



MALAYSIA

REPORT ON MODERNISATION OF REGULATIONS 2018



REPORT ON MODERNISATION OF REGULATIONS 2018

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Message from

**YAB DATO' SERI DR. WAN AZIZAH
DR. WAN ISMAIL**
Deputy Prime Minister of Malaysia

The new leadership of the Government of Malaysia is committed in making Malaysia the destination of choice for businesses and investments. We want to pursue sustainable economic growth that is fair and equitable to all our stakeholders, with emphasis on the business community and the public, both domestic and foreign alike.

Towards this end, the Government is committed to implementing institutional reforms through the upholding of the principles of good governance such as accountability, transparency and inclusiveness. Strengthening the civil service, and its policies and the rule of law is clearly an integral part of this institutional reform.

In this context, I am happy to note and welcome the efforts undertaken by the Malaysia Productivity Corporation (MPC) in promoting the adoption of Good Regulatory Practices (GRP) in the policy making processes of regulators in the country. The widespread adoption of GRP will greatly enhance accountability, transparency and inclusiveness and build trust in the Government once again. Through GRP, stakeholders will have the opportunity to contribute to policy and regulatory decision making that affects them and the economy as a whole.

Congratulations to MPC on the publication of the Report on Modernisation of Regulations 2018.

YAB DATO' SERI DR. WAN AZIZAH DR. WAN ISMAIL
Deputy Prime Minister of Malaysia

Foreword

YBHG. DATUK SERI ISMAIL BAKAR
Chief Secretary
to the Government of Malaysia



I congratulate MPC on the publication of the Report on Modernisation of Regulations. Since the launching of the National Policy on the Development and Implementation of Regulations, much efforts have been taken to spread the adoption of Good Regulatory Practice in the public sector.

The increasingly dynamic global economy, characterised by rapid change in many sectors of our economy, demands that we re-examine the rules and the assumptions that characterised public administration. The rules and regulations we impose can help our economy thrive or stifle it amidst such changes. Rules that remain tied to out-dated assumptions need to be reviewed or they will remain a tiresome burden. Clearly GRP can contribute to building a resilient economy that is responsive to the demands of this change.

The Government has launched the Malaysia Productivity Blueprint as a platform to pursue a productivity-driven growth strategy. Besides the five strategic thrusts, an agenda for regulatory reform is also embedded in the Blueprint. It is hoped that greater productivity gain will be realised through loosening the grip of unnecessary regulatory burdens on the economy.

A whole-of-government approach towards the adoption of GRP involves both a change in the way we work as well as a change in mindset. Regulators must take cognizance that the Malaysian economy must constantly rise to the challenge of being ahead of the curve. I call on all regulators to actively embark on this task of reviewing rules and improving the rule-making process towards enhancing national productivity.

A handwritten signature in black ink, consisting of a large, stylized 'I' followed by a horizontal line and a vertical stroke.

YBHG. DATUK SERI ISMAIL BAKAR
Chief Secretary to the Government of Malaysia

Acronyms & Abbreviations

| | |
|--------------------|---|
| AEC | ASEAN Economic Community |
| AGC | Attorney General's Chambers |
| AGPC | Australian Government Productivity Commission |
| AJA | Admiralty Jurisdiction Act |
| AOC | Air Operator Certificate |
| APEC | Asia-Pacific Economic Cooperation |
| ASEAN | Association of South East Asian Nations |
| BLM | Business Licensing Manual |
| BOLAA | Bills of Lading and Analogous Act |
| CITP | Construction Industry Transformation Programme |
| COA | Certificate of Airworthiness |
| COGSA | Carriage of Goods by Sea Act |
| COR | Certificate of Registration |
| CUEPACS | Congress of Union of Employees in the Public and Civil Services |
| DBKL | Dewan Bandaraya Kuala Lumpur |
| DCA | Department of Civil Aviation |
| DOA | Department of Agriculture |
| DOE | Department of Environment |
| DOSH | Department of Occupational Safety and Health |
| DVS | Department of Veterinary Services |
| ENT | Ear, Nose & Throat Association |
| Association | |
| ERIA | Economic Research Institute for ASEAN and East Asia |
| FAMA | Federal Agricultural Marketing Authority |
| FINAS | Perbadanan Kemajuan Filem Nasional Malaysia |
| FMM | Federation of Malaysian Manufacturers |
| FOA | Farmers' Organization Authority |
| GRP | Good Regulatory Practice |
| GRPN | Good Regulatory Practice Network |
| GVC | Global Value Chains |
| HDC | Halal Industry Development Corporation |
| HIP | High Impact Programs |
| HRDF | Human Resources Development Fund |
| IMSML | International Malaysian Society of Maritime Law |
| INTAN | National Institute of Public Administration |
| IO | information obligation |
| JABPN | Jawatankuasa Amalan Baik Peraturan Negeri |
| JAKIM | Department of Islamic Development |
| JBPD | Federal Department of Town and Country Planning |
| JBPM | Fire and Rescue Department Malaysia |
| JKT | Local Government Department |
| JLN | Jabatan Lanskap Negara |
| JPM | Prime Minister's Department |
| JPN | National Housing Department |
| JPPM | Industrial Relations Department Malaysia |
| JPSPN | National Solid Waste Management Department |
| JPT | Department of Higher Education |
| JTKSM | Department of Labour of Peninsular Malaysia |
| KBS | Ministry of Youth And Sports |
| KDN | Ministry of Home Affairs |
| KeTTHA | Ministry of Energy, Green Technology and Water |
| KKLW | Ministry of Rural and Regional Development |
| KKR | Ministry of Works |

| | |
|---------------|--|
| KPDNKK | Ministry of Domestic Trade, Co-operatives and Consumerism |
| KPKT | Ministry of Urban Wellbeing, Housing and Local Government |
| KPWKM | Ministry of Women, Family and Community Development |
| KWP | Ministry of Federal Territories |
| LADA | Langkawi Development Authority |
| LAM | Board of Architects Malaysia |
| LKIM | Lembaga Kemajuan Ikan Malaysia |
| LKW | Lembaga Kemajuan Wilayah |
| LMW | Licensed manufacturing warehouse |
| LPNM | Lembaga Perindustrian Nanas Malaysia |
| LPP | Lembaga Pertubuhan Peladang |
| LPTA | Atomic Energy Licensing Board |
| LTFMP | Logistics and Trade Facilitation Master Plan |
| MACC | Malaysian Anti-Corruption Commission |
| MADA | Lembaga Kemajuan Pertanian Muda |
| MAQIS | Malaysian Quarantine and Inspection Services |
| MARA | Majlis Amanah Rakyat |
| MARDI | Institut Penyelidikan Dan Kemajuan Pertanian Malaysia |
| MBL | Modernising Business Licensing |
| MCMC | Malaysian Communications and Multimedia Commission |
| MIDA | Malaysian Investment Development Authority |
| MEF | Malaysian Employers Federation |
| MIHA | Malaysian Industrial Hygiene Association |
| MITI | Ministry of International Trade and Industry |
| MJPEN | Mesyuarat Jawatankuasa Perancang Ekonomi Negeri |
| MKKN | Majlis Mesyuarat Kerajaan Negeri |
| MKM | Maktab Koperasi Malaysia |
| MOA | Ministry of Agriculture and Agro-based Industry |
| MOE | Ministry of Education |
| MOF | Ministry of Finance |
| MOH | Ministry of Health |
| MOHE | Ministry of Higher Education |
| MOHR | Ministry of Human Resources |
| MOSHPA | Malaysian Occupational Safety and Health Practitioners' Association |
| MOSTI | Ministry of Science, Technology & Innovation |
| MOT | Ministry of Transport |
| MOTAC | Ministry of Tourism and Culture |
| MPB | Malaysia Productivity Blueprint |
| MPC | Malaysia Productivity Corporation |
| MPIC | Ministry of Plantation Industries and Commodities |
| MPOB | Malaysia Palm Oil Board |
| MSOSH | Malaysia Society for Occupational Safety and Health |
| MTIB | Malaysian Timber Industry Board |
| MTUC | Malaysian Trade Union Congress |
| MyCC | Malaysia Competition Commission |
| MyCURE | Cutting Red Tape |
| MyIPO | Intellectual Property Corporation of Malaysia |
| NCOSH | National Council for Occupational Safety and Health |
| NIHL | Noise Induced Hearing Loss |
| NKEA | National Key Economic Areas |
| NIOSH | National Institute of Occupational Safety and Health |
| NPDIR | National Policy on the Development and Implementation of Regulations |
| NRE | Ministry of Natural Resources and Environment |
| NTMs | Non-Tariff Measures |

| | |
|-----------------|---|
| OECD | Organisation for Economic Co-operation and Development |
| PEMUDAH | Special Task Force to Facilitate Business |
| PERKESO | Pertubuhan Keselamatan Sosial |
| PL | Perbadanan Labuan |
| PPJ | Perbadanan Putrajaya |
| PSMB | Pembangunan Sumber Manusia Berhad |
| RC | Regulatory Coordinator |
| RIA | Regulatory Impact Analysis |
| RIS | Regulatory Impact Statement |
| RMCD | Royal Malaysian Customs Department |
| RN | Regulatory Notification |
| RPC | Regulatory Policy Committee |
| RRC | Regulatory Reform Committee |
| RURB | Reducing Unnecessary Regulatory Burden |
| SCM | Standard Cost Model |
| SDWA | Safe Drinking Water Act |
| SIRIM | Standards and Industrial Research Institute of Malaysia |
| SME | Small Medium Enterprise |
| SME Corp | Small & Medium Enterprise Corporation |
| SOGA | Sale of Goods Act |
| SOP | Standard Operation Procedure |
| SPAD | Land Public Transport Commission |
| SPAN | National Water Services Commission |
| SPDIR | State Policy on Development and Implementation of Regulations |
| SPS | Sanitary and Phytosanitary |
| SSB | Services Sector Blueprint |
| SSM | Companies Commission of Malaysia |
| SWCorp | Solid Waste Management and Public Cleansing Corporation |
| TBT | Technical barriers to trade |
| TPPA | Trans-Pacific Partnership Agreement |
| UKT | Local Government Unit |
| UNCTAD | United Nations Conference on Trade and Development |
| UniSZA | Universiti Sultan Zainal Abidin |
| UPC | Unified online Public Consultation |
| UPEN | Economic Planning Unit |
| WB | World Bank |

Executive Summary

Regulatory reform refers to concerted change that improves regulatory quality and enhances the performance, cost-effectiveness of compliance with regulations, or legal quality of regulations and related government formalities. The scope of reform can encompass the revision of individual regulations, the improvement of processes for making regulations or the rebuilding of an entire regulatory regime and its institutions. A convenient point to mark the beginning of Malaysia's current regulatory reform journey would be in 2007 with the establishment of PEMUDAH, the Special Task Force to Facilitate Business. PEMUDAH was established to address regulatory and administrative issues affecting business resulting from increased competition and rapid change.

In 2013, the Government further strengthened and formalised the mandate of Malaysia Productivity Corporation (MPC) for regulatory reform with the launching of the National Policy for the Development and Implementation of Regulations (NPDIR). It is a policy that embeds Good Regulatory Practice (GRP) in the formulation of new regulations or amendments to regulations. On 8th May 2017, the Prime Minister launched the Malaysia Productivity Blueprint (MPB), a new milestone in Malaysia's productivity journey. The Eleventh Malaysia Plan has set a target of 3.7% productivity growth for the 2016-2020 period. Through MPB, the Government is focusing on productivity as a key driver for growth and regulatory reform is an integral part of this challenge. Quality regulations will nurture a conducive environment for enterprise competitiveness and boost national productivity.

Addressing the administrative burden of existing regulations is a priority. MPC introduced Cutting Red Tape (MyCURE) in 2016 as part of the Government's on-going campaign to improve public service delivery and facilitate ease of doing business, which includes reducing regulatory barriers that impede productivity, innovation & growth. MyCURE is aimed at assisting regulators to identify and undertake regulatory review and administrative simplifications at their own initiative.

During 2016-2017, several activities were executed to intensify the implementation of NPDIR. Several programmes were held to promote and enhance the knowledge and skills of regulatory coordinators on GRP and to obtain feedback on challenges encountered in the implementation of NPDIR. A GRP Open Day was held on the 29th of August 2017 and the first National Convention of GRP was held on 5th October 2017, both in Kuala Lumpur and attended by participants from both public and private sectors.

In terms of implementation of NPDIR by federal regulators, during 2016 and 2017, MPC received 75 and 70 regulatory notifications (RNs) from 22 and 28 regulators respectively compared with 55 RNs received from 11 regulators in 2015, indicating a greater awareness of NPDIR. MPC assessed 21 and 25 Regulatory Impact Statement (RIS) during the year 2016 and 2017 respectively compared to 6 in 2015. In terms of annual regulatory plan, MPC received 189 planned regulatory proposals in 2016 and 174 in 2017, compared to 39 in 2015. However, there was a significant shortfall between the number of notified planned regulatory proposal and the number of planned regulatory proposals submitted as RN. There remained a significant number of unplanned RN submitted to MPC for both years.

During 2016, GRP outreach was expanded to states and local authorities. Initial engagement with state governments included workshops and seminars to create awareness of GRP and NPDIR as well as to undertake baseline studies to better appreciate the rule-making process at each state. Three states embarked on this milestone project in 2016. The states were Terengganu, Kelantan and Negeri Sembilan. During 2016-2017, a broad range of outreach and training activities were undertaken to promote and facilitate the adoption of GRP at the state level. Initial outreach activities have also been started in Sarawak, Melaka and Perak. It is anticipated that a GRP policy will be adopted by all states by 2020.

While Malaysia undertakes its own regulatory reform journey, it is also useful to keep abreast of developments on GRP abroad. Chapter 6 provides a brief overview of international and regional development regarding regulatory reform, highlighting the leading role of OECD globally. Malaysia's engagement with OECD on regulatory reform began with a fact-finding mission to OECD in 2011. Malaysia was accorded observer status in the Regulatory Policy Committee (RPC) of OECD and first attended the meeting in 2012. In November 2012, MPC was invited to share Malaysia's modernising business regulation initiatives at the RPC meeting. ASEAN has also adopted a Work Plan on Good Regulatory Practice in March 2017. The ASEAN Work Plan on GRP is aimed at setting out possible areas of work on GRP over the 10-year period. Prior to the adoption of the ASEAN GRP Workplan, ASEAN had initiated a forum on GRP through the ASEAN-OECD Good Regulatory Practice Network. The main objective of the ASEAN-OECD Good Regulatory Practice Network is to assist ASEAN members in building and strengthening capacity for the implementation of GRP to ensure high-quality regulation and regulatory coherence. Economic Research Institute for ASEAN and East Asia (ERIA) also sought Malaysia's collaboration to share its experience in implementing regulatory reviews through the ERIA-ASEAN technical programme on Reducing Unnecessary Regulatory Burden.

Going forward, regulatory reform has been placed as an important theme within the five key strategic thrusts of MPB that will drive the productivity growth of the nation. Thrust 4: Forging a Robust Ecosystem, particularly, aims to strengthen regulatory governance through the implementation of clear and effective regulations across multiple ministries and agencies. A regulatory governance system that is accountable, transparent and predictable is an important foundation in sustaining a dynamic and resilient economy. The activities set out under Thrust 4 such as the review of non-tariff measures (NTMs), establishment of innovative policy engagement mechanism and a regulatory portal will contribute greatly towards building a robust regulatory system.

Regulatory reform, through the implementation of NPDIR, is making good progress. NPDIR involves a 'whole of government' approach and a change of the mind-set. Although much of the tools and processes are not new, it calls for a change in mindset, placing greater emphasis on the principles of good governance such as accountability, transparency and inclusiveness. Such comprehensive reform is expected to encounter numerous implementation challenges.

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CHAPTER 1 - REGULATORY REFORM IN MALAYSIA

1.1 Introduction

Regulatory reform refers to concerted change that improves regulatory quality and enhances the performance, cost-effectiveness of compliance with regulations or legal quality of regulations and related government formalities. The scope of reform can encompass the revision of individual regulations, the improvement of processes for making regulations or the rebuilding of an entire regulatory regime and its institutions.

Regulatory reform leads to increased efficiency and higher productivity through better service delivery by governmental ministries and agencies, thus enhancing competitiveness of the private sector. Ultimately regulatory reform contributes to improved economic performance, inclusiveness and better governance.

A convenient point to mark the beginning of Malaysia's current regulatory reform journey would be 2007 with the establishment of PEMUDAH, the Special Task Force to Facilitate Business. PEMUDAH was established by the Government motivated by the drive to improve and facilitate an environment more conducive for business. The Government recognised that rapid change is taking place in the economy due to globalization and the free flow of people, ideas and technology. This has created an urgent need for the Government and business to stay abreast of the changing environment.

PEMUDAH has made continuous efforts to improve the business environment and is recognized as the catalyst for transforming the regulatory environment. PEMUDAH not only consistently identifies and addresses regulatory business and policy issues that constrain but also formulates solutions and recommendations to enhance public service delivery, and in doing so reduce the cost of doing business in this country. PEMUDAH leads the change initiatives by pursuing closer collaboration between the relevant government ministries and agencies, local authorities, trade and industry representatives, subject matter experts and also the World Bank Doing Business team.

Under the 10th Malaysia Plan (2010-2015), MPC's mandate on improving the Government's regulatory management system was made more comprehensive. This included the review of existing regulations to remove unnecessary rules and reduce compliance costs, and introducing impact analysis for new regulations. MPC's Modernising Business Regulations program involved a comprehensive review of business licences as well as more detailed industry and issue-specific reviews to support the "National Key Economic Areas" (NKEA) identified under Malaysia's Economic Transformation Program. To spearhead the initiative on Reducing Unnecessary Regulatory Burden (RURB), MPC collaborated with the Australian Government Productivity Commission (AGPC) in 2012 to develop a framework to undertake RURB activities together with Malaysian officials.

In 2013, the Government further strengthened and formalised the mandate of MPC with the establishment of National Policy for the Development and Implementation of Regulations (NPDIR). It is a policy that embeds Good Regulatory Practice (GRP) in the development of new and amended regulations. It formalised earlier efforts accomplished under the RURB. Under NPDIR, all federal ministries and regulators are required to conduct regulatory impact analysis (RIA) in reviewing existing regulations and in developing new regulations.

The introduction of NPDIR was accomplished, in part, through the collaboration between MPC and the Organisation for Economic Co-operation and Development (OECD) which provided capacity building with regards GRP and RIA. The 15-month collaboration between MPC and OECD saw thorough analysis of Malaysia's regulatory system and recommendations to support the implementation of NPDIR in Malaysia.

Regulatory reform is also a key element of the Eleventh Malaysia Plan (2016-2020) as the Government continues the momentum of modernising the current regulatory system not only at the federal government level but also at the state and local government levels. Since 2016, GRP outreach programmes have been launched at state and local authority levels.

1.2 Regulatory Reform in Malaysia Productivity Blueprint (MPB)

On 8th May 2017, the Prime Minister launched the Malaysia Productivity Blueprint (MPB), a new milestone in Malaysia's productivity journey. The Eleventh Malaysia Plan has set a target of 3.7% productivity growth for the 2016-2020 period. MPB is a concerted effort to improve national productivity level through multi-faceted approaches such as accelerating regulatory reforms, introducing productivity-based sectoral incentives and conducting upskilling programmes. Through MPB, the Government is seeking to focus on productivity as a key driver for sustainable economic growth. Regulatory reform is integral to challenge as quality regulations will nurture a conducive environment for enterprises to bloom, attain competitiveness and further boost national productivity.

MPB addresses productivity holistically at the enterprise, sectoral and national levels through five strategic thrusts, ten national-level initiatives aligned with the strategic thrusts and sixteen key activities that require action. The five strategic thrusts are:

- Building Workforce of the Future;
- Driving Digitalisation and Innovation;
- Making Industry Accountable for Productivity;
- Forging A Robust Ecosystem; and
- Securing A Strong Implementation Mechanism.

MPB charts out precise direction for national productivity improvement initiatives. Regulatory reform is a theme that cuts across much of these key activities. For example, the six immediate priorities identified in MPB call for policy reviews and regulatory reform:

- Restructure and improve the management of foreign workers;
- Actively encourage the adoption of Fourth Industrial Revolution technologies by companies across main economic sectors;
- Strengthen digitalisation among SMEs through e-commerce and adoption of innovative technology;
- Embed productivity targets for enterprises into disbursement processes of new grants, incentives and soft loans;
- Remove non-tariff measures that impede business growth and improve the efficiency of the logistics sector; and
- Evolve a governance model to drive game-changing implementation of MPB.

Further, under the strategic thrust of forging a robust ecosystem, the first national-level initiative is accelerating efforts to enhance whole-of-government approach towards addressing regulatory constraints and its actionable key activity is the removal of non-tariff measures that impede business growth and the improvement of efficiency of the logistics sector. The second national-level initiative is establishing an accountability mechanism for the implementation of regulatory reviews by the government. The key activities to establish the accountable mechanism are the strengthening of the regulatory portal and a mechanism to track regulatory review implementation, and the establishing of state-level benchmarking indicators for businesses.

Regulatory reform under MPB will involve the review of regulations or introduction of new regulations to meet the challenges of technological advancement or other changes, and to accommodate evolving business conditions. Regulatory reform envisaged in MPB has the potential to bring a better quality of life to all Malaysians through higher productivity, greater global competitiveness and higher incomes.

1.3 Collaboration with PEMUDAH

Since its inception in 2007, PEMUDAH continues to be in the forefront to drive a multitude of public-private sector initiatives to improve the efficiency of service delivery in support of a vibrant, competitive and conducive business environment. The unique public-private collaboration in PEMUDAH is key to the effectiveness of its initiatives. The working groups, task forces and focus groups within PEMUDAH closely monitors the 10 ranked indicators in the Doing Business Reports.

Each Focus Group is co-chaired by a public sector and a private sector member, with other members comprising key stakeholders in the public and private sectors. Beyond improving the ranking of Malaysia in the Doing Business reports, the Focus Groups have also undertaken efforts to share the best practices across the country.

The scope of work of PEMUDAH receives impetus from the annual World Bank Doing Business report which ranks economies on the ease of doing business. According to the Doing Business 2007 report, Malaysia was ranked 25th among 175 economies. In the Doing Business 2018 report, Malaysia's ranking has slightly improved to 24th among 190 economies. The World Bank Doing Business 2018 report is the 15th in a series of annual reports rating regulations affecting 11 areas of the life of a business. Ten areas were ranked in the 2018 Doing Business Report, namely:

- starting a business;
- dealing with construction permits;
- getting electricity;
- registering property;
- getting credit;
- protecting minority investors;
- paying taxes;
- trading across borders;
- enforcing contracts; and
- resolving insolvency.

Figure 1.1 Areas of Business Regulations under Doing Business Report



Source: World Bank

Although Malaysia dropped one place, some successes in its regulatory reform were singled out by the World Bank, namely:

- a) strengthened access to credit through the new Companies Act 2016 that establishes a modern collateral registry;
- b) strengthened minority investor protection by requiring greater corporate transparency, placing Malaysia as the 4th best country for protection of minority investors; and
- c) improved infrastructure facilities at Port Klang which has eased the handling processes at the terminal.

