies helped to stabilize the economy in the short run, structural adjustment and reform measures continued to be implemented as part of the medium and long-term strategies to strengthen the structural foundation of the economy.

In early September 1998, the NEAC introduced additional measures largely to regain monetary independence and to terminate offshore trading of ringgit through selective exchange controls and also the pegging of ringgit at RM3.80 to the US dollar. The selective exchange control policy and pegging to the US dollar helped to create an environment of certainty and stability. These measures also helped to reinforce ongoing structural adjustment and reform efforts, including programmes aimed at improving corporate governance, corporate restructuring, and financial consolidation. Malaysia preferred to pursue an independent course of action to avoid heavy social and political costs experienced by the other crisis-hit countries in the region.

Criticism to the imposition of selective exchange control policy, however, has subsided significantly with the rapid and broad-based recovery of the economy, rebound in stock market activity and continued inflow of foreign funds, including portfolio investment. On the external front, the current account of the balance of payments has turned around with substantial surpluses recorded in 1998 and 1999 (RM36.8 billion and RM47.4 billion respectively). With strong trade surplus and continued inflow of foreign direct investment (FDI), portfolio and other capital inflows, total international reserves improved substantially to each US\$34.2 billion as at 15 May 2000.

Real GDP growth rate which contracted by 7.5 per cent in 1998 showed a V-shaped recovery by registering growth rate of 5.4 per cent in 1999, well above the earlier estimate of only 1.0 per cent. Real GDP growth for the year 2000 is estimated at 5.8 per cent but could be higher as predicted by many private analysts. The first quarters growth was 11.7 per cent. Other key economic indicators have also shown that the Malaysian economy has recovered completely from the crisis and currently growing at a sustainable rate with relatively low inflation, robust external sector and few signs of inflationary pressures, and lower external debt. A low rate of inflation, rising labour income, improved employment prospects, substantial wealth effects from buoyant stock market as well as ample liquidity have together encouraged private consumption expenditure. Private investment expenditure is expected to take centre stage with continued low interest rates, higher capacity utilization and fresh capacity expansion to meet new orders. The current account of the balance of payments is expected to remain strong this year at 14.2 per cent of GNP.

The firm commitment and seriousness in managing the crisis has enabled a quick recovery to take place with less resolution costs than originally estimated. Most important of all, Malaysia does not lose sovereign rights to manage its own domestic economic and political affairs. The social fabric and political stability of the country remain intact. With solid economic recovery and projected growth in the coming years, the Malaysia economy is poised to be back on track again for continued growth and prosperity. Nevertheless, Malaysia has to be vigilant against any signs of external imbalances and inflationary pressures.

The Malaysian unorthodox approach in managing the crisis did not contravene any established international rule or regulation. Many have acknowledged that there is no standard prescription to the

crisis. As the economy recovers and the objectives of the capital control policy attained, the Central Bank has revised the measures. Exchange controls have been liberalized on 21 September 1999, and now only a flat 10 per cent levy is charged on repatriation of profits on portfolio investment.

