

**HIGH-LEVEL SYMPOSIUM ON SUSTAINABLE  
CITIES AND SUSTAINABLE URBANISATION  
YANGZHOU, CHINA**

**URBAN PLANNING AND AFFORDABLE  
HOUSING:  
EXPERIENCE FROM MALAYSIA**



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# MALAYSIA TODAY

**Area: 330,803 sq. km.**

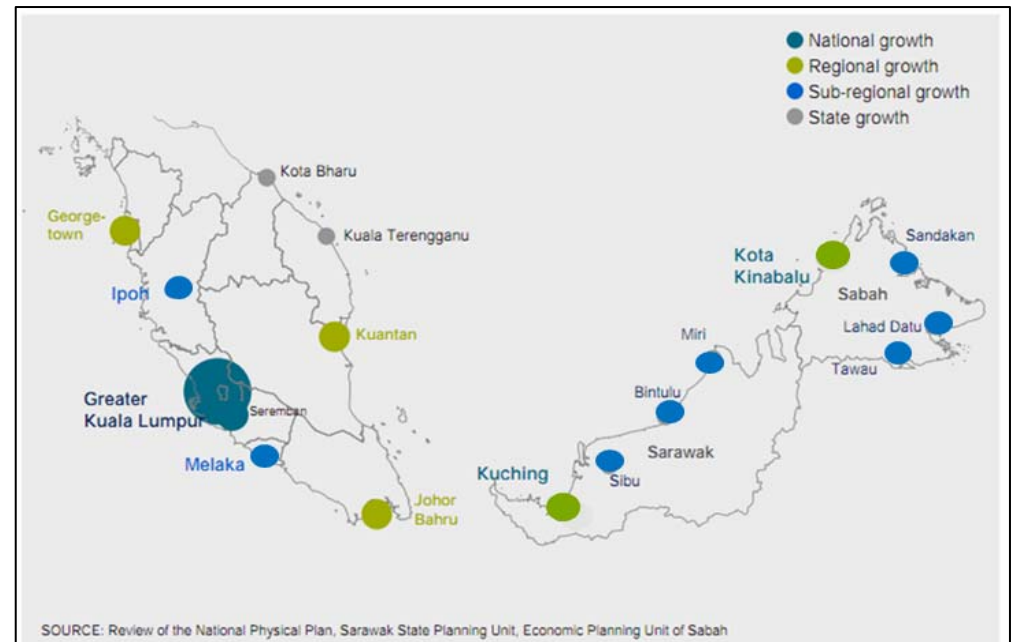
**Geographically divided: Peninsular Malaysia & Borneo**

**Population: 29,843,066 (> 72 % urban)**

## Urban Areas

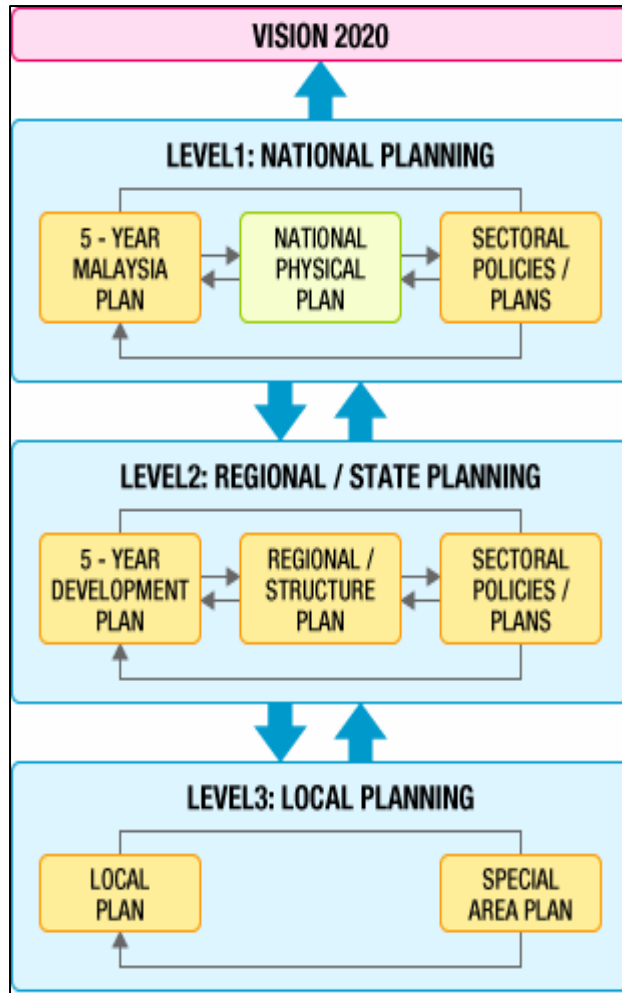
- Gazetted areas with their adjoining built-up areas, with a combined population of 10,000 or more; or
- Special development area that can be identified, with at least a population of 10,000 and at least 60% of the population (aged 15 years and above) are involved in non-agricultural activities.

