



GREATER KUALA LUMPUR / KLANG VALLEY

# REJUVENATING THE URBAN LANDSCAPE



**YB DATUK SERI TENGKU ADNAN TENGKU MANSOR**  
Minister of Federal Territories

The Greater Kuala Lumpur and Klang Valley (Greater KL/Klang Valley) region is rapidly increasing in connectivity, bringing wealth and prosperity to its residents in line with the goal of the Greater KL/KV NKEA to improve its liveability and become a competitive commercial centre in the global arena. Its GNI contribution is expected to increase from RM248 billion in 2010 to RM693 billion by 2020, with its progress on track towards creating 320,000 jobs in the same year.

To improve its liveability and regional competitiveness, the Greater KL/Klang Valley NKEA has implemented initiatives to improve the region's connectivity, revitalise its rivers and protect its green spaces, enhance its commercial attractiveness and ensure proper management of its waste and water resources to meet the needs of its growing population and drive economic activity. According to the Economist Intelligence Unit's (EIU) Global Liveability Report 2017, Kuala Lumpur has improved its liveability ranking to 70<sup>th</sup> out of 140 cities from 78<sup>th</sup> in 2010 and remains the second most liveable city in Southeast Asia.

To this end, many projects first embarked upon in 2010 have reached significant milestones over this year, representing not only achievements for this NKEA but also serving as cornerstones for Malaysia's transformation under the NTP. These include the completion of the full MRT Line 1 on 17 July 2017. The project, which was delivered two weeks ahead of schedule and saved RM2 billion below budget, is now recording an average ridership of 110,000 commuters daily, and the

number is expected to grow higher as the MRT continues to provide valuable connectivity within the Greater KL/Klang Valley region.

Other significant initiatives include the River of Life project, which aims to transform the Klang and Gombak Rivers and its surrounding areas into thriving recreational activity spots and enhance its economic value, as seen in other world-class cities. The project marked the launch of the River of Life Heritage Quarter on 28 August 2017, a new premium attraction across 2.7-km-worth of riverside within the heart of the city, delighting residents and tourists alike. It has also gained international recognition with AECOM, the infrastructure firm that designed the overall river beautification, receiving the Award of Excellence by the International Federation of LANDSCAPE Architects and the Asia-Pacific Landscape Architecture Awards 2017 under the Cultural and Urban Landscape category.

The success of this NKEA is attributed to the close cooperation among the relevant ministries and agencies as well as public support in ensuring the sustainability of the enhancements in Greater KL/Klang Valley. As we approach the 2020 mark, all stakeholders must increase their efforts to ensure that the completion of projects are in line with our targets for the country.

## CREATING CONNECTIVITY WITHIN THE CITY AND BEYOND

### Klang Valley Mass Rapid Transit Project

As a flagship project under the NTP, the MRT project was formulated to add much-needed capacity to the Greater KL/Klang Valley's growing public transport system and catalyse economic activity. The MRT also contributes to the liveability of Greater KL/Klang Valley by providing a low-pollution travel option for residents to move around the city, enabling an estimated 160,000 vehicles to be taken off the roads and a reduction of 34,400 tonnes of carbon dioxide emissions per year.



**MRT Line 1 commenced full operations on 17 July 2017.**

The project reached a significant milestone when the full MRT Line 1 (Sungai Buloh - Kajang, SBK) was launched on 17 July 2017, improving connectivity within Greater KL/Klang Valley; pushing it closer to becoming a fully connected region. The line encompasses 31 stops from Sungai Buloh to Kajang, serving a population catchment of 1.2 million individuals. The Line's connectivity is further enhanced with its integration to the region's existing rail backbone comprising of the LRT, Monorail, KTM Komuter, KLIA Express and KLIA Transit services.



**YAB Prime Minister officially launching MRT Line 1 at the Tun Razak Exchange station.**

The second phase of the MRT project (Sungai Buloh - Serdang - Putrajaya (SSP) Line) is under construction, with a ground-breaking ceremony at the Putrajaya Sentral Station by the YAB Prime Minister on 15 September 2016. As of 2017, work packages related to viaducts, underground works, electrical and mechanical systems have been awarded accordingly. As of 31 December 2017, the progress of the SSP Line reached 19.13% and is on track to complete as scheduled by 2022. The first phase of the MRT SSP Line is slated for operations by the second quarter of 2021, while the full line will be operational in the succeeding year.

