



MALAYSIA

# Annual Report on Modernisation of Regulations 2016

ISBN



## *TAN SRI DR. ALI HAMSA*

Chief Secretary  
to the Government of Malaysia

The publication of this inaugural Annual Report on Modernisation of Regulations 2016 provides useful information on Malaysia's regulatory reform journey. Although regulatory changes have been an essential part of administrative modernisation, recent efforts in regulatory reform signal a more concerted drive in recognition of the impact of the changes to the economy. The initial journey saw Malaysia taking up the challenge in response to World Bank's Doing Business Report 2007 which served as useful guide for focussing efforts in pursuing efficiency-driven changes in the regulatory environment affecting business. The Government, under the Tenth Malaysia Plan, in response to increasing global competition, intensified its regulatory reform efforts by entrusting MPC with the responsibilities to undertake improvements to the regulatory environment by, among others, reviewing existing regulations with a view to removing unnecessary rules and compliance costs and undertaking cost-benefit analysis of new policies and regulations to assess impact on the economy.

MPC has since undertaken several initiatives under its Modernising Business Regulations programme to bring changes to the regulatory environment in government. These initiatives culminated in the introduction of the National Policy on the Development and Implementation of Regulations (NPDIR) which aims to implement Good Regulatory Practice (GRP) in the rule-making process across all federal ministries and agencies.

With the implementation of NPDIR, the Government is seeking to reinforce the key elements of accountability, transparency, and evidence-based informed decision making in the rule-making process. The aim is to ensure regulatory quality which addresses the concerns of stakeholders in an effective and equitable manner. The Government seeks to promote and preserve a regulatory environment that is business-friendly and supports its overall developmental goals.

The Annual Report on Modernisation of Regulations is an effort to inform stakeholders of improvements taking place in the regulatory environment and the progress achieved in implementation of NPDIR. The publication of the Annual Regulatory Plan in the Report should encourage stakeholders to assume their proper role in the rule-making process. It is hoped that the publication of the Annual Report will encourage greater adoption of GRP and ensure quality regulatory environment that is supportive of a more responsive and dynamic economic growth and development progress in Malaysia.

A stylized, handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the left.

**TAN SRI DR. ALI HAMSA**  
Chief Secretary to the Government of Malaysia

## Acronyms & Abbreviations

AGC	Attorney – General’s Chambers
APEC	Asia-Pacific Economic Cooperation
ASEAN	Association of South East Asian Nations
CIDB	Construction Industry Development Board
DBKL	Kuala Lumpur City Hall
DOSH	Department of Occupational Safety and Health
DVS	Department of Veterinary Services
ERIA	Economic Research Institute for ASEAN and East Asia
ETP	Economic Transformation Programme
FAMA	Federal Agricultural Marketing Authority
GRP	Good Regulatory Practice
ICU	Implementation Co-ordination Unit, Prime Minister Department
INTAN	National Institute of Public Administration
KKLW	Ministry of Rural and Regional Development
KKMM	Ministry of Communication and Multimedia
KPDNKK	Ministry of Domestic Trade Cooperatives and Consumerism
KPKT	Ministry of Housing and Local Government
MAMPU	Malaysian Administrative Modernisation and Management Planning Unit
MBL	Modernising Business Licensing
MBR	Modernising Business Regulations
MITI	Ministry of International Trade and Industry
MOA	Ministry of Agriculture and Agro-Based Industry
MOE	Ministry of Education
MOH	Ministry of Health
MPIC	Ministry of Plantation Industries and Commodities
MYR	Malaysian Ringgit
NDPC	National Development Planning Committee
NKEA	National Key Economic Area
NPDIR	National Policy on the Development and Implementation of Regulations
OECD	Organisation for Economic Co-operation and Development
PEMUDAH	Special Task Force to Facilitate Business
RC	Regulatory Coordinator
RIA	Regulatory Impact Analysis
RIS	Regulatory Impact Statement
RNF	Regulatory Notification Form
RURB	Reducing Unnecessary Regulatory Burden
SPAN	National Water Services Commission

**Chapter One** of the Annual Report on Modernisation Regulation in Malaysia 2016 begins with a brief introduction outlining the inspiration for the regulatory modernisation initiatives undertaken by the Government. Concerted efforts began in 2007 with the setting up of PEMUDAH, the Special Task Force to Facilitate Business, to address regulatory issues affecting the ease of doing business. PEMUDAH was assisted by MPC in undertaking this critical task. Subsequently, under the 10th Malaysia Plan (2010-2015), MPC was given the mandate to improve the Government's regulatory management system, which included the review of existing regulations to remove unnecessary rules and compliance costs, and undertaking cost-benefit analysis of new policies and regulations to assess the impact on the economy. Hence MPC undertook the Modernising Business Regulations programme which involves the following:

- Reducing Unnecessary Regulatory Burden (RURB);
- Facilitating Initiatives in Ease of Doing Business;
- Conducting Comprehensive Scanning of Business Licensing;
- Promoting Business Enabling Framework for 18 services subsectors; and
- Developing policy and guidelines for ensuring the quality of new regulations

Initial efforts of MPC were focussed on the Government's priority to address ease of doing business issues raised by the World Bank Doing Business Report of 2007. This was followed by work under RURB to support the implementation of the 12 NKEAs under the Economic Transformation Programme. In collaboration with PEMUDAH, MPC also undertook comprehensive scanning of business licensing or Modernising Business Licensing (MBL) initiative to re-engineer business licensing processes of ministries and agencies at federal and state government level.

The Government's regulatory reform initiative took a significant step forward in 2013 with the introduction of the policy and guidelines for implementing good regulatory practice. The circular on the National Policy on the Development and Implementation of Regulations (NPDIR) was issued by the Chief Secretary to the Government of Malaysia on 15 July 2013 which requires all federal ministries and agencies to undertake good regulatory practice (GRP) and regulatory impact analysis (RIA) in developing new and amended regulations. This policy seeks to ensure that regulations are developed according to international best practice in regulatory management. Together with the introduction of NPDIR, the Best Practice Regulation Handbook and the Quick Reference of Best Practice Regulation Handbook were also issued to provide guidelines for the ministries and agencies. The introduction of NPDIR aims to improve the regulatory management system by embedding GRP in the policy- decision making processes of government. Chapter One also provides a brief description of the key requirements of the regulatory management process such as institutional arrangements, RIA and RIS, and transparency and public consultation.

Chapter Two provides an update of the first prong of the MBR programme, i.e. efforts to address quality of existing regulations which were undertaken under the MBL and RURB initiatives. The first review of licensing regulations under MBL was undertaken in 2011-2014 which involved the review of 767 licences and resulting in their reduction to 454 composite licences while 29 were abolished. This is expected to bring about potential reduction of an estimated RM729m in compliance cost. The RURB initiative in support of the NKEAs completed 23 projects during 2014-2015. These involved industry-wide projects such as for healthcare, oil and gas, logistics and construction, as well as issue-specific projects such as on movement of dutiable goods from free zone for outsourced value-added activities, and registration requirement for professional services for government projects. The potential compliance cost saving from the 23 projects was estimated at RM2.5b.

**Chapters Three, Four and Five** contain progress reports on the implementation of NPDIR for 2014-2015. Chapter Three provides information on compliance with regulatory process management requirements, particularly the number of regulatory notifications and RIS received as these are the two most important indicators of adoption of GRP. During that period, 95 regulatory notifications and 12 RIS were received. Chapter Four contains the Annual Regulatory Plan for 2014, 2015 and 2016. The annual regulatory plan contains indication of planned regulatory proposal informed by regulators to MPC. The number of planned regulatory proposals rise from 81 (2014) and 39 (2015) to 174 (2016). These plans are published in this report to inform stakeholders of proposals in the pipeline so as to enable them to be better prepared for engagement with regulators. Chapter Five provides an assessment of the overall progress in implementation of NPDIR both by MPC and by regulators. The overall progress is encouraging with 29 regulators submitting 95 regulatory proposals, of which 62 proposal were undertaking RIA during 2014-2015. Numerous outreach programmes were also conducted by MPC such as top management briefings, workshops and forums.

Chapter Six concludes the report with an assessment on the challenges and the way forward in the regulatory reform efforts. The assessment is assisted by the OECD report "Implementation of Good Regulatory Practice in Malaysia". The report identified challenges faced in the implementation of NPDIR. Among these challenges are:

- The need to develop medium term implementation strategy for the implementation of NPDIR and RIA, including a framework evaluate implementation;
- The need to provide on-going support to public officials on RIA;
- The need to generate political support for the implementation of NPDIR, including through improved coordination with key institutional players such as EPU and AGC;
- The need to continuously review the evolving best-practices in the implementation of GRP internationally and to periodically update the NPDIR implementation guidelines; and
- To ensure adequate resources within MPC to facilitate the implementation of NPDIR.

Taking into account the assessment in the OECD report, efforts to promote greater adoption of GRP will include:

- Creating greater awareness of GRP at federal and state government levels.
- Establishing a mechanism for evaluating implementation of NPDIR by measuring regulatory quality.
- Encouraging embedding of GRP implementation as the regulator's corporate wide strategy.
- Strengthening cooperation and coordination among institutional players to integrate RIA into the policy-making process.
- Accelerating compliance with NPDIR by undertaking second regulatory review on regulations, acts and licenses of all Ministries.

The World Bank Doing Business 2016 Report recognises Malaysia's improvements in the area of regulations with regards to ease of doing business by placing Malaysia on 18th position out of the 189 economies. The implementation of NPDIR is a long-term plan to make Malaysia's regulatory regime more in line with international best practice. Better informed decision-making in the regulatory process will enable development of best-fit solutions taking into account the concerns of all stakeholders in line with Malaysia's vision as a developed and progressive society.

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## 1.1 Introduction

The Tenth Malaysia Plan (2011-15) and the Economic Transformation Programme (ETP) emphasised, amongst others, the importance of improving existing business regulations and removing unnecessary rules and compliance costs for better regulatory delivery and to enhance productivity. In its desire to move up the value chain and to become a high-income economy, Malaysia recognises that growth must be more innovation and productivity-driven. The challenging global economic and business environment also makes it imperative that the country continues to rigorously pursue measures to eliminate inefficiencies and wastages to remain in the forefront of competition. In this context, maintaining an enabling and responsive regulatory environment for businesses is a key priority of the Government.

Regulations are necessary policy tools to achieve the Government's social and economic objectives as regulatory environment has a significant impact on the behaviour and performance of business entities. Private sector participation in the economy and innovation requires a regulatory environment that provides for the protection of valuable investments and promote competition. On the other hand, excessive regulations can stifle businesses and be counter-productive to economic growth.

The business community has highlighted concerns regarding the increase in documents and costs involved in the submission of applications for permits or payment of taxes, levies and fees. These can have adverse impacts on firms' productivity as significant amount of resources have to be allocated for compliance activities. In addition, there are also a variety of other non-quantifiable costs such as stress and frustration when dealing with unwieldy regulatory processes.

Hence Malaysia Productivity Corporation (MPC) is mandated under the Tenth Malaysia Plan to address the following:

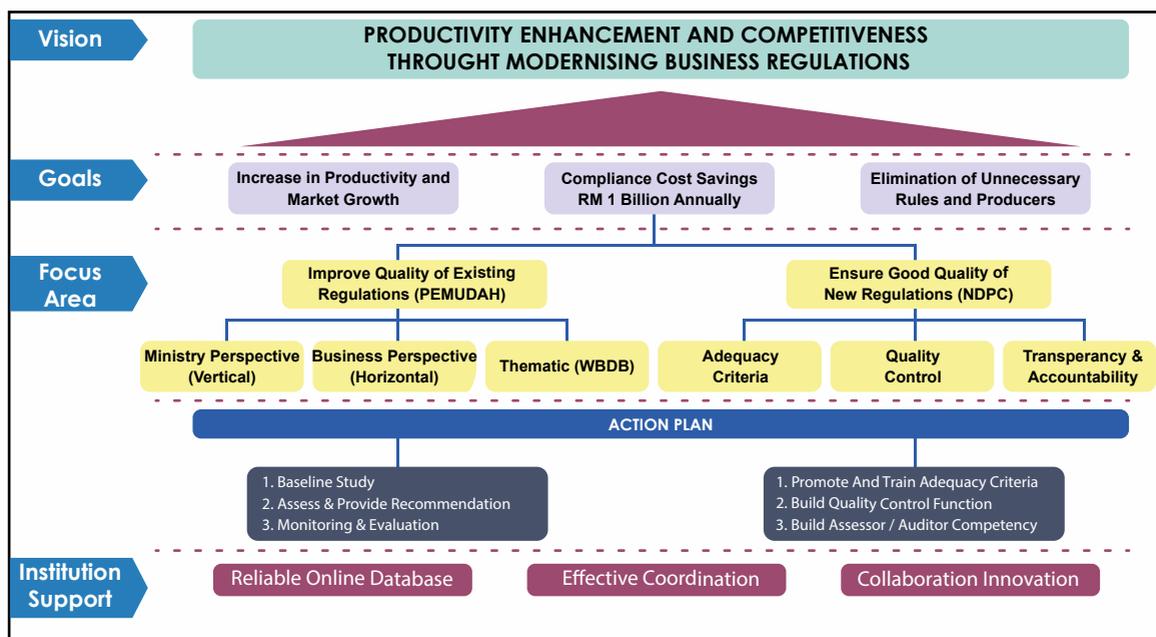
- Review existing regulations with a view to remove unnecessary rules and compliance costs;
- Undertake cost-benefit analysis of new policies and regulations to assess the impact on the economy;
- Provide relevant productivity statistics at sectoral level and benchmark against other relevant countries;
- Undertake relevant productivity research, such as the impact of regulations on the growth of small and medium enterprises; and
- Make recommendations to the Cabinet on policy and regulatory changes that will enhance productivity as well as overseeing the implementation of recommendations.

## 1.2 Modernising Business Regulations (MBR)

With the mandate to modernise business regulations, MPC has developed and is pursuing a comprehensive review of business regulations, including improving licensing processes and procedures, with the view to increase the productivity of major economic sectors.

These are depicted as MBR Framework in Figure 1.1.

Figure 1.1: Modernising Business Regulations (MBR)



Source: Malaysia Productivity Corporation

In implementing the MBR programme, MPC’s key initiatives are to:

- Reduce Unnecessary Regulatory Burden (RURB);
- Facilitate Initiatives in Ease of Doing Business;
- Conduct Comprehensive Scanning of Business Licensing;
- Promote Business Enabling Framework for 18 services subsectors; and
- Develop policy and guidelines for ensuring the quality of new regulations such as the National Policy on the Development & Implementation of Regulations.

Through the RURB initiative of MBR, MPC has been supporting the development of National Key Economic Areas (NKEAs) of ETP by reviewing and recommending changes to existing policies and regulations governing businesses and investments. The review is undertaken with a view to remove unnecessary rules and reduce compliance costs, and to improve the ease and speed of public service delivery in the 12 NKEAs.

The Government established the Special Task Force to Facilitate Business (PEMUDAH) in 2007 as a platform to facilitate closer public and private sector collaboration to spearhead change in addressing issues on public service delivery. The catalyst for the establishment of PEMUDAH was the World Bank Doing Business Report 2007 which highlighted regulatory quality issues affecting Malaysia as an investment destination. Under its Ease of Doing Business initiative, MPC, as the secretariat for PEMUDAH, provides resources to support the efforts of various committees established under PEMUDAH to drive regulatory reform. The objective is to improve regulatory quality, to enhance transparency and accountability of both the public and private sectors, and to monitor efficiency of implementations. To address concerns highlighted in the Doing Business Report, PEMUDAH has established ten focus groups. They are on:

- Starting a Business;
- Registering Property;
- Trading Across Borders;
- Labour Market
- Dealing with Construction Permits;
- Getting Credit;
- Enforcing Contracts;
- Getting Electricity;
- Paying Taxes;
- Resolving Insolvency; and

In addition, with the assistance of MPC, PEMUDAH formed the Focus Group on Business Process Re-engineering (FGBPR) in Business Licensing to undertake Comprehensive Scanning of Business Licensing initiative (or Modernising Business Licensing - MBL). This initiative involves the re-engineering of business licensing processes of ministries and agencies at federal and state government levels.

MPC was also requested by the Malaysia Services Development Council (MSDC) of the Ministry of International Trade and Industry (MITI), to undertake the mapping of the regulatory framework for the 18 services sub-sectors identified for liberalisation. The objective was to identify regulatory requirements affecting business in each of the subsectors in order to facilitate the ease of doing business. The task was implemented under the Business Enabling Framework (BEF) initiative. Beyond mapping of regulations, MPC also undertook efforts to ensure regulatory coherence across multiple agencies by streamlining regulatory requirements and processes from the registration to the operation of business in the education and health sub-sectors. Under these projects, MPC documented business transactions with government agencies and their related compliance costs to assist in formulating recommendations to reduce unnecessary regulatory burdens.

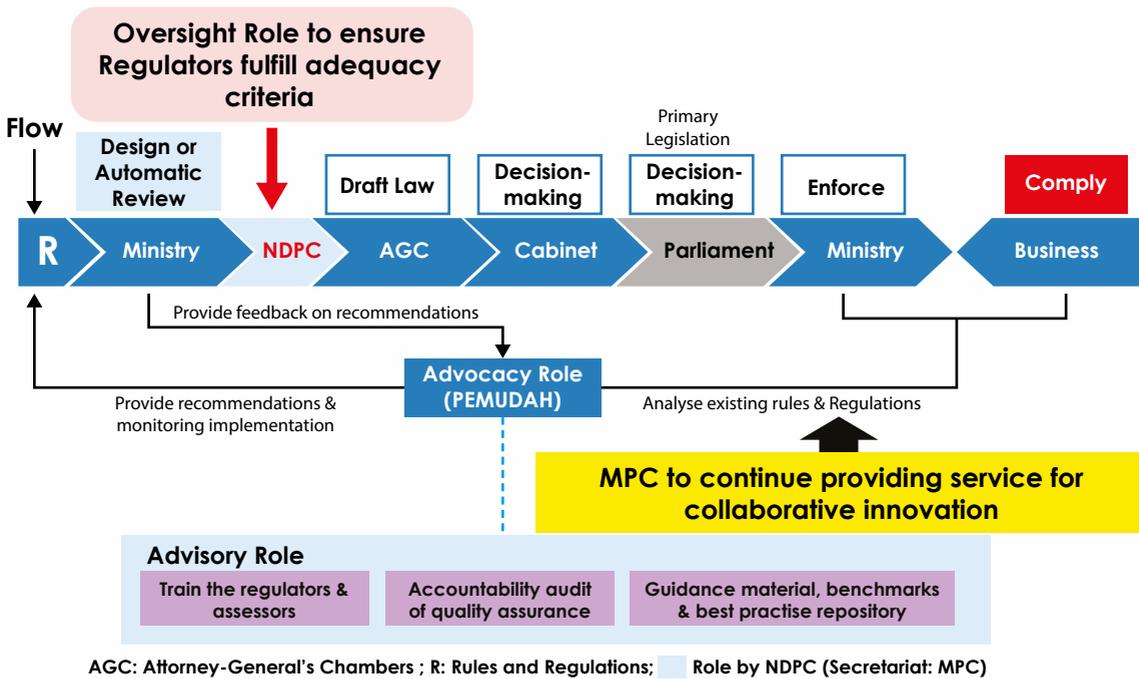
### **1.3 Embedding Good Regulatory Practice**

In 2013, the Government's regulatory reform initiative took a significant step forward with the introduction of the policy and guidelines for implementing good regulatory practice in the public sector. The Circular on the National Policy on the Development and Implementation of Regulations (NPDIR) was issued by the Chief Secretary to the Government of Malaysia on 15 July 2013 to require all federal ministries and agencies to undertake good regulatory practice (GRP) and regulatory impact analysis (RIA) in developing new and amended regulations. This policy is aimed at ensuring that regulations are developed according to international best regulatory practices. Accompanying the introduction of NPDIR, the Best Practice Regulation Handbook and the Quick Reference of Best Practice Regulation Handbook were also handed to the ministries and agencies.

With the launch of NPDIR, Malaysia's regulatory modernisation and reform initiatives through MBR have taken on a two-pronged approach of addressing the quality of existing and of new regulations. Earlier efforts were geared towards addressing inefficiencies and burdens imposed by existing regulations as encountered by the business community and other stakeholders. NPDIR complements these earlier efforts by embedding GRP in the development of new or amended regulations.

By introducing NPDIR, the Government seeks to ensure that regulations are more effective in addressing the desired public policy objectives in a balanced and equitable manner, including through observing the principles of good governance in regulatory development. It is the Government's intention to reduce, and where possible, eliminate cumbersome regulations which impose unnecessary burdens on society and business.