*Department of Statistics, Malaysia 2010*



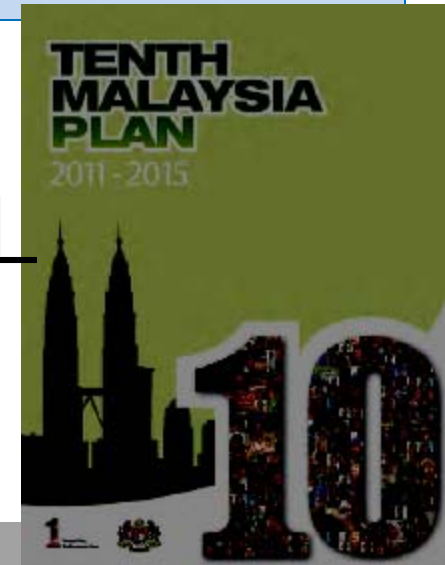
- Urban population is concentrated in 6 major conurbations of Kuala Lumpur, Georgetown, Johor Bahru, Kuantan, Kota Kinabalu and Kuching.

# URBAN PLANNING IN MALAYSIA



## THE TENTH MALAYSIA PLAN (2011 - 2015)

“provides the policy framework and strategies to achieve high-income status by 2020”



## THE NATIONAL URBANISATION POLICY

“provides the basic framework for all development plans and urban governance in Malaysia”