Together, the SBK and SSP Lines will provide extra capacity to transport 900,000 commuters daily. In tandem with these lines, plans are underway for the third phase of the project (the Circle Line). The Circle Line will loop around Greater KL/Klang Valley, hence completing the full MRT project.

The MRT urban rail network is a complex project which involves extensive construction in a highly congested urban area. Hence, best practices will be used to increase workforce efficiency while reducing the risk of damage and injury. To this effect, common disruptions caused by construction sites such as noise and air pollution, road closures, and potential damage to neighbouring properties will be better managed through putting up sound barriers among others. Safety in construction sites and its surrounding areas will be prioritised, especially at locations in close proximity to pedestrians, busy traffic, and buildings. To ensure compliance, impact assessments and stakeholder engagements will be conducted at regular intervals.



To obtain the latest information and progress on MRT development, the public can access various offline and online MRT touchpoints, such as information centres located at Viva Mall in Kuala Lumpur and Atmosphere Putrajaya, as well as mobile information centres and kiosks located at other shopping malls. The public can also provide feedback on the MRT development via <http://www.mymrt.com.my/en/feedback-form>.

### **Kuala Lumpur-Singapore High-Speed Rail project**

The Kuala Lumpur - Singapore High-Speed Rail (KL - SG HSR) is another project aimed at improving the connectivity of Greater KL/Klang Valley. The project aims to create socio-economic multipliers through economic clusters which are expected to blossom along the rail line.

The railway, which will cut the journey time between KL and Singapore to just 90 minutes, will serve eight stations: seven in Malaysia and one in Singapore.

Beginning from Bandar Malaysia, the HSR route will cover Bangi - Putrajaya, Seremban, Melaka, Muar, Batu Pahat and Iskandar Puteri before reaching Jurong East, Singapore.

The increased connectivity between two of Southeast Asia's major economic engines is expected to further facilitate cross-border businesses by providing them access to a broader market place. At the same time, the public will enjoy shorter travel time and a more comfortable ride through the HSR's city-centre-to-city-centre connection along the corridor.

In 2017, two international-level Industry Briefings were held with Land Transport Authority (LTA) Singapore to prepare a tender in 2018 for the establishment of a privately financed HSR asset company (AssetsCo). The results of the HSR AssetsCo tender are expected in 2018, after which the appointed parties will be responsible for designing, building, financing and maintaining



**MRT Line 1 seen here is expected to serve a population catchment of 1.2 million individuals.**

all rolling stock and rail assets. On 17 October 2017, MyHSR Corp also unveiled the Station Concept Design and the Ground Control Point Survey Works launched by the YAB Prime Minister.

A project of this scale will require a significant workforce with expertise in the high-speed rail industry, which is in short supply in Malaysia as it is a relatively new industry in the country. To address this, initiatives have been identified to develop and upskill local talent with the required technical skills through: academic programmes and modules, Technical and Vocational Education Training (TVET) modules, professional redevelopment and reskilling; and the Young Engineer Programme. These initiatives will provide on-the-job training as well as continuous assessments and evaluations through collaborations with institutions of higher learning and TVET institutions as well as project partners.

**“The increased connectivity between two of Southeast Asia’s major economic engines is expected to further facilitate cross-border businesses by providing them access to a broader market place.”**

In addition, MyHSR Corp together with the Economic Planning Unit developed the Socio-economic Development Programme (SEDP) to accelerate inclusive growth in the cities along the HSR corridor in the same year. The SEDP will be implemented with a focus on three components: economy, inclusivity and sustainability. Each component is supported by a set of enablers to maximise benefits for local communities and ensure meaningful participation in its development. As such, an SEDP Delivery Kick-Off and CTP (Cities Transformation Programme) Plenary was organised in February 2017 to share an overview and updated progress of the SEDP. The events also acted as a platform to kick-off the SEDP delivery programmes – the Economic Acceleration Programme (EAP) and the Cities Transformation Programme (CTP).



**YB Datuk Seri Abdul Rahman Dahlan officiating the SEDP Delivery Kick-Off and CTP (Cities Transformation Programme) Plenary in February 2017.**

### **Pedestrian Network and Bicycle Lanes Masterplan**

Since 2010, 49.8 km of pedestrian walkways around Kuala Lumpur have been re-paved, anti-climb fencing has been installed and greenery has been added as part of a project to improve pedestrian linkages with major developments in the city and boost commercial and leisure activities. These changes have enhanced pedestrian comfort and safety which in turn, encourages more on-foot travel around the city.