In the 2018 report, World Bank also commended Malaysia for being one of the 60 countries that have established regulatory reform committee (PEMUDAH) as a coordination mechanism across agencies and using the Report's indicators to address issues related to ease of doing business.

PEMUDAH's achievements have drawn the attention of parties interested in regulatory reform. The International Malaysian Society of Maritime Law (IMSML) has sought assistance from PEMUDAH to advocate the passing of new enactments and amendments to the current maritime laws. These proposed new enactments and amendments to commercial maritime legislations i.e. Ports Act, Carriage of Goods by Sea Act (COGSA), Bills of Lading and Analogous Act (BOLAA), Sale of Goods Act (SOGA) and Admiralty Jurisdiction Act (AJA), are pending review and approval by the Government.

The proposed maritime enactments and legislative amendments will benefit shipowners, exporters and importers through:

- i) harmonisation and modernisation of maritime laws and ratification of international laws;
- ii) effective trade facilitation with clearer demarcation of the responsibilities of shipowners, exporters and importers, and of the limitation of their liabilities;
- iii) lessening evidential burden on exporters and importers;
- iv) importers having a right of recourse against shipowners for the loss of or damage to their cargoes while at sea; and
- v) the passing of titles to bulk cargoes.

A Ports Act will enhance regulatory functions of safety, security, service and performance standards, and allows for better control over port users. The Act will provide for the designation of lead agencies to handle and address safety, security, efficiency and other issues among the Marine Department, port authorities, logistics suppliers and other stakeholders and also sets out clearer navigational safety demarcation between the ports and the Marine Department. Bottlenecks at the ports affecting the transactional speed of commercial activities due to a lack of coordination among regulatory agencies is one such issue that can be addressed by the lead agency in collaboration with other stakeholders.

The proposed amendments to COGSA are to enable Malaysia to depart from the 1924 Hague Convention and to adopt the 1968 Hague-Visby Convention which has already been adopted by 86 countries and accounts for 90% of global shipping tonnages.

The proposed BOLAA legislation will enable Malaysia to have its own Bill of Lading Act which will provide a right of recourse for importers against shipowners for the loss of or damage to their cargoes while at sea so as to be in line with other merchantile countries. The proposed SOGA legislation is to complement the proposed BOLAA to cater for the passing of titles in bulk cargoes.

The proposed AJA legislation will allow Malaysia to have its own enabling statute for admiralty jurisdiction to empower Malaysian Courts to give relief in maritime matters, thereby ceasing the derivation of jurisdiction from the Supreme Court Act 1981 of the United Kingdom as well as to reflect the difference between the maritime laws of Peninsular Malaysia and Sabah and Sarawak.

Box Item 1.1: Highlights of GRP initiatives in APEC Economies

APEC's work on regulatory reform was initiated by the Leaders' Declaration on APEC Principles to Enhance Competition and Regulatory Reform in 1999. This led to the development of the first regulatory reform guidelines, which was later supplemented by regular information sharing activities, the development of the 2005 OECD-APEC Integrated Checklist on Regulatory Reform, and APEC Economic Committee's Good Practice Guide on Regulatory Reform in 2008.

Significant benefits have been derived by domestic regulatory regimes from the adoption of the core Good Regulatory Practice (GRP) contained in the APEC-OECD Checklist. The implementation of GRP has been correlated with better economic outcomes over many years across APEC economies. From 2011 to 2016, APEC economies had adopted a wide range of GRP initiatives, supported by substantial investments to strengthen regulatory frameworks.

Some of the noteworthy regulatory reform initiatives implemented in APEC economies and their impacts as well as the opportunities for improving the regulatory reform framework are described below.

Australia

Australia was very early in adopting institutions for the oversight of regulatory quality and the use of Regulatory Impact Analysis (RIA). RIA was required to be undertaken for Bills and lower level rules which impact on business. A Regulation Impact Statement (RIS) was required to accompany proposals considered by the Cabinet. Ever since 1985 with the establishment of the Business Regulations Review Unit (BRRU) and the RIS processes, Australian regulatory reforms have been continuously pursued and the 2006 OECD Economic Survey of Australia credited the wide-ranging reforms, in particular reform to promote competition, as instrumental in promoting economic growth in Australia in the 1990s and 2000s. The Office of Best Practice Regulation (OBPR) administers Regulatory Impact Analysis (RIA) requirements and is located within the Department of the Prime Minister and Cabinet.

Another strategic player in the institutional structure of Australian regulation reforms is the Australian Productivity Commission (APC), established in 1998 and currently under the Department of the Treasury. APC identifies and promotes the reform and benefits of a transparent policy-making process, in developing reform options and acceptance of reform outcomes. The Commission provides innovative advice for policy making and analysis to the Australian Government on microeconomic policies, regulations and other social and environmental issues. Through its online resource for regulatory reform, "Cutting Red Tape", the Australian Government informs stakeholders of the latest initiatives and current programmes in regulatory reforms and solicit interaction with stakeholders to inform the Commission of possible areas for reform of regulations to reduce or eliminate red tape.

Effective July 2015, the Australian Government introduced its Regulator Performance Framework, applicable to about 80 Australian Government regulatory authorities, which focussed on the quality of regulators rather than regulations. The performance of regulators in administering regulations including stakeholder engagements and their impact on productivity is assessed. The Framework sets out six key performance indicators which assess regulators' performances on reducing regulatory burden, communications, risk-based and proportionate approaches, efficient and coordinated monitoring, transparency, and continuous improvement.

Between September 2013 and December 2016, decisions were taken that, when implemented, could reduce the burden caused by the Australian Government regulations to businesses and communities by about AUD5.8 billion a year in net terms.

The United States of America

In the United States of America, President Clinton issued Executive Order 12866 on 30 September 1993 directing application of explicit principles for good regulation to the executive branch of the government based on a core set of analytical cost-benefit and cost-effectiveness standards. President Obama's Executive Order 13563 of 18 January 2011 (Improving Regulation & Regulatory Review) further outlined additional guiding principles. Both these Executive Orders had been published in the Federal Register which is the official journal of the federal government of the United States of America. The Federal Register is used by the government to announce to the public proposed new rules and regulations, final rules, changes to existing rules, notices of meetings and adjudicatory proceedings, and Presidential documents including Executive Orders, proclamations and administrative orders. 'Rules and Regulations' (including policy statements and interpretation of rules by federal agencies) is one of the four categories within the daily issue of the Federal Register.

The Office of Information and Regulatory Affairs (OIRA) established in 1980 within the Office of Management and Budget (OMB), an agency in the Executive Office of the President, oversees the implementation of government-wide policies and reviews draft regulations. OIRA reviews draft rules and regulations under Executive Orders 12866 and 13563.

Canada

The Canadian Government controls the cost of a project by calculating quantitative cost estimates in a Risk Impact Assessment (RIA). Under the "One-For-One" rule that came into effect on 1 April 2012, for every new regulation that imposes administrative burden on businesses, another regulation has to be removed. Strict controls are placed on the growth of federal regulatory red tape imposed on businesses.

For instance, the amendment of the Government's Controlled Goods List, by removing items no longer needed to be targeted, has decreased the administrative burden on businesses, particularly aerospace, defence, satellite and security industries. As a result, companies require less security officials, security assessments and associated audits. The expected savings in administrative costs were valued at about Canadian \$710,000 a year.

A Cabinet directive on Regulatory Management provides direction to federal regulators on implementing the regulatory reforms outlined in the Red Tape Reduction Action Plan such as the "One-for-One" Rule, Small Business Lens, Forward Regulatory Plans, Service Standards and the Annual Scorecard Report.

Singapore

The Smart Regulation Committee (SRC) of the Singapore Public Service promotes GRP within the government and proactively reviews rules and regulations. The Committee, chaired by the Permanent Secretary of the Ministry of Social and Family Development and the Second Permanent Secretary of the Ministry of Trade and Industry, seeks to influence governmental agencies to be more stakeholder-centric. Initially, the Rules Review Panel (RRP) was established in 2002 to oversee the rules review process within the public sector. In May 2005, the RRP was reconstituted as the SRC with a boarder mandate to shift the mind-set of the Public Service from being merely a regulator to that of a facilitator in order to develop a business and investment-friendly regulatory regime.

SRC developed a Smart Regulation Checklist as a guidance for agencies on the key areas to focus on when carrying out regulatory reviews. A smart regulation training curriculum for public servants has also been developed and is regularly updated to foster a culture of learning and sharing. In 2016, the Civil Service College of Singapore, in collaboration with the SRC, published

the “Smart Regulation Field Guide: A Quick Reference Guide for the Design, Implementation & Review of Regulations”. Singapore seeks to prevent the build-up of red tape by setting “sunset clauses” by which rules will automatically lapse after certain dates.

Viet Nam

In 2015, the General Assembly of Viet Nam adopted the Revised Law on Promulgation of Legal Documents which:

- Increased the requirement for collection of public opinions during the drafting of legal documents;
- Aimed to enhance the uniformity, transparency, feasibility and effectiveness of and easier access to the legal system;
- Regulated the legislative processes at the central and local levels; and
- Established the principles, competence, forms, order, procedures for formulation and promulgation of legal documents, and responsibilities of state agencies, organisations and individuals in legislative work.

At the 19 March 2018 sitting of the 22nd Session of the National Assembly Standing Committee, the Minister of Justice called on all parties to adhere seriously to the 2015 Law on Promulgation of Legal Documents.

Mexico

In Mexico, the Federal Regulatory Improvement Commission (COFEMER) reviews RIAs. Unsatisfactory RIAs will have to be modified, corrected or rejected. If the amended RIA is still unsatisfactory, COFEMER can request the lead agency to engage an independent expert to evaluate the impact. The regulator cannot issue the regulation before receiving a final positive opinion from COFEMER. Mexico launched a new RIA system known as SIMIR on 13 April 2015 to facilitate stakeholders’ regulatory proposals and inputs as well as providing better information access to citizens, data for problem analysis and for the submission of alternatives, thereby creating openness and competitiveness in the assessment of impact.

Regulatory planning in Mexico has been strengthened through adopting a legal mandate for a regulatory agenda under the 2011-2012 Mexico Biennial Regulatory Programme that aims to cut 25% of the administrative burden from the federal government regulations.

Regulators in Mexico can assess their proposed regulations via an online tool known as the Regulatory Impact Calculator. This initiative is part of the priority being placed on improving the quantitative and substantive content of RIA.

Indonesia

Indonesia has adopted its National Strategy on Regulatory Reform 2015-2019 in line with the call by President Joko Widodo in August 2015 to his ministers to deregulate in order to attract more investments. One of the main tasks of the Ministry of National Development Planning (BAPPENAS) is to maintain the National Regulatory System and reports to the President.

The benefit of this new impetus is reflected in the much improved performance of Indonesia in the World Bank Group’s 2018 Doing Business Report where Indonesia has improved its ranking from 114th in 2015 to 72nd in 2018. President Joko Widodo has envisioned Indonesia to achieve a 40th rank in the near future.

Box item 1.2: Regulatory Reform - Korean Experience

The Asian financial crisis provided the push for the Korean government to launch a comprehensive regulatory reform program as a vital economic recovery measure in late 1990s. To boost economic recovery, the Basic Act on Administrative Regulations was enacted in 1997 which served as a legal basis for regulatory reform. The Basic Act on Administrative Regulations included several principal measures such as the new regulatory registry system, regulatory impact analysis (RIA), review of new regulations, quality management of existing regulations, and sunset review of regulations. Since then, regulatory reform has become one of the critical tasks of all Korean administrations.

The Basic Act on Administrative Regulations came into force in March 1998 and required the establishment of a Regulatory Reform Committee (RRC) under the President as a regulatory oversight body to formulate and oversee regulatory reform initiatives, including adjustments to regulatory policy, and the evaluation and reform of regulations. The Committee comprised 22 members, with the Prime Minister as Chairman, a co-chairman from the private sector, 14 civilian members, and 6 government members. The functions of RRC were to:

- Determine basic direction of regulatory policy and research/development of regulatory systems.
- Evaluate new regulations and those to be strengthened.
- Evaluate existing regulations, drafting and executing comprehensive regulatory reform plan.
- Register and publicise regulations.
- Gather and consider opinions on regulatory reform.
- Inspect and evaluate actual regulatory reform progress at each administrative level.

The Korean Regulatory Reform system



Source: <http://www.better.go.kr/fzeng.page>AboutRRC.laf>

With the introduction of the Basic Act, all central administrative agencies are required to prove the legitimacy, necessity, and goodness-of-fit of regulations they seek to introduce by using RIA, and to conduct their own internal review prior to the final review of the RRC. The President also ordered the elimination of 50% of the existing regulations within a year. The number of regulations in Korea was reduced from 11,125 at January 1998 to 6,308 by the end of 1999, of which 2,411 were modified.

The benefits of the regulatory reform, projected for a span of five years (1999-2003), included generation of an estimated 680,000 new jobs, about half of which could be attributed to the increased inflow of FDI, which would amount to at least USD 27 billion. It was also estimated that regulatory compliance costs would be reduced by KRW 18,690 billion (USD 15 billion), which represented 4.4% of GDP in 1997.

A recent report on 'Regulatory Reform Review of Korea' discussed at the 16th meeting of the Regulatory Policy Committee of OECD on 27 April 2017 highlighted several important features of the Korean regulatory reform progress:

- Leadership and oversight of regulatory reform: There is high-level commitment to regulatory reform such as bi-annual ministerial meetings on regulatory reform focus on reducing regulatory burdens and creating a more business-friendly environment. Regulatory Reform Committee, chaired by the Prime Minister, continues to review all regulatory proposals from central administrative agencies. The Prime Minister's Office, through its Regulatory Reform Office (RRO), plays a strong oversight and steering role, backed up by a network of officials working on regulatory issues across central administrative agencies.
- Regulatory quality management and performance assessment: Since 2015, RIAs are drafted and processed through an online platform, which automatically compares regulatory costs and benefits. Research institutions also provide independent analysis on specific issues. Since 2016, a "cost-in cost-out" (CICO) system restricts the cost increase of new or amended regulations by abolishing or relaxing regulations that produce equal or greater costs. Each central administrative agency must also draft a plan for ex post regulatory evaluation as part of the RIA statement. Over 3,500 proposals are received every year by RRO from all central administrative agencies. It is a challenge for RRO to provide a complete review of every proposal. Among the reviewed proposals, around 1,000 proposals are sent to the RRC for further review.
- Stakeholder engagement and transparency: Initiatives to increase the transparency of and public access to the regulatory process include the creation of government portals such as i-Ombudsman and the online Regulatory Reform Sinmungo, which also accepts feedback and suggestions in English. A Regulatory Information Portal, launched in 2014, serves as a central platform for public engagement.
- Small and medium-sized enterprises: Specific initiatives have been taken to reduce regulatory burdens and compliance costs for SMEs, which make up around 99% of the total number of enterprises and account for 88% of employment across all industries. Regulatory reform priorities for SMEs are set annually by the SME Ombudsman, the Small Business Administration and RRC.

Overall, the review found that, since the late 1990s, the necessary institutions, processes and tools to support good regulatory practices have been well established. The review also highlights the importance of a more inclusive regulatory system, which can be achieved by opening-up all institutions and processes, including the National Assembly, to public scrutiny and including a wider range of stakeholders. The 2015 OECD Indicators of Regulatory Policy and Governance (iREG) also showed that Korea has performed slightly above the OECD average on regulatory impact assessment (RIA), stakeholder engagement and ex post evaluation.

(Reference: Byung Ki Ha(1999), The Economic Effects of Korea's Regulatory Reform (in Korean), KIET, Review of Regulatory Reform of Korea, OECD)

CHAPTER 2 - IMPROVING EXISTING REGULATIONS

2.1 Introduction

Regulations are necessary to protect lives and ensure safety of human and animals, as well as to protect the environment. They are also critical to advance important national goals, such as job creation or to promote domestic growth. Regulations can also protect consumers from excessive market power of monopolies and oligopolies that may limit competition in the supply of goods and services. On the other hand, regulations may also be excessive and unnecessarily burdensome and hence increase costs beyond what is needed.

Regulatory burdens arise from costs as a result of compliance with regulations and their enforcement. Regulations can have cost impacts on businesses in various ways. The major cost impacts are:

1. administrative and operational requirements, such as reporting and record keeping or seeking legal advice and training;
2. conditions imposed on the way goods are produced or services supplied, such as prescriptions on production methods or occupational licensing;
3. impositions of requirements on the characteristics of goods produced or supplied, such as providing seat belts in all motor vehicles or having foot-operated soap dispenser in private hospitals; and
4. lost of production and marketing opportunities due to prohibitions or delays, such as the prohibitions on trading in certain products or the delay in the issuance of a business licence or trading permit.

Regulatory burdens, in particular unnecessary regulatory burdens, are viewed as costs of doing business and impact on productivity as they consume economic resources.

The concern for the impact of unnecessary regulatory burdens has prompted the Government to initiate strategies to mitigate such burdens. As such, the Government has introduced measures to modernise business regulatory governance in the Services Sector Blueprint (SSB) and the Malaysia Productivity Blueprint, (MPB).

SSB is aimed at strengthening the services sector which has been identified as another engine to drive economic growth and to achieve the goals of 2020. One of the four strategies of SSB is Sectoral Governance Reform which aims to provide efficient and enabling policy regime that nurtures a vibrant and competitive environment for the services sector. MPB, on the other hand, has 5 strategic thrusts, one of which is **to forge a robust ecosystem** by addressing regulatory constraints and developing an accountability system to ensure effective implementation of regulatory reviews.

2.2 Modernising Business Licensing

The Malaysia Productivity Corporation (MPC), through the Modernising Business Licensing (MBL) initiative, has been actively involved in SME HIP 1: Integration of Business Registration and Licensing. It is one of the six (6) High Impact Programs (HIP) formulated under the Small Medium Enterprise (SME) Masterplan (2012-2020) to accelerate SME growth and contribution to Gross Domestic Product by 2020.

Under HIP 1, the Government is developing the MalaysiaBiz Portal, a one-stop online business registration and licensing portal. Currently, the portal contains information on business registration and licensing requirements at federal, state and local government levels. Online application of registration and licensing applications via MalaysiaBiz Portal is expected to be implemented by 2020.

MPC has a mandate under SME HIP 1 to streamline and standardise licensing systems and procedures at state level. MPC is collaborating with local authorities in each state to develop the **Business Licensing Manual (BLM)**. Through the process of developing BLM for each state, MPC would be able to:

- reduce the differences in business licensing process and procedures of the local authorities within the states; and
- ensure processes, procedures and decisions are made clear and consistent.

Apart from the BLM, MPC and the local authorities also developed the Guidelines on Business Licensing Application and Regulations. The Guideline serves:-

- as a reference to the business community for starting business; and
- to assist all stakeholders to understand the processes, procedures, conditions and other information that must be fulfilled when applying for a business licence and the conduct of business activities.

Figure 2.1: Business Licensing Manual and Guideline on Business Licensing Application and Regulation.



The manual and guideline were prepared through a series of labs involving representatives from all local authorities. As of March 2018, BLM has been developed for all states except Sarawak. Six states have adopted the manual for implementation by their local authorities.

Table 2.1 Business Licensing Manual Progress

| No | State | Business Licensing Manual | Adopted for Implementation | Potential Reduction of Compliance Cost (RM Million)* | |
|--------------|--|---------------------------|----------------------------|--|---------------|
| | | | | 2016 | 2017 |
| 1 | Pahang | √ | √ | 9.39 | - |
| 2 | Kelantan | √ | √ | 11.65 | - |
| 3 | Melaka | √ | √ | 7.84 | - |
| 4 | Terengganu | √ | √ | 7.33 | - |
| 5 | Selangor | √ | To be implemented | - | 44.82 |
| 6 | Negeri Sembilan | √ | To be implemented | - | 8.18 |
| 7 | Perak | √ | √ | 18.79 | - |
| 8 | Perlis | √ | To be implemented | - | 1.70 |
| 9 | Johor | √ | To be implemented | - | 24.55 |
| 10 | Kedah | √ | To be implemented | - | 12.22 |
| 11 | Penang | √ | √ | - | 16.73 |
| 12 | Wilayah Persekutuan (Kuala Lumpur, Putrajaya and Labuan) | √ | To be implemented | - | 34.38 |
| 13 | Sabah | √ | To be implemented | - | 13.93 |
| 14 | Sarawak | In Progress | N/A | - | 15.26 |
| Total | | | | 55.00 | 171.70 |

* as at March 2018

Findings and Recommendations from Business Licensing Manual Labs

Reduction in Application Forms

The lab sessions found that local authorities have different number of forms for application for a business licence. The manual proposed to reduce the number and to use a standard set of forms throughout the application process. These changes would save time and cost in completing, processing and printing the forms.

Licence Approval Period

The time required for license approval at local authorities is 'within 30 days', pending the approval of the Licensing Committee. For greater efficiency, the manual recommended to divide applications into three categories with different time required for approval:

- 1 day approval - if application is completed;
- 7 day approval - for incomplete application; and
- 30 day approval - for applications involving 'risk' and those requiring approval from the Licensing Committee.

Validity Period of Licence

The manual recommended that the business community be given the option to apply for a yearly or 3-year licence renewal term. This can increase productivity for both the local authority and the business community.

Delegation of Approval Authority

The approval of an application requires the approval of the licensing committee which may only meet monthly. The manual recommended approval authority be delegated to specific officials to speed up the approval process.

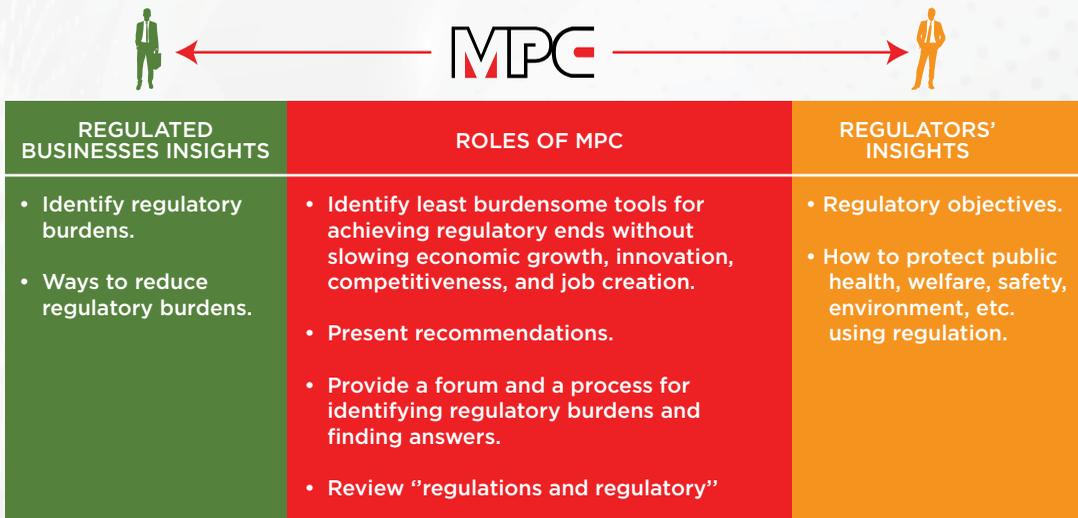
2.3 Reducing Unnecessary Regulatory Burdens

Reducing Unnecessary Regulatory Burdens (RURB) program, a part of Modernising Business Regulation agenda, focuses on improving the quality of existing business regulations and its administration (by way of ex-post review). RURB helps the regulated businesses to identify regulatory burdens and provide options and recommendations and present them to regulators in a credible way.