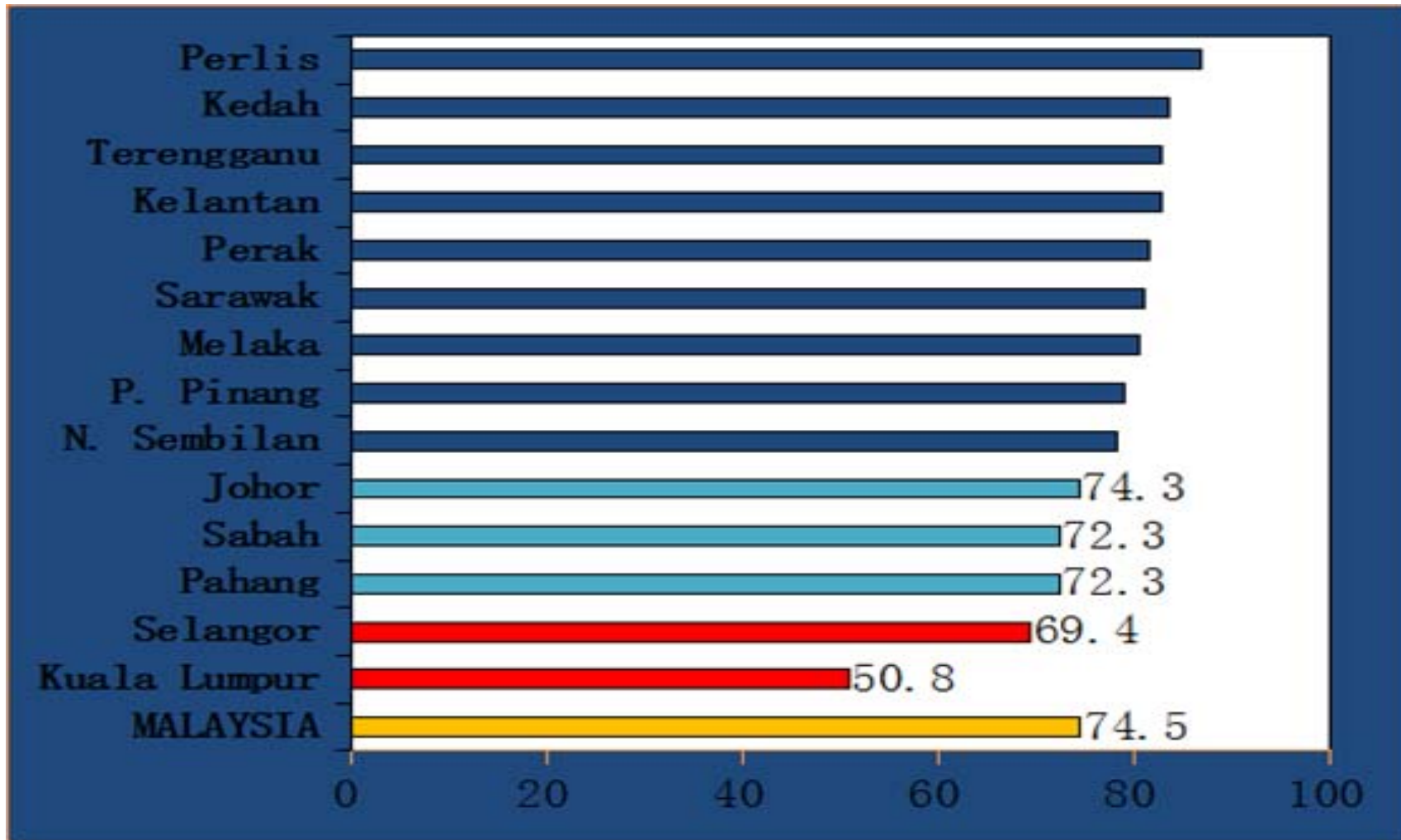
## THE NATIONAL PHYSICAL PLAN-2

“Sets out the national long-term strategic spatial planning policies and measures “



# OVERALL HOME OWNERSHIP

*Nearly 75% of households are home owners but ownership is lower in Kuala Lumpur and Selangor ...*



Source: Household Income and Basic Amenities Survey, 2012

# PRICE OF HOUSES

*Prices of houses kept rising rendering most types of houses out of reach for a typical low-income household ...*

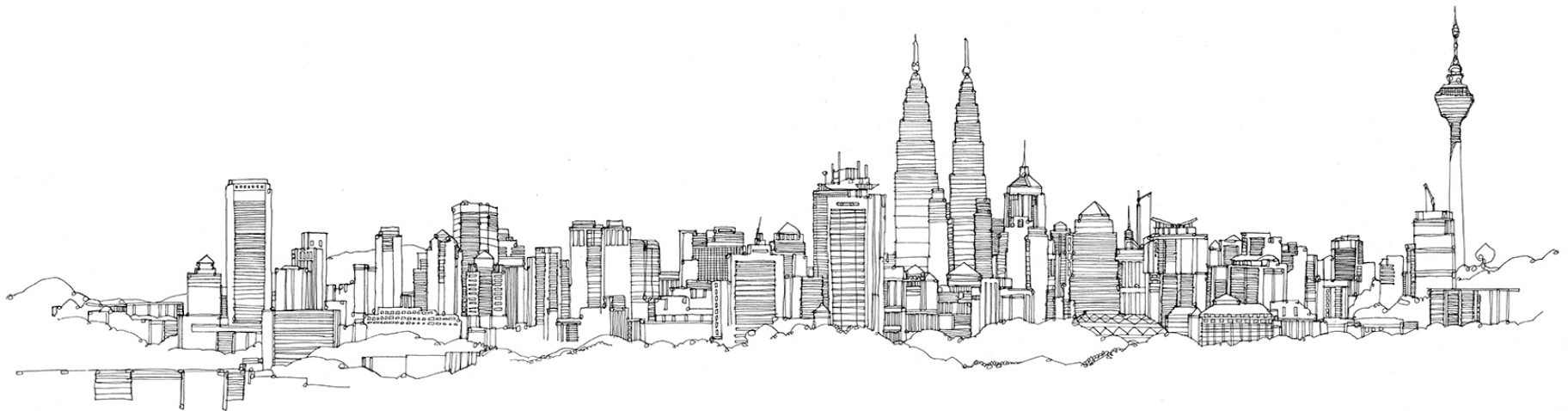
House Price Index (% p.a.)