Following the successful completion of bicycle lanes which connect Mid Valley to Dataran Merdeka in 2015, DBKL will foster public mobility through incorporating a pedestrian network and bicycle lanes masterplan in current and future developments. The masterplan will be completed in 2018, and will incorporate public views and focus group discussions.

The masterplan will include pedestrian networks and bicycle lanes as a guide for DBKL and local councils to upgrade bicycle lanes. This will complement new services such as bike sharing around the Greater KL area which encourages low carbon transportation for its citizens. The introduction of the masterplan is also targeted to guide local and city councils in rethinking the allocation of road space, which is currently vehicle-centric.



## BOOSTING ECONOMIC ACTIVITIES IN GREATER KUALA LUMPUR AND KLANG VALLEY

Despite a challenging global economic outlook in 2017, InvestKL persevered in its efforts of facilitating the establishment of 100 multinational corporations (MNCs) in Greater KL/Klang Valley by 2020. Progress is attained through engaging with C-level decision makers and solidifying alliances with various partners. As a result, InvestKL recorded the entry of 12 MNCs in 2017.

Stakeholder engagement sessions were undertaken throughout the year in close partnership with the Ministry of International Trade and Industry as the main regulator of foreign direct investment. The sessions enable the agency to better facilitate the entry of MNCs, gain better understanding of individual MNC needs and concerns as well as ensure continued support towards existing MNCs to encourage their long-term presence in Malaysia. Sessions conducted during the year include a French Delegation roundtable with The Movement of the Enterprises of France (MEDEF), the largest employer federation in France, as well as a luncheon in conjunction with the French President's visit to Kuala Lumpur.

**“ InvestKL recorded the entry of 12 MNCs in 2017. ”**

Strategic partnership initiatives with the Big Four accounting firms and international chambers of commerce, amongst others, will also be leveraged to engage potential investors and secure the remaining MNCs needed towards the 2020 target. At the same time, continuous promotional campaigns on the advantages of the Greater KL/Klang Valley region will be carried out across local and international media

platforms through both traditional and digital means.

InvestKL will also participate and host various roundtable initiatives for different sectors and regions. Among events planned are an Oil and Gas Roundtable, as well as a Belt and Road Conference and Tax Symposium. These engagements will take place all over the world, including in major cities in the US, Europe, China and Japan. On the local front, InvestKL also hosted an industry roundtable for insurance companies and Central Bank of Malaysia (Bank Negara Malaysia) to discuss mutually beneficial policies and regulations to ensure long term growth. The continued success in attracting large MNCs to Greater KL is testament to the effectiveness of these numerous initiatives.

Meanwhile, TalentCorp continued to attract and retain high-skilled talents in Malaysia to support the talent needs of Greater KL/Klang Valley. As of 2017, the Scholarship Talent Attraction and Retention (STAR) programme registered 1,206 Public Service Department (JPA) scholars.

Under the Returning Expert Programme (REP), 405 applicants have been successfully approved as of 2017. To ensure continued success, marketing must be intensified to increase interests among returning Malaysian professionals from their stints abroad. Meanwhile, the Residence Pass-Talent (RP-T) programme (which is meant to retain highly skilled expatriates in Malaysia) approved 1,049 applicants in the same year, further enhancing the high-skilled talent pool, and rate of knowledge transfer in Malaysia.

It is important to ensure employment pass applications are processed in a convenient and timely manner to attract interested applicants, especially as human resource constraints may impact the efficiency of the application process. In 2017, MyXpats Centre successfully processed 97% of employment passes within its five-day charter, while the Expatriate Service Division (ESD) online system has registered 13,000 companies and processed 106,000 applications since 2014.

# DEVELOPING A WORLD-CLASS CITY

## River of Life

In light of the region’s increasing population, ensuring that Greater KL/Klang Valley continues to be a liveable environment is critical. Thus, from 2011, significant efforts have been channelled to improve the region’s rivers under the River of Life (RoL) project. Following the launch of Phase 1 in 2017, the environment-centric project is on track for completion by 2020.

As part of the river cleaning process, work continues to be undertaken across eight river tributaries, spanning 110 km to improve water quality to Class IIb. Water quality is measured in classes; Class I denotes the highest water quality while Class V rivers are extremely polluted. Prior to the RoL project implementation, the WQI for rivers within the RoL project was a harmful Class IV-V, but all eight tributaries have since improved to Class III.