Through RURB, redundant and unnecessarily burdensome and outdated regulations will be removed or modified; this will contribute to a more competitive private sector by lowering the cost of doing business. The economic and social costs of burdensome legislation are high, involving substantial government resources and significant burden to the business and wider community. Thus, it is pertinent to review regulations to ensure regulations remain up to date, cost justified and effective, does not impede efficiency, productivity and innovation as well as deliver the intended policy objectives.

Figure 2.2: RURB Value Proposition

RURB helps regulated business **identify regulatory burdens, suggest solutions** and then **present them to regulators in a credible way**. RURB covers written regulation and its administration



In conducting the reviews of existing written regulations and how they are applied, six core principles provide the framework to assess the quality of regulations and help identify where unnecessary burdens on businesses could be reduced.

Six core principles for assessing regulations and its administration :

Principle 1: Have a proportionate and targeted **response to the risk** being addressed;

Principle 2: **Minimise adverse side-effects** to only those necessary to achieve regulatory objectives at least cost;

Principle 3: To have a **responsive approach** to incentivise compliance with regulation;

Principle 4: Ensure all written regulations are consistent and that regulators **interpret and apply them consistently. Avoid duplication and overlap** of regulations and regulators;

Principle 5: Adopt **transparency** criteria, so interested parties are regularly consulted, it is clear to businesses what their legal obligations are, and that all regulations are easily accessed by everyone; and

Principle 6: **Accountability** so that businesses can seek explanations of decisions made by regulators, as well as an avenue for appeal and through **probity** provisions in order to reduce corruption.

Throughout the period of 2016 to 2017, there were 17 RURB projects that have been successfully delivered. It is estimated that the potential compliance cost reduction from a “full” implementation of the RURB recommendations is RM 1.8 billion.

The potential for reduction of compliance cost is significant from RURB studies as illustrated in Table 2.2

Table 2.2: RURB Projects

Year 2016

| No | RURB projects | Compliance Cost (RM mil.) | Potential reduction of compliance cost (RM mil.) |
|--------------|--|---------------------------|--|
| 1 | Air Freight Services: Charter Flight Approval | N/A | 180.0 |
| 2 | Higher Education: Accreditation of a Nursing Programme | N/A | 83.7 |
| 3 | Processed food products | N/A | 800.0 |
| 4 | Professional services to construction industry | N/A | 58.3 |
| 5 | Commercial Vehicle Licensing in Sarawak | N/A | 11.7 |
| Total | | N/A | 1,133.7 |

Year 2017

| No | RURB projects | Compliance Cost (RM mil.) | Potential reduction of compliance cost (RM mil.) |
|--------------|---|---------------------------|--|
| 1 | Distributive Trade Services - Retail Trade | 7,736 | 429.0 |
| 2 | Maintenance, Repair and Overhaul (MRO) in O&G Services Industry | N/A | 48.0 |
| 3 | Courier services | 165 | 16.0 |
| 4 | Regulatory Innovation of Customs' Standard Operating Procedure on LMWs Scrap Disposal | 8.3 | 4.1 |
| 5 | Transshipment of Vehicle at Port Klang | N/A | 45.0 |
| 6 | Case study : Simplification of Export Clearance (K2 Data Elements) for Express Cargo | 368 | 92.0 |
| 7 | Case study : Removing Customs Official Receipt (COR) Record Keeping Requirement for GST | 6 | 6.0 |
| 8 | Case study : Improving Document Compliance for Sea-Rail Transshipment Cargo | N/A | 100.0 |
| 9 | Case study : Simplification of Customs Seals Procedures for Rail Cargo Transshipment | 3 | 3.0 |
| 10 | Case study : Review implementation of 100% Customs Scanning at North Butterworth Container Terminal (NBTC) | 12.6 | 12.6 |
| 11 | Risk - Based Inspection (RBI) For Dealing With Construction Permits For Small Scale Non - Residential Development In Kuala Lumpur | N/A | N/A |
| 12 | Improving Efficiency In Dealing With Construction Permits For Private Hospitals | N/A | N/A |
| Total | | 8,298.9 | 755.7 |

Source : MPC 2017

Note: potential reduction compliance cost will include opportunity costs
N/A=Not Available

RURB Highlights

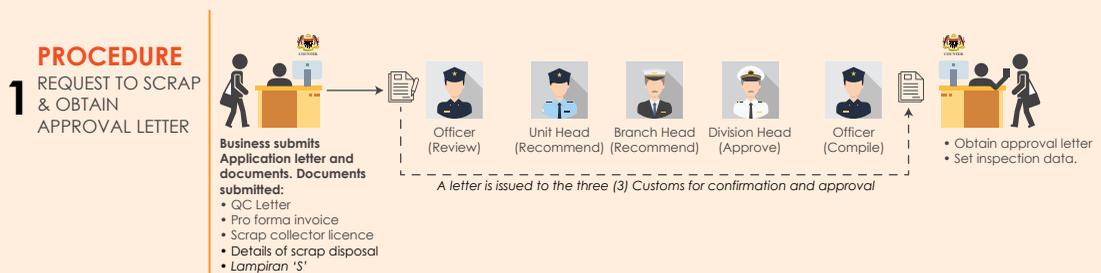
Two projects are highlighted in this report to illustrate expected savings on both compliance cost and administrative cost to businesses and regulatory administrators. The project on the improvement of Customs procedures dealt with disposal of scraps from Licensed Manufacturing Warehouses (LMWs) while the project on landing permit for charter flight under the civil aviation regulation dealt with delay in the permit approval process.

i. Regulatory Innovation of Customs' Standard Operating Procedure on LMWs Scrap Disposal

LMW is a premise licensed under section 65A of the Customs Act 1967 to facilitate export-oriented companies. However, the disposal of manufacturing scraps, including the disposal of obsolete machines, are subjected to Customs Standing Order No. 27 to ensure that appropriate duties are paid on the salvage value from the disposal. The As-Is Customs Standard Operation Procedure (SOP) requires 100% inspection of scrap for disposal resulting in an average 20 days waiting time for approval.

Box Item 2.1: RURB on Scrap Disposal Approval for LMW

As-Is Standard Operating Procedure



Total compliance and administration costs for 138 LMWs is RM8.77 million per year

1. Assume 2 LMW personnel with salary of RM 2,500 are needed for scrap process application. Estimated Compliance Cost per year on LMWs; 2 staffs × RM 2,500 (avg. salary) × 12 Months × 138 LMWs = RM 8,280,000
2. Estimated Administrative Cost on Customs:
8 Officers × RM 5,000 (avg. salary) × 12 months = RM 480,000
Inspection Costs (travelling claims); RM 0.70 per KM × 70 avg. distance (KM) × 343 applications = RM 16,807
Total administrative cost per year on customs = RM 496,807
3. Total compliance (1) and administration costs (2) = RM8,776,807

Changing the 100% mandatory inspection to self-inspection

Amend Customs Standing Order No. 27 on the mandatory requirement "shall be witnessed by senior officers of the Customs" to other instrument/mechanism allowing maximum flexibility for affected groups to achieve compliance. This would reduce the waiting time for inspections. Among the options to be considered is applying risk-based inspection with self-inspection and declaration.

Total costs saving for 138 LMWs is RM4.38 million per year

1. Assume 1 LMW personnel with salary of RM 2,500 needed for scrap process application.
Estimated Administrative Cost on Business
 $1 \text{ staff} \times \text{RM } 2,500 \text{ salary} \times 12 \text{ months} \times 138 \text{ LMWs} = \text{RM } 4,140,000$
2. Estimated Administrative Cost of Customs is:
 $4 \text{ Officers} \times \text{RM } 5,000 \text{ salary} \times 12 \text{ months} = \text{RM } 240,000$
Inspection cost (travelling claims) = RM 16,807
3. Total cost savings from compliance (1) and administration costs (2) = RM8,776,807

Source: MPC 2016; Regulatory Innovation of Customs Procedure on LMW Scrap Disposal

As can be seen in box item 2.1, the potential cost savings are significant for both LMWs and Customs. The other positive outcomes for LMWs are that they will be able to close their accounts early, reduce their regulatory paperwork and improve the utilization of warehousing space. For the Customs, there is the reduction of administrative resources and limited staffs can be deployed for other revenue-generating activities.

ii. Landing Permit for Charter Flight

Charter flight business for both passenger and cargo has become a significant revenue earner for airlines in the country and is subject to regulations stringent. RURB study illustrates significant opportunity to reform the current process for the issuance of Landing Permit for Charter Flight. The legislations for charter flights, the Civil Aviation Act 1969 and the Malaysian Aviation Commission Act 2015 are under the purview of the Department of Civil Aviation (DCA) and the Malaysian Aviation Commission (MAVCOM) respectively. Currently, charter flight businesses encounter long waiting time for landing permits (7 days for cargo flight and 14 days for passenger flight).

The study indicated that, for cargo charter flight, the approval process can be shortened by more than 50% and for passenger charter flight by more than 70%. Greater efficiency in the approval process can facilitate charter flight business and improve logistics efficiency. The study proposed to reduce waiting time to 3 days with estimated potential compliance cost savings of up to RM180 million per year for the air charter industry.

Box Item 2.2: RURB on Landing Permits for Charter Flights

As-Is Process: Time taken to issue Landing Permits to Charter Flights

The current approval process takes around 7 days for a landing permit for cargo charter flights and 14 days for passenger charter flight. The figure below illustrates the As-Is application process.



The study found that there were 10 documents required for the application and of these, some were same documents required in every application from the same company. The documents required were:

- 1) Letter of designation from State's Civil Aviation Authority
- 2) Air Operator Certificate (AOC)
- 3) Certificate of Registration (COR)
- 4) Certificate of Airworthiness (COA)
- 5) Aircraft Leasing Certificate
- 6) Slot Time Confirmation
- 7) Insurance Coverage
- 8) Details of Manifest (Inbound/Outbound)
- 9) Details of Cargo Manifest
- 10) Letter of Commitment / Declaration

Proposed Process: Reduction in waiting time to 3 days

The revised approval process will reduce the waiting time to 3 days for both passenger and cargo charter flights.



MAVCOM will require only three documents for applications from both passenger and cargo charter flight applications from domestic airlines since most of the required information is available in the DCA database. The three documents required are:

- 1) Copy of slot time confirmation
- 2) Copy of insurance coverage
- 3) Copy of detailed passenger inbound/outbound; and/or copy of detailed cargo manifest

Foreign airlines are required to submit seven documents. The number of documents will also be reduced once the authorities have their information in the databases. Upon implementation of the proposal, the following documents are required for applications from foreign airlines:

- 1) Copy of Air Cargo Certificate (AOC)
- 2) Copy of Certificate of Registration (COR)
- 3) Copy of Certificate of Airworthiness (COA)
- 4) Copy of aircraft leasing (if any)
- 5) Copy of slot time confirmation
- 6) Copy of insurance coverage
- 7) Copy of detailed passenger inbound/outbound; and/or copy of detailed cargo manifest

Calculation of Potential Compliance Cost Savings

Potential compliance cost savings for this project is estimated at RM180 million per year based on an average 15 applications per month and reduction of processing time from seven to three days.

- Assuming each charter flight operator suffers loss of RM250,000.00* per day for any delay. (*standard cost used by MPC for logistic industries)
- The calculation of potential compliance cost savings:
12 months x 15 applications x 4 days x RM250,000.00 = RM180 million

Source MPC 2016, Project Closure Report - RURB: Landing Permits for Charter Flight

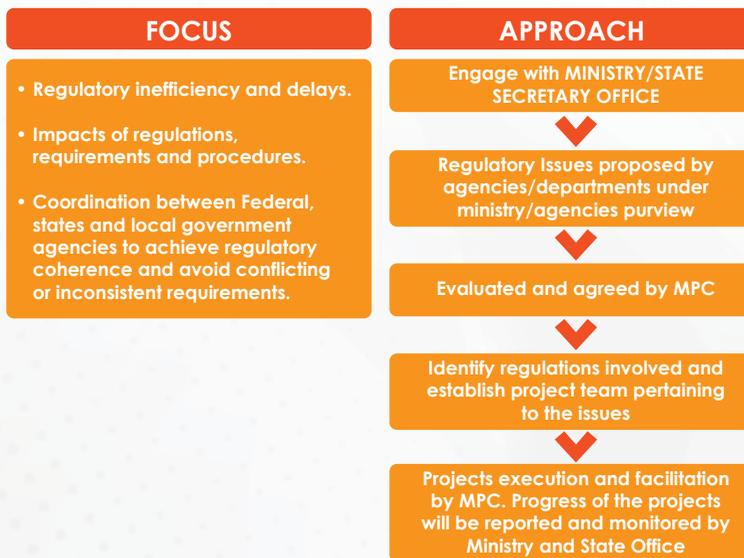
2.4 Cutting Red Tape

In 2016, MPC introduced Cutting Red Tape (MyCURE) as part of the Government's on-going campaign to improve public service delivery and facilitate ease of doing business. MyCURE is aimed at assisting regulators to identify and undertake regulatory review and administrative simplifications at their own initiative. It uses tools and techniques such as Lean and Regulatory Impact Analysis (RIA). The approach of MyCURE is in Figure 2.2

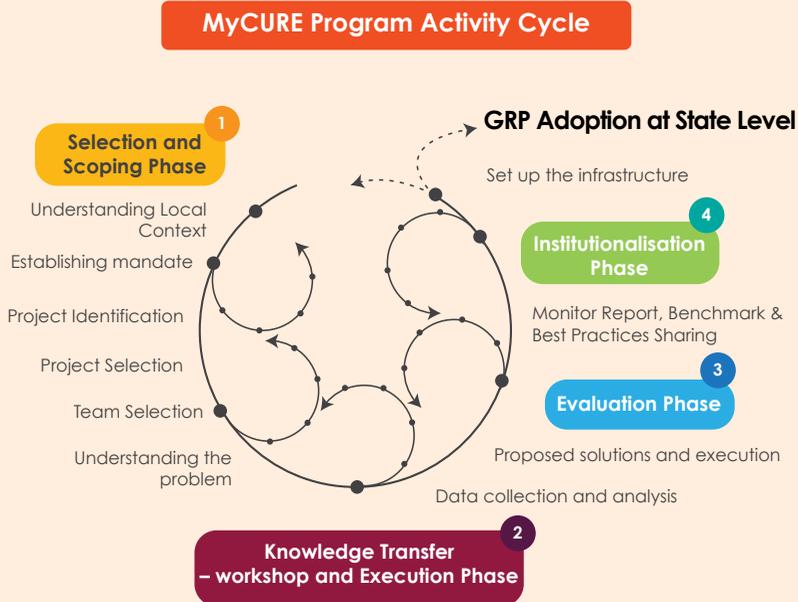
What is "Red Tape"?

- "Red tape" refers to any **non-essential procedures, forms, licences, and regulations** that adds time and costs when dealing with **the Public Sector**.
- Includes anything **obsolete, redundant, wasteful or confusing procedures** that increases inefficiency and costs, wastes time and resources and stands in the way of job creation and economic competitiveness.

Figure 2.3: Focus and Approach of MyCURE



Box item 2.3: MyCURE Activity Cycle



MyCURE has been initiated by MPC to encourage and equip government agencies with the necessary capacity to undertake their own regulatory review.

A typical MyCURE activity cycle begins from Scoping to Knowledge Transfer & Execution, Institutionalisation and Evaluation Phases. The smaller cycles indicate possible repetition, should the need arises.

Selecting the issues for MyCURE review should take into account resource availability and action plan to address the issues effectively. Identifying champions within or across departments is also critical as they act as change agents to promote the programme and engage stakeholders in dialogue and feedback.

Initial workshop will be conducted to assist regulators Identify and select issues, define problem and undertake process mapping. The issues are systematically analysed with appropriate diagnostic tool, consultation visits and public consultation to verify extent of the issues. Workshop 2 will be conducted to facilitate data collection and calculation of compliance cost and Workshop 3 will be to analyse and identify performance gap and undertake benchmarking. Subsequent Workshop will brainstorm for best practices, possible solutions and implementation of recommended best option.

There will be continuous monitoring and evaluation to celebrate success, learn from failures, and conceptualise the next cycle of red tape reduction. MyCURE provides regulators a learning process to undertake future regulatory review.

Ten Mycure projects have been undertaken for Pahang and Kedah since December 2016.

Table 2.3: MyCURE Projects

KEDAH

| No | Project | Regulator | Description | Potential Reduction of Compliance Cost (RM mil) |
|--------------|---|--|---|---|
| 1 | Issuance of logging licence | Kedah State Forestry Department | An approval takes a minimum of 6 months but could be up to three to four years. In the event of a delay, the logger incur cost as premium for the timber licence has been paid upon the initial approval. | 5.30 |
| 2 | Application for replacement of lost grant | Kedah Department of Lands and Mines | The application process for replacement of lost grant takes at least 180 days to a year. Delay resulted in the customer being unable to perform any other transactions. | 0.75 |
| 3 | Low Collection of Assessment Arrears | Alor Setar City Council | The collection covers only 25% of the arrears due. 96% of the arrears is owed by Individuals. | 1.27 |
| 4 | Delay in approval of application for Rock Permits (4C) | Kedah Department of Lands and Mines | The decision on the 4C permit application is made by JK OSC @ PTD, JK OSC @ PTG or MMKN depending on the type of application. It averagely takes 18 - 20 months. The delay may lead to the risk of theft and the unauthorised removal of rocks. | 1.065 |
| 5 | To reduce number of and expedite response to complaints | State Secretary Kedah - Corporate Division | Complaints by customers can be made through 6 channels. Agency does not respond within 5 working days and action is not taken within 15 working days from the date of receipt of the complaint. | 1.92 |
| Total | | | | 10.31 |

PAHANG

| No | Project | Regulator | Description | Potential Reduction of Compliance Cost (RM mil) |
|--------------|--|---|--|---|
| 1 | Processing Offer and Sales of PAKR/ Private house/ PRIMA | State Secretariat Housing Division Pahang | Delays in the selection and bidding processes of applicants cause houses to be vulnerable to repair and unnecessary maintenance which is borne by the state government. | 5.12 |
| 2 | Issue of Halal Certificate | Pahang Islamic Religion Department | Application is made via On-Line www.halal.gov.my and MYe-HALAL and takes at least 30 days for halal certificate to be approved. The project target is to reduce the processing time and the duration of submission of Halal Certificate by 50%. | 1.34 |
| 3 | Approval of Hawker Licence in designated location | Temerloh Municipal Council | Each building premise and business operator within the TDA administration area must apply for land approvals, premise approval, Registration & Business Licensing application. All building structures must obtain Planning Permission and Approval of Building Plan before commencement of any works. | 1.27 |
| 4 | Delay in Approval of Planning Permission | Tioman Development Authority (TDA) | Planning Permission is a written approval or authorisation from PBPT on an application for proposed development. Applicants have to wait for a long time to obtain Planning Permission. | 1.87 |
| 5 | Delay in Approval of Planning Permission | Department Town and Country Planning, State of Pahang | Planning Permission (KM) is the permission granted, with or without conditions to carry out development. KM is a written approval or authorisation from PBPT on an application for proposed development. Applicants have to wait for a long time to obtain Planning Permission. | 1.12 |
| Total | | | | 10.72 |

Box item 2.4: Delay in Processing Affordable Home Applications, Pahang State

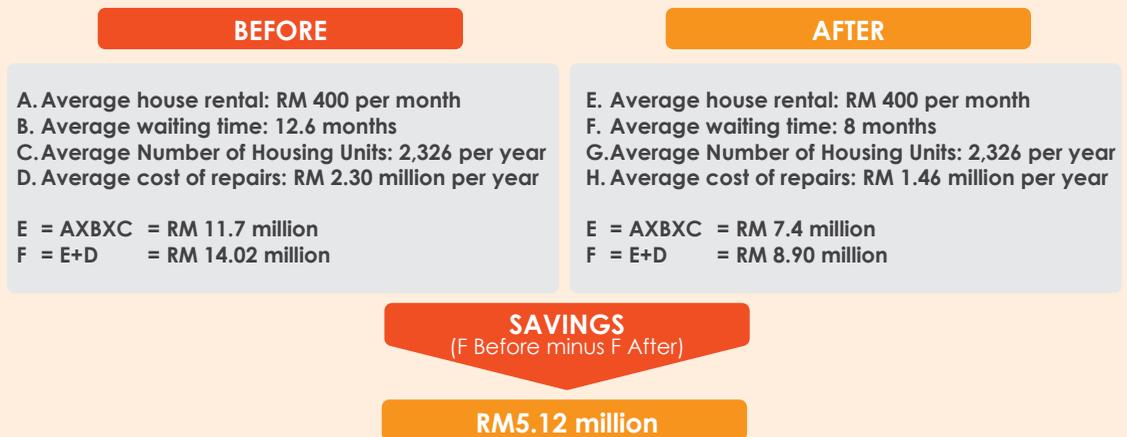
An example of MyCURE project at state level is the application for public low cost housing in Pahang which is processed by the Housing Division, Pahang State Secretary Office. Among the issues faced by applicant was the long waiting-time of almost 12.6 months. As at end of 2017, about 400 units had not been allocated. Delays in the selection and bidding processes had caused vacant houses to be vulnerable to repair and unnecessary maintenance. The cost for the repair was borne by the state government and was increasing every year.

Findings indicated that among factors contributing to the delays were:

- the selection of applicant involved 3 stages of screening,
- failure of applicant to obtain loan,
- amendments to Majlis Mesyuarat Kerajaan paperwork; and
- confirmation of property ownership of applicant.

Prior to MYCURE review, the selection procedure involved 14 processes. After the review it has been reduced to 10 work processes with improvements made to 3 existing processes. This improvement contributed to the reduction of waiting time from 12.6 months to 8 months, a saving of 4.6 months.

Details of cost savings:

**Box item 2.5 : Export and Import issues of agricultural products governed by Malaysian Agricultural Quarantine and Inspection (MAQIS)**

An example of MyCURE project at federal government level is the MAQIS project on export and import permit. With effect from 1 March 2013, the Malaysian Agricultural Quarantine and Inspection (MAQIS), an agency under the Ministry of Agriculture and Agro-Based Industry (MOA), became the inspection and permit and licence issuing authority for the import and export of animals, plants, carcasses, fish, agricultural products, soils and micro-organisms (except for permits issued under the Plant Quarantine Act 1976).

MAQIS is responsible for the enforcement of the Malaysian Quarantine and Inspection Services Act 2011 (MAQIS Act 2011) and regulations relating to inspection, quarantine and enforcement. The purpose of creating a one-stop centre for managing the inspection of goods moving across the border of the country and the issuance of their permits, is to improve efficiency.

The Federation of Malaysian Manufacturers (FMM) has highlighted:

- inconsistency in the import/export permit requirements in the Customs Prohibition Order and the MAQIS Act;
- concern over the sharp increase in permit and inspection fees by MAQIS for a number of products; and
- permit requirement by MAQIS on a number of items namely canned fish products, milk related products and the quotas imposed by MAQIS for the importation of fresh milk and water and non-aerated beverages.

