

CHAPTER 1 INTRODUCTION

The National Physical Plan 4 (NPP4) offers specific emphasis on defining the pattern of national physical planning through the formulation of specific strategies and actions covering land use development, economic growth, resource conservation and management, integration and improvement of national transport and infrastructure networks, along with improving the quality of life and well-being of the country.

NPP4 is prepared through consultation between the Federal Government and the State Governments, and takes into account the planning policies or other relevant policies towards achieving prosperity, sustainability and well-being of the country.

NPP4 covers Peninsular Malaysia and the Federal Territory of Labuan, but not including the States of Sabah and Sarawak as the two states are subject to different legislations.



The Need for NPP

The National Physical Plan (NPP) is the highest plan in the hierarchy of the national land use planning system. The preparation of NPP is provided under Section 6B, Town and Country Planning Act 1976 (Act 172).

The NPP is a document that contains written statements, strategic policies and actions as a guide and a planning instrument that outlines the direction of the physical development for the entire planning area.

This document provides an overview of spatial development patterns for the short-, medium- and long-term planning period. In accordance with the provisions under subsection 6B (4), Act 172, the National Physical Plan shall be reviewed every five years in conjunction with the review of the National Five-Year Development Plan, or if and when, directed by the National Physical Planning Council (NPPC).

The NPP is the main reference by agencies at the federal, state and local levels for the purpose of coordinating development planning in realising a holistic, dynamic, resilient and competitive planning. The NPP requires commitment by the relevant agencies to implement the sectoral policies and strategies outlined in the document to achieve the aim of a Prosperous, Resilient and Liveable Nation.

NPP Main Functions

In the context of national development planning, the main functions of NPP are as follows:



Spatial Framework

Acts as a spatial framework for physical planning at the national, regional, state and local levels.



Towards a Balanced and Holistic Development

Drive the implementation of balanced development planning between regions (inter and intra) and between urban and rural areas.



Economic Development Framework

A framework that drives towards enhancing the country's competitiveness in line with the requirements of the Five-Year Malaysia Plan.



Translation of the State Commitment in the Global Rankings

Translating the country's key commitments at the global / international level such as the New Urban Agenda (NUA) and Sustainable Development Goals (SDGs).



Development Planning Coordination Instrument

To be the basis for coordination between the federal and state governments in strengthening sectoral policies and state development directions.

The KLCC Twin Tower which is located in Kuala Lumpur is also a national landmark.

National Spatial Planning Framework

The national development framework can be classified into three (3) main planning levels, namely the national, the regional and state, and the local levels. Each of these levels has a specific development plan document as its main output and serves as a reference in formulating implementation strategies and actions at each level (refer **Figure 1-1**).