Since 2011, a total of 27 sewage treatment plants and 136.33 km of sewerage pipe networks have been

upgraded and installed, with the construction of one more sewage treatment plant and an additional 7 km of sewerage pipe networks under construction to date. To prevent the risk of effluent overflow or malfunction that would exacerbate river contamination, old and existing small-capacity treatment plants are also being upgraded, with 13 re-engineered into regional sewerage treatment plants and 267 plants currently on schedule to be completed.

The agencies involved have identified wastewater produced from wet markets as one of the main sources of river pollution. As a countermeasure, four wastewater treatment plants for wet markets in Kuala Lumpur have been built with an additional five in Selangor at the final stages of construction. A total of 504 gross pollutant traps, trash rakes and log booms have also been installed, while 13 river treatment plants have been built and two more under construction.

Rehabilitation works along Sungai Kerayong’s 13 km riverbank stretch and riverbank enhancing works at selected locations in Sungai Klang and Sungai Gombak have also been completed. Additionally, interceptor systems have been installed at the 10.7 km river stretch under the project’s river beautification component. The system is designed



Water quality index for ROL rivers as of 2017.



to intercept street debris not captured by sewage or wastewater treatment facilities and redirect it to eight sullage treatment plants before the water is released to the river. This additional measure will help ensure the water quality along the 10.7km of rivers can achieve Class IIb. Presently, four interceptor systems have been completed with the remaining still under construction.

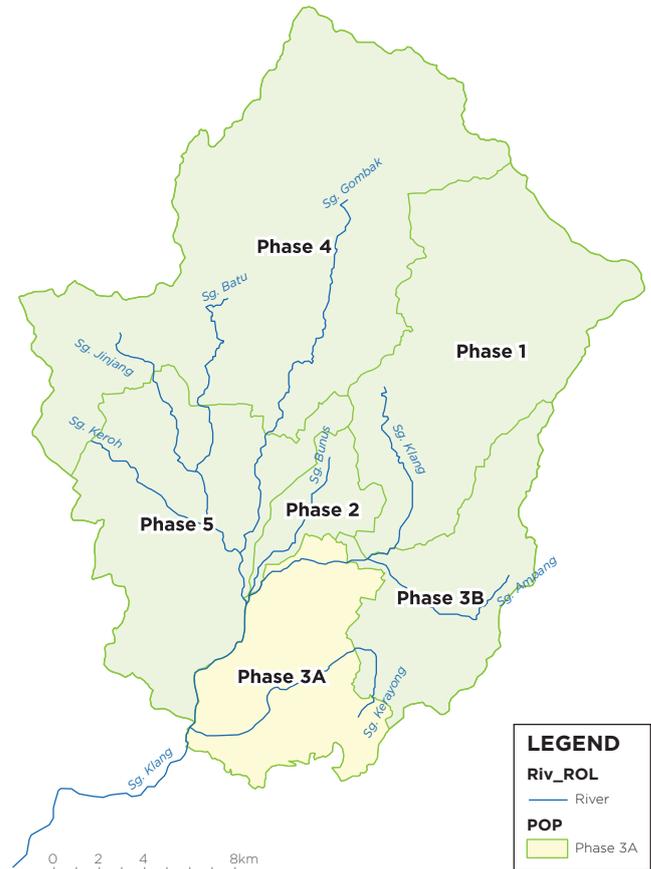
The river beautification component has achieved significant milestones in 2017 following the upgrading of the areas surrounding the 10.7 km river stretch from Titiwangsa to Brickfields, with Masjid Jamek at its focal point. Restoration and renovation of Masjid Jamek have been completed and the area has been made more accessible and attractive to patrons, visitors and pedestrians.

The fountain-and-lights feature of the Kolam Biru at Masjid Jamek was launched simultaneously with the ROL Phase 1 beautification project on 28 August 2017 by the YAB Prime Minister. Beautification works have commenced since 2014 at areas around Dataran Merdeka, Masjid India, PWTC and Brickfields, while a contract is in the process of being awarded for works at Taman Tasik Titiwangsa. Beautification of all areas are expected to be completed in 2019. The Ministry of Federal Territories will continue to work together with DBKL to ensure the completion of Phase 2 of river beautification works. Projects are closely managed with regular progress reviews of each node and package.

Dumping of foreign materials into the region’s water channels hinder and can potentially inhibit river cleaning efforts. As such, further engagement with the public is imperative. To help with this, a five-phase Public Outreach Programme (POP) was devised. Each POP Phase is catered to one area of Kuala Lumpur and Klang Valley, which target the local communities (school children and food traders, among others) living within 300 m of riverbanks to increase awareness on river cleanliness. POP also fosters civic-mindedness to ensure the sustainability and maintenance of the improved river quality.

