

PSKLM INTERNATIONAL CONFERENCE & EXHIBITION 2013

(PIECE 2013)

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PERSADA JOHOR INTERNATIONAL CONVENTION CENTRE,

JOHOR DARUL TAKZIM

"21st CENTURY EXPRESSWAYS: DRIVING THE FUTURE"

OPENING SPEECH BY

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Chairman of PIECE 2013 and Chairman of the Association of Highway Concessionaires Malaysia (PSKLM) Ladies and gentlemen,

Assalamualaikum Waramatullahi Wabarakatuh,

Salam 1 Malaysia and Good Morning,

1. Let me begin by thanking PSKLM or the Association of Highway Concessionaires Malaysia, for inviting me to officiate this International Conference and Exhibition. I would also like to congratulate PSKLM for successfully organizing this event for the second time since the inaugural conference in 2010 in Kuala Lumpur.

Ladies and Gentlemen,

2. Your conference theme, "21st Century Expressways: Driving the Future", is indeed very topical, especially as we gathered here today, the world is facing global economic uncertainty. The macroeconomic outlook continues to be gloomy everywhere, be it in the US, Europe, the Middle East or Asia.

3. Fortunately, our position in Malaysia is much more positive. Bank Negara Malaysia, the country's central bank, forecasts a growth between 4.5% to 5.5% this year. This reflects the continued vibrancy of domestic investment, particularly with the implementation of projects under the Government's Economic Transformation Programme (ETP). Among others, the ETP will support accelerated growth of the construction sector, which surged to 15.5% in 2012 from 4.6% in 2011. The construction of planned highways is one vital contributing factor.

4. We are indeed proud that we have managed to overcome challenges to our growth and development over the past 56 years since independence in 1957, to emerge as one modern, industrial, high middle-income nation with strong economic fundamentals. Of course, these achievements did not happen by chance, but required hard work and sacrifice, in tandem with proper planning and visionary of our Government leadership. While being indebted to the efforts of our predecessors, for the strong foundation they gave us, the baton has been passed to us and we have to build upon that strong foundation and drive the future, with greater force as this Conference plans to do.

Ladies and Gentlemen,

5. Fifty years ago, a third or about 5,000 km of the roads in Malaysia were classified as federal roads and came under the purview of my Ministry. The remaining two thirds were state roads. Today there are about 17,500 km of federal roads, 108,000 km of state roads and 1,800 km of highways.

6. The planning of the highways took off in the 1970's, when the Ministry of Works, through the Highway Planning Unit, formulated its first

4/8

comprehensive road development programme, which included the construction of three new highways linking the east and west coasts, and in the 1980s, the North-South Expressway. The North-South Expressway covered a distance of about 840 km and its various sections were built simultaneously. This posed tremendous capital, manpower and material challenges, and thus the Government mobilized the private sector's resources and expertise through a public-private partnership approach to implement the project.

7. The completion of the North-South Expressway in 1994 marked a milestone in the emergence of privatized highways in Malaysia. As the 1990s progressed, several more privatized highways were completed, particularly urban highways in the Klang Valley such as the Damansara-Puchong Expressway, the Shah Alam Expressway, the New Pantai Expressway and the Cheras-Kajang Expressway. Inter-urban highways were also developed, including the North-South Expressway Central Link and the East Coast Expressway.

8. In the past decade, Malaysia's highway network continued to expand, with several new urban highways built, including the Ampang-Kuala Lumpur Elevated Highway or AKLEH, the Western Kuala Lumpur Traffic Dispersal Scheme or SPRINT, the SMART Tunnel, the Duta-Ulu Kelang Expressway or DUKE, and the Kuala Lumpur-Putrajaya Expressway or MEX.

9. In tandem with the development of these highways, the role of the Malaysian Highway Authority, the agency under the Ministry of Works primarily responsible for highway development, also evolved from designing, constructing, operating and maintaining highways, to additional roles that included safeguarding the rights and interest of the government and highway users and to ensure that highway concessionaires met their obligations and fulfilled their responsibilities.

Ladies and Gentlemen,

10. The public have high expectations from our highway assets, in terms of safety, convenience, quality of the road surface or smooth traffic flow. They also expect timely and accurate information, fast response time in the event of accidents, as well as adequate services in R & R areas. Therefore, it is crucial that the road user remains the focal point in the management and operation decisions of any highway. In this regard, it is imperative that highway concessionaires deliberate upon how they can incorporate best practices and deliver services such as:

- Improving road user behavior;
- Upgrading road safety infrastructure;
- Improving emergency services at crash sites;
- Fast and reliable traveler information; and

- Technologies and innovation to enhance pavement performance and reduce life cycle cost of highway assets.

Ladies and Gentlemen,

11. One major positive outcome from the development of highways in Malaysia via the public-private partnership model, is that it showcased the capability of Malaysian engineers and allied road professionals to deliver to international standards in terms of capabilities, experience and expertise. The expertise acquired over the years by Malaysian companies involved in highway construction, while maintaining their cost competitiveness, can now be marketed all around the world. I believe the time is right for Malaysian companies to venture beyond our shores and to seek avenues for collaboration with international players, and this Conference can help to build strong networks and working relationships for fruitful business exchanges for the mutual benefit of all participants.

On this note I hereby declare the opening of "PSKLM International Conference & Exhibition 2013".

Wabillahitaufik Walhidayah Wassalammualaikum Warahmatullahi Wabarakatuh.

Thank you.