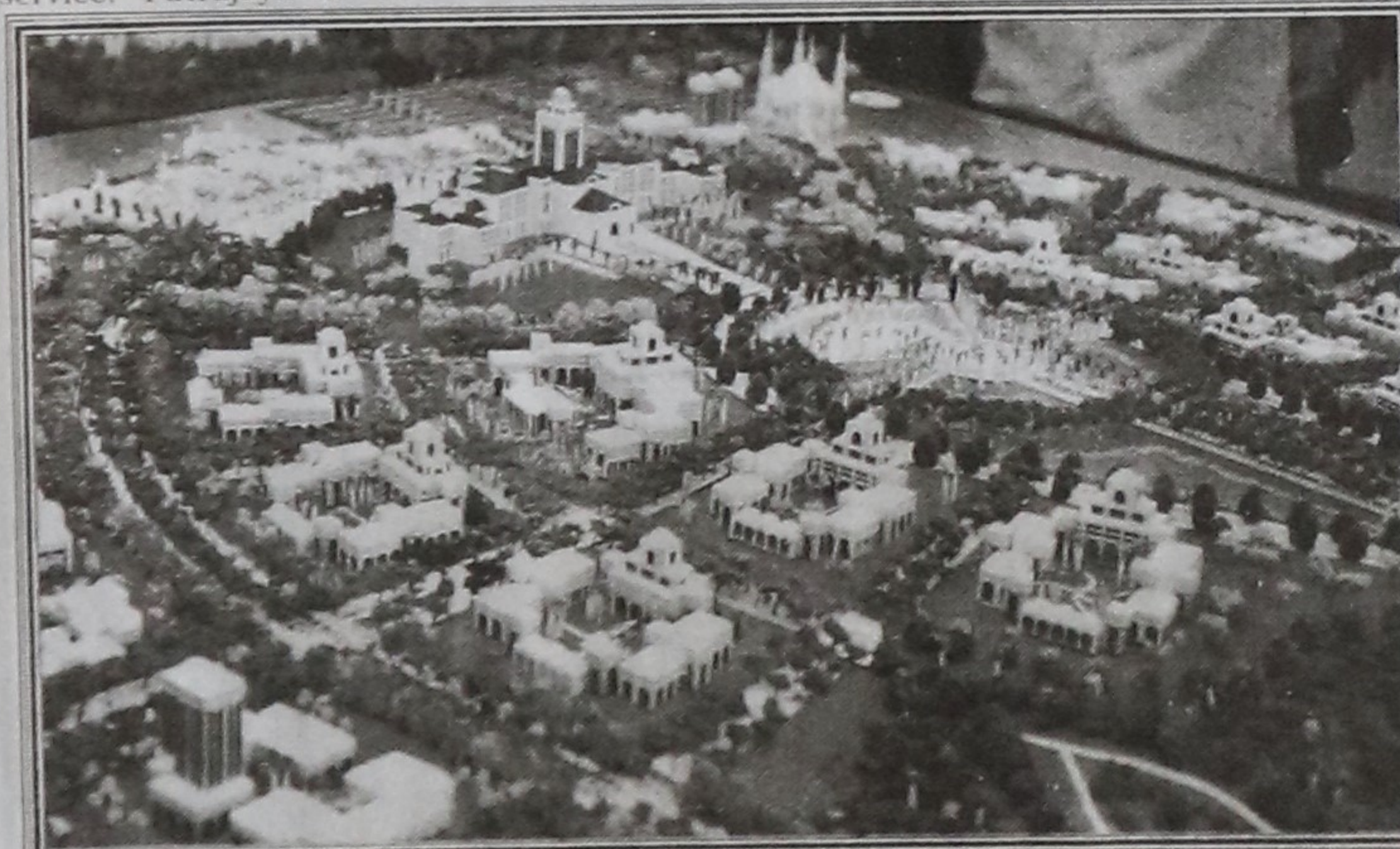
Going forward, new items on the economic agenda for Malaysia include preparing for the Third Outline Perspective Plan (2001-2010), The Eighth Malaysia Plan (2001-2005), the

Capital Market Master Plan and the Master Plan for the Financial System. Corporate restructuring and financial sector reforms, including bank consolidation will continue to be given priority to ensure the previous episodes of insufficient corporate governance and weak banking system does not recur again. Measures to ensure efficiency and competitiveness of the nation will be emphasized, while new sources of economic growth identified. The next phase of economic development

includes moving into a new economy with strong emphasis on knowledge, skills, innovation and new ideas as part of the strategy for pro-innovation growth policy and productivity driven growth. The K-Economy Master Plan is expected to be ready by the end of the year to spearhead development towards a knowledge-based economy.

Although Malaysia has successfully pursued a balanced and consistent set of macroeconomic policies, it remains a

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A model plan of Putrajaya, the new Federal Administrative Centre

within the Multimedia Super Corridor to leap-frog Malaysia into the information age via a multimedia-networked paperless administration that will link Putrajaya to government centres around the country.

City in a Garden

The undulating nature of the land lends itself to the creation of a city in a garden with a number of parks and gardens, a 600-hectare man-made lake as its principal landscape feature, and a combination of inviting open spaces for relaxation and outdoor activities.

Landscape of Putrajaya is undertaken very seriously with emphasis on reforestation, enhancement of the natural landscape, and promoting local flora, as a Malaysian landscape identity while creating a network of open spaces.

As a garden city, Putrajaya will also provide opportunities for tourism and recreational development, while being an attractive venue for official conventions and exhibitions.

Green City Concept

Green areas account for more than 37% of Putrajaya and focuses on the enhancement of the natural environment for a beautiful and healthy surrounding with a network of pedestrian walkways, colonnades and cycle

degradation and flooding in Kuala Lumpur was causing concern. The development of Putrajaya would seem like the right thing to do, to relieve the pressure on Kuala Lumpur, as moving some 76,000 government employees out of Kuala Lumpur would result in some one million square meters of floor space becoming vacant and reducing the number of cars choking the streets of Kuala Lumpur.

When completed, the 4,581 hectares that will make up Putrajaya, would be the realisation of the government's vision to build a planned city with comprehensive policies and guidelines for land use distributions, transportation system, utilities and infrastructure, housing, public amenities, information technology, parks and gardens.

Prime Minister's Vision
As visualised by the Prime Minister, Dato' Seri Dr. Mahathir Mohamad, Putrajaya, the new federal government administrative centre, will be a city that characterises the spirit of Malaysia in its fullest sense in the 21st century, when fully completed.

Named in memory of the first Prime Minister, the late Tunku Abdul Rahman Putra Al-Haj, Putrajaya is the pride of Malaysia – built by Malaysians for Malaysians.