Although substantial improvements have been recorded, the RoL project can be hampered by construction works, geographical constraints and soil conditions. However, constant collaboration between the Government and private agencies

will ensure that delays to the project are minimal. Ongoing efforts in educating the public must be continued to ensure that the upgraded facilities will not be vandalised.



**Coverage of the Public Outreach Programme.**

**Preserving green spaces**

Tree Planting and Park Adoption initiatives to plant 100,000 trees in Kuala Lumpur by 2020 was achieved in the year 2013, seven years ahead of schedule. Nevertheless, there have been continued efforts to increase this number to ensure a greener, and more liveable Greater KL/Klang Valley.

Following Wilhelmsen Ship Services and Wilhelmsen Ship Management’s tree planting initiative in 2016, four additional parks were adopted in 2017 by private corporations and community organisations. The demand was encouraged by a partnership with Yayasan Hijau which allows adoption funds to be exempted from taxation.

A collaborative effort between Think City and Seksan Design to redesign and repurpose existing spaces resulted in the launch of the Tun Perak



**The upgraded Tun Perak Pocket Park adds greenery to a busy city intersection and utilises river boulders from the nearby River of Life project.**

Pocket Park. The pocket park also features recycled rocks taken from river boulders removed from RoL project areas.

Naza TTDI's KL Metropolis City also committed to a large-scale corporate adoption initiative worth RM20 million over 15 years. Additionally, a fern conservation garden was set up at YTL Stripes Hotel on Jalan Kemuning, Kuala Lumpur, while AIA Group adopted a portion of Metropolitan Kepong Park.

### **Promoting iconic places**

Ongoing work to develop heritage trails is progressing as per the Heritage Trail Master Plan. Heritage Trails 5 to 8 are undergoing work development, despite facing challenges including the relocation of nearby utilities.

Heritage Trail 5, or Jejak Pahlawan, which connects Precinct 7 of the RoL project to Jalan Parlimen,

remains under construction due to the challenges of working in a confined space coupled with heavy traffic. Heritage Trail 6, or Jejak Rimba Bandar, is on track for completion in 2018, where the 1.2-km-stretch along Jalan Ampang and one of the entrances to Bukit Nanas Forest Reserve will be upgraded, allowing visitors access to the only remaining virgin rainforest in Kuala Lumpur city. Heritage Trails 7 and 8, or Jejak Bijih Timah, will have its pedestrian walkways upgraded and two new pocket parks established at Jalan Sultan and Jalan Panggong respectively. The project is expected to be completed in 2018. The famed tourist area of Jalan Petaling and its vicinity will encourage more visitors to learn about Kuala Lumpur's colourful history of tin mining and tin merchants.

### **Management of solid waste and water**

Solid waste management (SWM) is another area of focus identified under the NKEA. In



Peninsular Malaysia, SWM for states under the Solid Waste & Public Cleansing Management Act 2007 (Act 672) is governed by the Ministry of Urban Wellbeing, Housing and Local Government's National Solid Waste Management Department. Act 672 targets to reduce the amount of solid waste sent to landfills by 40% by 2020. However, the initiative requires innovative solutions and private sector participation to reduce reliance on the Government, which is heavily funding investments in SWM currently.

As such, the Catchment Area Needs Statement (CANS) initiative, conceived during the Solid Waste Management Lab in July 2015, aims to encourage private sector participation by providing a platform with relevant information for tonnage diversion needs and charting the waste flow of any particular location. This information will aid the private sector in delivering suitable proposals to address tonnage diversion and at the same alleviate the Government's capital and operating expenditure. This initiative sends a clear invitation to the private sector to be involved in SWM. By proposing locality-tailored solid waste management solutions, the private sector can assist the Government to achieve its target for waste diversion and unlock the local waste-recovery industry while reducing the Government's financial burden.

While the National Solid Waste Management Department seeks to work with the private sector to explore solution-focused partnerships, the department previously did not have suitable tools and capacity to evaluate proposals received from the private sector. In view of this, the Business Evaluation Pipeline (BEP) was developed to evaluate SWM proposals from the private sector. Version 1.0 of BEP was rolled out in February 2017, streamlining the format and evaluation criteria for initial adoption. BEP version 2.0, which will include a holistic evaluation criteria, is expected to be ready for adoption by the end of 2017. BEP will be integrated with CANS once it is fully operational.