Figure 1.2: Framework on Quality Regulatory Management System



Source: Malaysia Productivity Corporation

The NPDIR sets out the policy and principles for the management of the regulatory environment through the Quality Regulatory Management System (QRMS) as illustrated in Figure 1.2, QRMS introduces the role of the National Development Planning Committee (NDPC) as the oversight body for assessment of compliance to GRP as outlined in NPDIR. NDPC is a high-level planning coordination committee chaired by the Chief Secretary to the Government. Another critical feature of NPDIR is the requirement to undertake RIA and the preparation of regulatory impact statement (RIS) in regulatory development. Regulators are required to submit the RIS to policy makers to assist them in decision-making. Before submission to the decision makers, the RIS must be submitted for adequacy assessment by NDPC. MPC serves as the technical secretariat that assesses the adequacy of the RIS before its submission to NDPC.

Prior to the introduction of the NPDIR, there was no official guideline on GRP. Regulators adopted varying degrees of international best practices resulting in uneven regulatory quality. As a consequence, there is a need to standardise regulatory processes within the Government with the aim to ensure consistency in regulatory practice and quality. The implementation of NPDIR addresses these gaps, including emphasising the importance of public consultation and evidence based decision-making. NPDIR also stresses the maintenance aspect of the regulatory system by requiring the review of existing regulations once every five years with a view to remove outdated regulations and compliance costs.

The Best Practice Regulation Handbook contains a comprehensive set of guidelines on GRP drawn from international best practices, particularly from Australia and the OECD. This Handbook should be used in conjunction with the National Policy document and it provides guidance for compliance with the policy and its principles. Regulators should review existing practices to ensure that they meet the policy, principles and processes requirements outlined in NPDIR and the Handbook.

## 1.4 Regulatory Process Management Requirements

### 1.4.1 Institutional Arrangements

National Development Planning Committee (NDPC) has been entrusted to oversee the implementation of NDPIR and to perform the oversight role for improving the process and quality of developing any new or amendment to business-related regulation. This role is undertaken through the gate-keeping system which requires regulators to submit their RIS to NDPC for adequacy assessment.

The Malaysia Productivity Corporation (MPC) is responsible for the implementation on the NPDIR and in particular will:

- Develop guidelines and programmes for the implementation of the NPDIR;
- Ensure capacity building programmes for regulators are available;
- Assist NDPC in assessing RIS;
- Provide guidance and assistance to regulators on RIA and preparation of RIS;
- Conduct periodic reviews of progress and submit reports to NDPC; and
- Promote transparency of RIS.

The National Institute of Public Administration (INTAN) plays an important role and is responsible to provide training on RIA. The Attorney General's Chambers (AGC) is responsible for providing legal advice to the Cabinet or a Minister. This advice includes on matters relating to the quality of the regulatory proposal as well as on compliance of the proposal to constitutional or legislative provisions.

Ministries, departments, statutory bodies and regulatory commissions which function as regulators are responsible for meeting the regulatory process management requirements contained in the NPDIR. These requirements include undertaking RIA, conducting public consultation and submitting RIS in accordance with the guidelines in the Handbook. The requirements under the Best Practice Regulation Handbook include that every Ministry or Regulator should:

- Appoint regulatory coordinator(s) and notify the appointment to the gatekeeper;
- Develop and maintain a system of regulatory management that complies with NPDIR;
- Ensure new regulations are developed in accordance with NPDIR;
- Ensure regulations address clearly defined objectives. Regulatory authorities proposing new regulatory requirements or regulatory changes must have clear objectives, evidence that a problem has arisen, and that Government intervention is required;
- Examine alternatives, assess impact, hold consultations & define implementation strategy; and
- Explain proposals to stakeholders, maintain process records & train personnel.

## 1.4.2 Regulatory Impact Analysis and Regulatory Impact Statement

Section 3.2.3 of NPDIR states that “Regulators proposing new regulations or regulatory changes must undertake the Regulatory Impact Analysis (RIA)”. RIA is the process of examining the likely impact of a proposed regulation and the range of alternative options which could meet the Government’s policy objectives. RIA requires thorough cost-benefit analysis of each option to enable informed decision-making.

According to the Best Practice Regulation Handbook, RIA is applicable to all decisions made by the Government and its agencies that are likely to have a regulatory impact on businesses. This includes amendments to existing regulation and regulatory initiatives implemented by way of administrative circulars by any part of the Government that requires mandatory compliance. The preparation of RIA, among others, requires the regulators to examine options to address the regulatory problem. The regulators should explore each option and explain how these options, if implemented, would achieve the desired result. The preparation of RIA is exempted if the impact of the proposed regulatory action is minor in nature and does not substantially alter existing regulatory arrangements. In such situation, the regulator may proceed to develop and implement the regulation after approval by the relevant decision-maker in accordance with the law. MPC should be notified when the regulation is issued.

RIS is a document prepared by the regulator for presentation to the decision-maker in support of proposal for new regulation or change to regulation following consultation with affected parties. It formalises and provides evidence of the key steps taken during the development of the proposal, and includes an assessment of the costs and benefits of each option as considered in the RIA. The RIS also includes a summary of stakeholders’ consultation so that decisions are taken based on a balanced and informed assessment of the best available information.

## 1.4.3 Transparency and Public Consultation

Recognising the importance of contribution from all stakeholders in nation building, the Government is committed to effective consultation with stakeholders. Effective consultation provides valuable information which can be used to design more effective regulation or non-regulatory solutions. In October 2014, the Government published the ‘Guideline on Public Consultation Procedures’ which contains guiding principles for undertaking effective public consultation. These principles are transparency with accessibility, accountability, commitment, inclusiveness, timely and informative, and integrity with mutual respect (see Figure 1.3). Effective consultation can help to identify and reduce unnecessary regulatory burdens. The Guideline addresses an important gap in the regulatory management system by serving as a reference for ministries and agencies in undertaking public consultations.

Figure 1.3: Guiding Principles for Public Consultation



Source: Malaysia Productivity Corporation

The regulatory development process involves clear identification of the issues and formulation of objectives. Taking into account the objectives of the regulatory action, a range of remedy options, including maintaining the status quo, together with an analysis of the likely economic, social and environmental impact should be considered.

Figure 1.4: Public Consultation Process



Source: Guideline on Public Consultation Procedures

Effective public consultation process ensures that all stakeholders have a good understanding of the issues, options for resolution of the issues, related administrative and compliance mechanisms and their associated benefits, costs and risks. Public consultation enhances the credibility of the decision-making process and stakeholders' confidence in regulatory development and contributes towards greater success during implementation (see Figure 1.4.)

## 1.5 Pilot Projects

Initial efforts were also undertaken to promote GRP and RIA among ministries and agencies through pilot projects. Three organisations which participated in the pilot projects, namely Ministry of International Trade and Industry (MITI), Federal Agricultural Marketing Authority (FAMA), and National Water Services Commission (SPAN) were given specific training and guidance on undertaking the RIA process (see Table 1.1).

Table 1.1: Pilot Projects on GRP

Ministry	Title	Defined Problem
Ministry of International Trade and Industry (MITI)	Strategy Trade Act 2010	Increased in complaints from business regarding burdensome licensing requirements and difficulty in enforcement of the Act.
Federal Agricultural and Marketing Authority (FAMA)	Anti-competitive behaviour in wholesale markets	Anti-competitive behaviour in wholesale market resulting in unfair outcomes for farmers and consumers.
National Water Services Commission (SPAN)	Sewerage Works Approval Transformation (SWAT) Initiative	Inefficiency of the sewerage works approval procedures which adversely impact on achieving the objective of protecting public health.

Source: Malaysia Productivity Corporation

Lessons learnt from the pilot projects pointed to critical factors for the implementation of NPDIR which include management awareness and support, capacity and resource commitment, and out-reach and training programme for regulators.

MPC conducted a survey in April 2014 amongst 220 regulatory coordinators (RCs) and found that 90% knew about NPDIR. However the level of knowledge amongst the RCs was low with only 12% indicating that they have good knowledge of RIA and other GRPs. The result should spur the Government to intensify training for RCs who assume a key role in the implementation of NPDIR.

## 1.6 Collaboration with PEMUDAH

PEMUDAH has been instrumental in the Government's drive for regulatory modernisation and implementation of GRP. PEMUDAH was established on 7 February 2007 to improve the ease of doing business in Malaysia and to enhance Malaysia's overall competitiveness and attractiveness as an investment destination. PEMUDAH comprises 15 Heads of Government ministries / departments and 10 leaders of the Malaysian business community. In addition, PEMUDAH also has four co-opted members from the public sector.

The terms of reference of PEMUDAH are:

- a) To review the status of the public and private service delivery system in terms of the processes, procedures, legislations and human resource and to propose new policies for improvement;
- b) To benchmark best practices to improve the ease of doing business;
- c) To enhance collaboration among public and private sector agencies to improve Malaysia's competitiveness;
- d) To monitor the implementation of policies, strategies and procedures that would improve the efficiency and effectiveness of the public and private sector delivery system; and
- e) To take appropriate action to address issues in line with the National philosophy of 1 Malaysia, People First, Performance Now.

PEMUDAH was initially driven by the World Bank Doing Business (DB) Report 2007, where Malaysia was ranked 25<sup>th</sup> in the ease of doing business among 175 economies. Using the best practices of the Report as a guide, and leveraging on the synergy of public-private partnership, PEMUDAH has successfully introduced many initiatives to enhance the business environment in Malaysia.

Among the key initiatives undertaken by PEMUDAH includes the review of rules, regulations and procedures in government agencies. This involves the establishment of the Working Group on Efficiency Issues, Working Group on Policy Issues, and Focus Group on Business Process Re-engineering. Through the work of these groups, and through the MBL initiative, significant progress was achieved in the reduction of red-tape and to improve business licensing efficiencies.

PEMUDAH's monthly meetings have become the main platform to discuss issues for improving public service delivery system as well as initiatives to enhance Malaysian business environment. PEMUDAH has established several working groups, task forces and focus groups to carry out its mission. These smaller groups deliberate on specific issues which required focused attention and resolution. Enquiries, complaints or suggestions received through PEMUDAH's website are also gathered and considered for inclusion into its work programme.

## 2.1 Modernising Business Licensing (MBL)

Entrusted with the responsibility to enhance the performance in the public delivery system and to facilitate business investments, PEMUDAH expanded the MBL initiative in June 2010 through the establishment of FGBPR. FGBPR has been working with 23 ministries including 2 departments in the Prime Minister's Department (JAKIM & SPAD) and 13 state governments to review all procedures related to the application of business related licenses. The requirement to involve all the state governments is critical as business licenses are directly related under the jurisdiction of state governments as well as the local authority. Since then, FGBPR has been working with all federal ministries and state governments to review overall procedures related to the application of business related licenses. The objective of MBL is to enhance the business environment by simplifying the processes and procedures as well contributing to increased productivity for business and economy as a whole.

### 2.1.1 Comprehensive Scanning of Business Licensing

A key activity under MBL is the comprehensive scanning or stock-take of all business licenses in Malaysia with the aim to reduce the stock of business licenses. This is undertaken through phased reviews of regulations by government ministries and agencies. MBL adds value and integrity to the public delivery system by introducing more simplified business licensing procedures and making them easier, more transparent and cost effective when dealing with the Government in line with the Economic Transformation Programme.

The impact of the simplified business licensing processes are:

- shorter processing time;
- simplified forms;
- reduced number of supporting documents;
- empowerment of the government officers for approval;
- reduction in or elimination of fees;
- extended validity period of the license;
- reduction in the number of agencies referred; and
- reduction in compliance cost .

### 2.1.2 Methodology

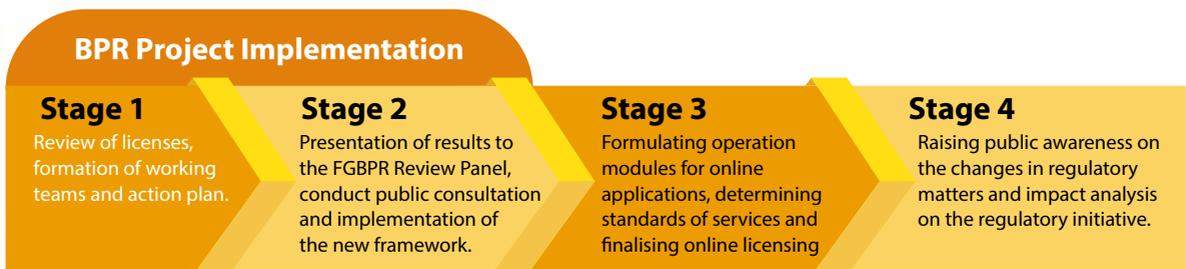
In implementing the MBL initiative, FGBPR, with MPC as the secretariat, has adopted the "Guillotine" approach which was first introduced in Sweden in the 1980s. The approach involves elimination of selected procedures, licenses and regulations. Through the "Guillotine" approach, licenses that do not meet legislative justification or are no longer needed will be abolished while licenses and requirements that are not business friendly will be simplified. The simplification is undertaken through a business process re-engineering (BPR) lab conducted by MAMPU. This approach takes into consideration issues of legality, necessity and efficiency in licensing.

As documented by Jacob, Cordova & Associates, several countries have successfully implemented similar strategies such as Hungary, South Korea, Mexico, Ukraine, Kenya, Bosnia, and Vietnam. For example, South Korea reviewed 11,000 business regulations and abolished almost 50 percent through the “Guillotine” approach during the period of the financial crisis in 1998. The impact of this initiative led to the creation of over 1 million job opportunities and resulted in almost US\$36 billion (RM114.7 billion) additional foreign direct investments over a five year period.

### 2.1.3 Achievements of MBL

The first review of regulations and business processes re-engineering (BPR) related to the application of business related licenses at the ministries and agencies of the Federal government was carried out from 2011 to 2014. BPR is a 4-stage process which involves the review of existing licensing procedures, presentation of findings to FGBPR Review Panel and implementation, formulating operation modules, and raising public awareness (see Figure 2.1). Through MBL, 767 business licenses at the federal level were re-engineered or simplified and converted into 454 composite licenses while 29 licenses were abolished (see Figure 2.2). It is expected that the MBL initiative at the federal level will achieve a potential compliance cost reduction estimated at RM729 million. The simplified licenses will be automated or integrated into the BLESS portal. BLESS is an on-line one stop centre for application of licenses and permits to start operating business in Malaysia (see Box Item 2.1).

Figure 2.1: Stages in BPR Project



Source: Malaysia Productivity Corporation

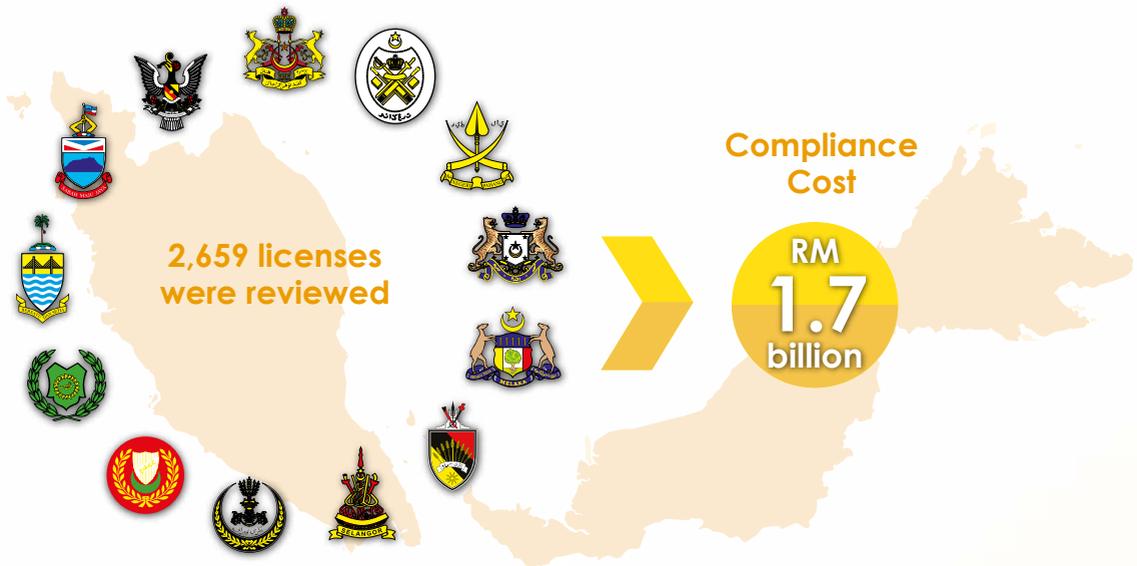
Figure 2.2: Achievements of Red Tape Challenge at Federal Level



Source: Malaysia Productivity Corporation

Similar reviews were carried out at the State governments level involving 13 states i.e. Pahang, Negeri Sembilan, Melaka, Johor, Perak, Selangor, Pulau Pinang, Kedah, Perlis, Kelantan, Terengganu, Sarawak and Sabah. A total of 2,659 licenses were reviewed, reengineered and reduced to 1,915 composite licenses, involving estimated potential compliance cost savings of RM1.7 billion (see Figure 2.3). An example of a state level MBL project is in Box Item 2.2.

Figure 2.3: Achievements of Red Tape Challenge at State Level



Source: Malaysia Productivity Corporation

The reduction in compliance cost through the MBL initiative will encourage businesses to devote more resources to innovation and to increase productivity. The MBL initiative has contributed to Malaysia's global competitiveness and improved ranking as indicated in the Doing Business Report 2014 of World Bank, and the Global Competitiveness Report 2014 -2015 of the World Economic Forum.

To facilitate the implementation of the MBL initiative, FGBPR works closely with three government agencies, namely MPC, the Malaysia Administrative Modernisation and Management Planning Unit (MAMPU), and the Implementation Coordination Unit (ICU). MPC assumes a key responsibility in addressing the quality of licensing administration and practices by assessing the legality, necessity and efficiency of the licenses using the "Guillotine" approach. MPC also serves as the secretariat of the initiative. MAMPU's role is to manage the BPR lab with objective to streamline and simplify licensing procedures. The streamlined procedures will be made available online through BLESS. ICU monitors the implementation of the online system to ensure a more effective public service delivery system.

## Box Item 2.1: BLESS



BLESS is a portal that provides information and facilitates companies to apply for licenses or permits to start operating business in Malaysia. It is a virtual One-Stop Service Centre that assists companies to obtain business licenses in a timely and organised manner. BLESS is administered by ICU, Prime Minister's Department, Malaysia.

BLESS facilitates an applicant to select relevant licenses, complete, submit application and track the progress of the application online until notification of result. At the same time, BLESS provides an online platform for the licensing agencies to communicate directly with the applicant for any clarification and justification on the licenses application. BLESS has proven to be an effective platform which saves time and resources for both parties.

The features of BLESS are:

- Multiple licensing application
- Simultaneous processing and updating by respective agencies
- Composite and standardised forms
- Online submission, approval and notification
- Online query
- Online tracking and monitoring
- Electronic payment
- Feedback mechanism
- Bilingual

## Box Item 2.2 – MBL Project in Pahang

Pahang was the first state to initiate the MBL project in May 2012. The project included a stock take of all the business licenses in the state. The scope of the study covered business licenses, permits, registration or inspections. Sixteen state agencies presented their initial reviews of business licensing to PEMUDAH at state level. The State government reviewed a total of 214 licences, of which 127 licences (60%) underwent the business process re-engineering (BPR) exercise. As a result, the 127 licenses have been simplified and reduced to 59 composite licenses.

An example of the MBL project in Pahang is the Raub District Council (Majlis Daerah Raub - MDR) which is the local authority administering the town of Raub, Pahang. MDR responsibilities include public health, town planning and economic development of the town. The implementation of MBL at MDR began with a baseline study to obtain its licensing profile and to understand the licensing processes.

A common problem faced by the business community in Raub was long waiting time for approval of business licenses. A Council officer was required to conduct on-site inspection to validate the information provided by the applicant. Further the application required feedbacks from other technical agencies pertaining to their respective area of responsibility or jurisdiction. Finally a committee chaired by the Head (Yang Di Pertua) of MDR must meet to consider the application. MDR has simplified and improved its business licensing system by adopting more streamlined procedures, licenses approval on risk-based approach, redesign of application form and strengthening rules and compliance. As a result the lead time for approval of licenses has been reduced from 30 days to 20 minutes.

Implementing the MBL initiative has enabled MDR to improve on service delivery, increase customer satisfaction, reduce operational cost and increase revenue collection.

