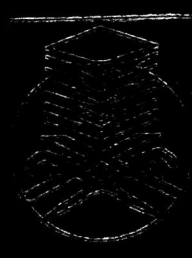


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Contents

1. Letter of Report Submission	iii
2. Letter of Offer (Research Grant)	iv
3. Acknowledgements	v
4. Enhanced Research Title and Objectives	vi- vii
5. Report	1
5.1 Proposed Executive Summary	1
5.2 Enhanced Executive Summary	2-3
5.3 Introduction	4-6
5.4 Brief Literature Review	6-15
5.5 Methodology	15-22
5.6 Results of discussion	22-41
5.7 Conclusion and recommendation	41- 43
5.8 Reference/bibliography	43- 44
6. Research outcome	45-46
7. Appendix	46

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4. Enhanced Research Title and Objectives

(if any)

Original Title as Proposed:

Public Private Partnership: A Fundamental Research of Public Sector Comparator (PSC) as an evaluation tool for value for money (VFM) assessment

Improved/Enhanced Title:

A fundamental research of Public Sector Comparator (PSC) for value for money (VFM) assessment method

Original Objectives as Proposed:

1. To investigate the suitability implementation of Public Sector Comparator (PSC) as a tool for VFM assessment benchmark for Public Private Partnership (PPP) in Malaysia.
2. To investigate the advantages and disadvantages of Public Sector Comparator (PSC) as a VFM tool for PPP in Malaysia
3. To develop a Public Sector Comparator (PSC) framework as VFM tool for PPP in Malaysia.

Improved/Enhanced Objectives:

1. To investigate the suitability implementation of Public Sector Comparator (PSC) as a tool for VFM assessment benchmark for Public Private Partnership (PPP) in Malaysia
2. To investigate the elements integrated in Public Sector Comparator (PSC) across project phases.

Problem statement

The implementation of the PSC as a tool in evaluating the VFM has been a trademark of most countries across the world such as UK, Australia, Hong Kong and Canada. However, this concept literally has not been applied in Malaysia. Even though this had been highlighted in the Ninth Malaysia plan (2006), the establishment of PSC guideline is yet to be established. In other hands, there are the significant challenges in the development of PSC (Pangera &

Wirahadikusumah, 2010) due to controversy regarding manipulation issues, risk calculation and lacking of non financial elements. The arguments against the use of the PSC method also questioned the appropriateness of this method to evaluate VFM due to its ambiguity and complexity problems. The ambiguity within this technique involved forecasting future cash flow, underlying assumption and choosing an appropriate discount rate in the PSC calculation (Khadaroo, 2007).

In the case of Malaysia, these challenges are due to the lacking in compilation of data base for whole life cycle of projects specifically on the prediction of future operation, maintenance cost and risk calculation. The fact of the matter is that the Malaysia PPP projects also lack sufficient information to make more predictable assumption to all the stakeholders involved, since it is a relatively new method in Malaysia. Practically, the Malaysia PPP procurement authority tends to utilize a common project evaluation method that ignores the issues of risk calculation and whole life cycle concept.