Source: Household Income and Basic Amenities Survey, 2012

# DEFINITION OF HOUSEHOLDS

CLASSIFICATION	INCOME CATEGORY	HOUSEHOLDS INCOME
Top 20%	Upper Income	RM6,950
Middle 40%	Upper Middle Income	RM3,600
	Lower Middle Income	RM3,050
Below 40%	Low Income	RM1,800
	Poor	RM860



# HOUSING AFFORDABILITY INDICATOR

- Based on Multiple Median Indicator model used by the World Bank and United Nations

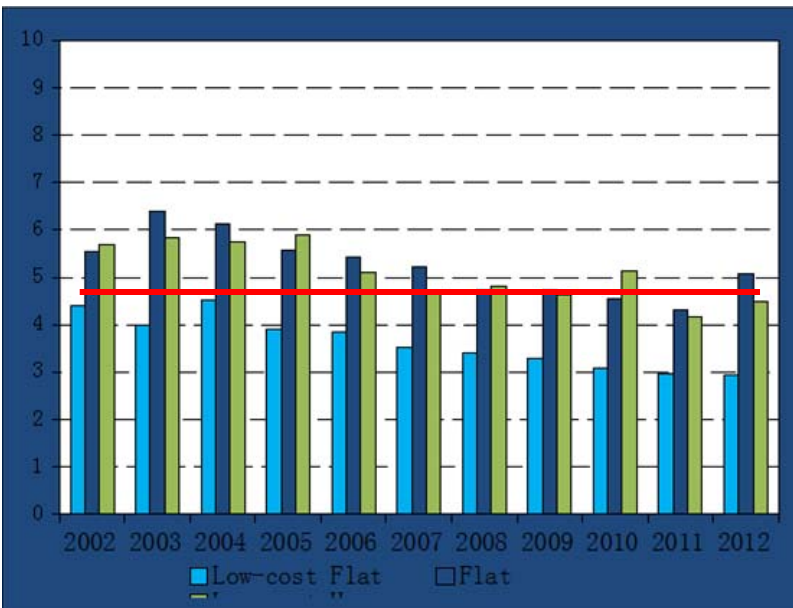
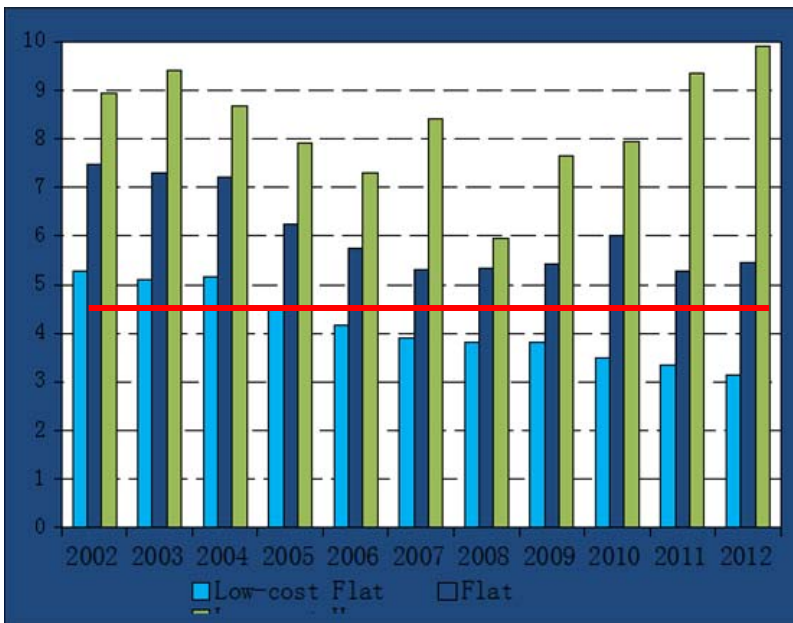
- $$\text{HAI} = \frac{\text{Median Price of Residential Property}}{\text{Median Annual Household Income}}$$