## 2.2 Reducing Unnecessary Regulatory Burdens

In launching the ETP, the Government identified 12 NKEAs to help propel Malaysia towards a high-income economy. An NKEA is defined as a driver of economic activity that has the potential to directly and materially contribute quantifiable economic growth to the Malaysian economy. NKEAs were chosen on the basis of their contribution to high income, sustainability and inclusiveness in achieving economic growth. The initial 12 NKEAs identified comprise 11 economic sectors and one geographic area. They are Oil, Gas and Energy; Financial Services; Wholesale and Retail; Palm Oil; Tourism; Electronics and Electrical; Business Services; Communications Content and Infrastructure; Education; Agriculture; Healthcare and Greater Kuala Lumpur/Klang Valley. The 11 sectors account for almost one-third of Malaysia's total gross domestic product, while the Greater Kuala Lumpur/Klang Valley urban agglomeration can be a major driver of economic growth.

MPC has been tasked with conducting the regulatory review of the NKEAs with the view to reduce unnecessary regulatory burdens and improve the regulatory environment. The regulatory reviews of the NKEAs are being undertaken through the RURB programmes.

### Box Item 2.3: Reducing Unnecessary Regulatory Burdens

Businesses necessarily operate within a regulatory environment which can either boost or dampen business activities. Unnecessary regulatory burdens arise when regulations are poorly designed or written, or not administered well. Unnecessary regulatory burdens include:

- excessive coverage of a regulation, where the regulation affects more activities than was intended to achieve its objective;
- subject-specific regulation that covers much of the same issues as another generic regulation;
- prescriptive regulation that unduly limits flexibility of business such as preventing:
  - use the best technology;
  - product changes to better meet consumer demand; or
  - achievement of the underlying objectives of regulation in different ways;
- overly complex regulation;

- unwieldy licence application processes, delays in obtaining responses and decisions from regulators;
- requests for more information than required;
- repeated requests for the same information;
- rules or enforcement approaches that result in businesses inefficiency;
- unnecessary invasive regulator behaviour, such as overly frequent inspections or irrelevant information requests;
- overlap or conflict in the activities of different regulators; and
- inconsistent application or interpretation of regulation by regulators.

### 2.2.1 Methodology

The RURB methodology comprises the following steps:

1. Study the industry through interviews and literature reviews;
2. Develop the industry value chain;
3. Map regulations across the value chain;
4. Gather business concerns with regard to compliance with regulations across the value-chain;
5. Validate the business concerns;
6. Engage regulators on the concerns identified;
7. Develop solution objectives and solution options;
8. Carry out cost benefits analysis to finalise recommendations;
9. Prepare draft report;
10. Gather feedbacks from stakeholders;
11. Finalise option and recommendations; and
12. Table the final report.

Identifying the value-chain is key to mapping the relationships and linkages between business entities, regulators, regulations, and business processes of the industry sector. The methodology emphasises identification of business concerns based on evidence. Businesses and regulators are consulted to provide solution options for solving their concerns through consultation. Effective consultation is an important factor in ensuring the success of the RURB programme.

### 2.2.2 RURB Initiative

RURB activities are divided into three categories:

- RURB Study
- RURB Fast Track
- RURB Solutioning

RURB study involves a comprehensive work programme that reviews the industry or sector under study. The final output of the study is a set of solutions recommended to address business concerns of the industry. The duration of the study is between 9 to 12 months. RURB Fast Track focuses on pressing business concerns that require quick solutions. It usually covers a limited scope and does not require a thorough identification of industry value-chain. The project is normally completed within 3 to 4 months. RURB Solutioning project involves identification of business concerns, recommendation of solutions and engagement in the implementation of the recommended solutions. Implementation is normally carried out as a case study or pilot project. This approach offers the project team the opportunity to learn from the case study and to make further improvements.

Twenty three RURB projects were completed during 2014-2015 period. Table 2.1 and Table 2.2 show the compliance costs and estimated potential compliance cost savings of these RURB projects. It is estimated that recommendations from the 2014 and 2015 projects could result in potential savings of RM1.5b and RM1.0b respectively when implemented. These potential savings cover compliance costs and other opportunity costs (see Tables 2.1 and 2.2).

Table 2.1: RURB Projects (2014)

RURB Projects (2014)	Compliance Cost (RM mil.)	Compliance Cost Saving & Other Benefits (RM mil.)
<b>RURB Study</b>		
1. Healthcare - Private Hospital	145.8	36.4
2. Growing Oil Palm	641.3	160.3
3. Downstream Oil & Gas	1,592	398
<b>RURB Fast Track</b>		
1. Construction	22.5	24
<b>RURB Solutioning</b>		
1. Reducing Unnecessary Regulatory Burdens on Cargo Clearance Process In Free Zones	316	150
2. A Case Study of Schlumberger's Asia Pacific MRO	98	61
3. Reducing Unnecessary Regulatory Burdens: Enhancing Efficiency of Commercial Vehicle Licensing Approval Process	6.1	5.4
4. Review on Individual Vehicle Approved Permit (AP) Application Process and Procedures	100	80
5. Streamlining Process for Dealing with Construction Permit (OSC 1 Submission)	116	58
6. Streamlining Process for Dealing with Construction Permits in Peninsular Malaysia (OSC 3.0)	1,116	580
	<b>4,153.70</b>	<b>1,553.1</b>

Table 2.2: RURB Projects (2015)

RURB Projects (2015)	Compliance Cost (RM mil.)	Compliance Cost Saving & Other Benefits (RM mil.)
RURB Study		
1. Logistics	715	178
2. Construction	1,032	258
3. Discussion Paper : Rationalising Revenue Raising - Business Licences	NA	NA
4. Review Regulatory Price Fixing for Professionals in Building Constructions	NA	NA
RURB Fast Track		
1. SME ICT Services	300	200
2. Professional and Technical Services	NA	0.55*
3. Healthcare sector	NA	44.7*
4. Tertiary Education Programme Accreditation	NA	2*
5. Legal Services	NA	0.55*
RURB Solutioning		
1. Free Zone Freight Movement of Dutiable Goods	275	85
2. Free Zone Cargo Clearance	165	45
3. Dangerous Good Permits	15	5
4. MAQIS Requirements on Issuance of Export & Import Permits	635.4	330.4
	3,137.4	1,099.2

\* Regulatory costs saving by businesses due to improvement in quality of regulations

### 2.2.3 RURB Highlights

The following section highlights some successful RURB projects:

#### a) RURB Study: Healthcare (Private Hospitals)

The RURB project on Private Hospitals was conducted in 2013 as a pilot study adopting an approach used by the Australian Government Productivity Commission (AGPC) in modernising business regulations. The study was conducted under the guidance of a former AGPC's Assistant Commissioner. The objective of the study was to examine the regulatory regime for setting up and operating a private hospital with the aim to identify and remove unnecessary regulatory burdens.

The healthcare sector was selected as it is one of the 12 NKEAs. Interviews were carried out with senior management personnel of 20 private hospitals across the country to identify the issues relating to the various regulations imposed on the operation of private hospitals. The Ministry of Health was consulted for feedback in finalising the recommendations. The study was completed in August 2014. (See Box Item 2.4)

**Box Item 2.4 - Private Hospital Licenses RURB Study on Private Hospitals**  
*"Renewal of private hospital licence"*

**Background**

The renewal of private hospital licenses was one of the areas covered by the RURB Healthcare study. Members of APHM highlighted that the process of renewing private hospitals operating licenses was tedious and time consuming. Among factors which contributed to the problem include **excessive documentation** for operating licenses renewal. For example, a private hospital with 500 licensed personnel will require at least 500 interactions to prepare the documents for licensing of these personnel. All documents are required to be submitted in three sets and annual practising certificates (APCs) of these personnel must be certified. The renewal fee and the cost of processing together was estimated at approximately RM10,000 per hospital and it took approximately nine months to obtain the approval.

**Issues to be addressed**

Tedious process of renewing hospital operating licenses and the excessive documentation requirements.

**Recommendation /Solution**

To use information technology (e.g. online licenses renewal application for private hospitals or clinics) and adopt "evidence-based" as oppose to "inspection and information-based" approach in processing the renewal of operating licenses. This would eliminate duplication of documents required by different regulators within MOH.

b) RURB Fast Track: Professional and Technical Services for Construction

The RURB project on Professional and Technical Services is one of the five projects undertaken by MPC under the Services Sector Blueprint Action Plan: Accelerating Sectoral Regulatory Reform (ASRR). The objective of the project was to address a restriction imposed the Ministry of Finance (MOF) for the registration professional and technical services for participation in government projects. The restriction could adversely impact export and competitive capacity of the service provider. Several consultations were conducted by MPC with MOF. The project started in June 2015 and was completed in December 2015.

**Box Item 2.5 – Professional and Technical Services**  
*"Restriction Imposed on Registration of Suppliers of Professional Services"*

**Background**

The professional and technical services providers raised their concern on the Financial Procedure Act 1957 (revised 1972) Clause 185 - **Pendaftaran Perunding** that allows individual professionals only one registration under the MOF register for participating in government projects. Although the intent of the clause 185 is to avoid bid-rigging, the inadvertent effect is individual professionals are discouraged from registering partnerships. As a result, this requirement discourages consolidation in the professional services industry. On the other hand, consolidation of the industry is viewed as essential to develop its export potential. Legislations governing the respective professional services allow professionals to register more than one practice or company.

**Issues to be addressed**

The restriction in MOF registration of professional services for government procurement which may discourage the industry from consolidation to achieve greater export potentials.

**Recommendation /Solution**

- MOF has agreed in principle to allow multiple registrations.
- MOF guidelines will be reviewed to support the registration of consortium (professional - construction industry)

**c) RURB Solutioning: Customs Procedures on Movement of Dutiable Goods from Free Zone for Value Added Activities**

The RURB project on “Customs Procedures on Movement of Dutiable Goods for Value-added Activities” was initiated as a pilot project to solve regulatory issues faced by an oil and gas manufacturing company involving the movement of dutiable goods from the free zone for outsourced value-added activity outside the free zone. The project is a collaborative effort involving the regulator, business sector and MPC.

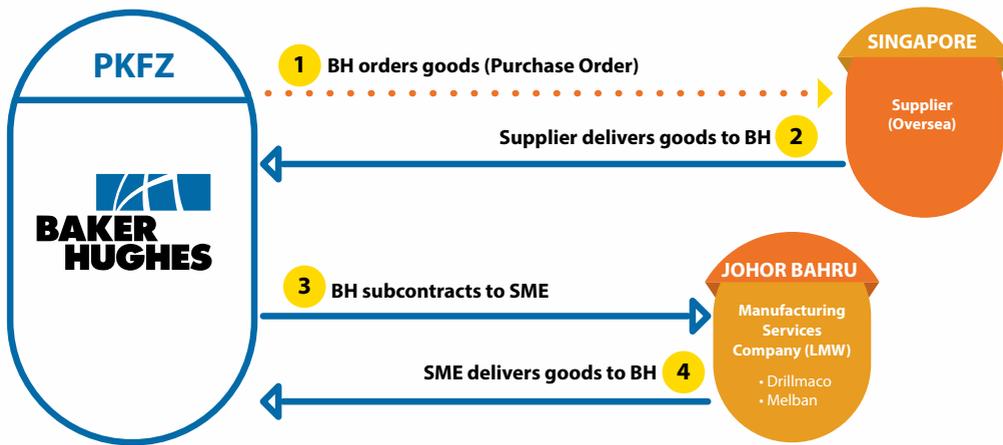
**Box Item 2.6 – Custom Procedures  
“Movement of Dutiable Goods from Free Zone for Value-Added Activities”****Background**

MPC, Royal Malaysian Customs Department (RMCD), together with Baker Hughes (M) Sdn Bhd collaborated in developing the propose solution for movement of dutiable goods at Port Klang Free Zone (PKFZ).

Baker Hughes, an oil and gas manufacturing company in PKFZ Malaysia, encountered difficulties with the movement of dutiable goods for outsourced value-added services due to existing customs regulations. Baker Hughes imports the raw materials from Singapore and these materials must be transported to PKFZ in Kelang before sending them for outsourced value-added services by third party at Johor Bahru. The completed products will be transported back to Baker Hughes at PKFZ for onward distribution to its clients.

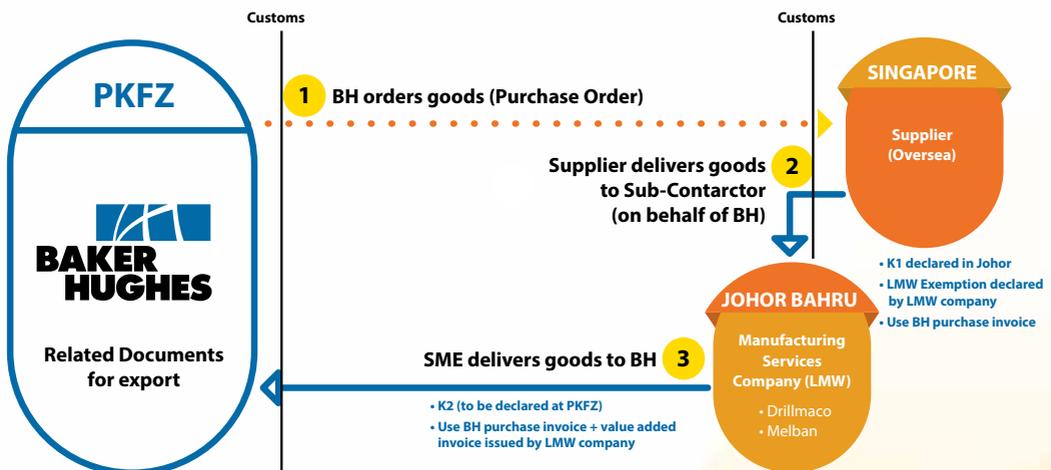
**Issues to be addressed**

Difficulties in the movements of dutiable goods for outsourced value-added services due to current customs regulation.



### Recommendation /Solution

- A new customs procedure was developed and introduced to facilitate the movement for outsourced **value-added** activities involving dutiable goods.



- The new procedure no longer requires dutiable goods to be sent to PKFZ before transportation to outsourced value-added activity.

With the successful implementation of the pilot project, RMCD has decided to extend the new arrangement to all industries in free zones' in 2016. The expected benefits of initiative are: -

- Increase competitiveness of the companies through more efficient processes and significant compliance cost saving;
- Reduction in operating cost and increase in efficiency of the regulator (RMCD); and
- The new arrangement on freight movement is estimated to realize potential compliance cost saving of RM 150 million per year for the business community.

## d) RURB Solutioning: MAQIS Requirements for Issuance of Export and Import Permits

This project was undertaken to address the concerns raised by the business community after the implementation of the Malaysian Quarantine and Inspection Services MAQIS Act under the Ministry of Agriculture and Agro-based Industry in January 2014. Businesses were concerned that the establishment of MAQIS and the implementation of the Act had created issues which hinder productivity.

### Box Item 2.7 - MAQIS "Requirements for Issuance of Export / Import Permits"

#### **Background**

MAQIS Act came into force in January 2014 to provide integrated services for quarantine, inspection and enforcement at entry points, quarantine stations, premises quarantine and certification for the import and export of plants, animals, carcasses, fish, agricultural produce, soils and micro-organism.

In July 2014, FMM highlighted concerns on the implementation of MAQIS Act which was viewed as burdensome and would impact the industry adversely. Through a series of consultations between MAQIS, MPC, FMM, industry representatives and technical agencies, the issues and options were discussed and recommendations proposed.

#### **Issues to be addressed**

- Conflicting practices by the implementing agencies and legislations, e.g. MAQIS Act 2011 vs. Food Act 1983 and overlapping jurisdictions among agencies i.e. Department of Veterinary Services (DVS), Department of Agricultural (DOA), Fisheries Development Authority (LKIM), Food Safety and Quality Division (FSQD) under MOH;
- Confusion over inconsistent information requirement under different regulations, e.g. Customs Order (import prohibition) 2012 (P.U. (a) 490 / 2012) information requirement was not aligned with the information in the Customs' HS Codes database; and
- New fee structure imposed by MAQIS is burdensome, e.g. increase in import permit fees (estimated at RM600 - RM700 per year) and new inspection fees imposed. The increases in fees have a disproportionately higher impact on SME exporters compared to larger companies.

#### **Recommendation/Solution**

- The overlapping jurisdictions among implementing agencies, i.e. DVS, DOA, DOF and FSQD to be eliminated with clear realignment of policy and accountability;
- Contradictory information requirement of various regulations e.g. Customs (Prohibition of Import and Export Order 2012) and the online HS Code database were reviewed and harmonised. The revised Customs (Prohibitions of Import and Export Order 2012) is expected to be gazetted in second quarter 2016; and
- A comprehensive review of products that require import/export permit has been completed. As a result, 71% of HS Code categories are exempted for import permit and 78% from export permit. The potential compliance cost saving is estimated at about RM415.6 million.

Section 3.1 of NPDIR specifies that the Regulatory Process Management requirements will “apply to all federal government regulators and are confined to regulations that relate to or impact business, investment and trade”. The Regulatory Process Management requirements outline the principles for GRP, including the need for regulatory impact analysis (RIA), regulatory impact statement (RIS) and public consultation. RIA is required for all proposals that are expected to have a significant impact, whether positive or negative on businesses or consumers, unless these costs are of a minor nature. Measures banning products or certain industry practices or changing the manner products and services may be offered for sale will impact the number or type of products and services that businesses can offer.

On the other hand, businesses are also impacted by change in consumer demand which can be caused by:

- Increasing prices brought about by the new regulatory requirements;
- Changing the information available to consumers;
- Requiring a self-regulatory regime for an industry sector;
- Requiring conformance to mandatory standards for product/service quality; and
- Changing the price due to restriction on the types of input available to businesses.

### 3.1 Regulatory Notification

To assist in determining if an RIA is required, regulators are to notify MPC on any proposal for new regulation or amendment to existing regulation by submitting the regulatory notification form (RNF). A sample format for RNF (Annex 1 of the Best Practice Regulation Handbook) is in Appendix 1.0. MPC will assess the regulatory proposal notified to determine whether RIA is required. Regulators will specify the key features of the regulatory proposal in the RNF to enable MPC to make the assessment (see RNF assessment flow chart in Appendix 2.0). For the period July 2014 to December 2015, MPC received 95 RNFs from 29 regulators. The detailed breakdown of the RNFs received is as indicated in Table 3.1 and Table 3.2.