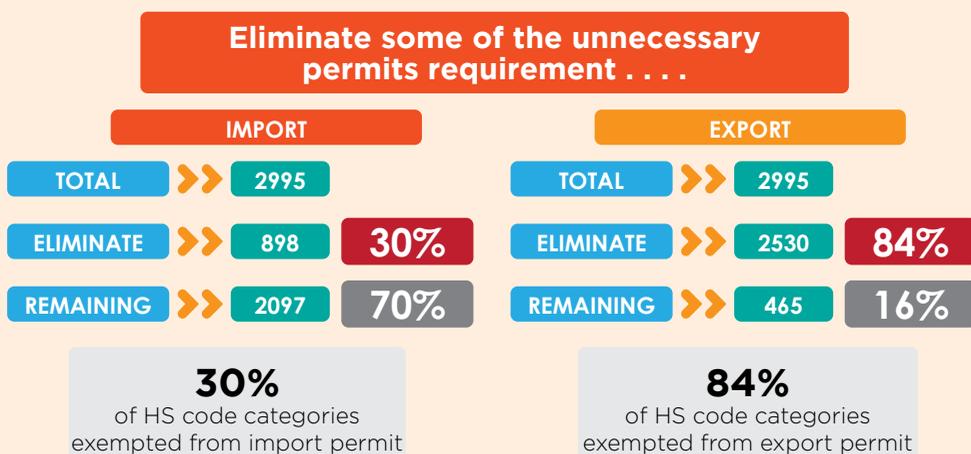
Phase 1 of the MAQIS project undertaken by MAQIS and MPC identified two main issues:

- overlapping jurisdiction among various agencies such as DVS, Department of Agriculture (DOA), LKIM and Food Safety and Quality Division (FSQD) of the Ministry of Health; and
- import and export permits requirement imposed by MAQIS on processed foods that contain agricultural based products such as milk, fish, cocoa and others which is in contradiction with the MAQIS Act.

MPC has recommended to MAQIS:

- to establish clear boundaries of its authority to avoid overlapping functions among technical agencies;
- to provide exemption for import permits on items subject to disease control
- to coordinate among relevant agencies to determine precisely the definition of a specific product
- to develop a list of products that require import and export permits.

The revised Customs (Prohibition of Import and Export) Order 2017 has been gazetted on 1st April 2017. Under the revised order, 84.4% of export permit and 30% of import permit requirements have been eliminated. The potential compliance costs savings from the MAQIS project is estimated at RM330.4 million.



MOA and Technical Agencies has approved and agreed on the new revised list on 7 April 2016

CALCULATION OF COMPLIANCE COST SAVINGS

Permit Fee : RM 15 / per permit
 Inspection Charges : Estimated Min RM 450 to Max RM 500 per TEU
 (Source : Letter from FMM)

Table 1 :
Permit Issuance by MAQIS in 2015

| Commodity | Import | Export |
|---------------------------------|----------------|---------|
| Agricultural Produce | 7,793 | 126,267 |
| Plant and agricultural products | 91,271 | 65,833 |
| Live fish | 13,873 | 22,760 |
| Live animal | 46,019 | 100,446 |
| Fresh fish and fish products | 49,238 | 37,965 |
| Total | 208,194 | 37,965 |
| Grand Total | 561,465 | |

Permit Fee : RM 15 x 561,465 = 8,421,975
 Estimated reduce permit : 52% x 8,421,975
 = **RM 4,379,427**

Table 2 :
**Estimated TEU (21,600 KG per TEU)
 For import & Export**

| Commodity | Import | Export |
|---------------------------------|------------------|--------|
| Agricultural Produce | 6,692 | 26,288 |
| Plant and agricultural products | 1,239,983 | 76,721 |
| Live fish | 4,108 | 10,037 |
| Live animal | 4 | 7 |
| Fresh fish and fish products | 20,324 | 9,151 |
| Total | 1,271,111 | 9,151 |
| Grand Total | 1,393,315 | |

Inspection Charge : RM450 x 1,393,315
 Estimated 52% saving : **RM 326,035,710**

Compliance Cost Saving RM 330,415,137

Table 2.4 Potential Compliance Costs Savings from MBL, RURB and MyCure Projects

| | 2016 (RM Mil) | 2017 (RM Mil) |
|--------------|------------------------|------------------------|
| MBL | 55.00 | 171.70 |
| RURB | 1,133.70 | 755.70 |
| MyCURE | - | 351.43 |
| Total | RM 1.18 Billion | RM 1.27 Billion |

Table 2.5 No of projects for MBL, RURB and MyCure

| | 2016 | 2017 |
|--------------|-----------|-----------|
| MBL | 5 | 9 |
| RURB | 5 | 12 |
| MyCURE | - | 11 |
| Total | 10 | 32 |

CHAPTER 3 - COMPLIANCE WITH REGULATORY PROCESS MANAGEMENT

MANAGEMENT

3.1 GRP Implementation Activities 2016/2017

Since the introduction of Good Regulatory Practice (GRP) in Malaysia through the National Policy on Development and Implementation of Regulation (NPDIR) in 2013, efforts to promote NPDIR among regulators of the federal government have been intensified.

During 2016-2017, a series of programmes involving the participation of regulatory coordinators (RCs) of ministries were held. These programmes sought to increase the understanding of RCs and to obtain feedback on challenges encountered in the implementation of NPDIR. RCs have been appointed in each regulator to coordinate and liaise with Malaysia Productivity Corporation (MPC) on regulatory activities. As at 31 Dec 2017, 360 RCs have been registered with MPC compared to 357 in 2016. Stakeholders were also included in these programmes as their support and contribution are vital to the success of NPDIR.

3.1.1 Open Day of Good Regulatory Practice (GRP)

A GRP Open Day was held on 29 August 2017 in Kuala Lumpur with the objectives of enhancing regulators' and stakeholders' understanding of GRP and to widen knowledge through the sharing of best practices. The event was also an opportunity for MPC to accord recognition to the Ministries which have actively implemented NPDIR. A total of 417 participants from public and private sectors took part in this programme. Prominent speakers were invited as panelists to share their views on good regulatory practice under the theme "Accelerating Efforts to Enhance Business Ecosystem". Among the topics discussed were the impact of poorly formulated regulations, quality regulations and economic recovery, managing risks and cutting unnecessary red tape.

3.1.2 National Convention on Good Regulatory Practice (GRP)

The first National Convention on GRP was held in Kuala Lumpur on 5th October 2017 and attended by 655 participants from both public and private sectors. The convention sought to inculcate the 'GRP culture' in policy formulation and to enhance awareness of the impact of quality of regulations on economic growth. The Convention was also an opportunity for regulators to exchange views on practices of GRP.

A discussion session highlighted the challenges in ensuring effective stakeholder engagement. Stakeholder must be given a channel to provide input in the process of rule-making as they can anticipate potential impact, offer alternative suggestions, and most importantly, will be impacted by the regulations. It is imperative that regulators ensure that sufficient information on proposed regulations or the drafts of the regulation be made publicly available to enable effective stakeholder feedback. The consultation process also enables better business planning. It was emphasised by many participants that introduction of new or amended regulations should be managed effectively and efficiently to avoid business disruptions. In an increasingly competitive environment, poorly designed or executed regulations would pose additional burden to the business community.

3.2 Progress of GRP Implementation 2016-2017

The regulatory process management requirements under NPDIR specifies that all federal government regulators are to comply with the principles of GRP, including the need for regulatory impact analysis (RIA), regulatory impact statement (RIS) and public consultation when introducing new regulations or reviewing current regulations, particularly in relation to regulations that relate to or impact business, investment and trade. RIA is required for all proposals expected to have significant impact on businesses or consumers.

3.2.1 Regulatory Notification

Regulators are required to submit Regulatory Notification (RN) and to notify MPC on any proposals for new regulations or amendment to existing regulation. Through the RN, MPC will determine if an RIA is required. Exemption from RIA are given if the impact of the proposed regulatory action is minor in nature and does not substantially alter existing arrangement. Exemptions are also allowed for security purpose. In some cases, regulators may also withdraw the RN from consideration if they decide that they are not ready to proceed with the proposed regulation. For 2016 and 2017, MPC received 75 and 70 RNs from 22 and 28 regulators respectively compared with 55 RNs received in 2015. This trend is encouraging as it indicates increasing awareness of GRP among regulators. The lists of RNs received are in Table 3.1. (Complete list of RN received are in Annexes 2 and 3).

Table 3.1: Status of Regulatory Notification (RN) (as at 31 Dec)

| No | Regulatory Notification (RN) | 2015 | 2016 | 2017 | Total |
|----|-----------------------------------|------|------|------|-------|
| 1 | RN Received | 55 | 75 | 70 | 200 |
| 2 | Exemption (RIA is not required) | 15 | 16 | 10 | 41 |
| 3 | RN Withdrawn | 5 | 17 | 4 | 26 |
| 4 | RN in progress | 1 | 9 | 0 | N/A |
| 5 | Proposal Undertaking RIA Process | 33 | 30 | 56 | 119 |
| 6 | Number of Regulators Submitted RN | 11 | 22 | 28 | N/A |

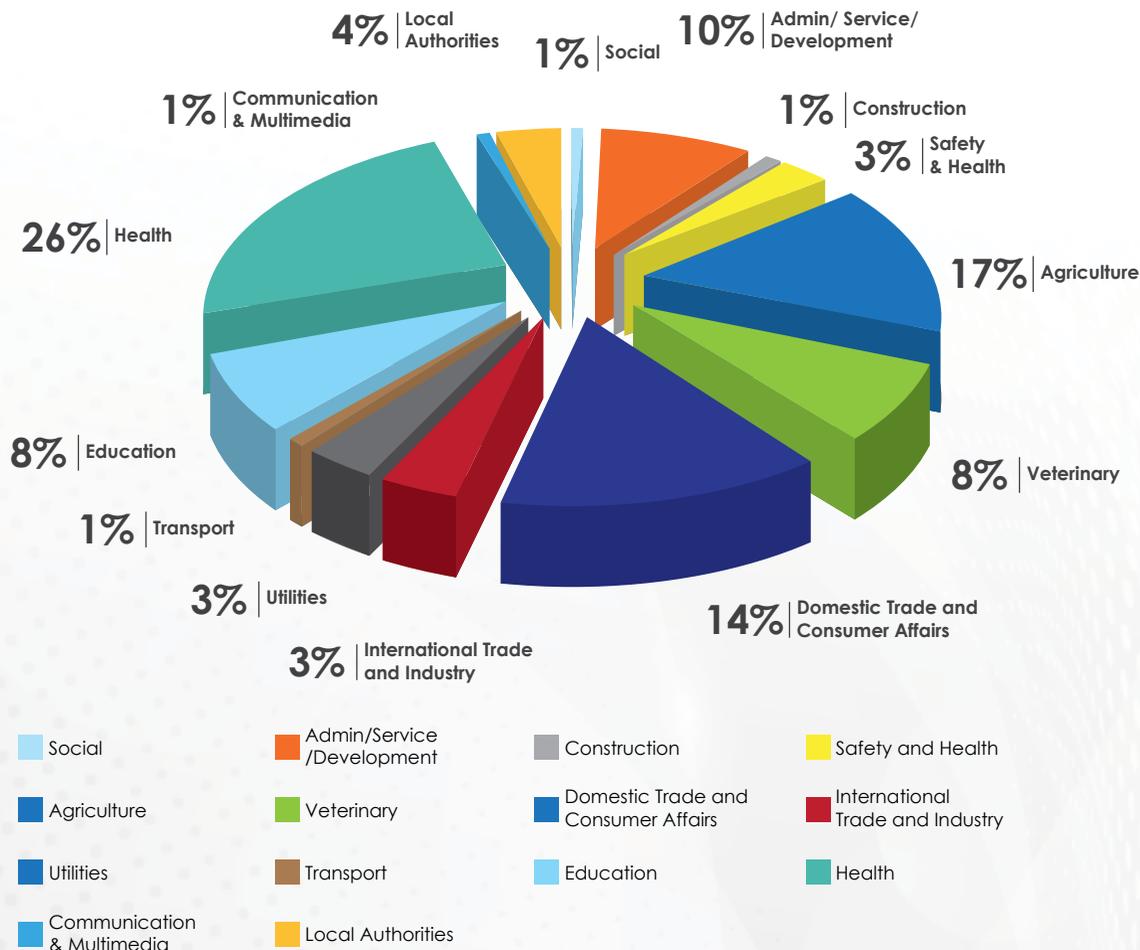
Table 3.2: RN Received Under Respective Ministries (2016 and 2017)

| No | Ministry | 2016 | 2017 | Total |
|--------------|--|-----------|-----------|------------|
| 1 | Ministry of Health (MOH) | 21 | 16 | 37 |
| 2 | Ministry of Agriculture and Agro-based Industry (MOA) | 26 | 11 | 37 |
| 3 | Ministry of Domestic Trade and Consumer Affairs (KPDNHEP) | 12 | 10 | 22 |
| 4 | Ministry of Higher Education (MOHE) | 1 | 11 | 12 |
| 5 | Ministry of Human Resources (MOHR) | 4 | 3 | 7 |
| 6 | Ministry of Federal Territories (KWP) | 6 | 0 | 6 |
| 7 | Ministry of Urban Wellbeing, Housing and Local Government (KPKT) | 0 | 5 | 5 |
| 8 | Ministry of Tourism and Culture Malaysia (MOTAC) | 0 | 3 | 3 |
| 9 | Ministry of Natural Resources and Environment (NRE) | 0 | 4 | 4 |
| 10 | Prime Minister's Department (JPM) | 1 | 1 | 2 |
| 11 | Ministry of Energy, Green Technology and Innovation (KETTHA) | 0 | 2 | 2 |
| 12 | Ministry of Works (KKR) | 0 | 1 | 1 |
| 13 | Ministry of Communication and Multimedia Malaysia (KKMM) | 0 | 1 | 1 |
| 14 | Ministry of International Trade and Industries (MITI) | 0 | 1 | 1 |
| 15 | Ministry of Finance (MOF) | 2 | 1 | 3 |
| 16 | Ministry of Plantation Industries and Commodities (MPIC) | 1 | 0 | 1 |
| 17 | Ministry of Women, Family and Community Development (KPWKM) | 1 | 0 | 1 |
| Total | | 75 | 70 | 145 |

Regulatory Notification by Category

The largest number of RN received for 2016-2017 was from the health sector which constitute 25% of total RN received. This is followed by agriculture 17% and domestic trade and consumer affairs 12%. They were similarly active in 2014-2015.

Figure 3.1: Category of RN



3.2.2 Regulatory Impact Statement (RIS)

Regulatory Impact Statement (RIS) is the document containing the regulatory impact analysis (RIA) and conclusion submitted for consideration of the decision-maker. Section 3.2.2 of NPDIR specifies that where RIS is required, it will be submitted to National Development Planning Committee (NDPC) which will examine the RIS for compliance to GRP process and principles as found in the Best Practice Regulation Handbook. MPC is responsible for assisting NDPC in assessing the adequacy of the RIS based on the prescribed process and requirements under the handbook. RIS is considered adequate if all the elements have been fulfilled.

The Best Practice Regulation Handbook identifies 7 elements essential for GRP. These are:

1. Statement of the problem or issue that caused the need for action.
2. Desired objectives.
3. Range of options for achieving the desired objectives.
4. Assessment of the impact of each option.
5. Stakeholder consultation.
6. Conclusion and recommended option.
7. Strategy to implement and review the recommended option.

MPC assessed 21 and 25 RIS during the year 2016 and 2017 respectively.

Table 3.3: Status of Regulatory Impact Statement (RIS) (as at 31 Dec)

| No | Regulatory Impact Statement (RIS) | 2015 | 2016 | 2017 | Total |
|----|------------------------------------|------|------|------|-------|
| 1 | RIS Submission* | 6 | 21 | 25 | 52 |
| 2 | RIS In Progress | 0 | 0 | 10 | 10 |
| 3 | Number of Regulators Submitted RIS | 4 | 6 | 12 | N/A |

(Complete list of RIS received are in Annexes 4 and 5)

3.3 Outreach and Training Programmes

Advisory services increase from 24 during 2014-2015 to 66 during 2016-2017, indicating increased awareness and interest among the regulators. During 2016-2017, MPC conducted 20 workshops on RIA and 12 seminars to further enhance knowledge on GRP.

Table 3.6: Summary of outreach and Training Programmes 2016-2017

| No | Activity | 2016 | 2017 | Total |
|----|-------------------------|------|------|-------|
| 1 | Advisory Services | 42 | 24 | 66 |
| 2 | Hand-On Workshop on RIA | 12 | 8 | 20 |
| 3 | Seminar | 6 | 6 | 12 |

Table 3.7 Hands-On Workshop on RIA 2016 - 2017

| No | Ministry/Agency | Date |
|----|---|---------------------|
| 1 | Department of Veterinary Services, MOA | 15-19 Feb 2016 |
| 2 | Bahagian Padi dan Beras, MOA | 13-14 April 2016 |
| 3 | Ministry of Health (MOH) | 20-21 April 2016 |
| 4 | Pharmaceutical Services Division , MOH | 3-5 Mei 2016 |
| 5 | Ministry of Urban Wellbeing, Housing and Local Government | 23-24 Mei 2016 |
| 6 | Federal Agricultural Marketing Authority | 1-2 Jun 2016 |
| 7 | Pembangunan Sumber Manusia Berhad | 27- 29 July 2016 |
| 8 | Ministry of International and Trade Industry | 27 September 2016 |
| 9 | Ministry of International and Trade Industry | 12 Oct 2016 |
| 10 | IUM Entrepreneurship & Consultancy Sdn Bhd | 25-26 Oct 2016 |
| 11 | Ministry of Domestic Trade, Co-operatives and Consumerism | 7 Nov 2016 |
| 12 | Malaysia Productivity Corporation | 28 Nov - 2 Dec 2016 |
| 13 | Ministry of Human Resource | 26-27 Jan 2017 |
| 14 | Ministry of Tourism and Culture | 15-16 Feb 2017 |
| 15 | Department of Agriculture | 22-23 Feb 2017 |
| 16 | Halal Industry Development Corporation | 8-9 March 2017 |
| 17 | Ministry of Health | 29-30 March 2017 |
| 18 | National Halal Policy with HDC, JAKIM, KPDNKK and Jabatan Standard Malaysia., Hotel Bangi-Putrajaya | 19-20 April 2017 |
| 19 | Makmal Halal Malaysia 2017 | 15-16 May 2017 |
| 20 | Companies Commission of Malaysia | 26-27 July 2017 |

Table 3.8 Seminar 2016-2017

| No | Title | Date |
|----|--|----------------|
| 1 | Engagement Session with Regulatory Coordinators (MOA, MITI & MOE) | 6 Apr 2016 |
| 2 | Engagement Session with Regulatory Coordinators (MOH, MOF & KKR) | 6 Apr 2016 |
| 3 | Engagement Session with Regulatory Coordinators (MOTAC, KETTHA & MOT) | 7 Apr 2016 |
| 4 | Engagement Session with Regulatory Coordinators (KPDNKK, KPWKM, KDN & KBS) | 7 Apr 2016 |
| 5 | Engagement Session with Regulatory Coordinators (KKMM, KKLW, KWP, MOFA and MOHR) | 26 Mei 2016 |
| 6 | Engagement Session with Regulatory Coordinators (KPKT, MPIC, MNRE, MOSTI and JPM) | 26 Mei 2016 |
| 7 | Seminar on RIA for SPAN and KeTTHA | 10 Jan 2017 |
| 8 | Engagement Session with Regulatory Coordinators (RCs) on Good Regulatory Practices (GRP) | 17 April 2017 |
| 9 | Engagement Session with Regulatory Coordinators (RCs) on Good Regulatory Practices (GRP) | 25 May 2017 |
| 10 | Engagement Session with Regulatory Coordinators (RCs) on Good Regulatory Practices (GRP) | 26 May 2017 |
| 11 | GRP Day | 29 August 2017 |
| 12 | GRP Convention | 5 October 2017 |

Box Item 3.1: Implementation of RIA – Case Studies

Regulatory Impact Analysis promotes informed, transparent and accountable policy decision-making. Stakeholder consultation assumes an important role in this process. It is a two-way process for the government to seek and receive the views of business and the general public on changes in policy or regulations that affect them directly or in which they may have a significant interest.

RIA influences policy decision-making through coherent analysis that effectively consider and integrate impact assessment from range of dimensions. RIA examines the potential impacts of government actions by focusing on the costs and benefits of a regulatory measure and on the effectiveness of the measure to achieve its policy goals.

Case 1: Amendment of Occupational Safety and Health Regulation on the Noise Exposure

Background

Occupational noise-induced hearing loss (ONIHL) cases reported to the Department of Occupational Safety and Health (DOSH) between 2009 and 2013 were increasing. Rising ONIHL cases has implications on health and economic burden on workers, their families, employers and public health.

Assessment on the RIS

The Regulatory Impact Statement (RIS) on Overcoming and preventing Occupational Noise Induced Hearing Loss in Malaysia was submitted by DOSH to MPC in July 2014 and assessment was carried out based on seven elements of Regulatory Impact Analysis (RIA). MPC assesses RIS for adequacy of analysis according to the prescribed processes, such as completeness of information, depth analysis and extent of consultation.

The RIS submitted by DOSH provided a clear description of the issues that gave rise to the need for intervention by the government. The number of cases of Noise Induced Hearing Loss (NIHL) had increased drastically from 427 cases in 2009, to 867 in 2011, and then sharply to 2197 in year 2013.

The RIS showed that that NIHL was among the most reported cases of occupational diseases received by DOSH. Although the increase in the number of cases reported could be due to greater awareness among employees or employers to report occupational disease, the problem was clearly identified and evidence of its magnitude documented.

Table 1: Statistics of Occupational Diseases reported to DOSH 2009-2013

| Type of disease | 2009 | 2010 | 2011 | 2012 | 2013 |
|-------------------------------------|------|------|------|------|------|
| Noise Induced Hearing Loss-ONIHL | 427 | 809 | 867 | 1395 | 2197 |
| Muscular – Skeletal Disorders – MSD | 57 | 30 | 55 | 95 | 103 |
| Lung Diseases – OLD | 57 | 43 | 65 | 111 | 90 |
| Poisoning | 61 | 15 | 31 | 58 | 57 |
| Skin Diseases - OSD | 53 | 78 | 81 | 48 | 46 |

The Factories and Machinery (Noise Exposure) Regulations 1989 (FMA (Noise Exposure) which came into effect on 10th of December 1988 does not adequately address the issues identified. The purpose of the existing regulation is to provide a legal framework to control exposure of noise, to set permissible exposure limit and exposure monitoring requirement in all factories to prevent employees from being exposed with excessive noise. However, the scope of the current regulation only covers manufacturing, mining, quarrying and construction sectors. Regulation 5 FMA (Noise Exposure) sets the Permissible Exposure Limit (PEL) of noise exposure. Findings from the American Hearing Research Foundation indicate that the PEL need to be reviewed for better protection of workers' health. Enhancing the legal framework to control the exposure of excessive noise to workers at the workplace through setting more acceptable standards, together with more structured and workable arrangements, it will be able to reduce the number of NIHL cases and compensation claim. Therefore, it was appropriate for the government to intervene.