- Scale :

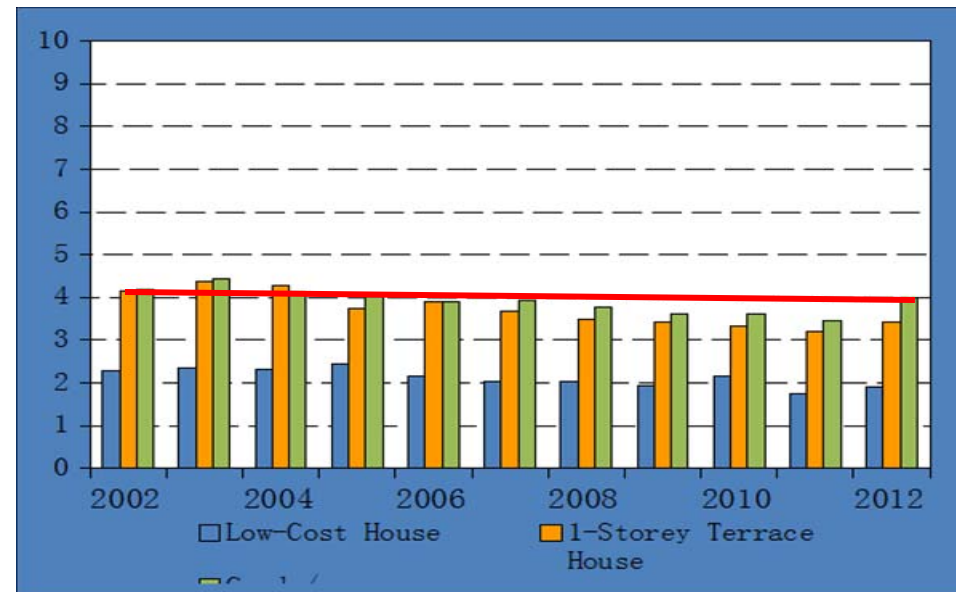
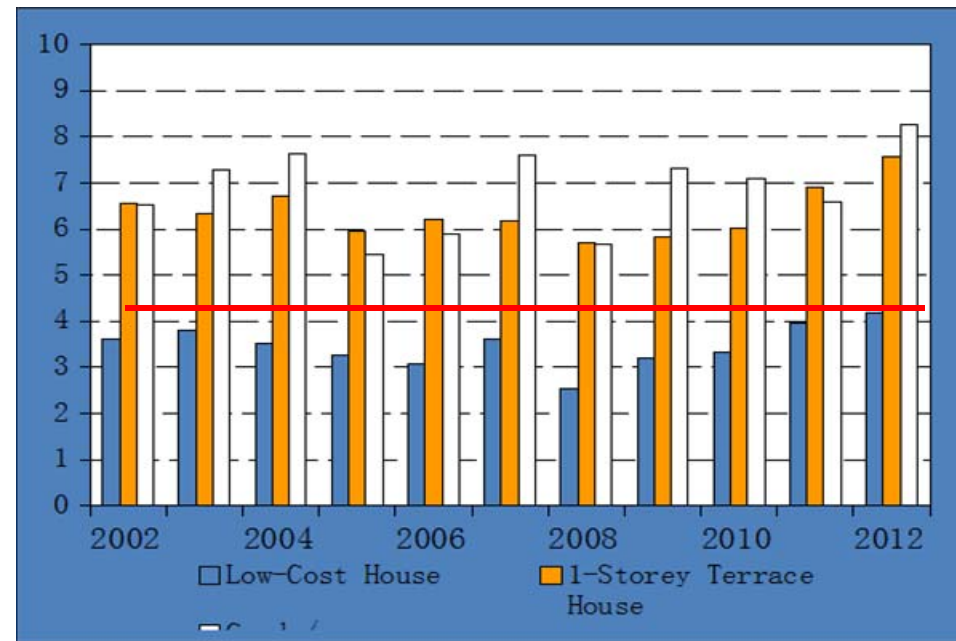
House Affordability Indicator	
3 and less	Affordable
3.1 – 4.0	Moderate
4.1 – 5.0	Serious unaffordable
5.1 & above	Severe unaffordable