Table 3.1: RNFs Received 2014

No.	Ministry / Agency	Regulatory Proposal (No.)
1	Construction Industry Development Board (CIDB), Ministry of Works (KKR)	5
2	Department of Occupational, Safety and Health (DOSH), Ministry of Human Resource (MOHR)	3
3	Federal Agricultural Marketing Authority (FAMA) Ministry of Agriculture and Agro-based Industry (MOA),	1
4	Malaysian Quarantine & Inspection Services (MAQIS), Ministry of Agriculture and Agro-based Industry (MOA)	2
5	Lembaga Kemajuan Ikan Malaysia (LKIM), Ministry of Agriculture and Agro-based Industry (MOA)	1
6	Department of Veterinary Services (DVS), Ministry of Agriculture and Agro-based Industry (MOA)	1
7	Ministry of Domestic Trade, Co-operative and Consumerism (KPDNKK)	5
8	Malaysia Co-operative Societies Commission (SKM), Ministry of Domestic Trade, Co-operative and Consumerism (KPDNKK)	1
9	Intellectual Property Corporation of Malaysia (MyIPO), Ministry of Domestic Trade, Co-operative and Consumerism (KPDNKK)	1
10	Malaysia Competition Commission (MyCC) Ministry of Domestic Trade, Co-operative and Consumerism (KPDNKK),	1
11	Ministry of International Trade & Industry (MITI)	4
12	SME Corporation, Ministry of International Trade & Industry (MITI)	1
13	Standards Malaysia (SM), Ministry of Science, Technology & Innovation (MOSTI)	2
14	National Water Services Commission (SPAN), Ministry of Energy, Green Technology & Water (KETTHA)	1
15	Ministry of Health (MOH)	9
16	Department of Personal Data Protection (JPDP), Ministry of Communication and Multimedia (KKMM)	1
17	National Landscape Department (JLN), Ministry of Urban Wellbeing, Housing and Local Government (KPKT)	1
18	Department of Islamic Development Malaysia (JAKIM), Prime Minister Department (JPM)	1
<b>TOTAL</b>		<b>41</b>

Table 3.2: RNFs Received 2015

No.	Ministry / Agency	Regulatory Proposal (No.)
1	Department of Occupational, Safety and Health (DOSH), Ministry of Human Resource (MOHR)	3
2	Department of Veterinary Services (DVS), Ministry of Agriculture and Agro-based Industry (MOA)	19
3	Paddy and Rice Industry Division, Ministry of Agriculture and Agro-based Industry (MOA)	1
4	Ministry of Domestic Trade, Co-operative and Consumerism (KPDNKK)	9
5	Malaysia Competition Commission (MyCC), Ministry of Domestic Trade, Co-operative and Consumerism (KPDNKK)	2
6	Co-operative College of Malaysia (MKM), Ministry of Domestic Trade, Co-operative and Consumerism (KPDNKK)	1
7	Ministry of Health (MOH)	9
8	Kuala Lumpur City Hall (DBKL), Ministry of Federal Territories (KWP)	5
9	Ministry of Education (MOE)	1
10	Ministry of Communication and Multimedia (KKMM)	3
11	Port Klang Authority (PKA), Ministry of Transport (MOT)	1
<b>TOTAL</b>		<b>54</b>

### 3.2 Regulatory Impact Statement

Section 3.2.2 of NPDIR specifies that where RIS is required, it will be submitted to NDPC which will examine the RIS for compliance to GRP (see RIS assessment flow chart in Appendix 3). From July 2014 until December 2015, MPC, as technical secretariat to NDPC, has received 12 RIS from the regulators. The list of RIS received is in Table 3.3

Table 3.3: Regulatory Impact Statement Received for 2014 - 2015

No.	Ministry	No.	Title of Proposal	RIS Assessment
1.	Ministry of Domestic Trade, Co-operative and Consumerism (KPDNKK)	1.	Amendment of Verification Fees for Weight and Measure Instruments under Schedule 9, Regulations of Weights and Measures 1981	Adequate
		2.	Weight and Measure Act 1972, Pre-Packaged Product Regulation	Under Revision
		3.	<i>Pindaan Akta Francais 1998</i>	Under Revision
2.	Ministry of International Trade & Industry (MITI)	4.	Review of the Strategic Trade Act 2010 (STA)	Under Revision
		5.	Review of the Industrial Coordination Act (ICA) 1975	Under Revision
3.	Ministry of Health (MOH)	6.	Safe Drinking Water Act	Adequate
4.	Ministry of Human Resource (MOHR) (Department of Occupational Safety and Health (DOSH))	7.	Amendment Petroleum (Safety Measures) (Transportation of Petroleum by Pipelines) Regulations 201X	Adequate
		8.	Enhancing the Legal Framework and Standard Exposure of Chemical Hazardous to Health at the place of works	Adequate
		9.	Amendment Occupational Safety and Health (Noise Exposure) Regulation 201X*	Adequate
5.	Ministry of Agriculture and Agro-based Industry (MOA) (Department of Veterinary Services (DVS))	10.	Animals (Compoundable Offence) Order 2015	Under Revision
6.	Ministry of Science Technology and Innovation (MOSTI) (Standards Malaysia (JSM))	11.	<i>Peraturan-Peraturan Perkhidmatan Standardisasi dan Akreditasi (Fi dan Caj) di bawah Akta Standard Malaysia 1996 (Akta 549)</i>	Under Revision
7.	Ministry of Works (KKR) (Construction Industry Development Board (CIDB))	12.	Construction Industry (Declaration of Construction Contract and Imposition of Levy) Regulations 201X	Under Revision

### 3.3 Regulatory Impact Analysis (RIA) Exemption

During the period July 2014 to Dec 2015, 23 RNFs were exempted from undertaking RIA, while 3 RNFs were withdrawn at the request of regulators. As at 1 March 2016, 62 regulatory proposals were undergoing the RIA process (see Figure 3.1).

Figure 3.1: Status of Regulatory Proposal Received

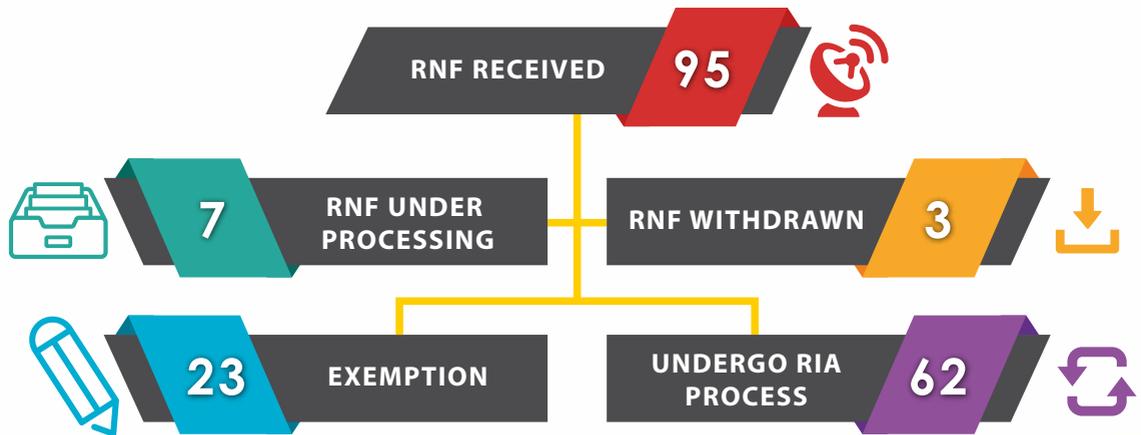


Figure 3.2 : Reason for Withdrawal

No.	Organisation	No.	Title of Proposal	Reason to Withdrawn
1.	Malaysia Competition Commission (MyCC) / KPDNKK	1.	Amendments to Competition Act 2010 (Act 712)	Management of MyCC decide not to proceed
2.	Ministry of Communication and Multimedia (KKMM)	2.	The review of the Communications and Multimedia Act 1998 (CMA) and the Malaysian Communications and Multimedia Commission Act 1998 (MCMCA)	Management of MyCC decide not to proceed
3.	Jabatan Perkhidmatan Veterinar (DVS), MOA	3.	<i>Peraturan-Peraturan Makanan haiwan (Spesifikasi dan Piawaian) 201X</i>	Duplication of Proposal

Section 6.1 of the Best Practice Regulation Handbook requires regulators to notify MPC of their annual plan for regulatory review in January of each year. The same section also requires MPC to publish an Annual Regulatory Report to inform on regulatory activities. The publication of the Annual Regulatory Plan in the Annual Report will assist in the dissemination of information on the Government's proposed regulatory actions. Stakeholders can become familiar with regulators regulatory plan and be better prepared to participate more effectively and provide valuable input into the regulatory process. Often, one of the difficulties confronting stakeholders is the lack of awareness or the short notice given to prepare for participation in consultations on proposed regulatory action. With the Annual Regulatory Plan, stakeholders will be able to seek further information from respective regulators' website. .

Table 4.1: Summary of Annual Regulatory Plan 2014 - 2016

YEAR	PLANNED REGULATORY PROPOSAL	MINISTRY	REGULATOR
2014	81	14	34
2015	39	9	16
2016	174	24	57

Annual Regulatory Plan for 2014, 2015 & 2016 are in Table 4.2, 4.3 and 4.4.

Table 4.2: Annual Regulatory Plan 2014

No.	Ministry / Agency (REGULATOR)	No.	Title of Regulatory Proposal	Month / Timeline
1.	Ministry of International Trade & Industry (MITI)	1.	Proposal To Review Processes And Procedures for Hiring Foreign Workers in the Manufacturing Sector	March 2014
		2.	Proposal To Review Countervailing And Anti - Dumping Act 1993	March 2014
		3.	Review of the Strategic Trade Act 2010	March 2014
		4.	Review of the Industrial Coordination Act 1975	March 2014
2.	SME Corporation, Ministry of International Trade & Industry (MITI)	5.	National Small Medium Enterprises Bill 2014	-
3.	Ministry of Federal Territories (KWP)	6.	<i>Pekeliling Ketua Setiausaha Kementerian Wilayah Persekutuan 1/2014 Mengenai Penambahbaikan Urusan Pengeluaran Permit Pembinaan Melalui Model Baru One Stop Centre (OSC) Di Wilayah Persekutuan</i>	June 2014
4.	Department of Environment, Ministry of Natural Resources & Environment (MNRE)	7.	<i>Kajian Semakan Semula Terhadap Peruntukan Akta Kualiti Alam Sekitar 1974</i>	-

No.	Ministry / Agency (REGULATOR)	No.	Title of Regulatory Proposal	Month / Timeline
5.	Malaysian Cocoa Board, Ministry of Plantation Industries and Commodities (MPIC)	8.	Malaysian Cocoa Board (Incorporation) Act 1988	2014
6.	Department of Occupational Safety and Health (DOSH), Ministry of Human Resource (MOHR)	9.	Amendment of Pipeline Regulation	Draft Regulation by end of 2014
		10.	Draft Amendment Occupational Safety and Health (Noise Exposure) Regulation 201X	Draft Regulation by end of 2014
7.	Energy Commission, Ministry of Energy, Green Technology & Water (KETTHA)	11.	To Reduce Time to Process and Provide Electricity to Customers (TNB Procedures) to Improve in GSL and MSL.	2014
8.	Personal Data Protection Department (JPDP), Ministry of Communication and Multimedia (KKMM)	12.	<i>Peraturan Kompau Di Bawah Seksyen 142 (2) (A), Akta 709</i>	March - December 2014
		13.	<i>Peraturan Penguatkuasaan Seksyen 142 (2) (B), Akta 709</i>	March - December 2014
		14.	<i>Kod Tataamalan Untuk 3 Bidang iaitu : i) Kesihatan Komunikasi ii) Jualan Langsung</i>	Feb - December 2014
9.	Department of Broadcasting (RTM), Ministry of Communication and Multimedia (KKMM)	15.	<i>Peraturan Penyiaran - Kandungan RTM Di Pelbagai Platform - Dalam Akta Komunikasi Dan Multimedia</i>	September 2014
		16.	<i>Garis Panduan Perolehan Rancangan TV</i>	September 2014
		17.	<i>Status Bagi Akta Penyiaran</i>	September 2014
		18.	<i>Kajian Semula Garis Panduan / Etika Penyiaran</i>	September 2014
10.	Multimedia Development Corporation (MDEC), Ministry of Communication and Multimedia (KKMM)	19.	MSC Malaysia Status Application	-

No.	Ministry / Agency (REGULATOR)	No.	Title of Regulatory Proposal	Month / Timeline
11.	Malaysian Communications and Multimedia Commission (MCMC), Ministry of Communication and Multimedia (KKMM)	20.	Communications & Multimedia Regulations (Numbering)	2002 - Present (Submitted to AGC)
		21.	Spam Act / Regulations	2004 - Present
		22.	Communication and Multimedia Regulations (USP)	2012 - Present (Submitted to AGC)
		23.	Postal Regulations	2012 - Present
12.	MYNIC, Ministry of Communication and Multimedia (KKMM)	24.	Registration Policy - Simpler (Automated) - Shorter Period - Integration With SSM	-
		25.	Communications and Multimedia Act 1998 [Act 588] - Numbering and electronic addressing plan (Technical Regulation)	-
13.	Public Health Programme, Disease Control Division, Ministry of Health (MOH)	26.	<i>Akta Pencegahan Dan Pengawalan Penyakit Berjangkit 1988</i>	July 2014
		27.	<i>Peraturan - Peraturan Pencegahan Dan Pengawalan Penyakit Berjangkit (Pengimportan Dan Pengeksportan Mayat, Tisu Manusia Dan Organisma Patogenik Dan Substans) 2006</i>	July 2014
14.	Public Health Programme Inspectorate and Legal Unit, (Fumigation) Ministry of Health (MOH)	28.	<i>Akta Pewasapan</i>	August 2014
15.	Disease Control Division, Ministry of Health (MOH)	29.	<i>Peraturan Larangan Merokok Di R&amp;R, Lebuhraya Malaysia</i>	November 2014
		30.	<i>Peraturan Larangan Pameran Rokok Menggunakan 'Standing Counter'</i>	November 2014
		31.	<i>Peraturan Kawalan Shisha Dan Rokok Elektronik</i>	December 2014

No.	Ministry / Agency (REGULATOR)	No.	Title of Regulatory Proposal	Month / Timeline
16.	Food Safety and Quality Division, Ministry of Health (MOH)	32.	Peraturan-Peraturan Makanan 1985 (Pindaan)	2013 - 2014
		33.	Pindaan Standard Bagi Minyak Dan Lemak	2013 - 2014
		34.	Pindaan Standard Bagi Tepung	2013 - 2014
		35.	Pindaan Standard Bagi Ikan Dan Hasil Ikan	2013 - 2014
		36.	Pindaan Standard Bagi Susu Dan Hasil Susu	2013 - 2014
		37.	Pindaan Standard Bagi Kopi Dan Hasil Berkaitan	2013 - 2014
		38.	Pindaan Standard Bagi Minuman Ringan	2013 - 2014
		39.	Pindaan Standard Makanan Bagi Makanan Bertujuan Khas Seperti Rumusan Bayi Dan Makanan Bayi	2013 - 2014
		40.	Pindaan Standard Bagi Minuman Beralkohol	2013 - 2014
		41.	Pindaan Berkaitan Aditif Makanan	2013 - 2014
		42.	Pindaan Berkaitan Pelabelan Makanan	2013 - 2014
		43.	Pindaan Berkaitan Akuan Fungsi dan Akuan Pemakanan	2013 - 2014
		44.	Pindaan Berkaitan MRL Residu Racun Perosak	2013 - 2014
		45.	Pindaan Berkaitan MRL Residu Drug Veterinar	2013 - 2014

No.	Ministry / Agency (REGULATOR)	No.	Title of Regulatory Proposal	Month / Timeline
17.	Nursing Division, Ministry of Health (MOH)	46.	Nursing and Midwifery Bill	In December 2014
		47.	The Code of Professional Conduct of A Midwife	December 2014
		48.	The Code of Professional Conduct For Nurses ED April 1998	December 2014
		49.	Guidelines on Standard & Criteria for Approval / Accreditation of Nursing Programmes	December 2014
		50.	Guidelines of Usage of Ministry of Health Facilities for the Clinical Attachment	July 2014
		51.	Regulation of Nursing Clinical Attachment in MOH Facilities	June 2014
18.	Oral Health Division, Ministry of Health (MOH)	52.	Dental Act 2014	November 2013
		53.	Dental Regulation 2014	January 2014
19.	Allied Health Sciences Division, Ministry of Health (MOH)	54.	Rang Undang - Undang Sains Kesihatan Bersekutu	October 2014
20.	Medical Practice Division, Ministry of Health (MOH)	55.	Organ and Tissue Transplantation Bill	2011-20XX
		56.	Assisted Reproductiv Technology Bill	2010-20XX
		57.	Assistant Medical Practitioner (Registration) Bill	2002-20XX
		58.	Allied Health Professional Bill	1987-20XX
		59.	Medical Regulation 1974 (Amendments)	2012-20XX
21.	Medical Device Authority, Ministry of Health (MOH)	60.	Medical Device (Designated Medical Device Permit, Duties and Obligations of Licenses or Permit Holder, General Duty) Regulations 2014	Gazette December 2014
22.	Traditional and Complementary Medicine Division, Ministry of Health (MOH)	61.	Traditional and Complementary Medicine Act 2013	-
		62.	Traditional and Complementary Medicine Regulations 2014 (Draft)	-

No.	Ministry / Agency (REGULATOR)	No.	Title of Regulatory Proposal	Month / Timeline
23.	Construction Industry Development Board (CIDB), Ministry of Works (KKR)	63.	Construction Industry (Declaration of Construction Contract and Imposition of Levy) Regulations 201X	End of 2014
		64.	Construction Industry (Registration and Accreditation of Contractors) Regulations 201X	End of 2014
		65.	Construction Industry (Registration, Accreditation, Certification and Training of Construction Personnel) Regulations 201X	End of 2014
		66.	Construction Industry (Compoundable Offences) Regulations 201X	End of 2014
		67.	Construction Industry (Prescribed Instrument) Regulations 201X	End of 2014
		68.	<i>Akta Kawalan Harga &amp; Anti Pencatuan</i>	June 2014
24.	Policy and Strategic Planning Division, Ministry of Domestic Trade, Co-operative and Consumerism (KPDNKK)	69.	<i>Panduan Pelaksanaan Akta 172 - Kebenaran Merancang</i>	2014 – 2015
25.	Federal Department of Town and Country Planning, Ministry of Urban Wellbeing, Housing and Local Government (KPKT)	70.	<i>Peraturan-Peraturan Perkhidmatan Bomba (Pegawai Bomba Bantuan) 2014</i>	Gazetted on 7 May 2014
26.	Fire and Rescue Department of Malaysia, Ministry of Urban Wellbeing, Housing and Local Government (KPKT)	71.	<i>Peraturan-Peraturan Bomba (Pakaian Seragam, Tanda Pangkat, Kad Pengenal &amp; Keperluan)</i>	Ongoing
		72.	<i>Pindaan Akta Perkhidmatan Bomba 1988</i>	Ongoing

No.	Ministry / Agency (REGULATOR)	No.	Title of Regulatory Proposal	Month / Timeline
27.	Department of Agriculture (DOA), Ministry of Agriculture & Agro-based Industry (MOA)	73.	<i>Rang Undang-Undang Biosekuriti Tumbuhan</i>	2014
		74.	<i>Rang Undang-Undang Baja</i>	2014
28.	Malaysian Quarantine and Inspection Services (MAQIS), Ministry of Agriculture & Agro-based Industry (MOA)	75.	<i>Peraturan (Fi dan Caj) [Pindaan]</i>	2014
29.	Kemubu Agricultural Development Authority (KADA), Ministry of Agriculture & Agro-based Industry (MOA)	76.	<i>Rang Undang-Undang Kemajuan Pertanian Kemubu (KADA) 1972 [Akta 69] (Pindaan)</i>	2014
30.	Muda Agricultural Development Authority (MADA), Ministry of Agriculture & Agro-based Industry (MOA)	77.	<i>Akta Lembaga Kemajuan Pertanian Muda 1972 [Akta 70] (Pindaan)</i>	2014
31.	Malaysian Agricultural Research and Development Institute (MARDI), Ministry of Agriculture & Agro-based Industry (MOA)	78.	<i>Peraturan-Peraturan Pegawai MARDI (Pelantikan, Kenaikan Pangkat dan Penamatan Perkhidmatan)</i>	June 2014
32.	Fisheries Development Authority of Malaysia (LKIM), Ministry of Agriculture & Agro-based Industry (MOA)	79.	<i>Pindaan Akta LKIM 1971 dan Akta Persatuan Nelayan</i>	2014
33.	National Agriculture Training Council (NATC), Ministry of Agriculture & Agro-based Industry (MOA)	80.	<i>Perintah Fi (Perkhidmatan Perakuan Kemahiran Pekerja Asing) (Majlis Latihan Pertanian Kebangsaan) 2007</i>	2014
34.	Paddy and Rice Industry Division, Ministry of Agriculture & Agro-based Industry (MOA)	81.	<i>Peraturan Kawalan Padi dan Beras Pelesenan Runcit Benih Padi 2014</i>	2014

Table 4.3: Annual Regulatory Plan 2015

No.	Ministry / Agency (REGULATOR)	No.	Title of Regulatory Proposal	Month / Timeline
1.	Ministry of Federal Territories (KWP)	1.	<i>Rang Undang-Undang Pemansuhan Lesen Penulis Petisyen Wilayah Persekutuan Kuala Lumpur</i>	December 2015
2.	Public Health Programme, Disease Control Division, Ministry of Health (MOH)	2.	<i>Peraturan-Peraturan Pencegahan Dan Pengawalan Penyakit Berjangkit (Notifikasi Penyakit Berjangkit)</i>	June 2015
		3.	<i>Peraturan-Peraturan Pencegahan Dan Pengawalan Penyakit Berjangkit (Pesawat Udara)</i>	July 2015
		4.	<i>Peraturan-Peraturan Pencegahan Dan Pengawalan Penyakit Berjangkit (Kapal Dan Pelabuhan)</i>	August 2015
		5.	<i>Peraturan-Peraturan Pencegahan Dan Pengawalan Penyakit Berjangkit (Pengasingan, Kuarantin Dan Pengawasan)</i>	September 2015
		6.	<i>Peraturan-Peraturan Pencegahan Dan Pengawalan Penyakit Berjangkit (Pengkompaunan Kesalahan)</i>	October 2015
		7.	<i>Peraturan-Peraturan Pencegahan Dan Pengawalan Penyakit Berjangkit (Notis Memerintahkan Kehadiran Ke Mahkamah)</i>	November 2015
		3.	Public Health Programme Inspectorate and Legal Unit, (Fumigation) Ministry of Health (MOH)	8.
4.	Disease Control Division, Ministry of Health (MOH)	9.	<i>Rang Undang-Undang Kawalan Hasil Tembakau</i>	November 2015
5.	Food Safety and Quality Division, Ministry of Health (MOH)	10.	<i>Pindaan Standard Bagi Koko Dan Produk Koko</i>	2014 - 2015