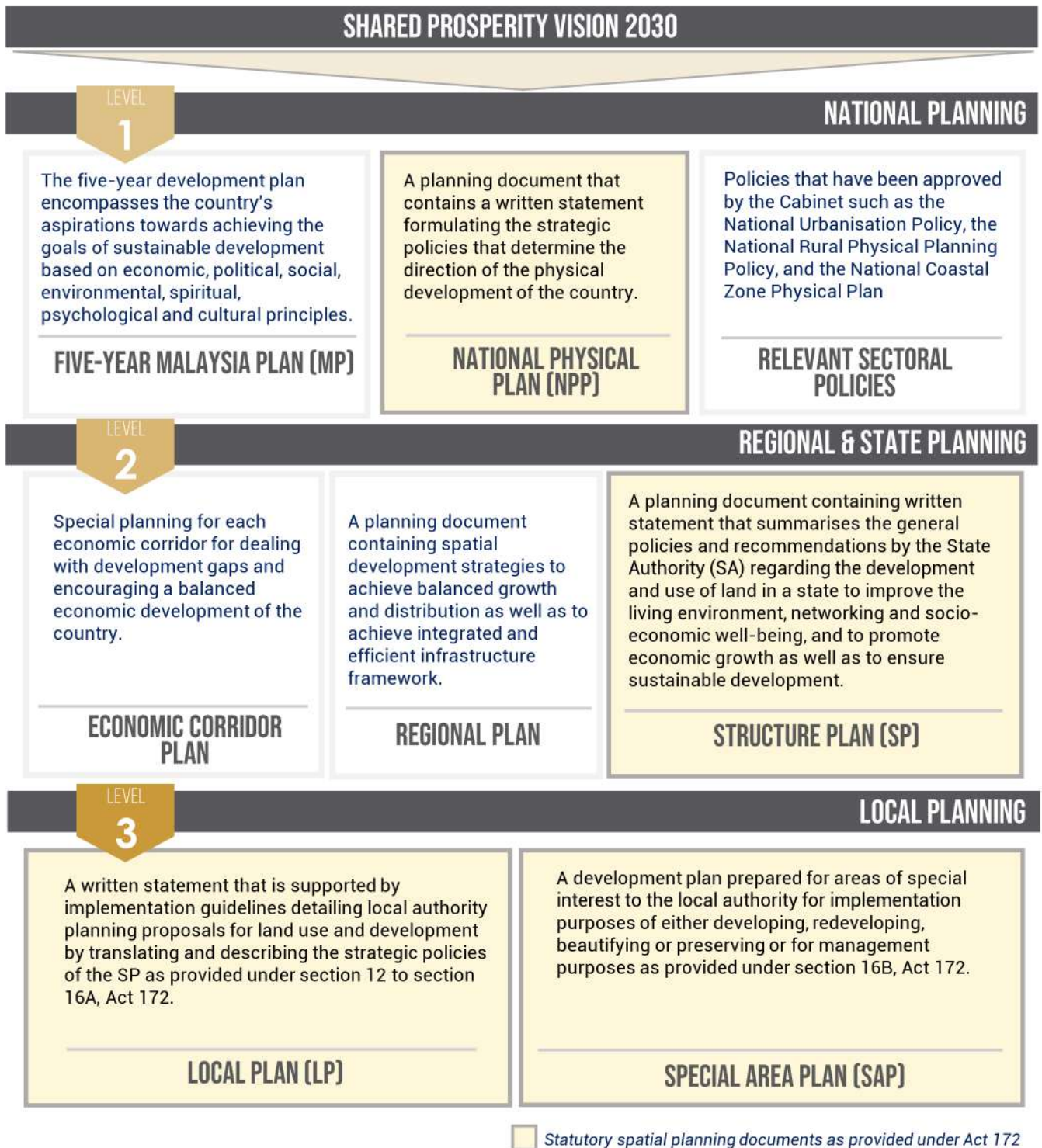


Figure 1-1: National Development Framework

Source: Act 172, Structure Plan Manual Version 2021, Local Plan Manual (2020) and NPP4, 2020

The Chronology of the NPP

The NPP was firstly prepared in 2005 with the aim of establishing an efficient national spatial framework towards achieving a developed country status by 2020. The goal of the First NPP was reinforced in the 2nd NPP which emphasised on achieving the status of a high-income country by 2020. It also involved integration of economic prosperity, the environment and social cohesion as contained in Vision 2020.

BRIEF FACTS

Vision 2020, which was introduced in 1991, contains three (3) implementation phases and three (3) specific dimensions namely high income, sustainability and inclusiveness.

The Shared Prosperity Vision (SPV) 2030 was launched in October 2019. SPV 2030 is a commitment to make Malaysia a sustainable developing nation in line with a fair, equitable and inclusive economic distribution at all levels of income groups, ethnicities, regions and supply chain.

2005

FIRST NPP (NPP1)

AIM:

Establishing an Efficient, Equitable and Sustainable National Spatial Framework, to drive the overall development of the nation towards achieving the level of a Developed Nation by 2020

PLANNED AREA :

Peninsular Malaysia

PLANNED PERIOD :

2005 – 2020

IMPLEMENTATION PERIOD :

2006 – 2010

CABINET MEETING APPROVAL:

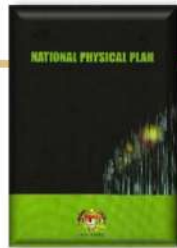
20 April 2005

NPPC APPROVAL :

Bil. 4/2005 : 26th April 2005

FOCUS :

A strategy characterised by 'Selective Concentration' was introduced and focused on the development of three major conurbations, namely Kuala Lumpur, George Town and Johor Bahru as symbolic locations that can drive the country's aspirations in achieving Vision 2020 and K-Economy.



2010

SECOND NPP (NPP2)

AIM:

Establishing an Efficient, Equitable and Sustainable National Spatial Framework to drive nationwide development towards achieving the status of a Developed and High-Income Country by 2020

PLANNED AREA :

Peninsular Malaysia

PLANNED PERIOD :

2010 – 2020

IMPLEMENTATION PERIOD :

2011 – 2015

CABINET MEETING APPROVAL :

11 Ogos 2010

NPPC APPROVAL :

Bil. 2/2010: 13th August 2010

FOCUS :

Malaysia will be able to achieve the status of a developed and high-income country in line with the goals of Vision 2020 and the New Economic Model (NEM) through the concept of 'concentrated decentralisation'.