The Ministry of Energy, Green Technology and Water (KeTTHA) is leading the Langat Centralised Sewage Treatment Plant (LCSTP) project, which will enable the treatment of 207,000 m<sup>3</sup> sewage

daily, or 920,000 population equivalent (PE), to improve the quality of treated effluent and reduce ammonia pollution into Sungai Langat – an important water catchment area servicing the population of Greater KL. The project will also establish additional space for recreation and facilities for the public as the majority of the project will be built underground.

Covering the Langat catchment average area of 61.72 sq km ranging from Mile 11 Cheras to Kajang, the design also took into consideration the rationalisation of 164 small treatment plants from Mile 11 Cheras, Desa Baiduri, Cheras Jaya, Kajang 1 and Kajang 3 including Kajang Prison. The project is scheduled for completion by October 2020.

Other ongoing projects include the Upper Kerayong Sewage Treatment Plant which is expected to complete in 2018 covering the Cheras and Ampang areas. Pipe network and rationalisation projects in Puchong and Kajang are also expected to be completed in 2018 following the successful completion of pipe network and rationalisation in Petaling Jaya Utara and Klang in 2017. These projects will help ensure increased sewage and effluent from a larger population is captured and treated to protect environmental quality in the Greater KL area.



**The Bunus Sewage Treatment Plant is part of the larger effort of improving river water quality at Sungai Bunus.**

## MRT's strategic solutions: changing the face of construction

The Klang Valley Mass Rapid Transit (KVMRT) project is Malaysia's largest infrastructure undertaking to date. Thus, when engaging the Project Delivery Partner (PDP) to build it, the Government entrusted MMC Gamuda KVMRT (PDP) Sdn Bhd (MMC Gamuda) to act as a single point of accountability.

Maslan Othman, Deputy Project Director of MMC Gamuda, attributed the MRT's success to paying close attention to planning the alignment of the MRT line, design management, procurement, and construction management.

In terms of alignment, a key challenge was Kuala Lumpur's congestion, outlines Maslan. "Additionally, the alignment (route) had to run through certain must-serve townships and business hubs, such as KL Sentral and Bukit Bintang. The alignment selection had to balance between optimising ridership and integrating the MRT to the existing transport systems, while ensuring the need for minimal land acquisition and minimal social impact to the surrounding communities".

In-depth knowledge of the industry's supply chain gave MMC Gamuda the ability to structure a procurement strategy that ensured an optimal spread of works to the different tiers of the construction industry, concentrating on local industry players to improve their capabilities and skillsets. The PDP was involved at every stage jointly with its client, MRT Corp (MRTC), and the Independent Consulting Engineers (ICE).

Given the need for effective construction management, the PDP was provided the authority to step in when issues arose that could hinder the timely delivery of the project. "Thus, we could proactively deploy experienced personnel and physical resources when it was apparent that contractors were faced with possible delays. The contractors responded positively by co-operating with us, which succeeded in getting the work back on track," Maslan pointed out.



**The entire MRT project went smoothly with proactive corporate communication and stakeholder engagement.**

One of the challenges faced was with health, safety and environmental considerations, as Malaysian contractors were new to the stringent, world-class standards imposed by MRTC and MMC Gamuda, which was independently overseen by the ICE. It was imperative that a project of such a massive scale had cohesion in addressing the safety of everyone working on the project.

"We set up the KVMRT Training Centre to make safety training mandatory among all vendors, contractors and workers via a passport system. Ultimately, the training resulted in a positive change in mindset and behaviour towards a safer working culture," Mazlan elaborated. Hence, workplace injuries and deaths were reduced significantly, compared to other similar projects in the past.

As a result of this primary role played by MMC Gamuda, in conjunction with MRTC and the ICE, the MRT project managed to be delivered on time and on budget, as HSS Integrated Sdn Bhd (HSSI) Executive Director/Chief Executive Officer Dato' Ir. Nitchiananthan a/I Balasubramaniam highlighted.

