



**For Immediate Release**

## **PTPTN CONDUCTS PUBLIC CONSULTATION, UPHOLDING TRANSPARENCY**

*Seeks Rakyat's Input to Develop Affordable Student Loan Repayment Scheme and  
Ensure PTPTN's Sustainability*

**Kuala Lumpur, 16 May 2019 –** The National Higher Education Fund Corporation (PTPTN) today announced the start of a public consultation following the presentation of a highly anticipated Public Consultation Paper (PCP). The consultation process aims to garner feedback on ideas regarding a new affordable study loan repayment scheme and measures to improve PTPTN's loan sustainability for future generations.

The consultation process is conducted in the form of an online public survey via [www.ptptn.gov.my/kertas-konsultasi-rakyat](http://www.ptptn.gov.my/kertas-konsultasi-rakyat). The public will be presented with substantial information in a transparent manner to promote informed and constructive feedback. According to PTPTN Chairman, Wan Saiful Wan Jan, various parties in groups and individuals tried to contribute solutions to PTPTN previously, but their recommendations were less effective because they did not have all the actual facts.

"Through a public consultation, we are taking a transparent approach and making the content of our round table discussions in the earlier months of 2019 accessible to the public. In this way, we hope to crowd source practical and implementable solutions and at the same time, encourage a higher level of public participation in the government's policy decisions," he said.

Aside from PTPTN borrowers, PTPTN hopes that the public consultation will engage with the wider Malaysian public who are all stakeholders due to possible implications of policy decisions on national finances.

The key challenge for PTPTN is to introduce a new affordable study loan repayment scheme that does not impede on its ability to support the 200,000 students who depend on PTPTN study loans for higher education annually. As of now, PTPTN is already RM40 billion in debt and is amongst the largest government guaranteed entity – higher than 1MDB.

Participants of the survey will learn how this huge debt was amassed and will be able to review the statistics on the persistent problem of low repayment levels. Regarding background information, the public can feedback on 10 ideas across five (5) categories, namely: a new affordable repayment scheme; ways to improve consistency of repayment; helping PTPTN to save where possible; helping PTPTN reduce the cost of funds and increase revenue.

The ideas within the PCP are the result of a series of roundtable discussion sessions with various stakeholders including financial experts, members of parliament, relevant government agencies and student groups. Along with intensive engagement over the past few months, PTPTN undertook a thorough internal business review to accurately assess PTPTN's financial viability and key challenges.

PTPTN Deputy CEO (Policy and Operations), Puan Mastura Mohd. Khalid, hopes for high level of participation in the public consultation so that PTPTN can represent the will of the people in the final proposal to the Cabinet for decision between June and July 2019.

"PTPTN as a statutory body under the Ministry of Education hopes to be able to carry out the government's noble intention to ease the financial burden of study loans. While PTPTN's financial situation makes it extremely challenging, we have not given up and hope to gain more insights and ideas through the public consultation," she added.

In the spirit of upholding transparency, PTPTN has also established a PCP independent advisory panel composed of experienced industry experts. The panel is chaired by Malaysian Industrial Development Finance Berhad (MIDF), Head, Group Bank Operations, Encik Sheikh Shahruddin Sheikh Salim. Other members include Universiti Kebangsaan Malaysia, Vice Chancellor, Profesor Ir. Dr. Mohd Hamdi Abd Shukor; Ministry of Education Malaysia (MOE), Deputy Director-General of Higher Education, Profesor Dr. Mohd Cairul Iqbal Mohd Amin; Dato' (Dr) Hussamuddin Haji Yaacub, representing PTPTN Board of Management; and AMD Gruppe Berhad, Director, Encik Muhammad Affendi Mohd Dilif.

The PCP will be available from today until 13 June 2019. Additionally, town hall sessions will be held at Universiti Malaya (UM), Universiti Sains Malaysia (USM), Universiti Malaysia Terengganu (UMT), Universiti Malaysia Sarawak (UNIMAS) and Universiti Malaysia Sabah (UMS) to encourage more feedback. Those who are interested to attend can visit [www.ptptn.gov.my/kertas-konsultasi-rakyat](http://www.ptptn.gov.my/kertas-konsultasi-rakyat) for more information.

## **About PTPTN**

The National Higher Education Fund Corporation (PTPTN) was established under the National Higher Education Fund Corporation Act 1997 (Act 566) which came into effect on 1 July 1997. PTPTN commenced operations on 1 November 1997 and is responsible for managing loans for higher education purposes and collecting loan repayments; providing savings schemes and managing deposits for higher education purposes; and implement any other functions granted to PTPTN by any written law.

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