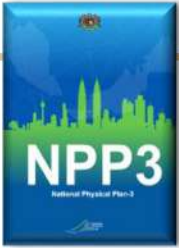
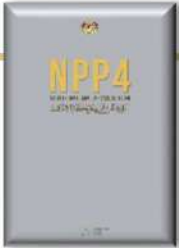


NPP3 was formulated to continue the aspirations and development aspirations of the previous NPPs by introducing reforms that were characterised by the need to create resilient and livable nation. Meanwhile, NPP4 continues to support the aspirations of NPP3 by reinforcing support and encouragement towards development that are capable of fostering prosperity, resilience and prosperity for the nation.



Figure 1-2 shows the reinforced aspects in the preparation of NPP4.

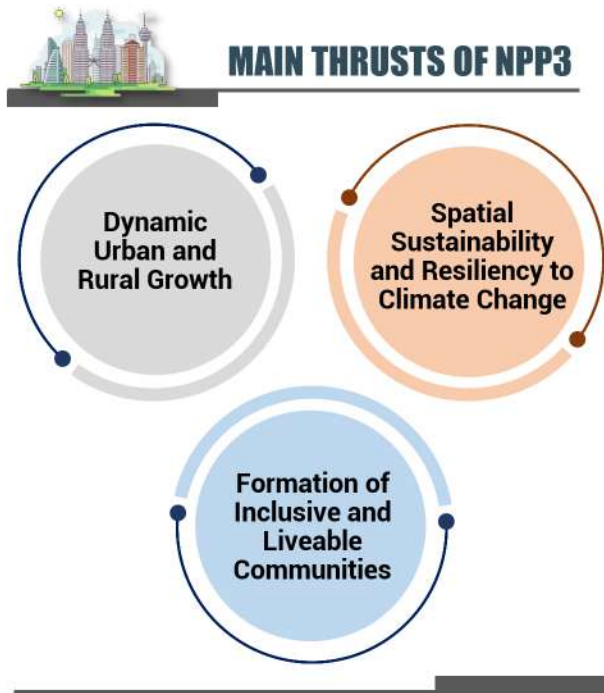
Figure 1-2: Reinforced aspects in the preparation of NPP4
Source: NPP4, 2020

<div style="text-align: center;">  <h2 style="color: #D4AF37;">2015</h2> <h3 style="color: #005696;">THIRD NPP (NPP3)</h3> </div> <p>AIM: Achieving a resilient and livable nation to ensure continuous sustainable growth beyond 2020</p> <p>PLANNED AREA : Peninsular Malaysia, Sabah and the Federal Territory of Labuan. Application in Sarawak only involved cross-border strategic matters</p> <p>PLANNED PERIOD: 2015 – 2040</p> <p>IMPLEMENTATION PERIOD : 2016 – 2020</p> <p>CABINET MEETING APPROVAL: 25 Januari 2017</p> <p>NPPC APPROVAL : Bil. 1/2016 : 21st July 2016</p> <p>FOCUS : Physical and spatial planning with the inclusion of the main focus areas, namely Growth, Resiliency, and Livability and Sustainability.</p>	<div style="text-align: center;">  <h2 style="color: #D4AF37;">2020</h2> <h3 style="color: #005696;">FOURTH NPP (NPP4)</h3> </div> <p>AIM: Aiming for a prosperous, resilient and liveable nation</p> <p>PLANNED AREA : Peninsular Malaysia and the Federal Territory of Labuan</p> <p>PLANNED PERIOD: 2020 – 2040</p> <p>IMPLEMENTATION PERIOD : 2021 – 2025</p> <p>CABINET MEETING APPROVAL: Oktober 2021</p> <p>NPPC APPROVAL : Bil. 3/2021 : 21st October 2021</p> <p>FOCUS : Strengthen the core of development through the concept of 'Comprehensive Spatial Ecosystem' which emphasises on national security planning, smart development, food security, carbon neutral country, and human capital development towards achieving a nation with prosperity, sustainability and well-being.</p>
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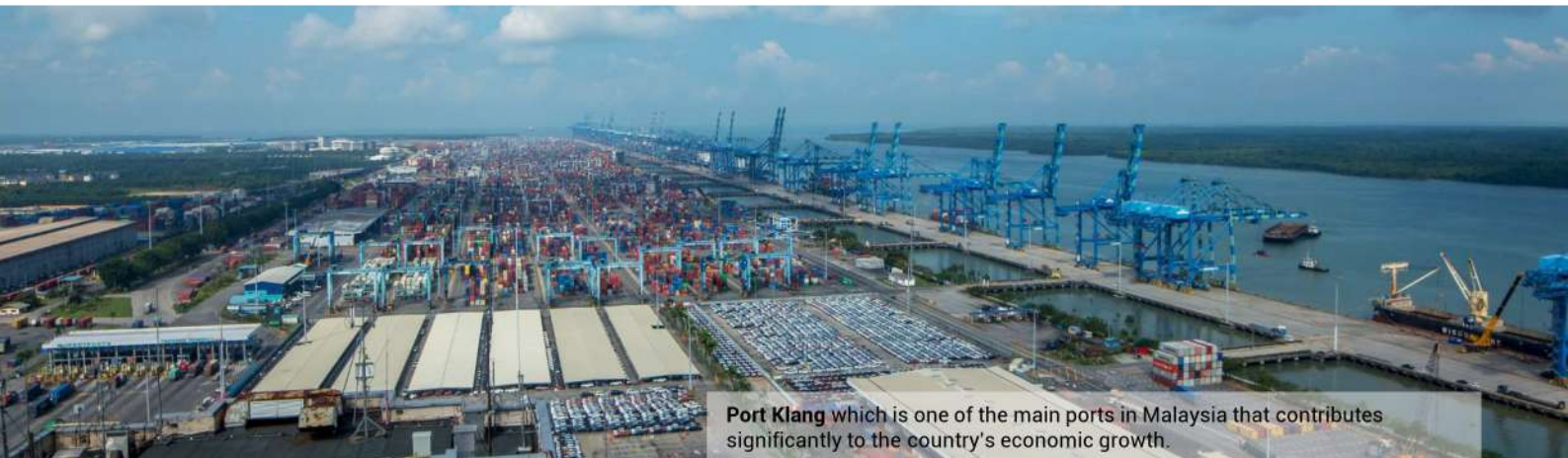
Implementation of NPP3