The RIS also spelt out the objectives of the proposed action in clear and measurable terms, with a definite timeline for achieving the benefits:

"The intention of the proposal is to protect workers from the risks to their health arising from exposure to excessive noise in workplace. The desired outcomes are:

- i. Promote good noise management system at the workplace;*
- ii. Reduce the number of cases of occupational diseases or adverse health effects due to exposure to excessive noise by 20% by 2020; and*
- iii. Reduce health and welfare expenditures related to occupational diseases or adverse health effects due to exposure to excessive noise by 10% by 2020".*

The range of solution options for achieving the desired objectives were presented in the RIS. There were 3 options proposed:

- i. Option 1 : Do nothing and maintain the present system
- ii. Option 2 : Maintain the present system; but to develop supporting guidelines and circulars on enforcement approaches.
- iii. Option 3 : Modification of the present system; propose a new regulation and repeal existing regulation.

An assessment of the impact of the range of options on consumers, businesses, government and the community was undertaken with quantification on the costs and benefits for each option.

Table 2: Summary of costs and benefits (in monetary terms) by stakeholders/industry.

| Impact | Option 1 | Option 2 | Option 2 |
|--|---|---|---|
| | Cost/Unit | | |
| A. Quantified Impacts (RM/Year) | | | |
| Benefits | RM 102,794,000 | RM 102,794,000 | RM 940,116,000 |
| Costs | RM 1,472,050 | RM 1,766,460 | RM 1,177,640 |
| Net Benefits | RM 101,321,950 | RM 101,027,540 | RM 938,938,360 |
| | Unit/Year | | |
| B. Quantified Impacts (Non-monetary/year) | | | |
| Expected reduction of NIHL cases per year | - | - | 20% per year |
| No of workers exposed to excessive noise | 103,000 | 103,000 | 942,000 |
| C. Qualitative Impacts | | | |
| List of qualitative impacts (Positive & negative) by stakeholder | Positive 1) N/A Negative 1) NIHL cases will increase 2) Noisy workplaces 3) Low awareness on noise management 4) Compensation claim will increase 5) Workers have no knowledge on safety regarding noise 6) Low productivity 7) Number of sectors affected by NIHL is high | Positive 1) N/A Negative 1) NIHL cases will increase 2) Noisy workplaces 3) Low awareness on noise management 4) Compensation claim will increase 5) Workers have no knowledge on safety regarding noise 6) Low productivity 7) Number of sectors affected by NIHL is high | Positive 1) No. of NIHL cases will decrease. 2) Quieter workplaces 3) Better noise management 4) Compensation claim will decrease. 5) Worker efficiency will increase. 6) Productivity will increase. Negative 1) N/A |

The proposal on NIHL also undertook consultation and engagement with stakeholders.

Table 3: List of stakeholders

| Internal Stakeholder | Affected Stakeholder | External Stakeholder |
|---|------------------------|---------------------------|
| 1. Minister and Deputy Minister of MOHR | 1. Employers | 1. MIHA |
| 2. MOHR Top Management | 2. Employees/workers | 2. PERKESO |
| 3. DOSH Top Management | 3. Suppliers | 3. NIOSH |
| 4. DOSH Officers | 4. Competent Person | 4. MTUC |
| 5. DOSH Legal Advisor | 5. Consultants | 5. FMM |
| 6. NCOSH | 6. Trainers | 6. CUEPACS |
| | 7. Bankers/Financiers | 7. MEF |
| | 8. Insurance Companies | 8. MOSHPA |
| | 9. AGC | 9. SME Corp |
| | | 10. Press/Media |
| | | 11. MSOSH |
| | | 12. SIRIM |
| | | 13. DOE |
| | | 14. ENT Association |
| | | 15. Public |
| | | 16. Academic Institutions |

Public consultation with industries began in March 2011 and final draft completed in April 2012. The RIS was submitted to MPC in July 2014. The mechanisms adopted to ensure compliance and enforcement strategy were also elaborated in the RIS.

The RIS on Overcoming and Preventing Occupational Noise Induced Hearing Loss in Malaysia was assessed to have adequately complied with GRP processes and contained sufficient information for sound decision making. The problem statement and analysis were well supported by adequate data, including cost benefit analysis. Consultation documents and consultation summary were also included in the RIS.

Case 2 : Introduction of Tourism Tax Act 2017

Background

The Parliament passed the Tourism Tax Act on 27 April 2017 imposing levy on tourists staying at any accommodation made available by an operator. The Tourism Tax, which was set at rates of between RM2.50 and RM20 for a night's stay, was to be enforced on 1st July 2017. The main reason for this tax was to generate revenue as it was estimated that the tax would be able to generate revenue of about RM654.62mil based on a 60 per cent occupancy rate of over 11 million hotel rooms in the country.

Affected businesses had 30 days to register for the tourism tax with the Royal Malaysian Customs Department (RMCD) once the regulation came into effect. When registered, a business would be expected to commence charging the tax.

The introduction of the Tourism Tax experienced significant objections from numerous stakeholders, including state governments, as reported in the news media. This resulted in delay in the implementation and also revision of the proposed tax structure. Reviewing the introduction of the Tourism Tax from the GRP perspective provides useful insights.

The intention to introduce the tourism tax was initially announced in [2016]. MPC had taken initiative to brief Ministry of Tourism and Culture (MOTAC) and Ministry of Finance (MOF) on NPDIR and the requirement for RIA for any amendments or new policies. Several attempts were made to follow up on the progress on Regulatory Notification to be prepared by MOTAC.

On 1 March 2017, MPC received a letter from MOF (Pemakluman Mengenai Penggubalan dan Pelaksanaan Akta Cukai Pelancongan 2017), informing MPC on the drafting of Tourism Tax Bill which was to be tabled at the Parliament under urgent matters. MOF was advised to conduct Post Implementation Review (PIR) in 1-2 years from the enforcement date since they have urgently proceeded without RIA.

Lessons learnt from GRP perspective:

Statement of problem/issues: The proposed tourism tax legislation was expected to have a significant impact on tourism and hotel operators. From MPC's investigation, it was found that the problem or issues that gave rise to the need for government action was not clearly articulated. The main reason for the tourism tax appeared to be to generate revenue for the government and to address tourism infrastructure and promotion issues. There was a lack of clarity on how the tourism tax would be resolving these tourism related issues.

Statement of objective: There was lack of clarity on the goals of the proposed action and the timeframe for the benefits to be achieved in resolving the issues articulated.

Stakeholder consultation: There was much reports of stakeholders' adverse reactions to the proposal in the media, mostly were complaints of lack of consultation. The lack of adequate public consultation with affected stakeholders could lead to inappropriate solutions. In this case, changes had to be made to the tax structure and implementation date. The tax was initially set at between RM2.50 to RM20 to be charged for a night's stay on local and foreign tourists. After much complaints, it was then decided that the local tourists will be fully exempted from the tax while foreign tourists will be charged a flat rate of RM10 per night for all types of hotels. Implementation date was postponed several times from 1 July 2017 to 1 Aug 2017 and finally to 1 Sept 2017. The manner the regulation was proposed could be described as an 'ambush' regulation or regulatory surprise as there was insufficient time for stakeholder's engagement and public consultation.

Implementation plan: The tight timeframe set by government, from the time the tax was approved in Parliament (27 April) to the date of its implementation (1 July), was too short for hotel operators

to prepare for the collection of the tax. Adequate time was needed to allow them to adapt their system for the collection of the new tax. In this case, most operators were using a software from a particular firm to run their database and the supplier had difficulties to meet the deadline.

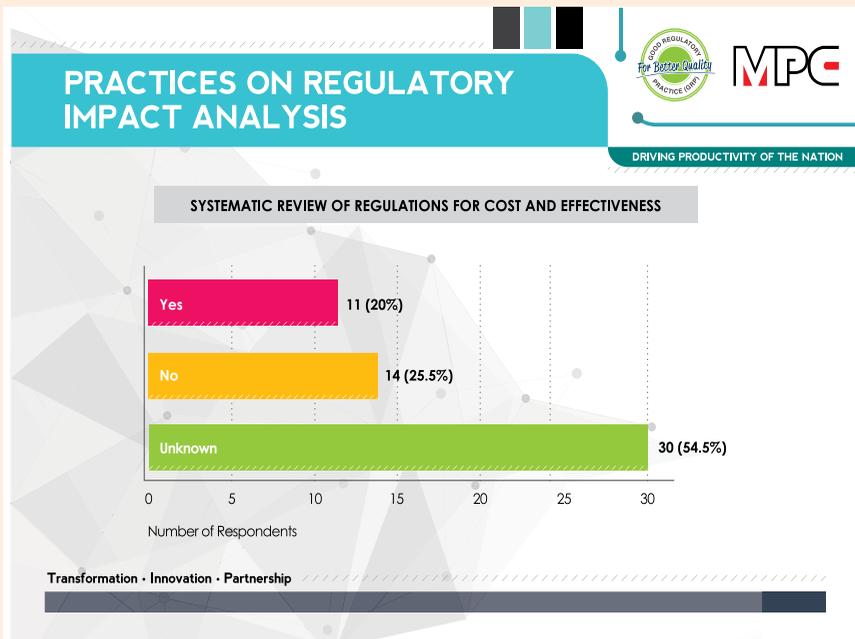
Much of the issues encountered in the implementation of the Tourism Tax could have been avoided through compliance with the prescribed GRP processes outlined in NPDIR.

Box Item 3.2 SURVEY ON THE IMPLEMENTATION OF NPDIR

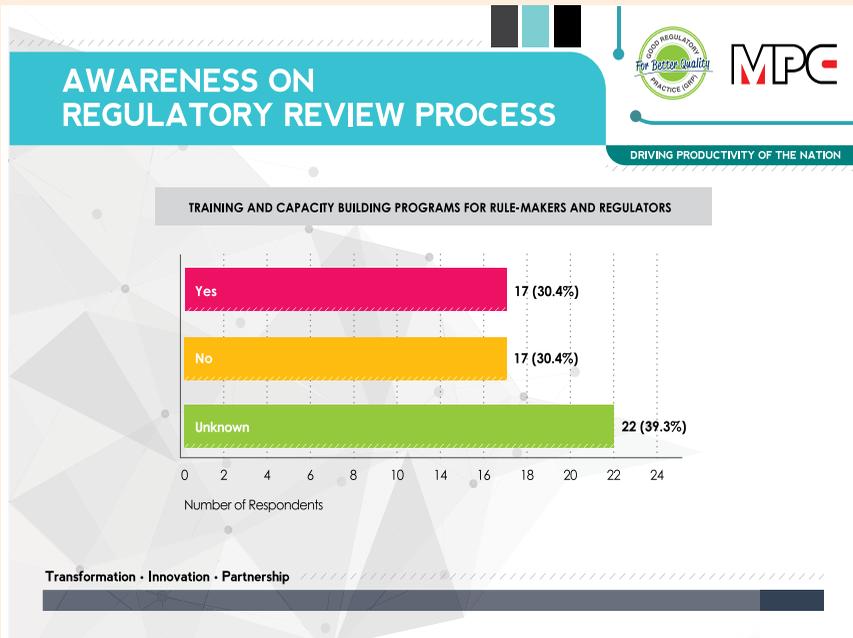
MPC conducted a survey in 2017 on the implementation of NPDIR and received 57 responses. The respondents comprised government officials who were regulatory coordinators as well as those who were not. The questions in the survey covered three aspects of NPDIR, namely practice of regulatory impact analysis, awareness of regulatory review process and practice of public consultation.

Awareness of Regulatory Review

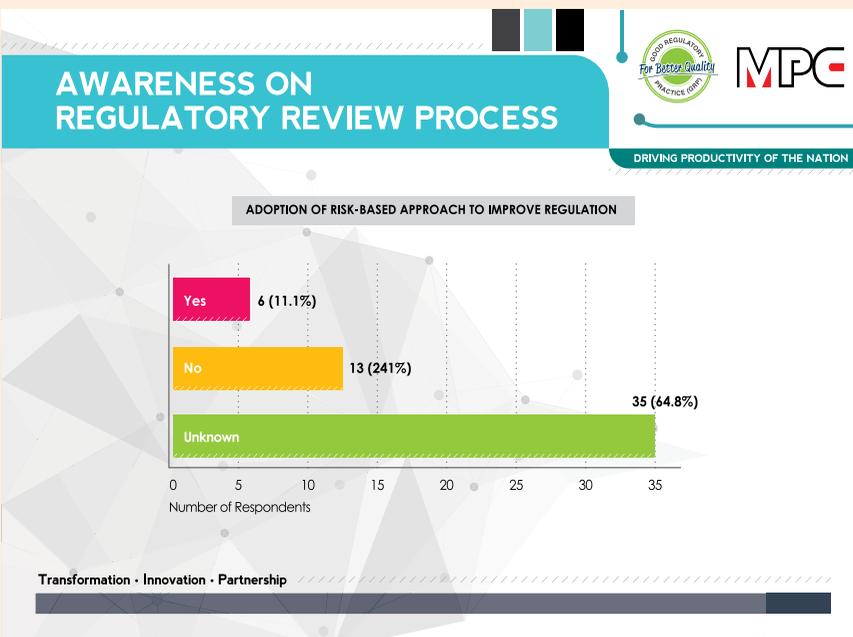
One of the key benefits of NPDIR is ensuring proposed regulatory action must undergo thorough GRP processes such as cost-benefit analysis to encourage an efficient regulatory regime. Despite some progress made by the Ministries and agencies to meet with the NPDIR requirement, the survey found that most respondents (55%) did not know if it was done while 25% responded that systematic review of regulation for cost and effectiveness was not undertaken in rule-making.



Implementing NPDIR requires knowledge and skill, and although interest is growing, there is still limited awareness about the availability of training and capacity building programmes. Only 30% was aware of training and capacity building programs for rule makers and regulators on RIA and GRP.

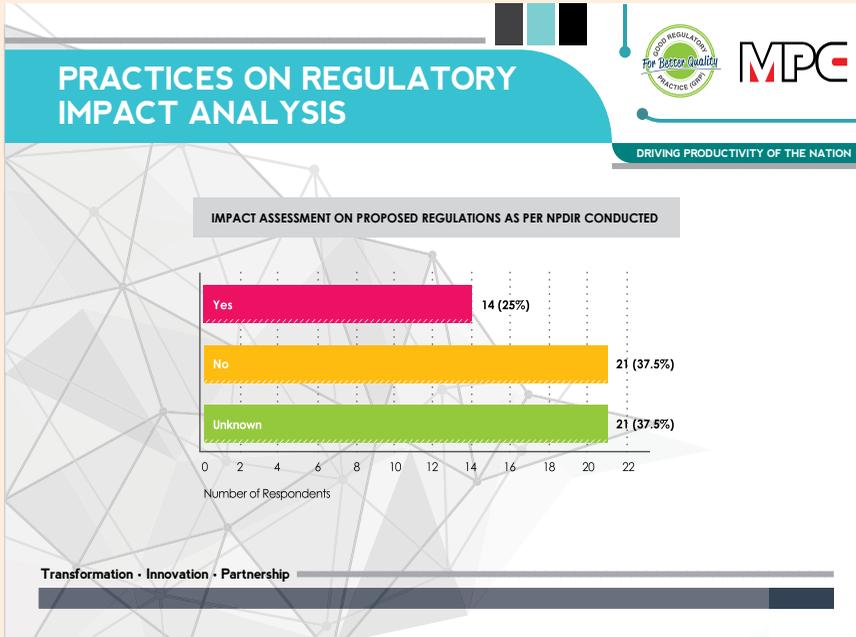


NPDIR seeks to promote a risk-based approach to regulatory actions so as to lighten regulatory burden without compromising on the desired objective of the regulation. Many advanced countries have adopted a risk-based approach to make better regulations while maximising efficiency of government's resources. The survey found that the majority of the respondents either did not adopt (24.1%) and had little knowledge (64.8%) about adopting a risk based approach in regulation.

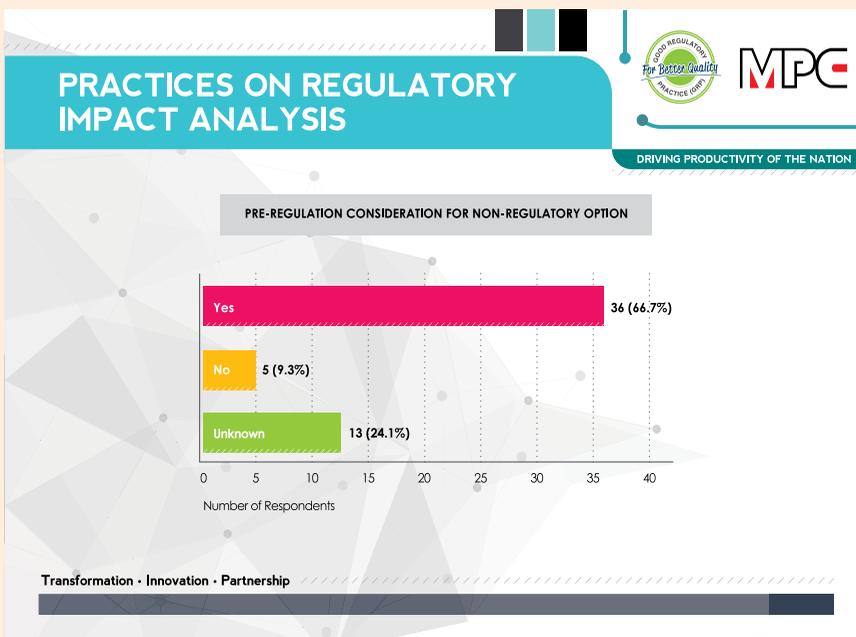


Practice of Regulatory Impact Analysis

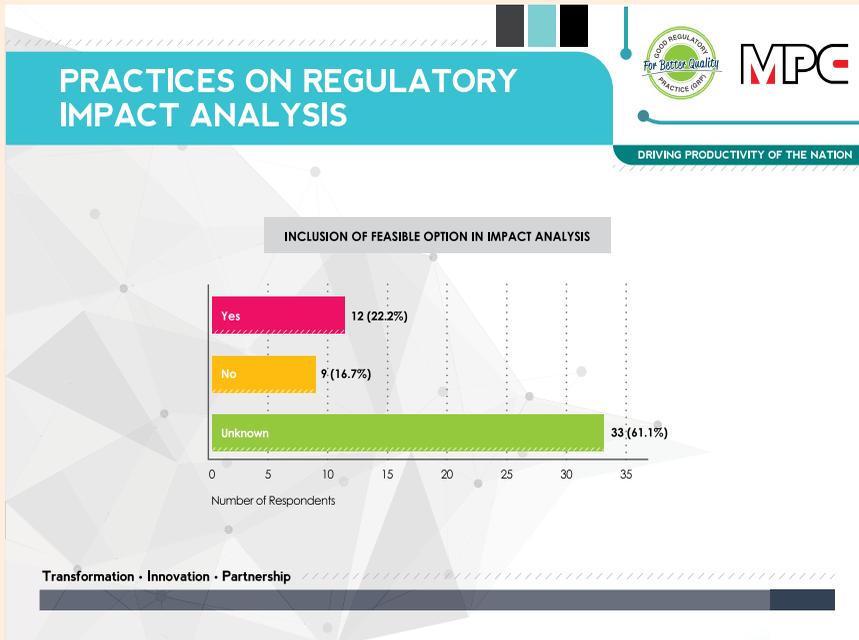
A key requirement of NPDIR is the conduct of regulatory impact analysis (RIA) when formulating regulatory actions. The survey found that only 25% of the respondents conducted the impact assessment of regulations according to the NPDIR guideline. The remainder either did not adopt RIA or had no idea (both 37.5%) of the need to conduct impact assessment according to NPDIR.



NPDIR encourages consideration of non-regulatory options as a means to reduce the 'heavy hand' of regulations in the market. The survey found most respondents (66.7%) did consider non-regulatory options (market incentives, campaigns, mandatory disclosure, etc) as feasible options for regulatory action while 22% did not.

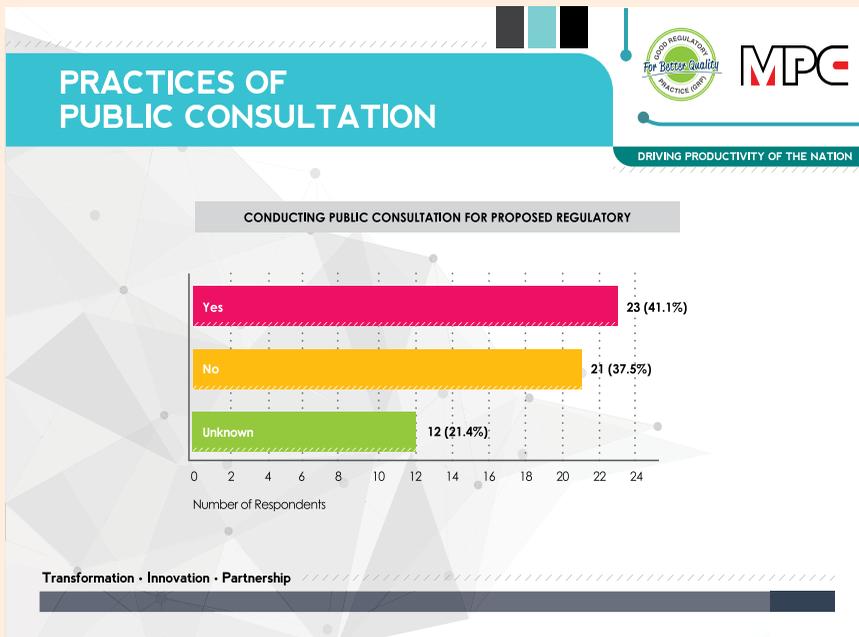


NPDIR also requires that, as an essential part of informed decision making, policy analyst should present alternative solution options for consideration of the decision maker. It was found that only 22% included feasible alternative options in impact analysis while 61% had no response.