HSSI, an associated entity of HSS Engineers Berhad, was first involved with the MRT project in 2011 for Line 1, and continued working on the MRT Line 2 as the ICE in 2015. "We were brought on board for governance purposes. This is the first large-scale PDP project in the country, costing



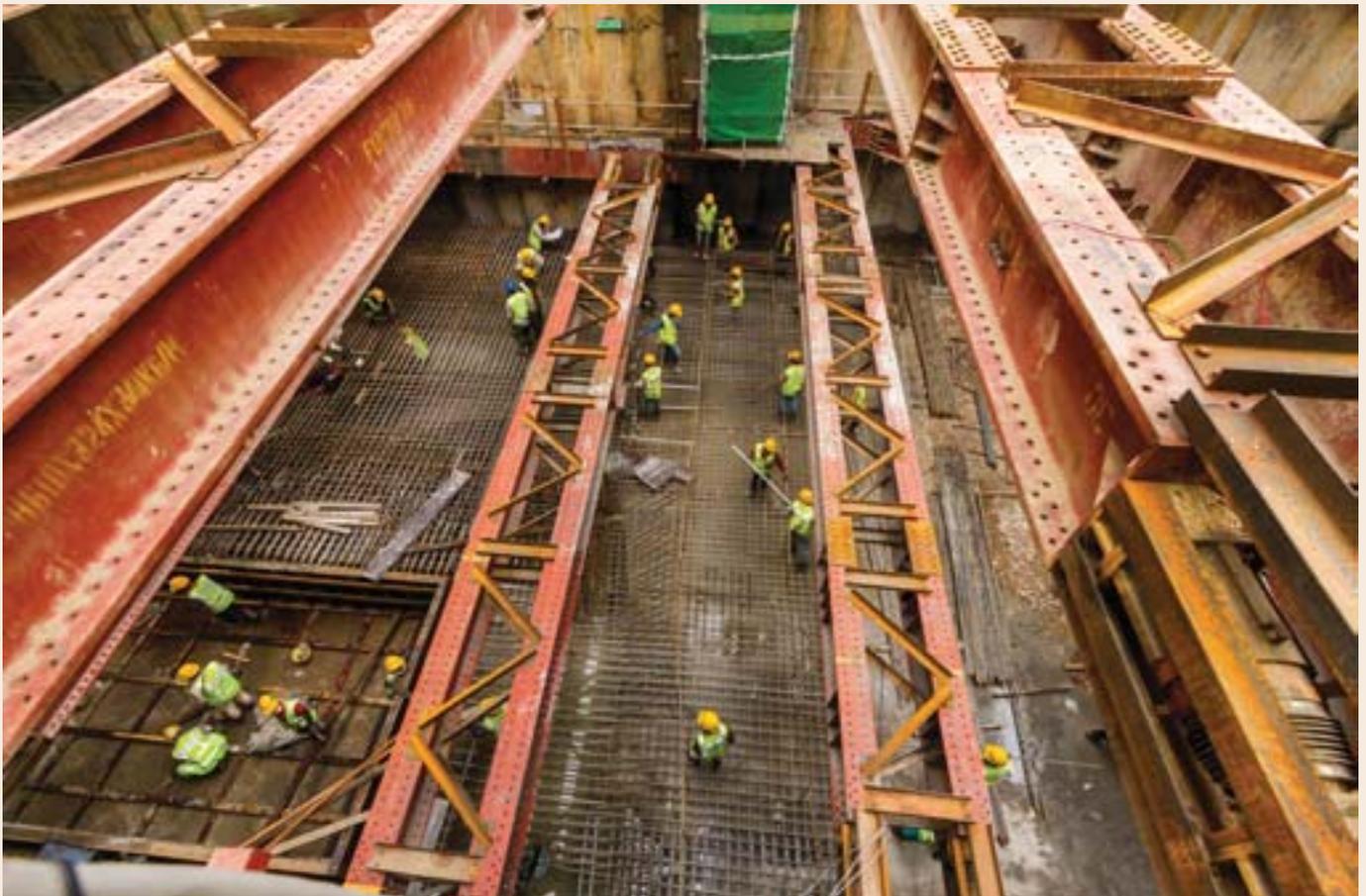
around RM20 – 30 billion. The whole structure of governance required an independent party to audit both the PDP and the project as a whole; this also included cash flow management of the DanaInfra bonds, which funded Line 1 of the MRT,” Dato’ Nitchiananthan explained.

He opined that overall, the entire MRT project went smoothly as there was proactive corporate communication and stakeholder engagement via social media and town hall meetings. “Overall, there was good teamwork between MRTTC, PDP, and the ICE, which continued into Line 2 as well.” Dato’ Nitchiananthan noted that the project came first for everybody involved; hence, all parties played their roles synergistically.