NPP3 was a review of NPP2, which emphasises on the principles of sustainable development and planning to make Malaysia a developed, progressive, inclusive, resilient and liveable country. Despite its implementation period, NPP3 laid down strategies and actions to achieve continuous growth of the nation, not only until 2020, but until 2040.

The main thrusts of NPP3 were divided into three (3) namely **Dynamic Urban and Rural Growth**, **Spatial Sustainability and Resiliency to Climate Change**, and **Formation of Inclusive and Liveable Communities**. The specialisation of these three cores has been able to drive an encouraging physical development performance of the country. NPP3 targeted a total of 46.1 million Malaysian population by 2040. By 2018, the total population of the country reached 32.4 million. This population growth was sustained by urbanisation rate which reached 75.6% in 2018. This was in line with the NPP3 targeted urbanisation rate of 77% by 2020.



The impact of urbanisation and economic growth influences land use development patterns significantly. Proactive measures continued to be implemented in NPP3 to control and ensure balanced spatial development in order to achieve the goals of economic growth and equitable distribution of development. NPP3 targeted a Gini coefficient of 0.385 for the year 2020 in line with the Eleventh Malaysia Plan which aims to improve income distribution among the population. However, based on the National Statistics Department, the Gini coefficient was 0.407 in 2019 compared to 0.399 in 2016, which shows that income gap has widen during the period.



Port Klang which is one of the main ports in Malaysia that contributes significantly to the country's economic growth.

Communication network and transport infrastructure were strengthened under NPP3 through the proposed construction of several roads and rails that connect and shorten travel distances between regions. The proposed East Coast Rail Link (ECRL) was aimed to shorten the travel time from the East Coast to Kuala Lumpur and Selangor, and to promote dynamic growth in urban and rural areas.

Despite the targeted growth, the preservation and conservation of natural assets and national heritage remained as among the focus of NPP3. It continued to emphasise on achieving 50% forest coverage by 2040. In 2019, forest coverage in Peninsular Malaysia was 43.5%.

“NPP3 continues to give emphasis on achieving 50% forest cover by the year 2040.”

NPP3 formulated 1 aim, 9 strategic directions, 38 strategies and 109 actions. An assessment of the level of implementation of NPP3 strategies shows that out of the total 38 development strategies outlined, 21 strategies (55%) have been implemented and 17 strategies (45%) are still in implementation stage (**Figure 1-3**). Short implementation period has been identified as one of the factors that hinder NPP3 strategy implementation especially those that require extensive preparation before implementation. For strategies that are still in implementation stage, a longer duration is required for their full implementation.

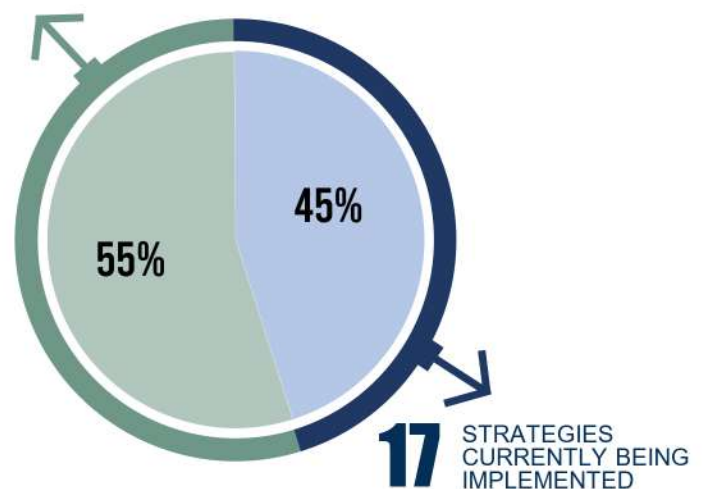
The preparation of NPP4 takes into account the findings of NPP3 strategy implementation assessment which were presented in the NPP3 Evaluation and Implementation Report.