No.	Ministry / Agency (REGULATOR)	No.	Title of Regulatory Proposal	Month / Timeline
		11.	<i>Pindaan Paras Yang Dibenarkan Bagi Kontaminan</i>	2013 - 2015
		12.	<i>Pindaan Berkaitan Standard Bagi Air Minuman Dan Air Mineral Semula Jadi</i>	2014 - 2015
		13.	<i>Peraturan-Peraturan Import Makanan (Pindaan)</i>	2013 - 2015
		14.	<i>Peraturan-Peraturan Kebersihan Makanan (Pindaan)</i>	2013 - 2015
		15.	Food Regulations (Microbiological Contaminant)	2013 - 2015
6.	Engineering Services Division, Ministry of Health (MOH)	16.	<i>Rang Undang-Undang Air Minum Yang Selamat</i>	2015
		17.	Atomic Energy Licensing (Medical, Dental And Veterinary Usage Of Radiation) Regulation 201X	2015
7.	Medical Practice Division, Ministry of Health (MOH)	18.	Managed Care Organisation Bill (About To Start To Draft)	2014 - 201X
8.	Malaysian Cocoa Board Ministry of Plantation Industries and Commodities (MPIC)	19.	Malaysian Cocoa Board Regulations 2012	2015
9.	Personal Data Protection Department (JPDP), Ministry of Communication and Multimedia (KKMM)	20.	<i>Kad Tataamalan Untuk 8 Golongan Lain Dalam P.U (A) 336</i>	Jan - Dec 2015
10.	MYNIC, Ministry of Communication and Multimedia (KKMM)	21.	Communications and Multimedia Act 1998 [Act 588] - Numbering and electronic addressing plan (Technical Regulation)	2011 - 2015

No.	Ministry / Agency (REGULATOR)	No.	Title of Regulatory Proposal	Month / Timeline
11.	Consumerism Standards Division, Ministry of Domestic Trade, Co-operative and Consumerism (KPDNKK)	22.	<i>Perintah Perihal Dagangan (Penandaan Alat Ganti Cermin Kenderaan) 2015</i>	2105
		23.	<i>Perintah Perihal Dagangan (Penandaan Alat Ganti Lampu Kenderaan) 2015</i>	2015
12.	Department of Agriculture (DOA), Ministry of Agriculture & Agro-based Industry (MOA)	24.	<i>RUU Kualiti Benih</i>	2015
		25.	<i>Draf Rang Undang-Undang Agrológis Malaysia</i>	2015
13.	Department of Veterinary Services (DVS), Ministry of Agriculture & Agro-based Industry (MOA)	26.	<i>Rang Undang-Undang Kebajikan Haiwan</i>	2015
14.	Malaysian Pineapple Industry Board (LPNM), Ministry of Agriculture & Agro-based Industry (MOA)	27.	<i>Akta Lembaga Nanas Malaysia</i>	2015
		28.	<i>Peraturan-Peraturan Lembaga Nanas Malaysia (Pemasaran Eksport)</i>	2015
		29.	<i>Peraturan-Peraturan Lembaga Nanas Malaysia (Pemasaran Import)</i>	2015
		30.	<i>Peraturan-Peraturan Lembaga Nanas Malaysia (Kawalan Industri Nanas)</i>	2015
		31.	<i>Peraturan-Peraturan Lembaga Nanas Malaysia (Penggredan, Pembungkusan dan Pelabelan)</i>	2015
		32.	<i>Peraturan-Peraturan Lembaga Nanas Malaysia (Kawalan Buah)</i>	2015
		33.	<i>Peraturan-Peraturan Lembaga Nanas Malaysia (Bantuan Kewangan)</i>	2015
		34.	<i>Peraturan-Peraturan Lembaga Nanas Malaysia (Kompau)</i>	2015

No.	Ministry / Agency (REGULATOR)	No.	Title of Regulatory Proposal	Month / Timeline
15.	Federal Agricultural Marketing Authority (FAMA), Ministry of Agriculture & Agro-based Industry (MOA)	35.	<i>Akta Lembaga Pemasaran Pertanian Persekutuan 1965 (Akta 141)</i>	2015
		36.	<i>Peraturan-Peraturan Lembaga Pemasaran Pertanian Persekutuan (Penggredan, Pembungkusan dan Pelabelan Keluaran Pertanian) 2008</i>	2015
		37.	<i>Peraturan-Peraturan Lembaga Pemasaran Pertanian Persekutuan (Pendaftaran Orang Yang Melibatkan Diri Dalam Pemprosesan atau Pemasaran Keluaran Pertanian)1989</i>	2105
		38.	<i>Draf Peraturan-Peraturan Lembaga Pemasaran Pertanian Persekutuan (Pengkampaunan Kesalahan) 2014</i>	2015
		39.	<i>Draf Peraturan-Peraturan Lembaga Pemasaran Pertanian Persekutuan (Pemborongan dan Lelongan Keluaran Pertanian) 2015</i>	2015

Table 4.4: Annual Regulatory Plan 2016

No.	Ministry / Agency (REGULATOR)	No.	Title of Regulatory Proposal	Month / Timeline
1.	Ministry of Science, Technology & Innovation (MOSTI)	1.	<i>Rang Undang-Undang Antartika</i>	2016
2.	Atomic Energy Licencing-Board (LPTA), Ministry of Science, Technology & Innovation (MOSTI)	2.	<i>Rang Undang-Undang Tenaga Atom</i>	2016
3.	Department of Standard Malaysia, Ministry of Science, Technology & Innovation (MOSTI)	3.	<i>Peraturan-Peraturan Fi (Perkhidmatan Penstandardan Dan Akreditasi ) 2016</i>	December 2016
		4.	<i>Peraturan-Peraturan Standard Malaysia (Majlis Standard Dan Akreditasi) 2016</i>	December 2016
4.	National Oceanography Directorate (NOD), Ministry of Science, Technology & Innovation (MOSTI)	5.	National Ocean Policy (Ocean Bill Act)	2016
5.	National Space Agency of Malaysia, Ministry of Science, Technology & Innovation (MOSTI)	6.	Malaysian Outer Space Act	2016
6.	Ministry of Youth and Sport (KBS)	7.	<i>Pindaan Akta Pembangunan Sukan 1997</i>	December 2016
7.	Ministry of Urban Wellbeing, Housing and Local Government (KPKT)	8.	<i>Akta Pemberi Pinjam Wang 1951</i>	2016
		9.	<i>Akta Pemegang Pajak Gadai 1972</i>	-
		10.	<i>Akta Pajak Gadai Islam (ARRAHNU) (WIP)</i>	2015 / 2016
		11.	<i>Akta Tuan Rumah Inapan 1952</i>	-
8.	National Housing Department (JPN), Ministry of Urban Wellbeing, Housing and Local Government (KPKT)	12.	<i>Akta Pengurusan Strata 2013</i>	2016
		13.	<i>Dasar Perumahan Negara</i>	2016
		14.	<i>Akta Pemajuan Perumahan (Kawalan Dan Pelesenan) 1966</i>	2016

No.	Ministry / Agency (REGULATOR)	No.	Title of Regulatory Proposal	Month / Timeline
9.	Federal Department of Town and Country Planning (JPBD), Ministry of Urban Wellbeing, Housing and Local Government (KPKT)	15.	<i>Akta Perancangan Bandar dan Desa 1976</i>	2016
		16.	<i>Akta Perancang Bandar 1995</i>	2016
		17.	<i>Rancangan Fizikal Negara (RFN Ke-3) (2016-2040)</i>	2016
		18.	<i>Dasar Perbandaran Negara (DPN Ke-2) (2016-2025)</i>	2106
		19.	<i>Draf Dasar Perancangan Fizikal Desa Negara</i>	2016
10.	Local Government Department (JKT), Ministry of Urban Wellbeing, Housing and Local Government (KPKT)	20.	<i>Akta Kerajaan Tempatan 1976</i>	2016
		21.	<i>Akta Jalan, Parit Dan Bangunan 1974</i>	2015
11.	Fire and Resque Department Malaysia (JBPM), Ministry of Urban Wellbeing, Housing and Local Government (KPKT)	22.	<i>Akta Perkhidmatan Bomba 1988</i>	-
12.	National Solid Waste Management Department (JPSPN), Ministry of Urban Wellbeing, Housing and Local Government (KPKT)	23.	<i>Dasar Pengurusan Sisa Pepejal Negara</i>	2016
		24.	<i>Akta Pengurusan Sisa Pepejal dan Pembersihan Awam 2007</i>	2016
		25.	<i>Akta Perbadanan Pengurusan Sisa Pepejal dan Pembersihan Awam 2007</i>	-
13.	National Landscape Department (JLN), Ministry of Urban Wellbeing, Housing and Local Government (KPKT)	26.	<i>Dasar Landskap Negara</i>	2016
		27.	<i>RUU Arkitek Landskap</i>	2016
14.	Nursing Division, Ministry of Health (MOH)	28.	Revision of Nurses Act (To Merge Nurses Act 1950 and Midwives Act 1966 To Become Nurses And Midwives Act)	2017

No.	Ministry / Agency (REGULATOR)	No.	Title of Regulatory Proposal	Month / Timeline
15.	Medical Practice Division, Ministry of Health (MOH)	29.	Organ and Tissue Transplantation Bill	2011 - 20XX
		30.	Assisted Reproductive Technology Bill	2010 - 20XX
		31.	Medical Assistants Registration Act 1977 (Amendments)	2002 - 20XX
		32.	Managed Care Organisation Bill	2016 - 20XX
		33.	Medical Regulation 1974 (Amendments)	2012 - 20XX
		34.	Pathology Laboratory Regulation	2003 - 20XX
		35.	Private Mobile Healthcare Service	2016 - 20XX
		36.	Private Ambulance Service	2016 - 20XX
16.	Oral Health Division, Ministry of Health (MOH)	37.	Amendments to the Dental Act 1971	February 2016
		38.	Amendments to the Dental Regulations 1976	June 2016
17.	Allied Health Sciences Division, Ministry of Health (MOH)	39.	Development of Regulation for Allied Health Professions Act	December 2016
		40.	Development of Code of Ethic and Professional Conduct	December 2016
		41.	Development Allied Health Professions Council	December 2016
		42.	Development of 23 Allied Health Professions Committee	December 2016
		43.	Modification of Online Registration For Allied Health Professional	December 2016
		44.	Encouraging Voluntary Online Registration For Allied Health Professional In Public Sector	December 2016

No.	Ministry / Agency (REGULATOR)	No.	Title of Regulatory Proposal	Month / Timeline
18.	Medical Device Authority, Ministry of Health (MOH)	45.	Medical Device (Designated Medical Device Permit, Duties and Obligations of Licensees or Permit Holder, General Duty) Regulation	January 2017
19.	Pharmaceutical Services Division, Ministry of Health (MOH)	46.	Control on Plants That Contains Psychotropic Substances	August 2016
		47.	Manner of Control of Plants That Contains Psychotropic Substances	November 2016
		48.	Power of Minister To Make Regulations on Compounding Etc. of Medicines	August 2016
		49.	Regulations on Compounding Etc. of Medicines	November 2016
		50.	Insertion of New Regulations on Definition of High Claims Traditional Products, Licenses For Suppliers of High Claims Traditional Medicines, Provision on Expired Medicinal Products And Authorisation for Compounding of Medicines	November 2016
20.	Engineering Services Division, Ministry of Health (MOH)	51.	Safe Drinking Water Act (SDWA)	June 2016
21.	Department of Labour of Peninsular Malaysia, Ministry of Human Resource (MOHR)	52.	Private Employment Agencies 1981	January - March 2016
		53.	Employment Act 1955	April 2016 - March 2017
		54.	Workers' Minimum Standards of Housing And Amenities Act 1990	April 2016 - March 2017
		55.	Children and Young Persons (Employment) Act 1966	April 2016 - March 2017

No.	Ministry / Agency (REGULATOR)	No.	Title of Regulatory Proposal	Month / Timeline
22.	Department of Labour of Sabah, Ministry of Human Resource (MOHR)	56.	Labour Ordinance (Sabah Cap. 67)	April 2016 - March 2017
23.	Department of Labour of Sarawak, Ministry of Human Resource (MOHR)	57.	Labour Ordinance (Sarawak Cap. 76)	April 2016 - March 2017
		58.	Labour (Licence To Employ Non- Residence Employee In Sarawak Rules 201x	2016
24.	Department of Trade Union, Ministry of Human Resource (MOHR)	59.	Trade Union Act 1959	May 2016 - May 2017
25.	Department of Industrial Relations Malaysia, Ministry of Human Resource (MOHR)	60.	Industrial Relations Act 1967	May 2016 - May 2017
26.	Department of Occupational Safety And Health (DOSH), Ministry of Human Resource (MOHR)	61.	<i>Akta Keselamatan dan Kesihatan Pekerjaan 201X</i>	2016
		62.	<i>Pindaan Peraturan-Peraturan Keselamatan Dan Kesihatan Pekerjaan (Penggunaan Dan Standard Pendedahan Bahan Kimia Berbahaya Kepada Kesihatan) 2000</i>	2016
		63.	<i>Pindaan Peraturan-Peraturan Keselamatan Dan Kesihatan Pekerjaan (Pegawai Keselamatan Dan Kesihatan) 1997</i>	2016
		64.	<i>Pindaan Peraturan-Peraturan Keselamatan Dan Kesihatan Pekerjaan (Kawalan Terhadap Bahaya Kemalangan Besar Dalam Perindustrian)1996</i>	2016
		65.	<i>Pindaan Peraturan-Peraturan Petroleum (Langkah-Langkah Keselamatan) (Pengangkutan Petroleum Melalui Talian Paip) 1985</i>	2016

No.	Ministry / Agency (REGULATOR)	No.	Title of Regulatory Proposal	Month / Timeline
		66.	<i>Peraturan-Peraturan Keselamatan Dan Kesihatan Pekerja (Pendedahan Bising) 201X</i>	2016
27.	Kuala Lumpur City Hall (DBKL), Ministry of Federal Territories (KWP)	67.	<i>Undang-Undang Kecil Establisyment Makanan (UUK Di Bawah Lesen 1 Wilayah)</i>	April 2016 - December 2016
		68.	<i>Undang-Undang Kecil Pasar (UUK Di Bawah Lesen 1 Wilayah)</i>	April 2016 - December 2016
		69.	<i>Undang-Undang Kecil Pelesenan Tred, Perniagaan Dan Perindustrian (UUK Di Bawah Lesen 1 Wilayah)</i>	April 2016 - December 2016
		70.	<i>Undang-Undang Kecil Pelesenan Penjaja (UUK Di Bawah Lesen 1 Wilayah)</i>	April 2016 - December 2016
28.	Perbadanan Putrajaya (PPJ), Ministry of Federal Territories (KWP)	71.	<i>Undang-Undang Kecil Establishment Makanan (UUK Di Bawah Lesen 1 Wilayah)</i>	April 2016 - December 2016
		72.	<i>Undang-Undang Kecil Pasar (UUK Di Bawah Lesen 1 Wilayah)</i>	April 2016 - December 2016
		73.	<i>Undang-Undang Kecil Pelesenan Tred, Perniagaan Dan Perindustrian (UUK Di Bawah Lesen 1 Wilayah)</i>	April 2016 - December 2016
		74.	<i>Undang-Undang Kecil Pelesenan Penjaja (UUK Di Bawah Lesen 1 Wilayah)</i>	April 2016 - December 2016
29.	Perbadanan Labuan (PL), Ministry of Federal Territories (KWP)	75.	<i>Undang-Undang Kecil Establishment Makanan (UUK Di Bawah Lesen 1 Wilayah)</i>	April 2016 - December 2016
		76.	<i>Undang-Undang Kecil Pasar (UUK Di Bawah Lesen 1 Wilayah)</i>	April 2016 - December 2016

No.	Ministry / Agency (REGULATOR)	No.	Title of Regulatory Proposal	Month / Timeline
		77.	<i>Undang-Undang Kecil Pelesenan Tred, Perniagaan Dan Perindustrian (UUK Di Bawah Lesen 1 Wilayah)</i>	April 2016 - December 2016
		78.	<i>Undang-Undang Kecil Pelesenan Penjaja (UUK Di Bawah Lesen 1 Wilayah)</i>	April 2016 - December 2016
30.	Department of Fisheries (DOF), Ministry of Agriculture & Agro-based Industry (MOA)	79.	<i>Kaedah-Kaedah Perikanan (Penyu, Telur Dan Habitatnya)</i>	2016
		80.	<i>Peraturan-Peraturan Perikanan (Tukun Tiruan)</i>	2016
31.	Malaysian Quarantine and Inspection Services (MAQIS), Ministry of Agriculture & Agro-based Industry (MOA)	81.	<i>Peraturan Kuarantin Dan Pemeriksaan Malaysia (Pengkompaunan)</i>	2016
32.	Farmers' Organisation Authority, Ministry of Agriculture & Agro-based Industry (MOA)	82.	<i>Peraturan-Peraturan Pertubuhan Peladang 1983 Komposisi Ahli Jemaah Pengarah Pertubuhan Peladang</i>	January 2016
		83.	<i>Peraturan-Peraturan Pertubuhan Peladang 1983 Penggantungan Ahli Jemaah Pengarah Pertubuhan Peladang</i>	January 2016
		84.	<i>Draf Pindaan Akta Lembaga Pertubuhan Peladang 1973 Penempatan Pegawai LPP Di LPP</i>	January 2016
		85.	<i>Draf Pindaan Akta Pertubuhan Peladang 1973 Anggota Bersekutu, Penubuhan Lembaga Disiplin Jemaah Pengarah, Saraan kepada Caretaker Semasa Penggantungan Pertubuhan Peladang dan Had Denda Ditingkatkan</i>	September 2015

No.	Ministry / Agency (REGULATOR)	No.	Title of Regulatory Proposal	Month / Timeline
33.	Department of Veterinary Services (DVS), Ministry of Agriculture Agro-based Industry (MOA)	86.	<i>Akta Binatang (Pindaan)</i>	201X
		87.	<i>Rang Undang-Undang Lembaga Pembangunan Ruminan</i>	201X
		88.	<i>Kaedah-Kaedah Binatang (Pencucian Dan Disinfeksi)</i>	201X
		89.	<i>Kaedah-Kaedah Binatang (Pendaftaran Tempat Penyimpanan Daging Dan Produk Berasaskan Daging)</i>	201X
		90.	<i>Kaedah-Kaedah Binatang (Kawalan Penyembelihan) (Pindaan)</i>	201X
		91.	<i>Perintah Binatang (Pengkompaunan Kesalahan)</i>	201X
		92.	<i>Peraturan-Peraturan Makanan Haiwan (Pengkompaunan Kesalahan)</i>	201X
		93.	<i>Kaedah-Kaedah Pemeriksaan Daging (Pindaan)</i>	201X
		94.	<i>Peraturan-Peraturan Kebajikan Haiwan (Pelesenan)</i>	201X
		95.	<i>Peraturan-Peraturan Kebajikan Haiwan (Notis Penambahbaikan Dan Pengkompaunan Kesalahan)</i>	201X
		96.	<i>Peraturan-Peraturan Kebajikan Haiwan (Pegawai Kebajikan Haiwan Dan Pembantu Sukarela Kebajikan Haiwan)</i>	201X
		97.	<i>Peraturan-Peraturan Kebajikan Haiwan (Pengurusan Prosidur Veterinar Dibenarkan)</i>	201X
		98.	<i>Peraturan-Peraturan Kebajikan Haiwan (Pengangkutan Haiwan)</i>	201X
99.	<i>Peraturan-Peraturan Kebajikan Haiwan (Tanggungjawab Pemilikan Haiwan Bertanggungjawab)</i>	201X		