- Residential properties include those on secondary market (NAPIC data)
- Household income groups (HIS 2012, DOS)
  - Bottom 40% : RM3,050 or less
  - Middle 40% : RM3,051 – RM6,950

## Bottom 40%



## Middle 40%





# MAPPING OF PUBLIC HOUSING INITIATIVES

*Many public housing programmes but as target income goes up, less initiatives are available ...*

			Income target →					RM2,501 – RM5,000					RM5,001 – RM8,000									
			No. of Initiatives →					31 initiatives					18 initiatives					7 initiatives				
Level	Housing Programme <sup>1/</sup>	Type of House	Target Group (Household Income (RM))																			
			500	1,000	1,500	2,000	2,500	3,000	3,500	4,000	4,500	5,000	5,500	6,000	6,500	7,000	7,500	8,000				
Federal	JPN	• Low Cost																				
	PR1MA	• Medium-Low Cost																				
	SPNB	• Low Cost																				
		• Medium-Low Cost																				
• Medium Cost																						
RUMAWIP	• Low Cost																					
	• Medium-Low Cost																					
	• Medium Cost																					
State	Kelantan	• Medium-Low Cost																				
	Pahang	• Low Cost (RRM)																				
		• Low Cost Public Housing																				
	Perak	• Low Cost																				
	Perlis	• Low Cost																				
	Pulau Pinang	• Low Cost																				
		• Medium-Low Cost																				
		• Medium Cost																				
	Sarawak	• Low Cost																				
	Selangor	• Low Cost																				
		• Medium-Low Cost																				
		• Affordable Housing																				
DBKL <sup>2/</sup>	• Low Cost																					
	• Medium-Low Cost																					
	• Medium Cost																					
Labuan Corporation	• Low Cost																					
	• Medium-Low Cost																					
Putrajaya	• Affordable Housing																					
	• Medium Cost (PPA1M)																					
State Corporation	JKP SDN. BHD.	• Low Cost																				
		• Medium Cost																				
	KEJORA	• Low Cost																				
PERDA	• Low Cost																					
	• Medium Cost																					
<b>TOTAL</b>			<b>31 categories of initiatives</b>					<b>18 categories of initiatives</b>					<b>7 categories of initiatives</b>									

\*

# PUBLIC HOUSING IN MALAYSIA

## 1 Public Low-Cost Housing

- Financed by Federal Government

## 2 Integrated Public Low-Cost Housing

- Low-cost Flats for rental

## 3 SPNB

- Rehabilitation of Abandoned Housing Projects

## 4 PR1MA

- Focus on middle-income group

## 5 PPA1M

- Focus on civil servants

# PUBLIC HOUSING IN MALAYSIA



**560 unit Pangsapuri (7.50 ekar)**  
Blok A - 16 unit x 11 tingkat  
Blok B & C - 16 unit x 13 tingkat  
Kemudahan Awam - Dewan serbaguna,  
surau, tadika, taska dan pusat komersial.

# CONCLUSION

- ❑ Malaysia subscribes strongly to the belief that economic development must benefit all the citizens;
- ❑ Principles of market-friendly, needs-based, merit-based and transparency must be applied in the design and implementation of public housing programmes;
- ❑ The success of public housing is not the result of any single policy but different policies applied at different times.



# Thank You

Official Website: <http://www.epu.gov.my>



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