NPP4 recommends that strategies from NPP3 are retained to ensure continuity and their implementation and achievements can be monitored. Nevertheless, NPP4 suggests for improvement on the actions and indicators of NPP3 so that they become clearer and easier to evaluate and monitor in the future.



NPP3 IMPLEMENTATION STRATEGY

21 STRATEGIES ALREADY IMPLEMENTED



This achievement is based on the assessment of 82 indicators



NATIONAL PHYSICAL PLAN 3 (NPP3)

Aim : Resilient and Liveable Nation

3 Thrusts

9 Development Directions

38 Strategies

109 Actions

Thrust 1:
Dynamic Urban and Rural Growth

Thrust 2:
Spatial Sustainability and Resiliency to Climate Change

Thrust 3:
Building Inclusive and Liveable Communities

DG1: Balanced Urban Growth

SR1: Sustainable Management of Natural, Food and Heritage Resources

IC1: Inclusive and Quality Living Environment

DG 1.1	Strengthening Growth Areas
DG 1.2	Improving Urban Competitiveness
DG 1.3	Strengthening the Services Sector
DG 1.4	Strengthening the Industrial Cluster
DG 1.5	Strengthening the Port of Entry and Logistics Industry
DG 1.6	Enhancing Human Capital Development and Knowledge Intensive Sector

SR 1.1	Improving Preservation and Conservation of National Ecological Assets
SR 1.2	Managing and Controlling Development in Environmentally Sensitive Areas (ESAs)
SR 1.3	Improving Security and Sustainability of Water Resources
SR 1.4	Managing Mineral Resources Exploration
SR 1.5	Permanent Food Production Parks (PFPPs)
SR 1.6	Strengthening Protection and Conservation of the National Archeological and Natural Heritage Sites

IC 1.1	Providing Suitable Housing in Suitable Locations
IC 1.2	Improving Access to Quality Community Facilities
IC 1.3	Enhancing Access to Employment and Economic Opportunities

DG2: Integrated Rural Development

SR2: Holistic Land Use Planning

IC2: Liveable Community Environment

DG 2.1	Exploiting Local Resources
DG 2.2	Enhancing Value Chain Activities in Agriculture-Based Economy
DG 2.3	Improving Rural Infrastructure and Basic Amenities

SR 2.1	Optimising Land Use and Land Availability
SR 2.2	Managing Natural Disaster Risk Areas
SR 2.3	Managing Development Growth and Sprawl
SR 2.4	Managing Integrated Rural Development

IC 2.1	Turning Public Spaces Into Active Integrated Community Spaces
IC 2.2	Promoting Culture and Heritage
IC 2.3	Creating a Safe Environment
IC 2.4	Mainstreaming Healthy and Clean Lifestyle

DG3: Enhancing Connectivity and Access

SR3: Low Carbon Cities and Sustainable Infrastructure

IC3: Community Participation and Collaboration

DG 3.1	Development Physical Networks and Linkages
DG 3.2	Developing Comprehensive Railway Network System
DG 3.3	Enhancing Water Transport
DG 3.4	Enhancing Regional and Local Air Links
DG 3.5	Developing and Enhancing Digital Infrastructure

SR 3.1	Creating Low Carbon Cities
SR 3.2	Promoting Use of Sustainable Energy Sources
SR 3.3	Promoting Integrated Water Cycle Management
SR 3.4	Promoting Green Mobility
SR 3.5	Strengthening Integrated and Sustainable Solid Waste Management

IC 3.1	Promoting Community Involvement
IC 3.2	Incorporating Collaborations and Smart Partnerships in Community Development

Legend:

Already Implemented

Currently being Implemented

Figure 1-3: NPP3 Strategy Implementation Status
Source: NPP3 Evaluation and Implementation Report (LPPP NPP Ke-3), 2019

NPP4 Preparation

The country faces several major challenges that require development planning that is not only systematic but also feasible to be implemented successfully. Issues regarding urban development, urban and rural disparities, security planning, food security, forest management, human capital development and quality of life are among the main challenges that need to be given special consideration in national development planning. The spread of the COVID-19 pandemic has also had an impact on the country's physical planning and development. New directions need to be refined to drive physical planning and development in the COVID-19 post-pandemic era. Therefore, NPP4 introduces specific strategies and actions to address these challenges to be used as a guide at the national, regional, state and local planning levels.