No.	Ministry / Agency (REGULATOR)	No.	Title of Regulatory Proposal	Month / Timeline
		100.	<i>Peraturan-Peraturan Kebajikan Haiwan (Pengurusan Penyelamatan, Pemulihan Dan Penangkapan Haiwan Berkeliaran)</i>	201X
		101.	<i>Peraturan-Peraturan Kebajikan Haiwan (Penyedia Latihan Dan Pusat Latihan Haiwan)</i>	201X
		102.	<i>Peraturan-Peraturan Kebajikan Haiwan (Haiwan Yang Digunakan Dalam Penyelidikan, Ujian Dan Pengajaran)</i>	201X
		103.	<i>Kaedah-Kaedah Binatang (Pelesenan Pemilik Vaksin Dan Pempvaksin Veterinar)</i>	201X
		104.	<i>Peraturan-Peraturan Doktor Veterinar (Pendaftaran Doktor Veterinar &amp; Amalan Perubatan Doktor Veterinar)</i>	201X
		105.	<i>Peraturan-Peraturan Doktor Veterinar (Laporan Pemeriksaan Premis)</i>	201X
		106.	<i>Peraturan-Peraturan Doktor Veterinar (Tindakan Tatatertib)</i>	201X
		107.	<i>Perintah Wilayah Putrajaya Kuala Lumpur Dan Putrajaya (Ubah Suaian Akta Binatang 1953)</i>	201X
		108.	<i>Kaedah-Kaedah Binatang (Pelesenan Premis Penyedia Perkhidmatan Pembiakbakaan)</i>	201X
		109.	<i>Kaedah-Kaedah Binatang (Fi Bagi Ujian Makmal)</i>	201X

No.	Ministry / Agency (REGULATOR)	No.	Title of Regulatory Proposal	Month / Timeline
34.	Malaysian Pineapple Industry Board (LPNM), Ministry of Agriculture & Agro-based Industry (MOA)	110.	<i>Draf Rang Undang-Undang Lembaga Nanas Malaysia</i>	2016
		111.	<i>Draf Peraturan-Peraturan Lembaga Nanas Malaysia (Pelesenan)</i>	2016
		112.	<i>Draf Peraturan-Peraturan Lembaga Nanas Malaysia (Kawalan Pemasaran Nanas)</i>	2016
		113.	<i>Draf Peraturan-Peraturan Lembaga Nanas Malaysia (Pengkompaunan Kesalahan)</i>	2016
		114.	<i>Draf Peraturan-Peraturan Lembaga Nanas Malaysia (Bantuan Kewangan)</i>	2016
35.	Muda Agricultural Development Authority (MADA), Ministry of Agriculture & Agro-based Industry (MOA)	115.	<i>Akta Lembaga Kemajuan Pertanian Muda 1972 [Akta 70] (Pindaan)</i>	2016
36.	Malaysian Agricultural Research and Development Institute (MARDI), Ministry of Agriculture & Agro-based Industry (MOA)	116.	<i>Peraturan-Peraturan Pegawai MardI (Pelantikan, Kenaikan Pangkat Dan Penamatan Perkhidmatan)</i>	June 2016
37.	Energy Commission, Ministry of Energy, Green Technology & Water (KETTHA)	117.	<i>Peraturan-Peraturan Pemegang Lesen 1990</i>	June 2016
		118.	<i>Peraturan-Peraturan Elektrik 1994</i>	June 2016
		119.	<i>Peraturan Berhubung Electricity Industry Fund (EIF)</i>	December 2016
38.	Tribunal Rayuan Pengguna, Ministry of Domestic Trade, Co-Operative and Consumerism (KPDNKK)	120.	Amendments To Competition Act 2010 (Act 712)	January 2016 - June 2016

No.	Ministry / Agency (REGULATOR)	No.	Title of Regulatory Proposal	Month / Timeline
	<i>Bahagian Pembangunan Francais, Ministry of Domestic Trade, Co-Operative and Consumerism (KPDNKK)</i>	121.	Amendment of Franchise Act 1998 (Act 590) 1. Section 4 - Definition 2. Part ii - Multiple Section on Forms Used 3. Part vi - Detail on Offences and Penalty 4. Part vii - Enforcement	Expected To Be Table To The Top Management Within 1 Quarter of The Year and Expected Ready To Be Table To Parliament Within 4 <sup>th</sup> Quarter.
		122.	Franchise Regulation 1999 A) Forms and Fees Forms: 1. Baf1 (Disclosure Document); 2. Baf2 (Company Background); 3. Baf3 (Approval and Disapproval Notice); 4. Baf4 (Notice of Proposal To Suspend or Terminate Registration of Franchise or To Prohibit or Deny The Sale of Franchise); 5. Baf5 (Registration Form For Franchise Broker); and 6. Baf6 (Franchise Business Annual Report). 7. Baf7 (Appeal For Registrar Decision)  B) Qualification of Franchise Broker - Qualification of Franchise Broker and Franchise Consultant  C) Compounding of Offences	
	<i>Bahagian Industri Perkhidmatan, Ministry of Domestic Trade, Co-Operative and Consumerism (KPDNKK)</i>	123.	<i>Rang Undang-Undang Perkhidmatan Penyelenggaraan Dan Pembaikan Kenderaan Bermotor</i>	22 Oct. 2015 - <i>Kemuka RNF Ke MPC</i>  29 Dec. 2015 - <i>Terima Jawapan MPC</i> - <i>Perlu RIA</i>  June 2016 - <i>Kemuka RIA</i>

No.	Ministry / Agency (REGULATOR)	No.	Title of Regulatory Proposal	Month / Timeline
				Aug 2016 - Kelulusan BUU KPDNKK Ke Atas RUU - Kemuka Ke Jabatan Peguam Negara  2017 - Kelulusan Jemaah Menteri - Pembentangan Di Parlimen
	<i>Bahagian Perdagangan Dalam Negeri</i> , Ministry of Domestic Trade, Co-Operative and Consumerism (KPDNKK)	124.	Amendment of "Guidelines on Foreign Participation In The Distributive Trade Services Malaysia"	2016
	<i>Bahagian Penguatkuasa</i> , Ministry of Domestic Trade, Co-Operative and Consumerism (KPDNKK)	125.	<i>Akta Timbang Dan Sukat 1972 (Pindaan)</i>	June 2016
39.	<i>Suruhanjaya Syarikat Malaysia</i> , Ministry of Domestic Trade, Co-Operative and Consumerism (KPDNKK)	126.	Companies Bill • Regulations • Guidelines • Practice Directives	By 30 December 2016
		127.	Interest Scheme Bill • Regulations • Guidelines	By 30 December 2016
		128.	Proposal Paper on The Review of Registration of Businesses Act 1956 (Sole Proprietorship & Partnership)	By 30 September 2016 - For The Approval Of SSM's Executive Management
40.	MyIPO, Ministry of Domestic Trade, Co-Operative and Consumerism (KPDNKK)	129.	<i>Akta Paten 1983 - Akta Paten (Pindaan) 2016 Dan Peraturan</i>	31 December 2016
		130.	<i>Akta Cap Dagangan 1976 - Akta Cap Dagangan (Pindaan) 2016 Dan Peraturan</i>	31 December 2016
		131.	<i>Akta Petunjuk Geografi 2000 - Akta Petunjuk Geografi (Pindaan) 2016 Dan Peraturan (Sekiranya Perlu)</i>	31 December 2016

No.	Ministry / Agency (REGULATOR)	No.	Title of Regulatory Proposal	Month / Timeline
41.	<i>Maktab Koperasi Malaysia</i> , Ministry of Domestic Trade, Co-Operative and Consumerism (KPDNKK)	132.	<i>Pindaan Akta Maktab Koperasi Malaysia Ke Institut Koperasi Malaysia</i>	December 2016
42.	Ministry of Higher Education (MOHE)	133.	Amendments of The Private Higher Educational Institutions Act 1996 (Act 555)	2016
		134.	Amendments of The Regulations of The Private Higher Educational Institutions Act 1996 (Act 555)	2016
43.	<i>Perpustakaan Negara Malaysia</i> , Ministry of Tourism And Culture (MOTAC)	135.	<i>Cadangan Pindaan Ke Atas Peraturan-Peraturan Perpustakaan Negara 1977 P.U.(A) 365</i>	February 2016
		136.	<i>Cadangan Pindaan Ke Atas 2. Peraturan-Peraturan Perpustakaan Negara (Pindaan) 1993 P.U. (A) 294</i>	<i>Angkat Cadangan Pindaan Peraturan-Peraturan Perpustakaan Negara 1977 P.U.(A) 365 Dan Peraturan-Peraturan Perpustakaan Negara (Pindaan) 1993 P.U. (A) 294 Ke Bahagian Dasar Dan Perancangan Strategik, Kementerian Pelancongan Dan Kebudayaan.</i>
44.	<i>Lembaga Pembangunan Langkawi</i> , Ministry of Finance (MOF)	137.	1 Langkawi Enforcement	Presentation to the Committee
		138.	Amendment of Langkawi Development Authority Act 1990 (Act 423)	To be submitted to Attorney's General Chamber by the end of the year (December 2016)  Kabinet : 6 Nov 2015
45.	<i>Bahagian Keselamatan dan Ketenteraman Awam</i> , Ministry of Home Affairs (KDN)	139.	<i>Rang Undang-undang Dadah Berbahaya (Langkah-langkah Pencegahan Khas) (Pindaan) 2015</i>	<i>Dewan Rakyat : Bacaan Pertama: 23 November 2015, Bacaan Kedua: 5 April 2016)</i>  <i>Dewan Negara : Belum Dibaca</i>

No.	Ministry / Agency (REGULATOR)	No.	Title of Regulatory Proposal	Month / Timeline
	<i>Bahagian Kepenjaran, Antidadah dan Rela, Ministry of Home Affairs (KDN)</i>	140.	<i>Rang Undang-undang Agensi AntiDadah Kebangsaan (Pindaan) 2016</i>	<i>Kabinet : 11 Mac 2016  Dewan Rakyat : Bacaan Pertama: 6 April 2016,  Bacaan Kedua: 16 - 26 Mei 2016  Dewan Negara : Belum Dibaca</i>
46.	<i>Jabatan Pendaftaran Negara, Ministry Of Home Affairs (KDN)</i>	141.	<i>Akta Pendaftaran Kelahiran dan Kematian (Peruntukan-Peruntukan Khas) 1975 (Akta 152) &amp; Akta Pendaftaran Kelahiran Dan Kematian 1957 (Akta 299)</i>	<i>Pembentangan di Parlimen dijangka Pada Bulan Jun / Julai 2016.</i>
47.	Ministry of Transport (MOT)	142.	<i>Akta Penubuhan Malaysia Transportation Safety Board (MTSB)</i>	2016
		143.	<i>Pindaan Akta Pengangkutan Jalan (APJ) 1987</i>	2016
		144.	<i>Rang Undang-Undang Ordinan Perkapala Saudagar (Pindaan) 2016</i>	2016
		145.	<i>Akta Penubuhan Lembaga Penerbangan Awam Malaysia (Civil Aviation Authority Malaysia)</i>	2016
48.	Ministry of Plantation Industries and Commodities (MPIC)	146.	National Commodities Policy (NCP)	July 2016
49.	Malaysian Timber Industry Board (MTIB), Ministry of Plantation Industries and Commodities (MPIC)	147.	Malaysian Timber Industry Board (Exports Licence for Timbers and Timber Products) Regulations 2016	End of December 2016
		148.	Malaysian Timber Industry Board (Import Licence for Timbers and Timber Products) Regulations 2016	End of December 2016

No.	Ministry / Agency (REGULATOR)	No.	Title of Regulatory Proposal	Month / Timeline
		149.	Malaysian Timber Industry Board (Issuance of Permit and Certificate) Regulations 2016	End of December 2016
		150.	Malaysian Timber Industry Board (Sawn Timber Grading Fees) (Revocation) Rules 2016	End of December 2016
50.	Department of Islamic Development (JAKIM), Prime Minister's Office (JPM)	151.	Trade Description Act 2011 (This Act is under the purview of KPDNKK)	N/A
		152.	The Malaysian Protocol for the Halal Meat and Poultry Productions	-
		153.	Manual Procedure for Halal Certification Malaysia (Third Revision) 2014	-
		154.	Malaysian Standard (MS) Related to Halal Certification <ul style="list-style-type: none"> <li>• MS1500: 2009 Halal Food - Production, Preparation, Handling and Storage-General Guidelines (Second Revision)</li> <li>• MS2200 Part 1: 2008 for Cosmetic &amp; Personal Care</li> <li>• MS2400-1: 2010 Halalan-Toyyiban Assurance Pipeline - Part 1: Management System Requirements for Transportation of Goods and / or Cargo Chain Services</li> <li>• MS2400-2: 2010 Halalan-Toyyiban Assurance Pipeline - Part 2: Management System Requirements for Warehousing and Related Activities;</li> <li>• MS2400-3: 2010 Halalan-Toyyiban Assurance Pipeline - Part 3: Management System Requirements for Retailing;</li> </ul>	-

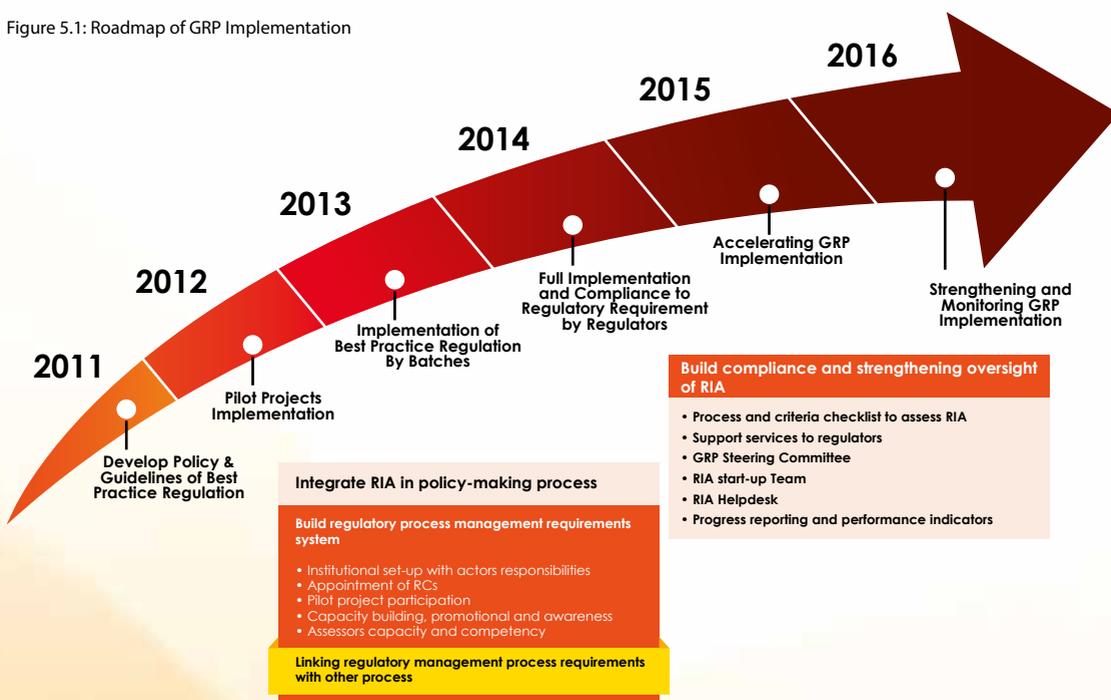
No.	Ministry / Agency (REGULATOR)	No.	Title of Regulatory Proposal	Month / Timeline
			<ul style="list-style-type: none"> <li>MS2424: 2012 Halal Pharmaceuticals-General Guidelines</li> <li>MS2200: Part 2: 2012 Islamic Consumer Goods Made of Bones, Skin and Fur</li> </ul>	
51.	Land Public Transport Commission (SPAD), Prime Minister's Office (JPM)	155.	Land Public Transport (Railway Operator's Licensing) Regulations 2016	July 2016
		156.	Land Public Transport (Licensing of Train Drivers) Regulations 2016	July 2016
		157.	Land Public Transport (Compounding of Offences) (Amendment No.2) Regulations 2016	July 2016
52.	Perbadanan Kemajuan Filem Nasional Malaysia (FINAS), Ministry Of Communication and Multimedia (KKMM)	158.	<i>Pindaan Sijil Perakuan Penggambaran (SPP) - Di Bawah Lesen Pengeluaran Akta Perbadanan Kemajuan Filem Malaysia (Akta 244)</i>	July 2016
		159.	<i>Pindaan Sijil Akuan Filem Iklan Buatan Malaysia (MIM - Made In Malaysia) - Di Bawah Lesen Pengeluaran Akta Perbadanan Kemajuan Filem Malaysia (Akta 244)</i>	July 2016
53.	Private Education Division, Ministry of Education (MOE)	160.	<i>Peraturan-Peraturan Pendidikan (Tadika)</i>	December 2016
54.	Ministry of International Trade & Industry (MITI)	161.	Review of Promotion of Investments Act 1986 [Act 327] (PIA)	December 2016
55.	Malaysian Investment Development Authority (MIDA), Ministry of International Trade & Industry (MITI)	162.	Review of the Industrial Coordination Act (ICA) 1975	December 2018
56.	Forest Research Institute Malaysia (FRIM), Ministry of Natural Resources and Environment (NRE)	163.	<i>Akta Institut Penyelidikan Perhutanan Malaysia 2016 (Akta FRIM 2016)</i>	2016

No.	Ministry / Agency (REGULATOR)	No.	Title of Regulatory Proposal	Month / Timeline
57.	Ministry of Women, Family and Community Development (KPWKM)	164.	Peraturan-peraturan Jawatankuasa Kebajikan Budak-budak (Perlembagaan dan Kewajipan) 1976	2016
		165.	Peraturan-peraturan Pasukan Perlindungan Kanak-kanak (Prosedur dan Amalan) 1995	2016
		166.	Peraturan-peraturan Sekolah Yang Diluluskan 1981	2016
		167.	Peraturan-peraturan Asrama Akhlak 1982	2016
		168.	Peraturan-peraturan Pasukan Perlindungan Kanak-kanak (Prosedur dan Amalan) 1995	2016
		169.	Peraturan-peraturan Kanak-kanak (Borang dan Daftar ditetapkan) 2007	2016
		170.	Peraturan-peraturan Kanak-kanak (Tempat Selamat) 2007	2016
		171.	Peraturan-peraturan Kanak-kanak (Orang yang layak dan sesuai) 2009	2016
		172.	Kaedah-kaedah Perlindungan Wanita dan Gadis (Tempat Perlindungan) 1982	2016
		173.	Peraturan-Peraturan Pembantu Pelindung	2016
174.	Peraturan-Peraturan Penjagaan Berasaskan Keluarga	2016		

5.1 Overview

The roadmap to develop and implement GRP in Malaysia, starting from 2011 to 2016, can be divided into a number of phases. During the initial phase, efforts were undertaken to engage and consult stakeholders both in the Government and the private sector on the proposed implementation of GRP. Upon receiving positive responses, three pilot projects were undertaken in 2012 to assess implementation issues. At the same time, regulatory coordinators were appointed by regulators and were given training on GRP and RIA. The implementation of GRP was launched in 2013 with the issuance of NDPIR. With the launch of NDPIR, outreach was intensified in 2014 to ensure full implementation and compliance by regulators. In 2015, while training and outreach continued, efforts were also undertaken to accelerate GRP implementation by intensifying the dissemination of knowledge on GRP among regulators and stakeholders. Several regional events on GRP were held in Kuala Lumpur to enable sharing of best-practices. In 2016, focus is given on how to strengthen and the best way to monitor the GRP implementation. In 2016, focus is given on how to strengthen and the best way to monitor the GRP implementation. An overview of the roadmap is in Figure 5.1

Figure 5.1: Roadmap of GRP Implementation



Source: Malaysia Productivity Corporation

5.2 GRP Implementation Activities 2014-2015

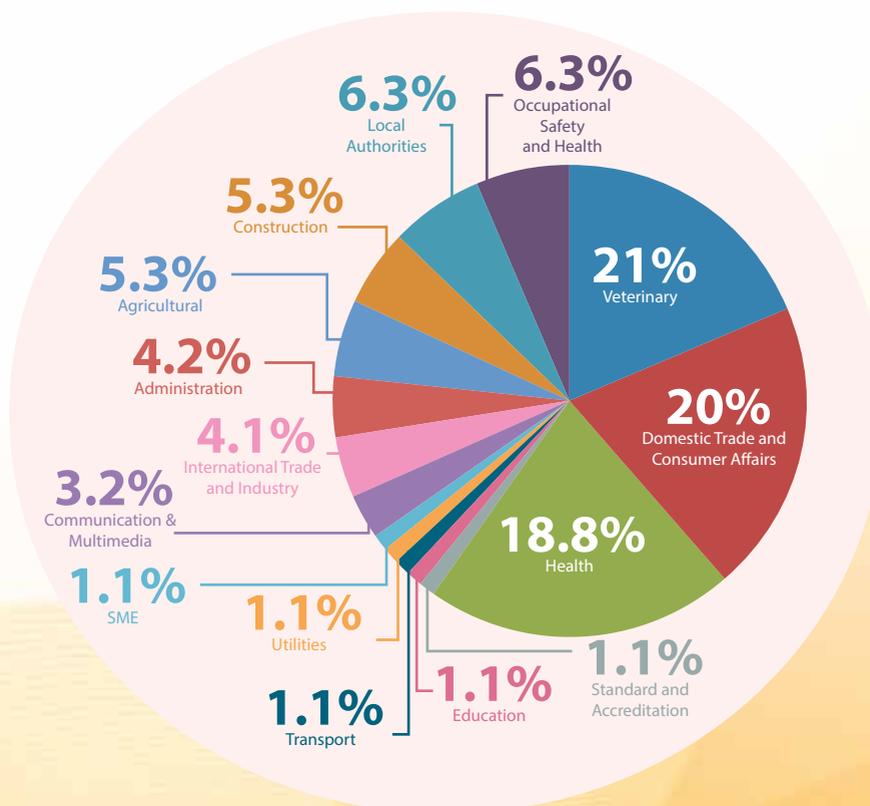
RNFs received increased from 41 in 2014 to 54 in 2015 and regulatory proposals undertaking RIA were 27 and 35 respectively. Twelve RISs were received during the period. RNFs received during the period were notification mostly on matters relating to Veterinary (21.0%), Domestic Trade and Consumer Affairs (20.0%) and Health (18.8%). It is not unexpected that these were the areas with most active regulatory activities as they involved areas pertaining to health and safety. A summary of activities undertaken and progress achieved during 2014-2015 is in Table 5.1, Table 5.2 and Figure 5.2

Table 5.1: Progress of GRP Implementation, 2014-2015

NO.	ACTIVITY	2014	2015	TOTAL
1.	Enquiries Received	53	26	79
2.	RNF Received	41	54	95
3.	Proposal Undertaking RIA Process	27	35	62
4.	RIS Received	5	7	12
5.	Advisory Services	6	8	24
6.	Regulatory Coordinators registered	297	22	319
7.	Hands-On Workshop on RIA	17	11	28
8.	Top Management Briefing	8	11	19

Assessments on completed RIS/RIA projects have been carried out. RIS which fulfills adequacy requirements are to be tabled to National Development Planning Committee (NDPC) for endorsement of compliance to GRP adequacy criteria.