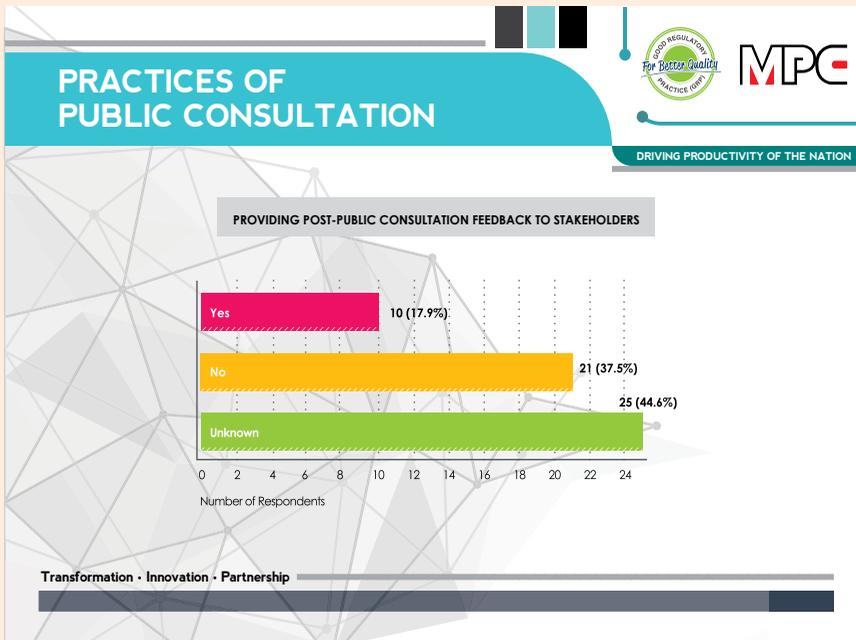


Public Consultation Practices

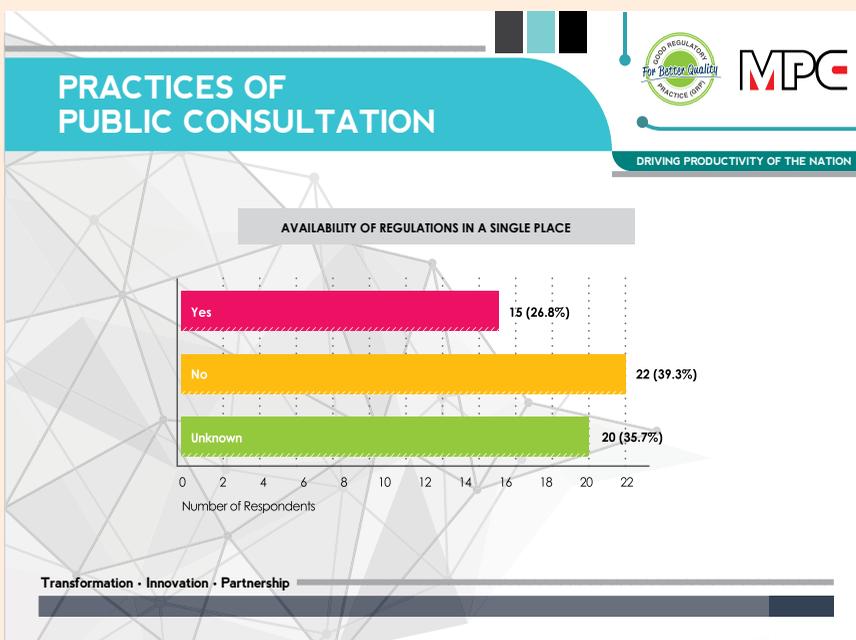
In recognition of the importance of stakeholders' contribution and buy-in in the rule-making process, NPDIR strongly advocates adopting effective public consultation. It was evident from the survey that most respondents (41%) had conduct public consultations at their ministries and agencies. On the other hand, a relatively sizeable 38% indicated that their ministries/agencies did not.



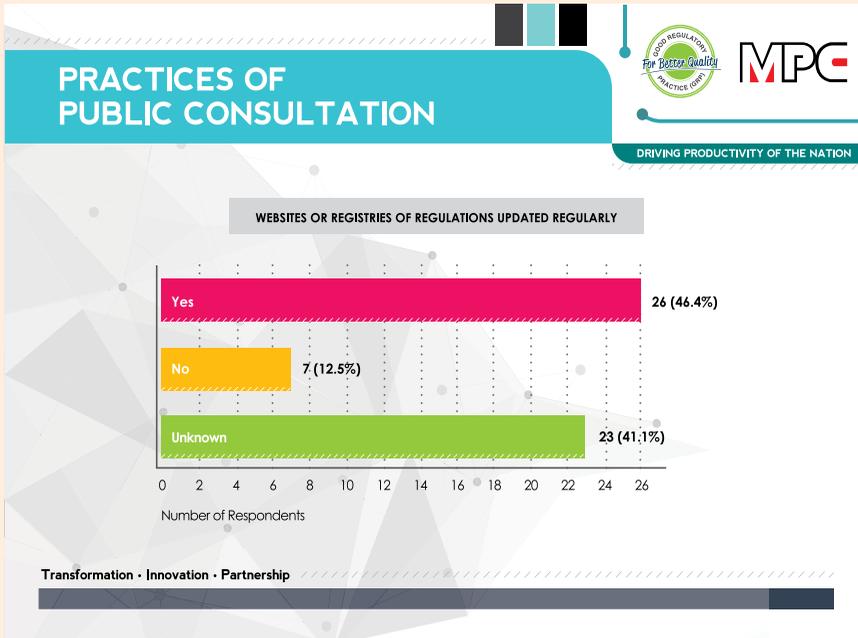
The responses also indicated a majority (82.1%) either did not provide post public consultation feedback to stakeholders or were not able to confirm whether the feedback were provided to the stakeholders. It is noteworthy to mention that such feedback to stakeholders is of utmost importance in order to close the loop/complete the consultation cycle between the regulators and their stakeholders.



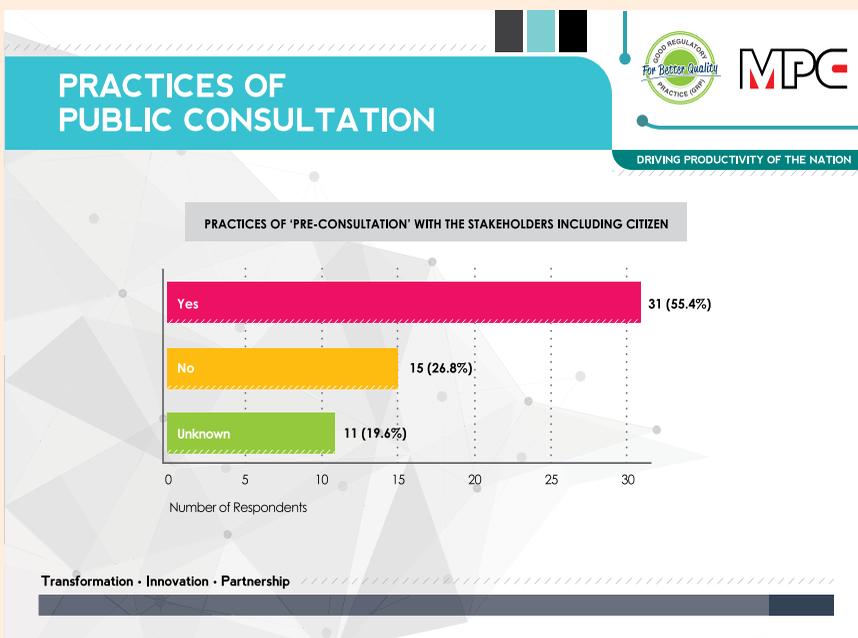
It has been found that stakeholders would like a convenient means to access regulations. Often, they are confronted with a myriad choices of information source. Stakeholders would prefer regulations be made available in a single place. The survey found that 27% was aware that regulations pertaining to their organisation can be found in a single place.



It is also recognised that website containing this registry of regulations should be current. The survey indicated that 46% of the respondents indicated that their registry or website of regulation are updated regularly while 41% was uncertain.



Participation in public consultations should be inclusive, it must be open to business community as well as other interested parties within the public at large. Good practice in this area may be encouraged by clear guidance to regulators on how consultations are to be conducted. It is found that 55% of the respondents in the survey follows the good practice of pre-consultation with their stakeholders.



Currently, sharing of a full legal text or a summary of proposed regulation during the consultation process is not widely practised. This was confirmed by 67% of the respondents. Regulators should be encouraged to provide full legal text or at least a summary to enable stakeholders to have a more thorough appreciation of the impact and to participate more effectively in the consultation process.



CHAPTER 4 - ANNUAL REGULATORY PLAN

4.1 Introduction

Regulators of the Federal Government are required to submit an annual regulatory plan (ARP) at the beginning of each year to Malaysia Productivity Corporation (MPC). ARP is a list of regulatory proposals expected to commence the consultation process during the year.

ARP allow regulators to provide early indication to the stakeholders and the public of potential regulatory changes. This allows stakeholders to be better prepared to participate more effectively and provide valuable input into the regulatory process. Although these plans are only indicative in nature, the exercise of preparing ARP encourages regulators to take stock of regulatory matters that require attention.

4.2 Annual Regulatory Plan 2016-2018

Table 4.1 : Summary of Annual Regulatory Plan 2016-2018

| Year | Planned Regulatory Proposal | Regulators | Ministry |
|-------|-----------------------------|------------|----------|
| 2016 | 189 | 58 | 20 |
| 2017 | 174 | 43 | 17 |
| 2018* | 112 | 37 | 17 |

*As at April 2018

(Details of the Annual Regulatory Plan are in Annexes 6, 7 and 8)

4.3 Annual Regulatory Plan Received in 2018

As at 30 April 2018, MPC received regulatory plan from 24 ministries. These regulatory plans include regulatory proposal of agencies under the respective ministries.

Table 4.2 : Summary of Annual Regulatory Plan 2018 by Ministry

| Ministry | | No. Regulatory Proposal |
|----------|---|-------------------------|
| 1 | Ministry of Health (MOH) | 31 |
| 2 | Ministry of Domestic Trade, Co-Operative and Consumerism (KPDNKK) | 15 |
| 3 | Ministry of Natural Resources & Environment (MNRE) | 14 |
| 4 | Ministry of Agriculture and Agro-based Industry (MOA) | 8 |
| 5 | Ministry of Urban Wellbeing, Housing and Local Government (KPKT) | 7 |
| 6 | Ministry of Finance (MOF) | 7 |
| 7 | Ministry of Science, Technology & Innovation (MOSTI) | 5 |
| 8 | Ministry of Federal Territories (KWP) | 5 |

| | | |
|--------------|---|------------|
| 9 | Ministry of Women, Family and Community Development (KPWKM) | 4 |
| 10 | Ministry of Youth and Sports (KBS) | 4 |
| 11 | Prime Minister's Office (JPM) | 3 |
| 12 | Ministry of Education (MOE) | 3 |
| 13 | Ministry of Human Resource (MOHR) | 1 |
| 14 | Ministry of Tourism and Culture | 1 |
| 15 | Ministry of Home Affairs (MOHA) | 1 |
| 16 | Ministry of Plantation Industries And Commodities (MPIC) | 1 |
| 17 | Ministry of International Trade And Industry (MITI) | 1 |
| 18 | Ministry of Communication And Multimedia (KKMM) | 1 |
| 19 | Ministry of Foreign Affairs (KLN) | No plan |
| 20 | Ministry of Energy , Green Technology And Water (KETTHA) | No plan |
| 21 | Ministry of Works (KKR) | No plan |
| 22 | Ministry of Transport (MOT) | No plan |
| 23 | Ministry of Rural And Regional Development (KKLW) | No plan |
| TOTAL | | 112 |

As at 30 April 2018

4.4 Planned Regulatory Proposals vs Submitted Regulatory Notification

There is a significant shortfall between planned regulatory proposals and planned regulatory proposals submitted as RN and unplanned RN submitted to MPC for 2016 and 2017 (see Table 4.2). For 2016, only 10 percent of the planned proposals were submitted as RN, while in 2017, 14.4 percent of planned proposals was submitted as RN. In addition, unplanned RN submissions remained higher than planned proposals submitted as RN. On the surface, it could be an indicator of poor planning or resource allocation. MPC will undertake a study to ascertain the reasons for the gap between planned regulatory proposals and RN submitted.

Table 4.3 : Plan vs submitted Regulatory Proposals

| Status | 2015 | 2016 | 2017 | 2018 | Total |
|---------------------------|------|------|------|------|-------|
| Planned ^a | 39 | 189 | 174 | 122 | 514 |
| Submitted RN ^b | 3 | 19 | 26 | - | 48 |
| Unplanned RN ^c | 51 | 56 | 44 | - | 151 |

Note:

a-Planned: Regulatory proposals as listed in ARP

b-Submitted RN: Regulatory proposals listed in ARP submitted as RN

c-Unplanned RN: RN submitted but not listed in ARP

Table 4.4 : Planned Vs Unplanned Regulatory Proposal by Ministries 2016

| Status | Planned | Submitted As RN | Unplanned RN |
|--------------|------------|-----------------|--------------|
| MOH | 24 | 0 | 21 |
| MOA | 38 | 10 | 16 |
| KPDNKK | 13 | 3 | 9 |
| KWP | 12 | 0 | 6 |
| MOHR | 15 | 3 | 1 |
| MPIC | 5 | 0 | 1 |
| JPM | 7 | 0 | 1 |
| KPWKM | 27 | 0 | 1 |
| MOHE | 2 | 1 | 0 |
| MOF | 2 | 2 | 0 |
| MOSTI | 6 | 0 | 0 |
| KBS | 1 | 0 | 0 |
| KPKT | 20 | 0 | 0 |
| KETTHA | 3 | 0 | 0 |
| MOTAC | 2 | 0 | 0 |
| KDN | 3 | 0 | 0 |
| MOT | 4 | 0 | 0 |
| KKMM | 2 | 0 | 0 |
| MOE | 1 | 0 | 0 |
| MITI | 2 | 0 | 0 |
| TOTAL | 189 | 19 | 56 |

Figure 4.1: Planned vs unplanned Regulatory Proposal 2016

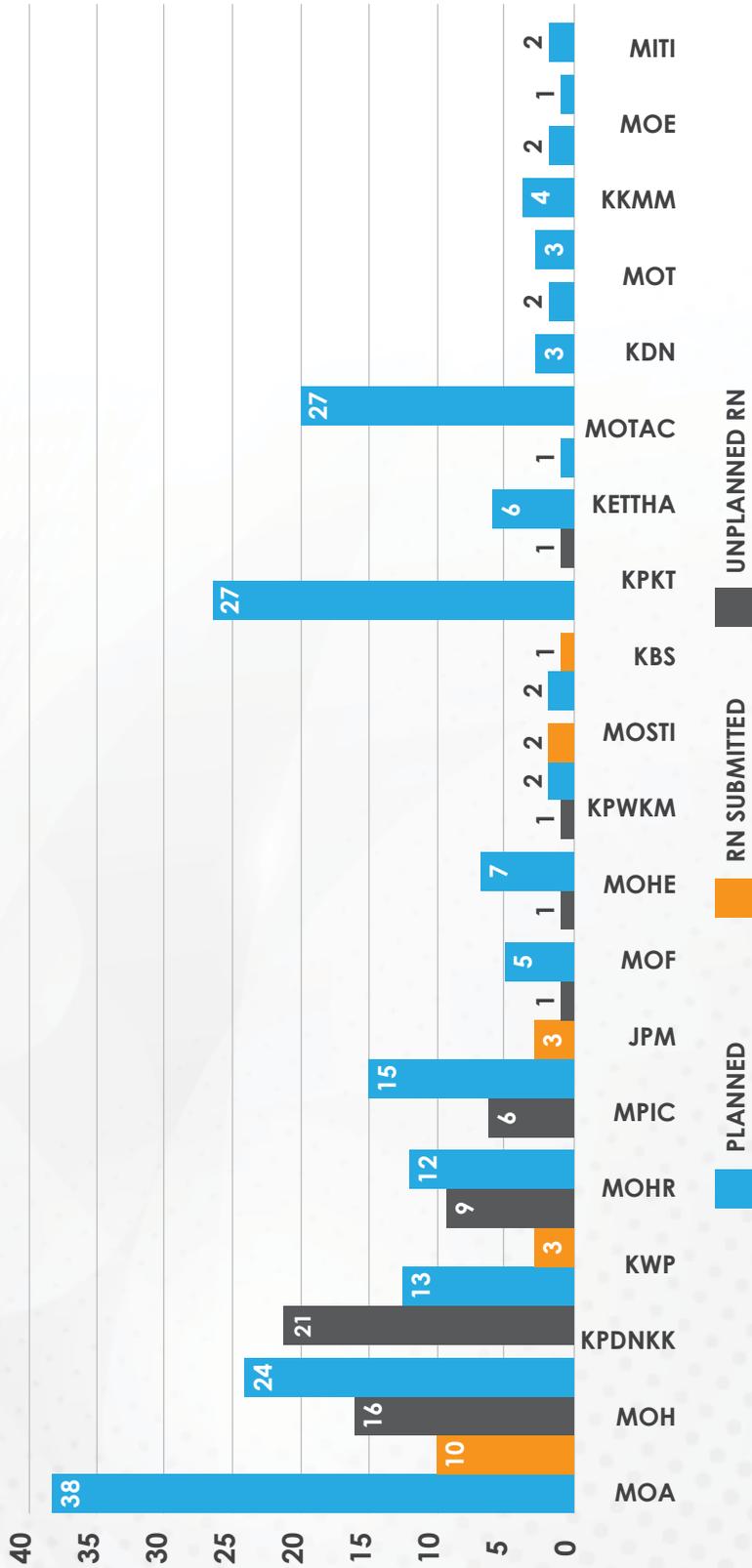
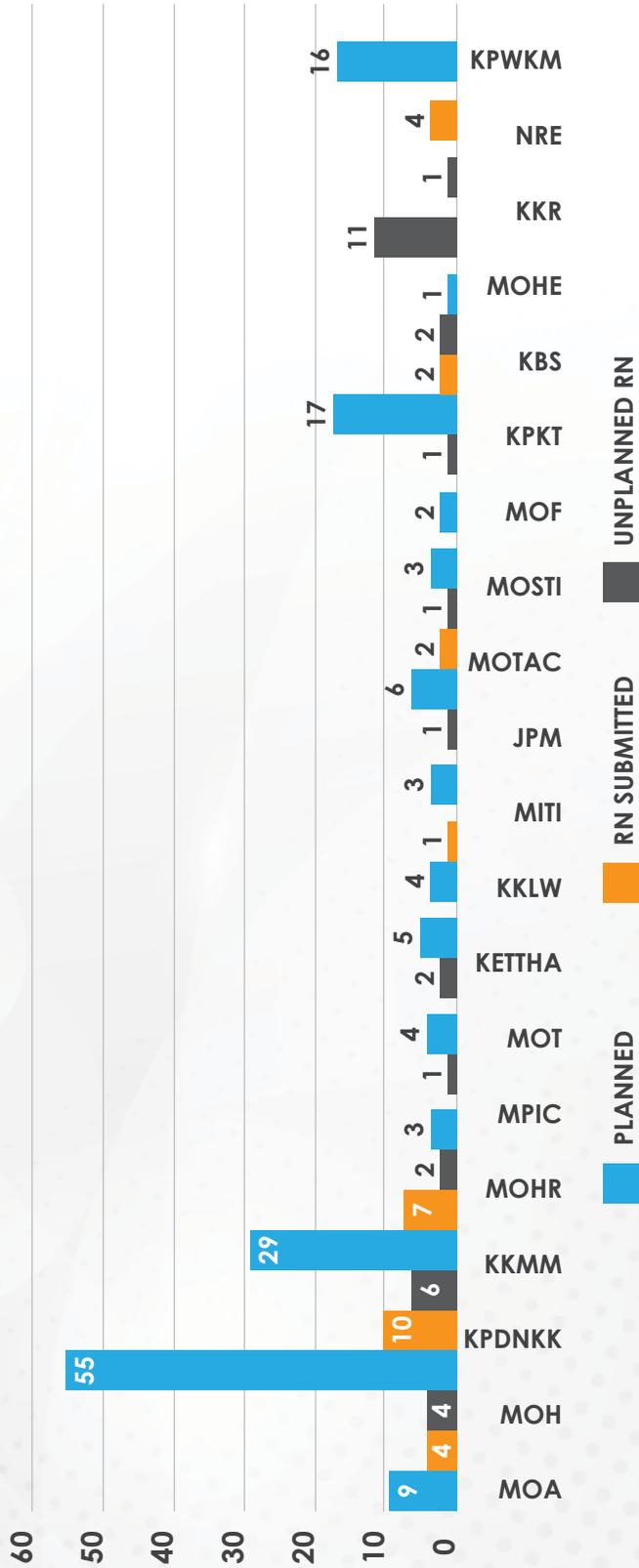


Table 4.5 : Planned Vs Unplanned Regulatory Proposal by Ministries 2017

| | Planned | Submitted as RN | Unplanned RN |
|--------------|------------|-----------------|--------------|
| MOA | 9 | 4 | 7 |
| MOH | 55 | 10 | 6 |
| KPDNKK | 29 | 7 | 3 |
| KKMM | 3 | 0 | 1 |
| MOHR | 4 | 1 | 2 |
| MPIC | 5 | 0 | 0 |
| MOT | 8 | 0 | 0 |
| KETTHA | 4 | 0 | 2 |
| KKLW | 5 | 0 | 0 |
| MITI | 4 | 1 | 0 |
| JPM | 3 | 0 | 1 |
| MOTAC | 6 | 2 | 1 |
| MOSTI | 3 | 0 | 0 |
| MOF | 2 | 0 | 1 |
| KPKT | 17 | 1 | 4 |
| KBS | 1 | 0 | 0 |
| MOHE | 0 | 0 | 11 |
| KKR | 0 | 0 | 1 |
| NRE | 0 | 0 | 4 |
| KPWKM | 16 | 0 | 0 |
| TOTAL | 174 | 26 | 44 |

Figure 4.2 : Planned vs unplanned Regulatory Proposal 2017



CHAPTER 5 - IMPLEMENTING GRP IN THE STATES

5.1 Introduction

The launching of the National Policy on the Development and Implementation of Regulations (NPDIR) which seeks to modernise the regulatory regime is an essential component of the governance reform. Malaysia's federal constitution provides for three levels of government - federal, state and local governments. Hence the expansion of GRP to the state and local government levels is imperative for the governance reform efforts to be effective.

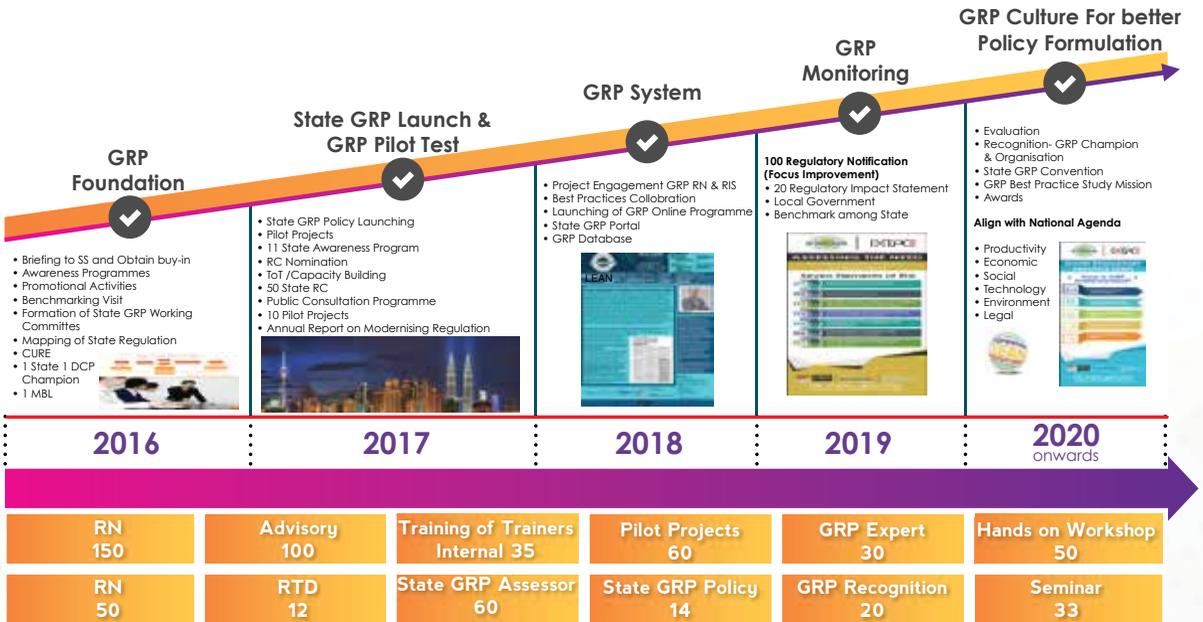
The Government established the Special Committee on the Services Sector to coordinate the implementation of various services sector development strategies and action plans, particularly the Services Sector Blueprint, the Logistics and Trade Facilitation Master Plan (LTFMP), and the Construction Industry Transformation Programme (CITP). Comprehensive and coordinated governance reforms will be pursued to ensure a thriving and competitive environment for the growth of the services sector. The tasks of the Committee also encompass ensuring cross-sectoral policy coherence with national development objectives, not only at the federal government level but also at states and local government levels.