Special Considerations

The preparation of NPP4 has taken into account the key challenges in formulating a comprehensive national development framework. The aspirations for the First NPP, NPP2 and NPP3 form a synergy in providing an overview and needs which are emphasised in NPP4.

In ensuring that NPP4 is always relevant to current planning requirements, a new perspective is given to spatial planning to remain in line with shifting development trends. New ideas characterised by smart, sustainable, resilient and prosperous development are introduced inclusively and feasibly at the national, regional, state and local levels.

Among other considerations that have been taken into account in the preparation of NPP4 are as follows:

- i. Achievements and needs for improvement of previous NPPs;
- ii. Findings for each area of study as well as collaborative input from stakeholders;
- iii. Current planning prospects and challenges;
- iv. Current scenarios and situations of the country such as political developments, climate change, risk of natural disasters, food security, water resources management, preservation and conservation of heritage assets, quality of life that will affect the implementation process of strategies and actions;
- v. Implications from the COVID-19 pandemic;
- vi. National commitment at the international and national levels;
- vii. The need to adapt to current development trends and initiatives that have been adopted globally including the Industrial Revolution 4.0 (4IR) and the internet of things (IoT); and
- viii. Best practices from developed and developing countries as national development aspirations.

Planning Area

NPP4 is prepared specifically for the following areas (**Figure 1-4**):

Peninsular Malaysia

Peninsular Malaysia (bordered by Thailand to the north and Singapore to the south) consists of eleven states and two Federal Territories (F.T. Kuala Lumpur and F.T. Putrajaya). Peninsular Malaysia covers an area of 13,181,197 hectares.

Federal Territory of Labuan

The Federal Territory of Labuan (F.T. Labuan) includes a main island and six (6) sub-islands as well as the waters around the islands. In total, F.T. Labuan covers an area of 9,967.86 hectares of land and 58,924.51 hectares of water.

The NPP4 planning area only covers Peninsular Malaysia and the Federal Territory of Labuan, excluding the States of Sabah and Sarawak as those states do not adopt the Town and Country Planning Act 1976 (Act 172) and already have their own State Structure Plans. Under Article 95e, the Constitution of the States of Sabah and Sarawak are not included in the national planning for land use, local governments and others.