Figure 5.2: Regulatory Proposal by Category, 2014 - 2015



Source: Malaysia Productivity Corporation

Table 5.2: Regulatory Proposal by Ministry, 2014-2015

	Ministry/Agency	No. Regulatory Proposal
1.	Ministry of Agriculture (MOA)	25
2.	Ministry of Domestic Trade, Co-operative and Consumerism (KPDNKK)	20
3.	Ministry of Health (MOH)	18
4.	Ministry of Human Resource (MOHR)	6
5.	Ministry of Works (KKR)	5
6.	Ministry of International Trade & Industry (MITI)	5
7.	Ministry of Federal Territories (KWP)	5
8.	Ministry of Communication and Multimedia (KKMM)	4
9.	Ministry of Science Technology and Innovation (MOSTI)	2
10.	Ministry of Energy, Green Technology & Water (KETTHA)	1
11.	Ministry of Urban Wellbeing, Housing and Local Government (KPKT)	1
12.	Prime Minister Office (JPM)	1
13.	Ministry of Education (MOE)	1
14.	Ministry of Transportation (MOT)	1
<b>TOTAL</b>		<b>95</b>

### 5.2.1 Planned vs Submitted Regulatory Proposals

During 2014-2015, MPC received 120 planned regulatory proposals from 16 federal ministries (including their agencies) out of which 19 (15.8%) were subsequently submitted in the form of RNFs. The lag-time between planning and submission of the proposal for notification to MPC could be the result of the complexity of the proposed regulatory proposal, the priority of the subject matter or resource constraints. On the other hand, during the same period, MPC received 76 RNFs which were not part of the 120 planned regulatory proposals. This represents a 63.3% addition to the planned regulatory proposals. This could be an indication of the need for further improvements in regulatory planning (see Table 5.3, Figure 5.3 and Figure 5.4).

Table 5.3: Planned vs Unplanned Regulatory Proposals, 2014-2015

Status \ Year	2014	2015	Total
Planned	81	39	120
Submitted	16	3	19
Unplanned	25	51	76

Figure 5.3: Annual Regulatory Plan 2014

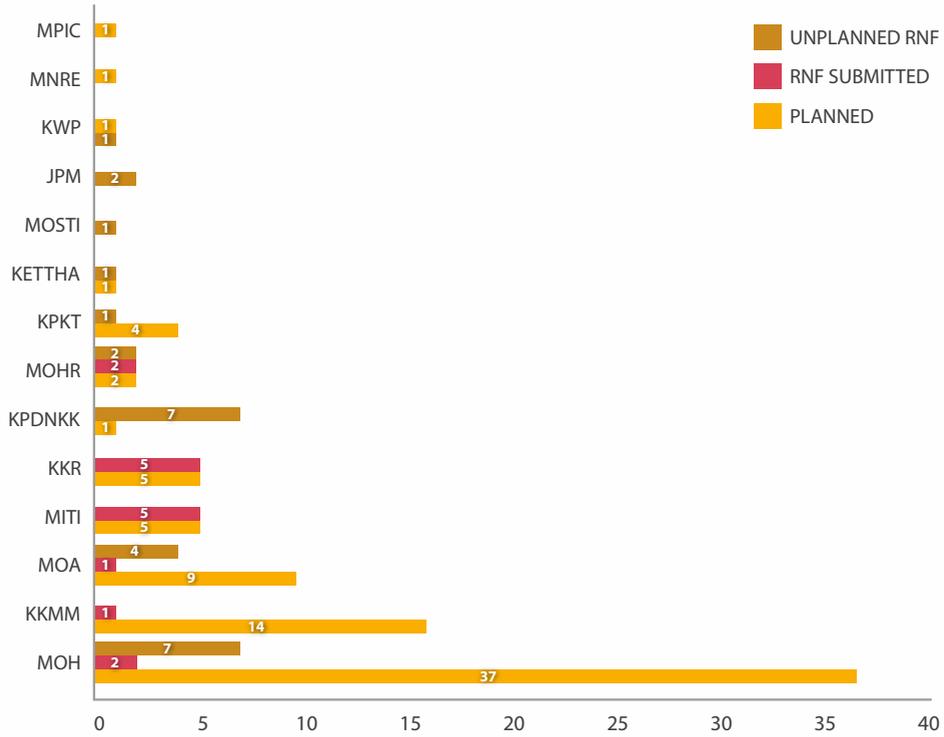
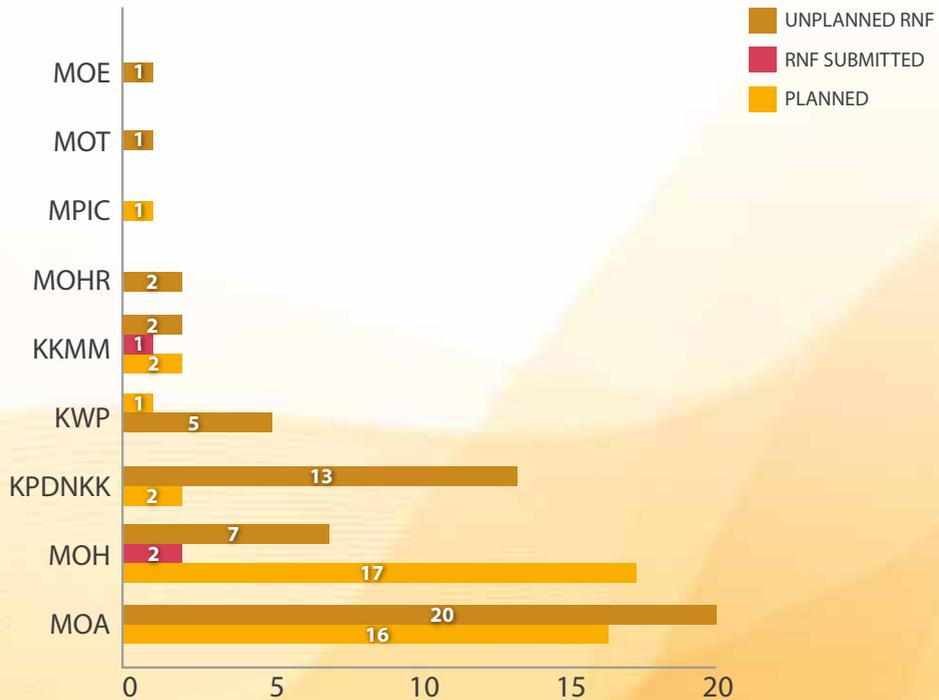


Figure 5.3: Annual Regulatory Plan 2015



## 5.2.2 Outreach and Training Programmes

Outreach and capacity building programmes form an essential part in the implementation of NPDIR. During 2014-15 a broad range of outreach and training programmes were undertaken for stakeholders within the Government. 19 top management briefings were carried out (see Table 5.3 and Table 5.4) and 39 outreach programmes were also undertaken involving implementers at the operational level (see Table 5.5 and 5.6). INTAN conducted four courses specifically on “Utilising RIA for better Regulation” (see Table 5.7)

Table 5.4: Top Management Briefing 2014 - Implementation of GRP at Ministries and Agencies

No.	Ministry/Agency	Date of Programme
1.	Focus Group on Employing Workers (FGEW)	20 Jan 2014
2.	Ministry of Human Resources (MOHR)	22 Jan 2014
3.	Ministry of Education(MOE)	15 Apr 2014
4.	Ministry of Health (MOH)	30 Apr 2014
5.	Ministry of International Trade and Industry (MITI)	14 May 2014
6.	Briefing on GRP (MOSTI)	20 Aug 2014
7.	Briefing on GRP MOTAC)	10 Sept 2014
8.	Briefing on GRP (MITI)	29 Sept 2014

Table 5.5: Top Management Briefing 2015 - Implementation of GRP at Ministries and Agencies

No.	Ministry/Agency	Date of Programme
1.	Legal Affairs Division (BHEUU) , Prime Minister’s Department	26 Jan 2015
2.	Ministry of Domestic Trade, Co-operative and Consumerism (KPDNKK)	6 Jul 2015
3.	Ministry of Federal Territories (KWP)	10 Jul 2015
4.	Ministry of Plantation Industries and Commodities (MPIC)	6 Aug 2015
5.	Ministry of Transportation (MOT)	19 Aug 2015
6.	Ministry of Works (KKR)	26 Aug 2015
7.	Ministry of Higher Education (MOHE)	17 Sept 2015
8.	Ministry of Rural and Regional Development (KKLW)	30 Sept 2015
9.	Ministry of Tourism and Culture (MOTAC)	13 Oct 2015
10.	Ministry of Human Resource (MOHR)	27 Oct 2015
11.	Ministry of Urban Wellbeing, Housing and Local Government (KPKT)	24 Nov 2015

Table 5.6: Outreach Program 2014

No.	Name of Programme	Date of Programme
1.	GRP Session with Regulatory Coordinators	26 Feb 2014
2.	Coaching Session for Ministry of International Trade and Industry (MITI) – Strategic Trade Division	26 Feb 2014
3.	Coaching Session for Ministry of International Trade and Industry (MITI) – Foreign Workers Unit	26 Feb 2014
4.	Training on RIA for Ministry of International Trade and Industry (MITI) and Agencies	3 & 4 Mar 2014
5.	Workshop for Regulatory Coordinators (RCs) from Ministries and Agencies	3 & 4 Mar 2014
6.	Roundtable Discussion: Guideline on Public Consultation	6 May 2014
7.	Roundtable Discussion: Guideline on Public Consultation	8 May 2014
8.	MPC RIA Training	14 May 2014
9.	Coaching Session on RIA Project - DOSH	14 May 2014
10.	Mentoring on RIS Assessment (on STA 2010)	15 May 2014
11.	Coaching Session on RIA Project for Ministry of International Trade and Industry (MITI)	14 May 2014
12.	GRP Discussion with Industries	16 May 2014
13.	Coaching Session on RIA Project for Department of Statistics Malaysia(JSM)	14 May 2014
14.	Knowledge Sharing Session on Efficient Regulatory Management with Ministries	19 May 2014
15.	Coaching Session on RIA Project SME Corporation	19 May 2014
16.	Coaching Session on RIA Project for Ministry of Domestic Trade, Co-operative and Consumerism (KPDNKK)	19 May 2014
17.	Minilab on RIA for Department of Environment	27 May 2014
18.	Hands-on Workshop on RIA for Ministry of Federal Territories (KWP)	10 – 11 Jun 2014
19.	Engagement with Industries – Guideline Public Consultation Session 1	17 Jun 2014
20.	Hands-on Workshop on RIA for Ministry of Domestic Trade, Co-operative and Consumerism (KPDNKK)	17 – 18 Jun 2014
21.	Hands-on Workshop on RIA for Ministry of Urban Wellbeing, Housing and Local Government (KPKT)	19 – 20 Jun 2014
22.	Hands-on Workshop on RIA for Ministry of Education (MOE)	24 – 25 Jun 2014

23.	Engagement with Industries – Guideline Public Consultation – Session 2	26 Jun 2014
24.	Hands-on Workshop on RIA for Ministry of Health (MOH)	26 - 27 Aug 2014
25.	RIA Canvas Workshop for RIA Trainers	29 Sept 2014
26.	Wrap Up Session of RIA Pilot Projects for Ministry of International Trade and Industry (MITI) & Federal Agricultural Marketing Authority(FAMA)	29 Sept 2014
27.	Wrap Up Session of RIA Pilot Projects for National Water Services Commission (SPAN)	1 Oct 2014
28.	GRP Session with regulatory coordinators (RCs)	2 OCT 2014

Table 5.7: Outreach Program 2015

No.	Name of Programme	Date of Programme
1.	Workshop on RIA at Higher Education Sector, Ministry of Education Malaysia (MOE)	15 Jan 2015
2.	Workshop on RIA at Environment Control Section, Ministry of Health (MOH)	12 Feb 2015
3.	Workshop on RIA at Ministry of Tourism And Culture (MOTAC)	26-27 Feb 2015
4.	Workshop on RIA at Food Safety And Quality Division, Ministry of Health (MOH)	26-27 Mar 2015
5.	Workshop on RIA at Ministry of Science, Technology and Innovation (MOSTI)	2 Apr 2015
6.	Workshop on RIA at Malaysian Pineapple Industry Board Ministry of Agriculture And Agro Based Industry (MOA)	8-9 Apr 2015
7.	Workshop on RIA at Kuala Lumpur City Hall (DBKL)	7-8 May 2015
8.	Workshop on RIA at Department of Veterinary Services, Ministry of Agriculture And Agro Based Industry (MOA)	8 Jun 2015
9.	Workshop on RIA at Department of Environment, Ministry of Natural Resources and Environment (MNRE)	6 Jul 2015
10.	Workshop on RIA at Ministry of Federal Territory (KWP)	7-8 Dec 2015
11.	Workshop on RIA at Ministry of Agriculture and Agro Based Industry (MOA)	9-10 Dec 2015

Table 5.8: Training in INTAN 2014-2015

No.	Name of Programme	Date of Programme
1.	Course on Utilising Regulatory Impact Analysis (RIA) for Better Regulation	24-26 Jun 2014
2.	Course on Utilising Regulatory Impact Analysis (RIA) for Better Regulation	9-11 Sept 2014
3.	Course on Utilising Regulatory Impact Analysis (RIA) for Better Regulation	5-7 May 2015
4.	Course on Utilising Regulatory Impact Analysis (RIA) for Better Regulation	4-6 Aug 2015

### 5.3 Cooperation with International Organisations

As part of the campaign to promote greater awareness of Malaysia's efforts in modernisation regulations, several international events on GRP were hosted in Kuala Lumpur. These events provided opportunities for participants to learn from the experience of others and to benchmark best practices on GRP. This is particularly important as best practices in GRP are evolving. By holding these events in Kuala Lumpur, more Malaysian participants were able to participate and benefit from the knowledge shared.

#### 5.3.1 ASEAN-OECD Conference and Meetings on GRP, 9-12 March 2015.

The ASEAN-OECD Conference and Meetings on GRP was held from 9 - 12 March 2015. The Conference attracted participations from ASEAN Member States, OECD Member countries, representatives of business and the civil society working in the ASEAN region and international organisations.

The inaugural meeting of ASEAN-OECD Centres of Government was held on 9 March 2015, chaired by the Chief Secretary to the Government of Malaysia. During the meeting, the OECD experts presented the results of a short survey of ASEAN Member States in comparison to APEC and EU centres of government to highlight the importance of driving performance of public service delivery through responsive leadership. This was followed with a discussion on the importance of embedding GRP from the centre to improve the functioning of public administration. The meeting was attended by delegations from ASEAN Member States and 31 delegates from OECD countries.

On 10-11 March, over 250 participants attended the ASEAN-OECD Conference on "Regulatory Coherence for Regional Connectivity and Global Competitiveness". Among 250 participants, 168 were from Malaysia's public sector and 82 were participants from ASEAN and OECD countries. On 12 March, the first official meeting of the Good Regulatory Practice Network (GRPN) was co-chaired by the Secretary-General of the Ministry of International Trade and Industry Malaysia and the Deputy Chief Executive, Ministry of Business, Innovation and Employment, New Zealand. It was attended by over 40 senior officials from ASEAN and OECD countries. Delegates agreed that GRP is a cross-cutting issue for improving overall national governance structure through the delivery of better policies for inclusive growth and productivity.

### 5.3.2 Asia-Pacific Economic Cooperation (APEC) Sharing Best Practices on Public Consultations Workshop, 10-11 June 2015, The Royale Chulan Hotel, Kuala Lumpur

The two-day workshop on Best Practices on Public Consultation brought together international and local experts, government officials, business communities and stakeholders. The objectives of the workshop were:

- a) to draw on the perspective and experience of global experts in conducting public consultation and sharing of best practices;
- b) to build better understanding in strengthening public consultation mechanism, including through the use of information technology, to enable APEC economies identify the full range of stakeholders and affected parties before and during public consultation; and
- c) to assist APEC economies in developing better and more effective regulations in order to minimise the risk of unexpected consequences and discover better implementation strategy through sufficient consultation.

During the workshop participants shared important lessons and steps in the public consultation process. The workshop highlighted the importance of managing the whole process of consultation with balance interest, transparency and managed expectation. It also emphasised the need to invest time and resources. The practice of public consultation is a learning process to be fine-tuned over the time. For many countries, it is not only a change for policy makers, but also for stakeholders being consulted. The workshop also reminded that providing feedback to the public on comments received and the responses is an important aspect of public consultation to increase trust, transparency and encourage future engagements. The forum was attended by 95 participants, representing government officials, experts and practitioners from the OECD countries and APEC economies, as well as regional and international organisations.

### 5.3.3 Forum On Regulatory Reform Responses To Economic Challenges, 17 December 2015, The Royale Chulan Hotel, Kuala Lumpur

This forum was held amidst uncertain and challenging global economic environment, and where concerns such as climate change, social exclusion and insecurity have pointed to the need for regulatory systems that are more effective in mitigating the challenging scenarios, promoting growth and protecting citizens. In the more challenging fiscal environment faced by many countries, regulatory improvements and reforms are increasingly seen as an attractive alternative to fiscal and taxation measures. The forum was co-hosted by the MPC and the OECD with the support of the Permanent Delegation of the Republic of Korea to the OECD to facilitate knowledge-sharing and international cooperation on regulatory reform. The discussions focused on:

- Countries' regulatory reform experiences in response to domestic and/or international economic challenges;
- Strategies and approaches to regulatory reform as a means of coping with difficulties for inclusive growth.

The forum facilitated an exchange of experiences and mutual learning among participants on using GRP to cope with economic challenges and also increased the capacity of participating countries to develop strategies and approaches to GRP implementation. The forum was attended by 281 participants comprising government officials, experts and practitioners from the OECD countries and ASEAN Member States.

## 5.4 Collaboration with Economic Research Institute for ASEAN and East Asia

### 5.4.1 Project on Regulatory Management System (RMS)

In July 2013, New Zealand and Thailand co-chaired a one-off East Asia Summit (EAS) Regulatory Roundtable in Bangkok. One of the outcomes from that meeting was the recommendation for further analytical work that could help shape the future regulatory connectivity work of the EAS, particularly under the EAS Declaration on Connectivity. The Economic Research Institute for ASEAN and East Asia (ERIA) proposed that Malaysia's experience serves as an example for a project and catalyst for a concerted effort in ASEAN for strengthening regulatory management systems to produce more responsive regulations and regulatory coherence.

The meeting envisaged that the project would be a multi-country empirical study that ERIA would lead to address the role of good regulatory management in improving the regulatory outcomes within and between countries. The objectives of the project would be:

1. to conduct further analytical work that could help shape the future regulatory connectivity work of the EAS;
2. to address the role of good regulatory management in improving regulatory outcomes within and between countries; and
3. to benchmark participating countries' adoption of regulatory management system with Malaysia's experience.