The multiplier effect of the MRT project had been significant. “At least 30 percent of the systems –

rolling stock, communications, signalling – had to be from local players. Railway players have been working to develop local skillsets in people and capabilities of companies in anticipation of ongoing work on MRT Lines 2 and 3, not to mention the High-Speed Rail and the East Coast Rail Link, and double-tracking in the southern sector. The MRT project is helping to develop the railway industry and expertise in Malaysia,” Dato’ Nitchiananthan enthused.

The impact of the MRT project has been huge in the Klang Valley in terms of modal shift. Dato’ Nitchiananthan reported that ridership on Line 1 has been doing very well. “That does not mean it cannot be doing better: once other strategies and policies such as area road pricing, congestion charging, and higher car parking rates are in place, I think we will see ridership of the MRT move to the next level.”



**Construction of the Merdeka station.**

## Malaysia Scores with UK's Sports Direct

The UK's largest sporting goods retailer, Sports Direct, has identified Malaysia as a vital location for expanding its Southeast Asian presence, and is currently working with InvestKL and the British High Commission to make Malaysia its regional hub.

"We are in the business of sports. With Malaysia as our regional hub, we will offer the widest variety in sporting goods and best value for authentic brands to some 648 million people in ASEAN," says Paul Gibbons, Managing Director of Sports Direct Malaysia. The company, which has already invested approximately RM120 million during its seven-year presence in Malaysia, plans to leverage its Malaysian operations as a springboard into neighbouring Singapore, Thailand and Vietnam among others in the next three years.

Calling Malaysia "the right place to set up and expand from", Gibbons cites the lower operating costs, geographically central location, similarity in judicial systems, good infrastructure and connectivity, centralisation of ports and ease in conducting business as key reasons why Malaysia was chosen as Sports Direct's regional hub.

Although currency fluctuations and several changes in policies have caused some short-term disruptions to its business, Gibbons still claims that "there is no better country which can handle expansion into Southeast Asia and Asia Pacific than Malaysia."

The company is also riding on key retail trends, particularly the demand for experiential retail and rapid e-commerce adoption. In October 2017, Sports Direct Malaysia launched a new five-storey, 26,000-sq-ft flagship superstore in Bukit Bintang with the capacity to stage fitness classes on the rooftop level. The sporting goods giant will also start a domestic web business and add more product offerings on the Lazada e-commerce platform.

Meanwhile, Gibbons is also proud of the low staff attrition rate in Sports Direct Malaysia, which is currently less than 2%. He also notes that many of its 700-plus staff members are talented sportspersons and sports enthusiasts themselves, contributing to the excellent customer experience that Sports Direct is known for.

To fill up key senior-level roles, the company favours internal staff training, development and promotion rather than recruitment via head-hunters. Management trainee courses are available and staff members from the Sports Direct Malaysia headquarters will also be nurtured to head its planned regional expansion.

Gibbons is thankful for the support received from InvestKL and the British High Commission in facilitating the company's growth and presence in the ASEAN region. On track to become the fourth largest economy in the coming decade, many big brands are looking to tap into this key market with a rapidly growing middle-income population. With more than 72 international sporting brands available under Sports Direct and a focus on new and larger stores designed to attain enhanced levels of excellence to its customers, the company is well-positioned to not only be Malaysia's No. 1 sports retailer, but also in amongst the ASEAN countries.



**Paul Gibbons, Managing Director of Sports Direct Malaysia.**



## MOVING FORWARD ▶▶

The Greater KL/Klang Valley NKEA has come a long way since its inception from the NTP Labs held in 2010. Many initiatives have now been completed while a number of the key longer-term construction projects have achieved steady progress, beginning with the completion of MRT Line 1 and RoL river beautification Phase 1. Despite the challenges faced in completing the projects, the implementers behind the NKEA have consistently kept a close eye on its 2020 targets and the NKEA is on track to fulfil its target of transforming the region into a magnet for investments and high-skilled jobs, improving connectivity, creating new iconic places and enhancing basic services.

The NKEA is committed to ensuring that the benefits of the projects under its purview will continue to reward current and future generations through initiatives such as tree-planting, park adoption, and the RoL Public Outreach Programme. These initiatives not only will imbue the rakyat with a greater sense of ownership over the city, but also enhance environmental sustainability. Indeed, Kuala Lumpur's inclusion as a member city into the C40 Cities Climate Leadership Group in 2016 reflects its commitment to addressing climate change in line with the NTP's sustainability agenda and will help strengthen Greater KL/Klang Valley's ambition to be economically competitive and ensure liveability for all its citizens.

---