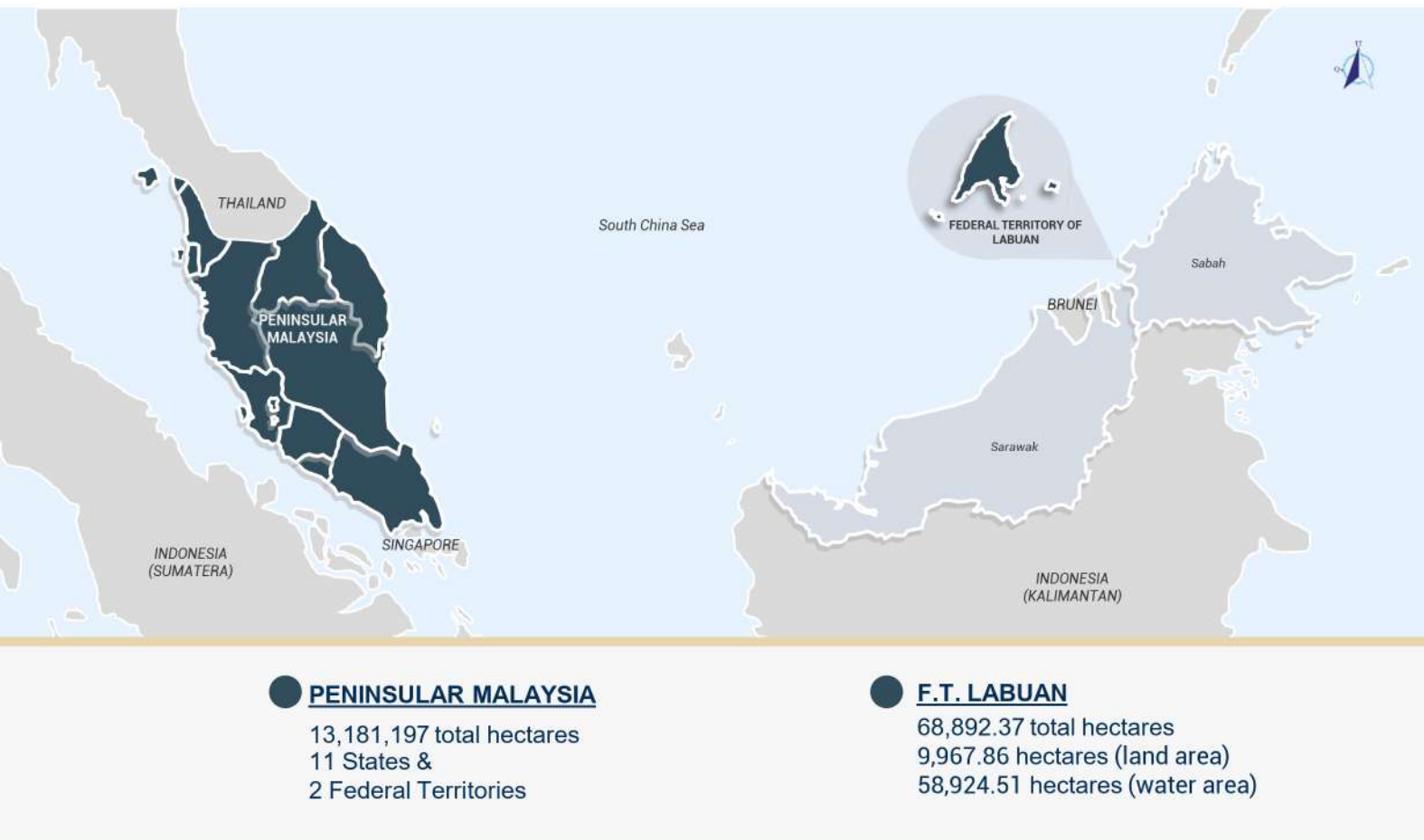


Figure 1-4: Planning Area of NPP4
Source: NPP4, 2020

Planning Period (2021 – 2040)

To ensure successful implementation of strategies and actions at each level of planning, **NPP4 proposes three stages of implementation; stage one (2021-2025), stage two (2026-2030) and stage three (2031-2040)**. This planning period is important in ensuring that each strategy and action proposed can be implemented accordingly. This is necessary since preliminary assessment indicated that NPP4 is made up of a mixture of strategies and actions that will require different implementation duration. Corrective strategies and actions may need to be implemented immediately and to become pre-requisite for other strategies and actions. Non-critical but significantly impactful strategies and action may be planned and implemented at a later stage of NPP4 planning period.

NPP4 Implementation Period:

STAGE ONE 2021 - 2025	STAGE TWO 2026 - 2030	STAGE THREE 2031 - 2040
The time period for actions that can be implemented soon for a period of 5 years and have been included in the 12th MP until the year 2025.	The time period for an actions that can be implemented within 5 to 10 years and need to be taken into account in the preparation of the 13th MP until the year 2030.	The time period for actions that can be implemented within 10 years as well as taking into account the current planning needs until the year 2040.