The year 2016 saw the expansion of NPDIR to states and local authorities. Initial engagement with state governments included workshops and seminars to create awareness of GRP and NPDIR as well as to undertake baseline studies to better appreciate the rule-making process at each state. The rule-making processes at state level, like that of the federal government, have evolved over time without well documented guidelines. This has resulted in gaps and inconsistencies in the rule-making processes. By expanding the implementation of GRP to state governments and local authorities, the aim is to provide greater consistency, accountability and transparency to the rule making process at all levels of government.

A road map has been outlined to guide the implementation of GRP at the state and local authority levels. It focusses on 5 key aspects:

- Strengthening GRP foundation;
- Launching the state GRP policy and pilot projects;
- Enhancing GRP systems;
- Monitoring of GRP Implementation; and
- Ensuring a strong GRP culture.

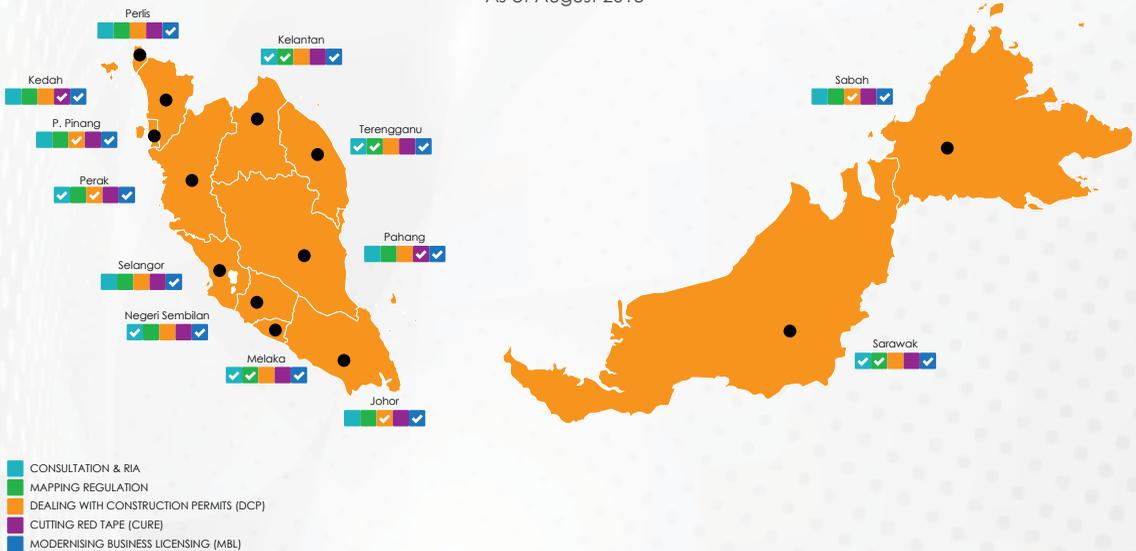
Figure 5.1: State GRP Roadmap 2016-2020



Three states embarked on this milestone journey in 2016. The states were Terengganu, Kelantan and Negeri Sembilan.

Figure 5.2: GRP at States in Malaysia

As of August 2018



5.2 Development of State GRP Policy

KELANTAN

The expansion of GRP to Kelantan began through a meeting with the Kelantan State Secretary on 11th April 2016 with a proposal to embark on the GRP program. The state government agreed to establish the GRP Main Committee (Jawatankuasa Induk GRP) and for the Economic Planning Unit (UPEN) to assume the lead role and to work with MPC on the GRP implementation plan. The first working-level meeting took place on 6th May 2016 and established a GRP secretariat headed by Deputy Director (Macro) of UPEN to undertake promotional and engagements activities. Following initial outreach activities, Majlis Mesyuarat Kerajaan Negeri (MKKN), on 30th August 2016, agreed to the implementation of GRP in Kelantan. On 5th November 2017, at the Jawatankuasa Pentadbiran Awam, Perancangan Ekonomi, Pelaburan dan Kewangan (JPAE) meeting, chaired by the Menteri Besar, the draft state GRP policy and guidelines for implementation were approved. This was followed by the GRP Open Day on 4th December 2017 where the state GRP policy was officially launched by the State Secretary. The state own GRP Portal was also established that allows public and regulators to provide information on GRP implementation of the state.

The GRP Main Committee of the state will function as the oversight body for the implementation of GRP. The committee is headed by the Director of UPEN while other members are from departments that have regulatory functions such as local government, land and mines, town and country planning as well as from human resources and information technology. The GRP secretariat will be responsible to review regulatory impact assessments and assume the role as gatekeeper.

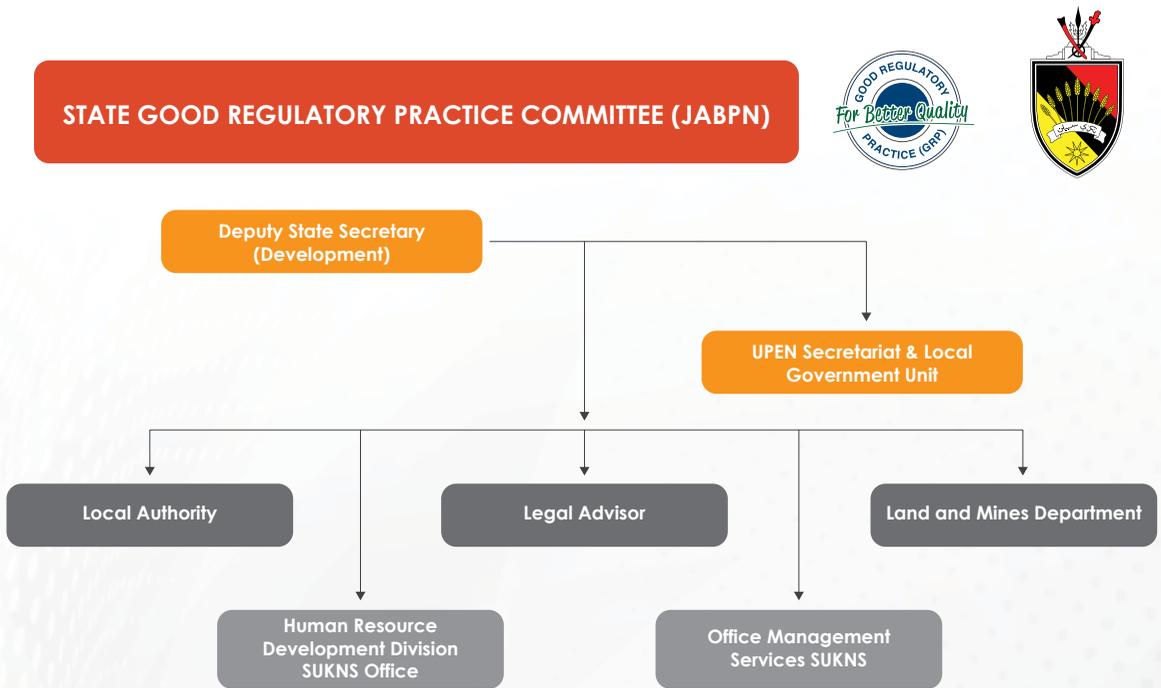
Two pilot projects are being undertaken as part of the capacity building activities. These projects include a review of investment policy guidelines to reform investments policies and investors management and the governing of biodiversity issues through the introduction of a new local biodiversity enactment.



NEGERI SEMBILAN

In Negeri Sembilan, GRP implementation began with a presentation to Jawatankuasa Tindakan Negeri Sembilan (JKTNg) meeting chaired by the Negeri Sembilan State Secretary on 11 February 2016. This resulted in the establishment of the State GRP Committee or Jawatankuasa Amalan Baik Peraturan Negeri (JABPN) on 28 March 2016.

Figure 5.3: Structure of State Good Regulatory Practice Committee (JABPN), Negeri Sembilan



State Good Regulatory Practice Committee (JABPN), Negeri Sembilan Term of Reference

1. To ensure the implementation of Good Regulatory Practice with the approval and mandate from the top management of the state government;
2. To meet on a quarterly basis;
3. To develop draft of good regulatory practice policy;
4. To plan RIA capacity development;
5. To undertake pilot project on new or amendment of regulation;
6. To promote Good Regulatory Practices at State-level and monitor the implementation of regulations;
7. To provide status report of Good Regulatory Practices, document the status/ process of implementing regulations.
8. Members are appointed on a temporary basis and JABPN will dissolve after 5 years;

The draft State Policy on the Development and Implementation of Regulations (SPDIR) was presented to the JKTNg and endorsed on 6 March 2017 for implementation. A soft launch of the policy by the State Secretary also took place at the JKTNg meeting.

JKTNg is a high-level planning coordination committee in Negeri Sembilan, chaired by the State Secretary. Members of JKTNg comprise all heads of state agency. The responsibilities of JKTNg for SPDIR include:

- To oversee the implementation of GRP policy, evaluate its effectiveness and recommend for improvements and;
- To examine regulatory impact statements (RIS) for adequacy and to make appropriate recommendation.

The Economic Planning Unit (UPEN) together with the Local Government Unit (UKT) of the State Secretariat will serve as joint secretariat to JABPN to assist in coordinating of the implementation of SPDIR. Their functions are as follows:

- To undertake assessment of RIS;
- To provide guidance and training to regulators on the preparation of RIA and RIS;
- To conduct regular review on the progress of SPDIR and report to JABPN; and
- To promote transparency of RIS.

In Negeri Sembilan, UPEN & UKT will submit RIS assessment report to JABPN for approval and subsequent endorsement by JKTNg. Once it is endorsed by JKTNg, the RIS will be submitted to State Council Meeting (MMKN) for approval and RIS will be published for circulation.

Three (3) pilot projects are being undertaken to promote the GRP and RIA among the state agencies. The projects are:

- Procedure for the Collection of Quit Rent (Land and Mines Department)- This project seeks to improve the efficiency of land administration through developing standardised Land Tax Collection Procedure in Negeri Sembilan.
- Development Charge (Nilai Town Council)- This project seeks to establish a standardised mechanism for local authorities to ensure that each land development project in Negeri Sembilan contributes to the development of public utilities.
- Enactment on Management of Land Revenue (Land and Mines Department) - This project seeks to provide guidance to state authorities, land administrators, technical departments and industry players to strengthen and ensure the management of rock material is in accordance to the provisions of the law.



TERENGGANU

In Terengganu, outreach programmes were carried out in collaboration with Unit Perancang Ekonomi Negeri (UPEN), Bahagian Pengurusan Sumber Manusia (BPSM), Bahagian Kerajaan Tempatan (BKT) and other related agencies and stakeholders in late 2015.

The state government was receptive and a team comprising officers from UPEN, BKT and BPSM worked with MPC to develop the state GRP programme. The draft State Policy on the Development and Implementation of Regulations (SPDIR) was completed in December 2016. The policy was presented in the Mesyuarat Jawatankuasa Perancang Ekonomi (MJPEN) chaired by the Menteri Besar of Terengganu on 7th December 2016. The presentation highlighted the potential impact and benefit of GRP. At the same meeting, the state government agreed to adopt the policy that was presented.

MJPEN will be the oversight body to monitor the implementation of GRP, evaluate its effectiveness and propose improvement. UPEN will assume the role of gatekeeper to assist MJPEN to oversee the implementation of SPDIR. UPEN's role will be:

- Assessing the requirement for RIS based on the RN received
- Assessing the regulatory impact statement (RIS).
- Advise and assist the regulators in the implementation of RIA.
- Conduct periodic review on the progress of SPDIR and submit the report to MJPEN
- Encourage public display of RIS document for transparency.

Two pilot projects are being undertaken in Terengganu:

- *'Cadangan mewujudkan "Caj Khusus" oleh PBT Terengganu kepada pengusaha rumah tumpangan di Terengganu'*
- *Pelesenan Rumah Persendirian sebagai Rumah Penginapan. Proposal to impose "Special Charge" by Local Authorities of Terengganu on operators of lodging houses.*

The objective of the pilot projects are to raise state revenue for maintenance of infrastructure facilities for tourism facilities as well as conservation activities that promote tourism.



5.3 Training and Outreach Programmes 2016-2017

During 2016-2017, intensive outreach and training programmes were undertaken to promote and facilitate the adoption of GRP at the state level. A total of 30 events were undertaken involving a broad cross-section of government officials in Negeri Sembilan, Terengganu and Kelantan. (See Tables 5.1 and 5.2)

Table 5.1: Training/Outreach Programme 2016

| No | Training/ Outreach Programme | Date | Venue | Participants |
|----|---|---------------------|--|--------------|
| 1 | Briefing on GRP for selected Entrepreneurs, Traders and Industry in Terengganu | 20 Apr 2016 | Primula Beach Resort Hotel, Terengganu | 10 |
| 2 | Briefing on GRP Programme for Agencies in Terengganu State (MIDA, MATRADE, PMINT, SME Corp) | 21 Apr 2016 | MPC Terengganu | 7 |
| 3 | Workshop on Introduction to Good Regulatory Practices | 25 Apr 2016 | Kelana Resort Seremban | 130 |
| 4 | Workshop on Introduction to GRP | 4 - 6 May 2016 | Bayview Hotel, P.Langkawi | 22 |
| 5 | Seminar on Good Regulatory Practices for State Officers 1/2016 | 16 - 17 May 2016 | Federal Hotel, KL | 38 |
| 6 | Capacity Building on Regulatory Reform - Study Visit | 29 May - 4 Jun 2016 | Seoul, Republic of Korea | 12 |
| 7 | Workshop on RIA for Kelantan's PBT officers | 7 - 8 Jun 2016 | Perdana Hotel, K.Bharu | 34 |
| 8 | Seminar on Good Regulatory Practices to State Officers 2/2016 | 2 - 3 Aug 2016 | The Royal Hotel, KL | 22 |
| 9 | Course on GRP Implementation for Kelantan Land Office | 17 - 19 Aug 2016 | Hotel Copthorne, Cameron Highlands | 28 |
| 10 | Workshop on Pilot Project for SPDIP, Negeri Sembilan 1/2016 | 26 - 28 Aug 2016 | Glory Beach Resort PD | 23 |

| No | Training/ Outreach Programme | Date | Venue | Participants |
|----|---|------------------------|----------------------------------|--------------|
| 11 | Briefing on GRP at Majlis Perbandaran Nilai | 27 Sept 2016 | MPN, Nilai | 10 |
| 12 | Workshop on Pilot Project for SPDIR Negeri Sembilan 2/2016 | 7 - 9 Oct 2016 | The Straits Hotel Melaka | 20 |
| 13 | Workshop on Pilot Project for Regulatory Impact Assessment (RIA) 1/2016 | 11 - 13 Oct 2016 | The Swiss Garden Hotel, KL | 35 |
| 14 | Consultation for RIA projects | 20 Oct 2016 | Hotel Renaissance, K.Bharu | 30 |
| 15 | Study Mission on Best Practice Regulation in Australia | 24 - 28 Oct 2016 | Canberra, Brisbane | 8 |
| 16 | Training on Regulatory Impact Analysis (RIA) | 21- 25 Nov 2016 | Federal Hotel, KL | 10 |
| 17 | Assessment Method & Impact Analysis Training for Assessors | 28 Nov - 2 Dec 2016 | Federal Hotel | 10 |
| 18 | Project RIA- Data collection and Regulation Notification for pilot project of Investment and Biodiversity | 20 - 22 Dec 2016 | IDFR, Kuala Lumpur | 15 |

Table 5.2 : Training/Outreach Programme 2017

| No | Training/ Outreach Programme | Date | Venue | Participants |
|----|--|-------------------|---|--------------|
| 1 | Briefing on GRP Programme in 2017 | 16 January 2017 | Unit Perancang Ekonomi Negeri, Terengganu | 10 |
| 2 | Seminar on Good Regulatory Practices 1/2017 | 23 February 2017 | Wisma Darul Iman, Terengganu | 180 |
| 3 | Workshop "Good Regulatory Practices" for Department of Local Government (PBT) at Terengganu State | 17-18 April 2017 | Sumai Hotel & Apartment | 28 |
| 4 | Seminar on Investment and GRP | 25 May 2017 | Hotel GRV, K.Bharu | 70 |
| 5 | Workshop on Pilot Project for Regulatory Impact Assessment (RIA) 1/2017 | 7-9 May 2017 | Vistana Hotel, Kuantan | 17 |
| 6 | Workshop on Data Analysis Series 2.0 | 7 – 8 June 2017 | Dorsett Putrajaya | 20 |
| 7 | Workshop on GRP Public Consultation 2/2017 | 14 – 15 June 2017 | Shangri-La Putrajaya | 21 |
| 8 | Sharing Session on GRP with UPEN, Negeri Sembilan | 25 July 2017 | UPEN N.Sembilan | 12 |
| 9 | Round Table Discussion on Investment Policy | 24 August 2017 | Hotel GRV, K.Bharu | 20 |
| 10 | Drafting Investment Policy and visit to Invest Selangor | 24-25 October 17 | Hotel Grand Bluewave, Shah Alam | 12 |
| 11 | Workshop on Public Consultation Procedure for Developing Local Authorities Regulations in Terengganu | 3 Disember 2017 | Sumai Hotel, Kuala Terengganu | 17 |
| 12 | Forum on GRP Transformation - GRP Day | 4 December 2017 | Hotel Perdana, K.Bharu | 200 |

5.4 Regulatory Mapping

Regulatory mapping is a process of compiling all regulations enacted by a particular jurisdiction. The objective is to establish an inventory of all regulations issued and in force under the authority of the jurisdiction, to determine the width and depth of coverage of these regulations and to determine regulatory gaps, if any. It is not uncommon for the central authority of a particular jurisdiction not to have up-to-date records of the status of all regulations due to poor recordkeeping. The pervasive impact of emerging technologies makes it imperative for law makers to have a better understanding of existing regulatory coverage and its adequacy. Regulatory mapping is also useful for a jurisdiction embarking on implementing GRP.

The regulatory mapping project for the state of Terengganu, started in August 2016, was led by staff of the Faculty of Law, Universiti Sultan Zainal Abidin (UniSZA) and supported by the office of the Legal Advisor of Terengganu. The scope involved collection of business regulations from each of the local authorities and state agencies for verification by the Legal Advisor of Terengganu. A total of 374 regulations was identified and these include enactments, regulations, guidelines, *undang-undang kecil*, *kaedah*, and *syarat-syarat*.

The list of state agencies and local authorities involved in the project is in Table 5.3.

MODERNISATION OF REGULATIONS



Table 5.3: Terengganu State Agencies and Local Authorities and the number of regulations under their purview.

| No | Agency | Number of Regulations | Local Authority | Number of Regulations |
|--------------|---|-----------------------|-----------------------------------|-----------------------|
| 1 | Pejabat Tanah Galian Negeri | 7 | Majlis Bandaraya Kuala Terengganu | 53 |
| 2 | Jabatan Perhutanan Negeri Terengganu | 4 | Majlis Perbandaran Dungun | 46 |
| 3 | Jabatan Bekalan Air | 4 | Majlis Perbandaran Kemaman | 44 |
| 4 | Jabatan Perancang Bandar Dan Desa | 74 | Majlis Daerah Besut | 24 |
| 5 | Jabatan Kerja Raya Negeri Terengganu | NA | Majlis Daerah Hulu Terengganu | 21 |
| 6 | Jabatan Pertanian Negeri Terengganu | NA | Majlis Daerah Marang | 34 |
| 7 | Jabatan Veterinar Negeri Terengganu | 2 | Majlis Daerah Setiu | 53 |
| 8 | Jabatan Mineral Dan Geosains Terengganu | 3 | | |
| 9 | Jabatan Pengairan Dan Saliran | 4 | | |
| 10 | Jabatan Perikanan Negeri Terengganu | 1 | | |
| Total | | 99 | | 275 |

The report from the regulatory mapping project highlighted several issues including:

i. Regulations Gazetted but not enforced

There were instances of delay in enforcing the gazetted regulations due to lack of readiness on the part of the implementation body of the regulation. There was also gazetted enactment not implemented and also not being abolished. This gives rise to concern about which regulation applies for doing business in Terengganu. An example is the registration under the Enactment on Buffalo and Cow 1995, this enactment is not being enforced due to lack of field staff and its onerous procedures.

ii. Outdated Regulation

Although there is attempt at harmonising regulations at local authority level in the state, the study found that some local authorities were still enforcing older version of enactments.

The regulatory mapping exercise is also a useful starting point for the review of regulations as required under NPDIR as it should contain information on implementation date and previous reviews. The inventory of regulations can also assist the public seeking information on the latest regulations enforced by the local authorities or agencies in Terengganu.

5.5 Implementation Schedule

Initial phase for the expansion of GRP to the states of Terengganu, Kelantan and Negeri Sembilan is near completion. Initial outreach activities have also been started in the states of Sarawak, Melaka and Perak. The roll-out plan for the implementation of GRP at the states and local authorities level is in Table 5.4.

Table 5.4: Roll-out Plan for GRP at States

| No | State | Year of Implementation |
|----|--|------------------------|
| 1 | Terengganu, Kelantan, Negeri Sembilan | 2016 |
| 2 | Sarawak, Melaka, Perak | 2017 |
| 3 | Pahang, Wilayah Persekutuan, Johor, Pulau Pinang | 2018 |
| 4 | Sabah, Perlis | 2019 |
| 5 | Selangor, Kedah | 2020 |

The development of regulatory policies in the states and local authorities need to keep pace with progress achieved at the federal government level. Effective regulatory governance optimises the potential for good regulatory policy to deliver regulations which will have a positive impact on the economy and stakeholders. There is also strong demand for regulatory review in the light of rapid changes in the digital economy. The state and local governments need to advance in tandem with the federal government towards a more comprehensive and participative rule-making process to ensure that all policies and regulations are relevant to current needs. More capacity building programmes on RIA particularly with focus on training of new RCs will be conducted. These initiatives will serve to inculcate stronger appreciation of the importance of GRP among policy makers towards ensuring quality of policies and regulations.