As a follow-up, Malaysia hosted:

- A forum on 'Towards Responsive Regulatory Regime and Good Regulatory Management Practices in ASEAN and East Asia' on 12 September 2014; and
- First and second technical workshop on 'Towards Responsive Regulation and Regulatory Coherence in ASEAN and East Asia' on 13-14 September 2014 and 20-21 April 2015 respectively.

### 5.4.2 Project on RURB and Engendering "Informed Regulatory Conversations" in Priority Integration Sectors (PIS) in ASEAN

This project focuses on reducing unnecessary regulatory burden in the priority integration sectors (PIS) initiative of ASEAN. PIS refers to 12 sectors identified for accelerated liberalisation and integration in ASEAN. Undertaking a thorough review of existing regulatory practices in the region would help identify the regulatory burdens that are of most concern in the PIS sectors. By reducing unnecessary regulatory burdens, it is hoped that the sectors will become more attractive for investments and be more competitive in an increasingly integrated ASEAN. The first technical workshop on 'Reducing Unnecessary Regulatory Burden (RURB) and Engendering 'Informed Regulatory Conversations' in Priority Integration Sectors in ASEAN was held on 9 September 2015 in Kuala Lumpur co-hosted by ERIA and MPC.

This project is a follow up to the Regulatory Management System project under ERIA and is being undertaken by MPC together with the Australian Agency for International Development and ERIA.

The introduction of the NPDIR is a significant step in the development in the regulatory management system of the Government. The comprehensive guidelines on best practice regulation and public consultation procedures are primary references for public administrators working to achieve quality regulatory environment which will reduce instances of disruptions to public policy implementation due to poor design or implementation. The implementation of GRP through the NPDIR requires a mind-set change amongst regulators as well as the stakeholders, particularly with regards to public consultation.

The initial response of regulators to the implementation of NPDIR has been encouraging. During the 2014-2015, 29 regulators have submitted 95 notifications for regulatory proposal for review by MPC. The number of regulatory proposals in the planning stage has also increased. As at 31 March 2016, 355 RCs have been appointed by regulators. In terms of annual regulatory plan, MPC has been informed of 174 regulatory proposals in the planning stage for 2016 compared with 81 and 39 for 2014 and 2015 respectively.

The OECD was invited to undertake an assessment of the initial implementation of NPDIR. The OECD report "Implementation of Good Regulatory Practice in Malaysia" was completed and launched by the Minister of International Trade and Industry Malaysia on 10 March 2015. The Report commended Malaysia for the progress achieved in GRP implementation and made recommendations to further strengthen its effectiveness. The report identified challenges faced in the implementation of NPDIR. Among these challenges are:

- The need to develop medium term implementation strategy for the implementation of NPDIR and RIA, including a framework evaluate implementation;
- The need to provide on-going support to public officials on RIA;
- The need to generate political support for the implementation of NPDIR, including through improved coordination with key institutional players such as EPU and AGC;
- The need to continuously review the evolving best-practices in the implementation of GRP internationally and to periodically update the NPDIR implementation guidelines; and
- To ensure adequate resources within MPC to facilitate the implementation of NPDIR.

The OECD report suggested that Malaysia should act to build on the progress achieved and undertake improvements in four broad areas, i.e. institutionalise GRP, phase implementation, build capability and regulatory literacy, and connect to long term national and regional vision (see Appendix 4.0 for the key recommendations of the report).

Taking into account the assessment in the OECD report, efforts to promote greater adoption of GRP will include:

- a. Creating greater awareness of GRP at federal and state government levels. Steps will be taken to further disseminate the concept of GRP and RIA methodology, particularly for ministries which have yet to implement GRP and selected State governments and local authorities. Outreach through top management briefings, workshops and training programmes on GRP, RIA and public consultation will be intensified.
- b. A mechanism for evaluating implementation of NPDIR by measuring regulatory quality will be developed. A set of indicators will need to be identified to measure the performance of regulatory quality. The framework on evaluation review could look at effective use of inputs, efficient processes in reviewing of policies, outcomes and impact achieved.
- c. Encourage embedding of GRP implementation as the regulator's corporate wide strategy such as inclusion in Key Performance Indicators of top management of ministries and agencies.
- d. Strengthen the cooperation and coordination among institutional players to integrate RIA into the policy-making process.
- e. Accelerate the compliance with NPDIR by undertaking a second regulatory review on regulations, acts and licenses of all Ministries.

The second review on regulations and licenses has already started with 10 Ministries. The task involves gathering of detailed information and data on acts, regulations and licenses issued by the ministries. Through this exercise, the regulatory profile of the ministries will be established. MPC will review and monitor the annual regulatory plan to determine the progress made in the adoption of NPDIR.

The Eleventh Malaysia Plan (2016-2020) reiterates the Government's commitment to regulatory reform through efforts to transform the public services for greater efficiency and productivity. This includes "eliminating unnecessary bureaucratic processes including approval for licenses and permits as well as rules and regulations which are not in line with current needs". The Government will also seek to enhance citizen engagement in identification of issues and creative solutions to achieve its development objectives. The 'Guideline on Public Consultation Procedures' will serve as a timely reference to enhance public engagement.

The experience and expertise of the Organisation for Economic Cooperation and Development (OECD) has been brought to bear in the development and implementation of NPDIR. Collaboration which began in 2013 was in the form of technical assistance and advisory services from the OECD which focused on:

- positioning, awareness raising and training of senior and technical officials on regulatory transparency and public engagement in the policy making process;
- capacity building for regulatory coordinators on the regulatory process for the application of RIS;
- developing systems, procedures and processes to operationalise public consultation in rule making process; and
- developing a framework to monitor and evaluate NPDIR implementation, with specific attention on RIA, public consultation, ex-post evaluation, including post implementation review (PIR).

Although not a member of the OECD, Malaysia has been invited to attend the twice-yearly OECD Regulatory Policy Committee (RPC) meetings in Paris as an observer. At the RPC meeting held on 15-16 April 2015, Malaysia presented the outcomes from the ASEAN-OECD GRP-related events that were held in Kuala Lumpur from 9-12 March 2015. Issues discussed during RPC meetings include international regulatory cooperation and country-specific regulatory policy reviews. To date, countries which have undertaken regulatory policy reviews in collaboration with the OECD include Indonesia, China, Mexico, Colombia and Brazil. The focus of the reviews includes government capacity to undertake high quality regulation, competition law and policy, market openness and public-sector governance. Terms of Reference for such reviews are undertaken in agreement between the host country and the OECD. The benefits from participating in the policy review are the best practice lessons learnt and the possible access to capacity building. Malaysia will consider participating in such policy review at a later stage when it is in a better position to benefit from the review.

As a result of the efforts undertaken by the Government to improve the regulatory environment, the World Bank Doing Business 2016 Report has recognised Malaysia's improvements in the area of regulations with regards to ease of doing business. The 2016 Report places Malaysia among the top 20 economies with the most business-friendly regulations. Malaysia ranks 18th position out of the 189 economies compared to 25<sup>th</sup> position in 2007.

The implementation of NPDIR is a long-term plan to make the regulatory regime more effective and responsive in line with international best practices. In doing so, it is the aim of the Government to ensure policies and regulations are suited not only to market needs but also to the socio-economic realities of the country through the process of public engagement. A better informed decision-making process, taking into account the concerns of all stakeholders, will enable a best-fit decision is arrived at in line with Malaysia's vision as a progressive and developed society.

**Regulatory Notification Form**

The Malaysia Productivity Corporation (MPC) assesses all regulatory proposals to determine whether Regulation Impact Analysis (RIA) is required. This form will help you identify the key features of your regulatory proposal, which in turn will allow MPC to assess whether RIA is required.

**Name of Ministry/Department/Agency****Title of Proposal**

Please provide a brief outline of the proposal. This could include the following information:

- The problem that the regulation is attempting to solve, and the government's objectives;
- Any preliminary options that are being considered; and
- Information on whether it is a proposal for a new regulation, or to amend an existing regulation.

**Brief Outline of the Proposal**

Is your proposal likely to have any regulatory impact? If so, please specify.

**Is your proposal likely to affect costs? If so, how?**

**Timing**

Key dates, as well as an indicative timeline, should both be clearly outlined in the box below.

**Key dates and timeline of RIA Process**

Date/Timeline	Ria Process

**Contact Information**

Please enter your contact information below.

Name:

Email:

Phone:

Date:

Please forward the completed form to Smart Regulation Department, MPC at (regulatoryreview@mpc.gov.my) or contact MPC officer (Pn. Nazahiah Mohamad, 03-7951 2413 / Pn. Faizah Tasmah, 03-7951 2437) to discuss your proposal.

## **Important information:**

### **Likely impact on the business and other stakeholders**

RIA is required for all proposals that are expected to have a significant impact - whether positive or negative - on businesses or non-governmental organisations, unless these costs are of a minor nature.

Impacts may include:

Changes to the number or type of products and services that businesses can offer, such as:

- **Banning products or industry practices; and**
- **Changing the way in which products and services can be offered for sale.**

Impact on consumer demand for certain products and services, such as:

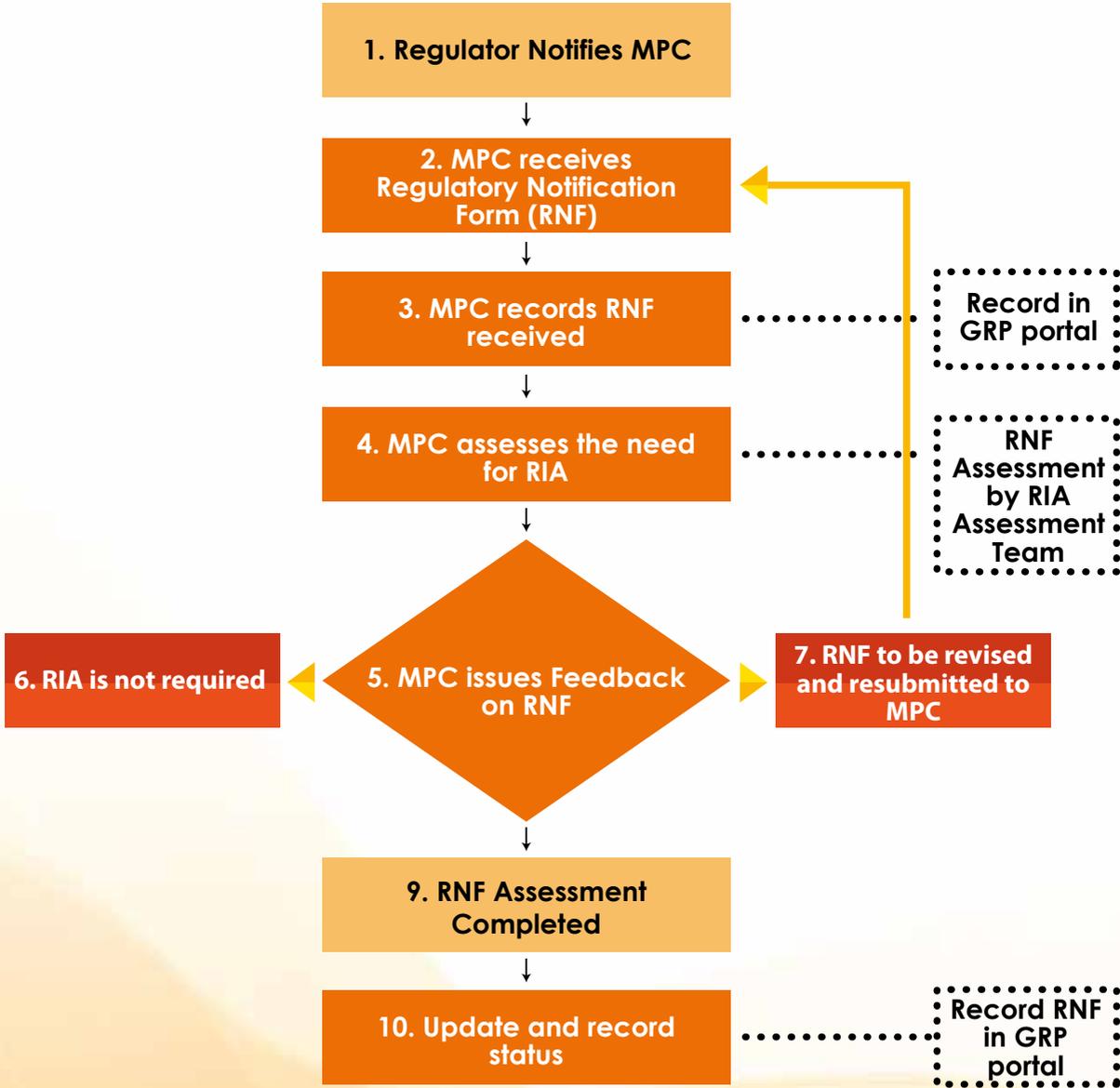
- **Increasing prices brought about by the regulation's requirements;**
- **Changing the information available to consumers;**
- **Requiring a self-regulatory regime for an industry sector;**
- **Changing the requirements for a license, permit or other authorisation;**
- **Influencing the price or quantity of goods which are sold;**
- **Requiring conformance to mandatory standards for product/service quality; and**
- **Changing the price or restricting the types of input available to businesses.**

**Compliance** costs are those costs that businesses face as a result of dealing with the government.

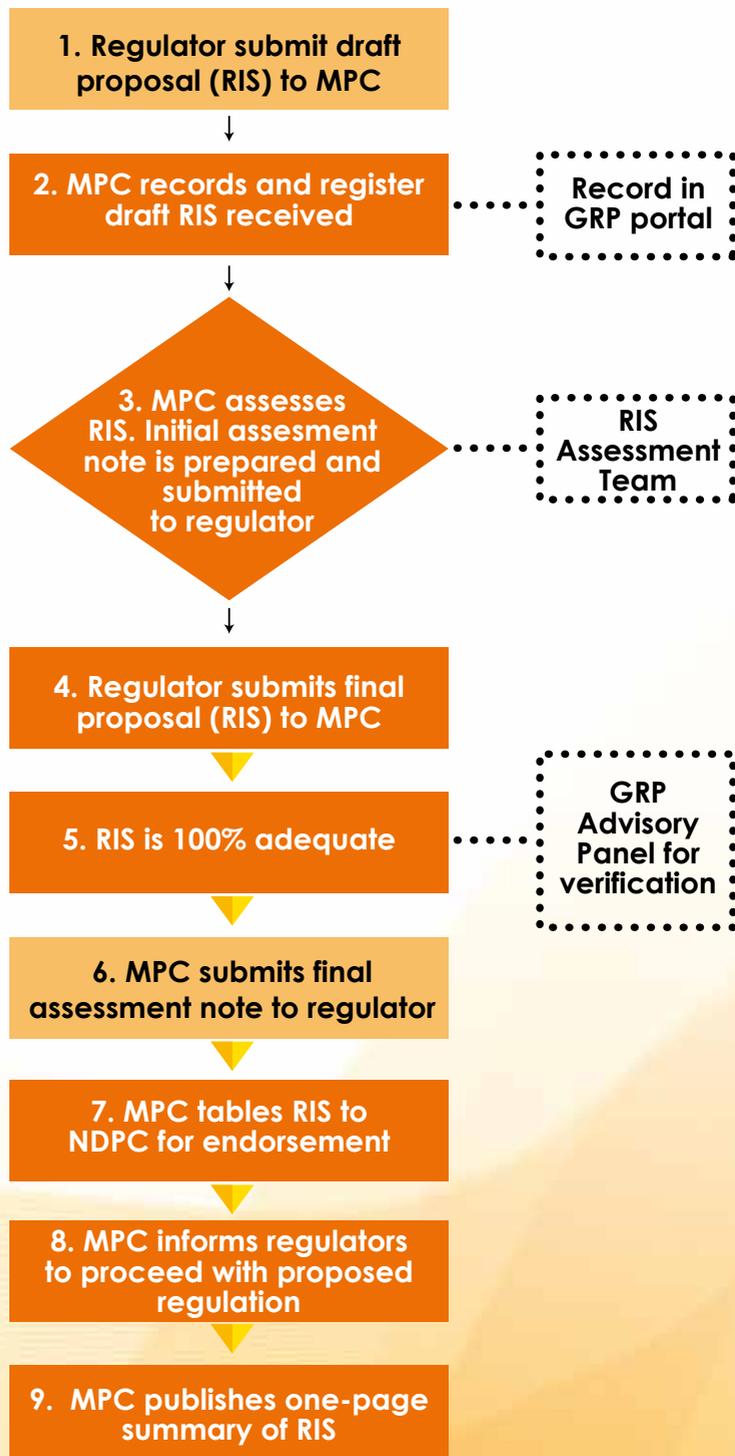
Compliance costs include:

- Requiring the collection and reporting of certain information;
- Keeping abreast of certain requirements and re-training staff;
- Changing operating procedures or purchasing patterns;
- Cooperating with audits or inspections; and
- Engaging lawyers, accountants or other advisors.

# RNF Assessment Flow Chart



## RIS Assessment Flow Chart



## Key Recommendations

Extract from the OECD report "Implementation of Good Regulatory Practice in Malaysia"

### **Institutionalise GRP**

- Develop indicators on the implementation of GRP across government - including key performance indicators for top management - and use them in periodic reporting to meetings of Secretary Generals of Government.
- Proactively engage the key actors such as AGC, EPU, Malaysia Competition Council in NPDIR implementation and the development of a medium-term strategy.
- Strengthen regulatory oversight, including a challenge function of RIA, to complement advocacy and capacity building activities.

### **Phase implementation**

- Phase NPDIR implementation, encouraging compliance for all regulatory proposals while improving regulatory quality on carefully selected strategic proposals.
- Implement an effective communication strategy for government stakeholders to manage expectations and support implementation of the NPDIR.

### **Build capability and regulatory literacy**

- Deliver more detailed and higher quality training programmes to cater for the evolving needs of government officials and other key stakeholders.

### **Connect to long term national and regional vision**

- Embed good regulatory practice into the Malaysia 11<sup>th</sup> Plan.
- Prioritise good regulatory practice regionally in 2015 and in the post-2015 agenda.

Source: Implementing Good Regulatory Practices in Malaysia, OECD, page 17

## List of Publications

### Circulars

1. Surat Pekeliling Am Tahun 2012
2. Pekeliling Am Bilangan 1 Tahun 2013 - Dasar Negara Bagi Pembangunan dan Pelaksanaan Peraturan

### Guides

1. Glossary of Regulatory Review (October 2012)
2. National Policy on The Development and Implementation of Regulations (July 2013)
3. Best Practice Regulation Handbook (July 2013)
4. Quick Reference Best Practice Regulation Handbook (July 2013)
5. Business Owner & Steps to Starting a Business: Quick Reference on Regulations (October 2013)
6. Guidebook on Export and Import Procedures in Malaysia (December 2013)
7. A Guide to Reducing Unnecessary Regulatory Burdens: Core Concepts - 3rd Edition (July 2014)
8. Guideline on Public Consultation Procedures (October 2014)

### Newsletter

1. Regulatory Review Newsletter - Issue 03 (2014)
2. Regulatory Review Newsletter - Issue 02 (2014)
3. Regulatory Review Newsletter - Issue 01 (2014)
4. Regulatory Review Newsletter - Issue 04 (2013)
5. Regulatory Review Newsletter - Issue 03 (2013)
6. Regulatory Review Newsletter - Issue 02 (2013)
7. Regulatory Review Newsletter - Issue 01 (2013)
8. Regulatory Review Newsletter - Issue 02 (2012)
9. Regulatory Review Newsletter - Issue 01 (2012)

### Posters

1. RIA: Seven Elements of Regulatory Impact Analysis (August 2014)
2. RIA: Process Flow (August 2014)
3. Let's Succeed Together: Dealing with Construction Permits Transformation Program (December 2014)

### Pamphlet

1. Good Regulatory Practice (GRP)
2. Regulatory Impact Analysis (RIA)
3. Guideline on Public Consultation Procedures
4. A Guide to Reducing Unnecessary Regulatory Burdens: Core Concepts

## References

1. National Policy on Development and Implementation of Regulations, Government of Malaysia, 2013.
2. Best Practice Regulation Handbook, Malaysia Productivity Corporation, 2013.
3. Guideline on Public Consultation Procedures, Malaysia Productivity Corporation, 2014.
4. Eleventh Malaysia Plan, Government of Malaysia, 2015.
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9. Malaysia in Doing Business 2016 - Measuring Regulatory Quality and Efficiency, PEMUDAH, 2016.

# NOTES



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