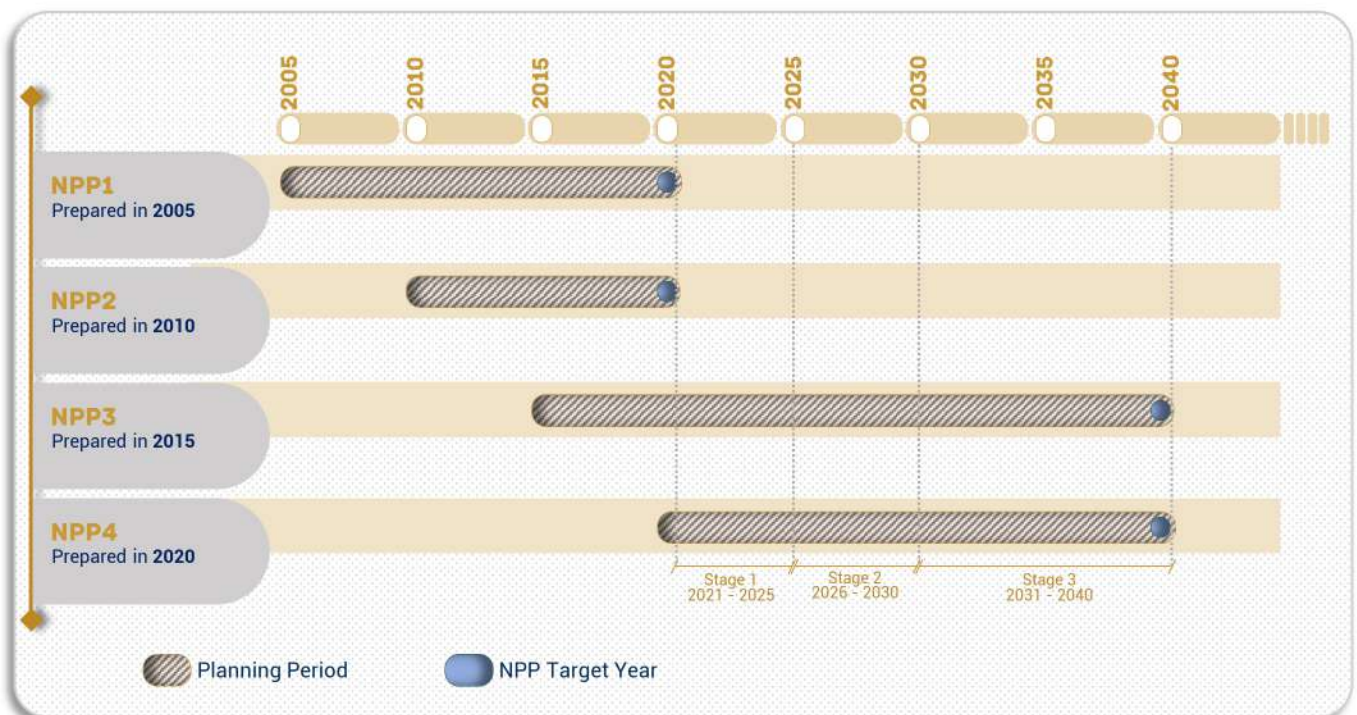


Figure 1-5: Implementation Period and Target Year for each NPP

Source: NPP4, 2020

Figure 1-5 shows the implementation period and target year of the previous NPPs in comparison with NPP4. **Detail list of NPP4 strategies and actions to be implemented according to their implementation periods is provided in Chapter 8: Management and Implementation of NPP4.**

Consultation Process

Section 6B (5) of Act 172 provides for the general duties of the Federal and State Governments to assist in ensuring that the objectives of the NPP are achieved. In this regard, consultative approaches and discussions with all implementing agencies, State Authorities and stakeholders have been undertaken throughout the process of formation of NPP4. The purpose of the consultation is to obtain input and policy coordination with ministries and agencies at the federal and state levels to be coordinated in the preparation of NPP4 to ensure that its implementation conforms and aligns with the needs and wishes of stakeholders more accurately and is made into a joint document where the commitment continues in implementation can be obtained.

Use of Document

The Fourth National Physical Plan places special emphasis on determining the pattern of national physical planning through the formation of specific strategies and actions covering land use development patterns, economic growth, resource preservation and management, integration and improvement of transport network, national infrastructure and improving quality of life and well-being towards a Prosperous, Resilient and Well-being Malaysia.



Beberapa siri Focus Group Discussion telah diadakan sepanjang tempoh penyediaan RFN4

NPP4 sets out a spatial planning and development framework for translation into more detailed planning actions for implementation at various levels. NPP4 actions are translated and taken into account at:

1. Federal Government level in determining the strategies by the agencies responsible for implementing project and programme proposals;
2. State Government level by translating NPP4 general proposals for development and land use through Structure Plan. The preparation of Structure Plan is an instrument that drives spatial development to address key state issues; and
3. Relevant Federal and State Government agencies by making NPP4 as the main reference in the applications for project allocation where projects in line with NPP4 should be prioritised in receiving financial allocation.

Structure of NPP4

The NPP4 document consists of eight (8) chapters that explains the general terms and strategic direction of the document, the strategies and actions to be implemented, and the detail management and implementation plan of the strategies and actions

CHAPTER 1

INTRODUCTION

Explains the NPP in general in terms of function, chronology, matters taken into consideration in the plan preparation and period of implementation.

CHAPTER 2

CURRENT PLANNING CONTEXT

Outlines key findings based on the results of evaluations and analyses that become the reference in the formulation of strategies and actions.

CHAPTER 3

NPP4 DEVELOPMENT GOALS AND DIRECTIONS

Introduces the goals of NPP4 as well as the detail considerations taken into account in the formulation of goals, strategic direction, strategies and actions.

CHAPTER 4

THRUST 1 – DYNAMIC AND BALANCED GROWTH

Outlines in detail the strategic direction that guides strategies and actions of national planning in a global context, economic growth, transport planning, and digital and smart infrastructure.

CHAPTER 5

THRUST 2 – SPATIAL SUSTAINABILITY AND CLIMATE CHANGE RESILIENCE

Outlines in detail the strategic direction that guides strategies and actions of sustainable land use planning, environmental preservation and conservation as well as disaster risk management.

CHAPTER 6

THRUST 3 – LIVABLE ENVIRONMENT AND INCLUSIVE COMMUNITY

Outlines in detail the strategic direction that guides strategies and actions of housing planning, human capital development, and community involvement in planning and development.

CHAPTER 7

STATE SPATIAL MANAGEMENT PLAN

Details out and translates national spatial plan strategies and actions in the context of each state within the NPP4 planned area.

CHAPTER 8

MANAGEMENT AND IMPLEMENTATION OF NPP4

Details out the management and implementation mechanism of NPP4.