CHAPTER 6 INTERNATIONAL AND REGIONAL GRP DEVELOPMENT

6.1 Organisation for Economic Co-operation and Development

The Organisation for Economic Co-operation and Development (OECD) Council established the Regulatory Policy Committee (RPC) on 22 October 2009 to assist member and non-member economies in building and strengthening their regulatory reform efforts. RPC assist countries adapt regulatory policies, tools and institutions, and learn from each other's experience. The Regulatory Policy Division in the OECD serves as the Secretariat of the RPC.

Objectives of RPC:

- Promotes strategic, evidence-based and innovative public policy outcomes by identifying, developing and disseminating a global vision for regulatory policy and governance;
- Supports efforts across the whole of government and within its branches to design and deliver effective, efficient and equitable regulatory frameworks;
- Strengthens public governance through regulatory policy leading to high quality, fit-for-purpose laws and regulations that ensure transparency, legitimacy, accountability and respect for the rule of law.

Malaysia's engagement with OECD on regulatory reform was initiated through a fact-finding mission to OECD in 2011. The following year Malaysia was accorded observer status in RPC meeting. In November 2012, MPC was invited to share Malaysia's modernising business regulations initiatives at RPC meeting. In 2013, the Government of Malaysia requested the OECD to review its regulatory management system and provide support for piloting and implementing its regulatory policy. The launch of the National Policy on the Development and Implementation of Regulations (NPDIR) reflected the government's desire to improve the rule-making process. Regulatory impact analysis and public consultations are being strengthened to improve the manner policies, laws and regulations are developed and to enhance overall regulatory quality.

6.2 ASEAN

The ASEAN Economic Community (AEC) Blueprint 2025 consists of five interrelated and mutually reinforcing strategic thrusts, namely:

- Highly Integrated and Cohesive Economy;
- A Competitive, Innovative, and Dynamic ASEAN;
- Enhanced Connectivity and Sectoral Cooperation;
- A Resilient, Inclusive, People-Oriented and People-Centred ASEAN; and
- A Global ASEAN.

The second thrust of the AEC Blueprint 2025 to create 'a competitive, innovative and dynamic ASEAN', provides the platform to pursue good regulatory practice towards increasing the region's competitiveness and productivity.

The Blueprint has included two strategic measures towards this end:

- Promote a more responsive ASEAN by strengthening governance through greater transparency in the public sector and in engaging with the private sector; and
- Enhance engagement with the private sector as well as other stakeholders to improve the transparency and synergies of government policies and business actions across industries and sectors in the ASEAN region.

Towards the goal of strengthening governance and transparency, the ASEAN Work Plan on Good Regulatory Practice (GRP) 2016-2025 was adopted by the ASEAN Economic Ministers (AEM) in March 2017 and endorsed by the AEC Council of Ministers in April 2017.

Box item 6.1 ASEAN Workplan on GRP

The ASEAN Work Plan on GRP is aimed at setting out possible areas of work over the 10 year period. It will focus on:

- securing awareness of and commitment to GRP at the political level;
- setting the strategic directions on improving regulatory outcomes and performance;
- creating and supporting the use of tools and identifying the necessary infrastructure and mechanisms for regulatory management systems, including in implementing regulatory reform taking into consideration different needs and policy settings among AMS, in general and at the sectoral level; and
- strengthening existing and establishing new platforms for knowledge sharing and stakeholder engagement to enhance the implementation of GRP, in general and at the sectoral level.

A list of proposed deliverables have been identified for the ASEAN Work Plan on GRP (See Table 6.1):

Table 6.1 Priority Areas for ASEAN Workplan on GRP (2016-2025)

| Priority Areas | Proposed Deliverables |
|---|---|
| 1) Secure commitments to GRP at the political level | <ul style="list-style-type: none"> • Review of GRP principles and key implementation measures suggested by previous work. • Agree on the ASEAN GRP Core Principles, and ensure adoption at the political level e.g. AEM or AECC; |
| 2) Strengthen strategic efforts to implement GRP. | <ul style="list-style-type: none"> • Reinvigoration of an institutionalised and sustainable ASEAN led body/committee to work on GRP, taking into consideration existing bodies such as HLTf-EI and GRPN, that is strategic, participatory and inclusive through development/revision of the TOR specific to GRP, and which also address the responsibility over and the creation of a regular platform for discussions, coordination and review of the GRP; • Appoint national focal points to explore the development /reinvigoration of a national body/committee on GRP to develop and oversee the implementation of GRP at the national level through close coordination with an institutionalised and sustainable ASEAN-led body/committee as described above. • Baseline study on RMS and ASEAN and AMSs' initiatives on inventory and streamlining of regulations and administrative processes/practices in ASEAN / AMS. The baseline study should: (i) Be relevant to ASEAN needs and directly linked to Core Principles as defined in 1); and (ii) Serve as the basis for ongoing monitoring for progress of implementation to the core principles; • The creation of a handbook on how to operationalise ASEAN GRP core principles. |

| Priority Areas | Proposed Deliverables |
|---|---|
| 3) Conduct piloting of GRP in strategic sectors at the regional level | <ul style="list-style-type: none"> • Selection of strategic sectors or policy areas; • Implementation of key GRP measures in each of the strategic sectors or policy areas; • Coordination of the regional sectoral GRP measures with the national (general and sectoral) GRP measures adopted by the relevant national body in each AMS. |
| 4) Develop awareness and capacity building on GRP | <ul style="list-style-type: none"> • Development of outreach materials and undertaking of outreach activities on GRP in AEC 2025 (stand-alone or as part of another document/publication), with a possible focus on the strategic sectors selected, aimed at the private sector and other relevant stakeholders; • Conduct regular consultations both at the national and regional levels to deepen awareness on GRP, as well as to consolidate inputs from relevant stakeholders to further improve and enhance the GRP Work Plan; • Regional capacity building activities on GRP, general or on a sectoral basis. • Relevant regulatory agencies to provide public access to information on new regulatory measures, and where practical, to make this information available online. • Organise forums on sharing best practices among AMS. Since each AMS has different internal procedures to implement, this will be a good mechanism to exchange views on how to effectively implement GRP in ASEAN. |

6.2.1 ASEAN-OECD Good Regulatory Practice Network

Prior to the adoption of the ASEAN GRP Workplan, ASEAN had initiated a forum on GRP through the ASEAN-OECD Good Regulatory Practice Network (GRPN). The objectives of the ASEAN-OECD Good Regulatory Practice Network is to assist ASEAN members in building and strengthening capacity for the implementation of GRP. The Network seeks to achieve this objective by fostering the exchange of good practices and mutual learning among policy makers in ASEAN and OECD members. GRPN is co-chaired by New Zealand and Malaysia.

The Network supports efforts to realise an integrated ASEAN Economic Community and strengthen ASEAN Institutional Connectivity, working in close collaboration with ASEAN bodies and its secretariat as well as other regional bodies, such as the Asia-Pacific Economic Cooperation (APEC) and Economic Research Institute for ASEAN and East Asia (ERIA).

The Network brings together senior regulatory policy officials from ASEAN and OECD members. The OECD Secretariat works in close collaboration with the ASEAN Secretariat and other International organisations such as APEC, ERIA, World Bank and the Asian Development Bank to support the work of GRPN.

Network meetings are to be held annually and ideally hosted by the ASEAN Chair of the year. Meetings, seminars, conferences, workshops or other events may be organised in addition to the meeting of the Network. This serves as a key platform to consolidate the OECD's engagement with ASEAN on regulatory reform and provides a platform for knowledge sharing and support between ASEAN and OECD countries.

Three meetings have been held to date:

- i. 1st Meeting of the ASEAN-OECD Good Regulatory Practice Network (GRPN) – 12 March 2015, Kuala Lumpur
 - The meeting brought together 40 senior policy officials from both ASEAN and OECD member countries.
 - The meeting discussed the post-2015 work programme on GRP to regional connectivity as well as individual ASEAN member's progress on achieving the UN post-2015 Sustainable Development Agenda.
- ii. 2nd Meeting of the ASEAN-OECD Good Regulatory Practice Network (GRPN) – 16 March 2016, Vientiane
 - Attended by 60 delegates from around ASEAN and OECD regions, the meeting recognised that ASEAN has addressed GRP, specifically by addressing tariff barriers amongst ASEAN members. This shows that GRP is a fundamental requirement for ASEAN in order to achieve transparency and predictability of regulations.
 - The meeting endorsed a proposal of a two-year project to investigate the linkages between small and medium enterprises (SMEs) and global value chains in Southeast Asia with focus on analyzing trade, investment, and regulatory policies.

iii. 3rd Meeting of the ASEAN-OECD Good Regulatory Practice (GRPN) – 14 March 2017 @ Iloilo City, Philippines

- The third official meeting of the GRPN was held in Philippines as the 2017 Chair of ASEAN.
- Almost 80 delegates from ASEAN and OECD countries, ASEAN Secretariat and the ERIA attended.
- The meeting highlighted the importance of co-operation and best practice sharing across ASEAN member countries and member institutions to further the GRP agenda in the region.
- The meeting focused on business registration, reducing administrative burdens and cutting red tape, and fostering SME integration in Global Value Chains (GVCs).

GRPN is contributing to a 2-year project on identifying the regulatory challenges and opportunities for integrating ASEAN SMEs to GVCs. This includes identifying the different GRP tools in the region as well as providing strategic direction in terms of streamlining regulations and administrative practices in ASEAN.

6.3 Collaboration with Economic Research Institute for ASEAN and East Asia

An increasingly open and integrated ASEAN, requires member countries to be ready to meet the challenges of lowering border barriers for free flow of goods and services. ASEAN region's integration into the global economy also makes it imperative for its members to compete globally. ASEAN members are seeking to improve their respective regulatory regime to reduce the regulatory burden on business, in order to draw greater benefits from this integration.

In this context, Economic Research Institute for ASEAN and East Asia (ERIA) invited Malaysia to share its experience in implementing regulatory reviews, particularly with its success in the project on 'Dealing with Construction Permits in Doing Business'. The objective of the ERIA-ASEAN technical programme on Reducing Unnecessary Regulatory Burden (RURB) is to explore approaches in reducing regulatory burdens and to learn from Malaysia's experience in using Kaizen approach towards achieving effective, efficient and coherent regulatory measures.

The RURB approach is targeted at existing regulations and is based on ex-post analysis, hence benefitting from implementation data. Unnecessary costs may arise from poor or excessive regulation as well as from poor implementation of regulation.

The first technical workshop on RURB was held on 9 September 2015, followed by a 3-day training program from 10-12 September. A total of 31 participants from 9 countries (Lao PDR, Cambodia, Myanmar, Philippines, Vietnam, Thailand, Indonesia, Malaysia and Brunei) attended the Workshop which was organised by ERIA with MPC as the partner training institution.

In February 2016, the participants from the nine countries attended the Second Technical Workshop on RURB. Representatives from relevant central agencies of the respective countries were also invited to provide feedback and advice to the appointed home-based researchers. MPC provided technical and advisory support on methodology in identifying unnecessary regulatory burdens to the participants. The Final Technical Workshop was held on 1-2 November 2016 in Yangon Myanmar, during which research teams from the nine countries presented their final RURB reports.

On 31 Oct 2016, 180 government officials of Myanmar gathered to discuss the importance of reducing unnecessary regulatory burdens (RURB) in Yangon. The event was co-hosted by the Ministry of Planning and Finance of the Union of Myanmar and ERIA and was timed to coincide with the final workshop for ERIA's nine country study on this subject.

The ERIA-ASEAN Technical Programme on RURB is timely in assisting ASEAN countries address the issue of unnecessary regulatory burden in priority integration sectors, specifically in the priority integration sector selected by each ASEAN country:

Table 6.2: ASEAN Selected Priority Integration Sectors

| ASEAN Member | Selected PIS |
|--------------|---|
| Brunei | Halal-Meat Industry |
| Cambodia | Pepper Industry |
| Indonesia | Automotive |
| Lao PDR | Agriculture: Coffee |
| Malaysia | Logistics/Warehousing services |
| Myanmar | Agriculture: AquaCulture & Fisheries |
| Philippines | Tuna Industry |
| Thailand | Road transport in Logistics and tourism |
| Vietnam | Fishery exports |

A follow up workshop on RURB and Cost Benefit Analysis was held in Petaling Jaya on 8-10 Dec 2017. The Workshop taught participants how to:

- a) apply the RURB methodology;
- b) assess the impact of regulations on business through cost benefit analysis;
- c) plan and implement regulatory burden meetings with stakeholders and;
- d) identify less burdensome and practical options/solutions.

The workshop was attended by participants from Brunei, Cambodia, Lao PDR and Myanmar following the earlier Technical Workshops.

CHAPTER 7 – REGULATORY REFORM – GOING FORWARD

7.1 Introduction

The introduction of the National Policy for the Development and Implementation of Regulation has brought benefits to Malaysia through:

- Improved regulatory environment for business which will support their growth;
- Enhanced citizen engagement in rule making process which will increase trust in government;
- Developed more conducive business climate for investment and ease of doing business;
- Enhanced quality and transparency in the rule making process involving all relevant stakeholders and affected parties; and
- Estimated savings in compliance cost at RM1.18 billion (2016) and RM1.27 billion (2017).

Going forward, the regulatory reform agenda will be given even greater emphasis through incorporation into the high-level Malaysia Productivity Blueprint initiative.

7.2 Malaysia Productivity Blueprint

The Malaysia Productivity Blueprint (MPB) has placed regulatory reform as an important theme within the five key strategic thrusts to drive productivity of the nation. Thrust 4: Forging a Robust Ecosystem specifically aims to strengthen regulatory governance through the implementation of clear and effective regulations across multiple government ministries and agencies. A regulatory governance system that is robust, accountable and transparent is an important building block in sustaining a dynamic and resilient economy in the face of a rapidly changing market place. On the other hand, a regulatory system that is rigid, opaque and incoherent will be a drag to the economy. The activities set out under Thrust 4 such as removal of NTMs, establishment of innovative policy engagement mechanism and regulatory portal will contribute towards the strengthening of GRP in building a robust regulatory system that is predictable and conducive to business.

Figure 7.1: Thrust 4 : Forging A Robust Ecosystem

| Thrust 4: Forging A Robust Ecosystem | |
|---|--|
| National-level Initiatives | Key Activities |
| Initiative N7: Accelerate efforts to enhance whole-of-government approach towards addressing regulatory constraints | <p>Key Activity 13: Remove non-tariff measures that impede business growth and improve efficiency of the logistics sector</p> <ul style="list-style-type: none"> Accelerate implementation of uCustoms Introduce Guillotine approach to reduce regulatory burden Establish and institutionalise an innovative policy development engagement mechanism to embrace disruptive technology Accelerate implementation of the Logistics Masterplan |
| Initiative N8: Establish an accountability mechanism for the implementation of regulatory reviews by the government | Key Activity 14: Strengthen the regulatory portal and mechanism to track regulatory review implementation |
| | Key Activity 15: Establish state-level benchmarking indicators for businesses |

Source : Malaysia Productivity Blueprint

7.3 Reviewing Non-Tariff Measures

Given the importance of trade and commerce to the Malaysian economy, the efficient movement of goods and services between borders is crucial in facilitating growth. Besides modern physical infrastructure, soft infrastructure such as rules and regulations, systems and procedures and manpower also play a vital role. A review of non-tariff measures (NTMs) that affect the movement of goods and services across border to ensure relevance and efficiency will be a strong boost for economic activities. The review can lead to more streamlined processes and regulations hence improving business efficiency.

Figure 7.2 shows Malaysia's cross-border management rankings from four major international reports. The decline in ranking is a reminder of the need to review regulatory impediments and to improve the country's ranking, particularly in logistics, customs administration and trading across borders.

Figure 7.2: Malaysia's Cross-Border Management Ranking in International Reports



The review of NTMs at federal government level will help to identify areas where regulations can be consolidated, simplified or eliminated without compromising underlying policy objectives. Analysis will be done both on the objective of the measures as well as the regulatory process and procedural requirements associated with the NTMs. It will also examine enforcement practices that might impede productivity in business. The guillotine strategy will be adopted as a means of rapidly reviewing a large number of regulations and eliminating those that are no longer needed. Among the benefits expected from the review of NTMs are:

- Removal of out-dated practices and procedural requirements which are time-consuming and burdensome.
- Reduce compliance costs by 25%;
- Facilitate ease of doing business;
- Enhance economic growth;
- Increased market access opportunities, paving the way for greater integration with Global Value Chains (GVCs);

Work on this initiative commenced since May 2017 and is expected to be completed by 2020. The working groups have commenced the first stage review at four ministries, i.e. Ministry of Works, Ministry of Agriculture and Agro-based Industry, Ministry of Health and Ministry of Natural Resources and Environment.



What are Non-Tariff Measures?

United Nation Conference on Trade and Development (UNCTAD) defines non-tariff measures (NTMs) as policy measures, other than ordinary customs tariffs, that can potentially have an economic effect on international trade in goods, changing quantities traded, or prices or both. NTM is any permit, licence and certificate for export and import of goods from relevant government agencies, for example, a Certificate of Approval required for import of steel products.

Types of NTMs depend on the policy objectives set by the regulators. The more common NTMs are sanitary and phytosanitary (SPS) measures, technical barriers to trade (TBT), pre-shipment inspection and other formalities, and other non-automatic licensing, quotas, prohibitions and quantity control measures other than SPS or TBT.

Compliance and Consequential Burdens of NTMs

Although NTMs are generally applied for reasons of protection of public health, safety and protection of the environment, they can also impede trade. Unfortunately, businesses and consumers have to bear the burden of compliance costs from such policy interventions. These burdens include additional time and delays in meeting the formalities of authorities, administrative costs and other compliance costs in meeting regulatory requirements and forgone opportunities due to restrictions and prohibitions imposed. Lengthy customs and administrative procedures can cause delays which could severely deteriorate product quality, which in turn decreases market prices in the importing country; hence reducing their competitiveness. NTMs have even greater implications for SMEs interested in developing export markets due to their smaller volume, limited resources and lower threshold to absorb risks.

Hence any review of NTMs needs a balance to fulfil stated objectives with least possible trade restrictions and burdensome requirements.

Source: Non-Tariff Measures to Trade: Economic and Policy Issues for Developing Countries, UNCTAD, United Nations 2013

7.4 Online Public Consultation

Another important feature of a robust regulatory system, mandated under MPB, is to develop an 'innovative policy development engagement mechanism'. Public consultation is a vital feature of NPDIR as it promotes the GRP goals of accountability, transparency and informed decision-making. Consultation is a two-way process, through which the regulator seeks and stakeholders provide their views on proposed regulatory changes. For public consultation to be effective, it should be guided by the principles of transparency, accountability, commitment, inclusiveness, timely and informative, and integrity with mutual respect. Among the common forms of public engagement or consultation are face-to-face meetings, seminars, forums, public surveys and focus groups.

Adequate preparation is necessary for consultations to achieve its objective, and this include providing sufficient notice of the consultation and availability of information regarding the proposed regulatory changes. With wide-spread use of information technology, the consultation process has also been strengthened through making public consultation available on-line. Several jurisdictions have introduced unified or centralized online consultation portal to enhance public engagement thus making the consultation process more efficient and inclusive.

The practice of public consultation among Malaysian regulators has, in the absence of an official guideline, been varied in approaches. This has resulted in varying degree of effectiveness in the consultation process. The 'Guideline on Public Consultation Procedures' was published in 2014 to improve the effectiveness of public consultation.

To take the practice of public consultation to a higher level, beyond the guidelines of NPDIR, MPB has called for the establishment of an innovative engagement mechanism for policy development taking into account emerging technology. Towards this end, MPC is collaborating with the World Bank through the Regulatory Policy and Management project which was formally launched in March 8, 2017. Among the focus of the project will be the design of a unified (centralised) website for online consultation in rulemaking.

The proposed centralised on-line portal will provide an alternative mechanism for regulators to reach out to their stakeholders as well as being a more cost-effective approach for the provision of information on the proposed regulatory changes. The publication of notice of regulatory consultations from various regulators on a centralized portal will serve to enhance transparency and encourage greater stakeholders' participation. With the establishment of a centralised on-line public consultation mechanism, it is envisaged that a set of guidelines will be drawn up to put in place a more systematic and effective public consultation leading to a more robust rule-making process and enhancing legitimacy and trust in public institutions

MPC and the WB teams will undertake a pilot project on Unified Public Consultation (UPC) in collaboration with several regulators. It is expected that the pilot project will provide useful insights to the project team before expanding the UPC nationwide. The pilot project is expected to be launched in 2018.

7.5 Reviewing Implementation of NPDIR

NPDIR involves a 'whole of government' approach and a change of the mind-set. Although much of the tools and processes are not new, it calls for greater emphasis on the principles of good governance such as accountability, transparency and inclusiveness. Such comprehensive reforms normally encounter numerous implementation challenges. Among the challenges faced in this early phase in the adoption of NPDIR are:

- **Adoption has been low:** Although NPDIR was launched in 2013 as an official policy for the public administration of the federal government, the rate of adoption as measured by the regulators submitting RN, has been lower than expected. Out of 180 regulators at the Federal Government level, the number submitting RN in 2016 was 22 and in 2017 was 28.
- **Implementation has been uneven:** In cases where regulators have implemented the requirements of NPDIR, the level of 'adequacy' have been mixed on the essential elements. The practice of public consultation and their effectiveness remains varied. Nonetheless, it is expected that over time, these inadequacies will be addressed. Analysts will be able to acquire higher skills in areas such as problem identification, data analysis and public consultation.
- **Inadequate Knowledge and Skills:** Moving from traditional public policy making to the modern regulatory management emphasised by NPDIR requires a change in skills and mindset. There is a greater emphasis on stakeholder consultation and transparency. The higher level of public scrutiny also requires greater emphasis on analysis and implementation strategy.
- **Gaps in coordination:** NPDIR implementation strategy envisaged an active role of AGC, INTAN and MPC. AGC could assist to ensure regulations are subjected to the NPDIR requirements before implementation while INTAN, as the public administration training arm, would assist in the training of RIA. This arrangement has been patchy and more efforts can be made to improve coordination in this area.
- **Low profile:** There has been little public statement by government leaders on the implementation of NPDIR. This has resulted in NPDIR remaining low profiled. As NPDIR goes beyond the initial phase, there has to be more public statements about its objectives and a political will to pursue them.

A comprehensive review of NPDIR, its essential features, tools, governance structure and implementation strategy will be undertaken to strengthen implementation and to ensure it achieve its objectives.

Conclusion

Significant progress has been made in the implementation of GRP in Malaysia. There has been greater awareness of the benefits of GRP as reflected in the increase in compliance to the requirement of NPDIR. The experience of OECD countries in regulatory reform and implementation of GRP also encountered challenges in the early phases. It is envisaged that the review to be undertaken will produce recommendations to take Malaysia's regulatory reform journey to a higher plane. The need for a more robust regulatory management system is even more crucial as Malaysia confronts the demands of greater integration into the global economy through its active pursuit of free trade and investments as catalyst for growth. Malaysia is an active member of WTO, ASEAN, APEC, CPTPPA and other free trade agreements. The benefits of these agreements are enormous but can only be more fully realized by putting in place a quality regulatory management system that supports a robust ecosystem for business to prosper.

Annex 1 MEASURING REGULATORY COST

1. Introduction

In a market economy, regulations can be said to refer to the instruments employed by the government to intervene in the economy to ensure that the market operates effectively and efficiently for the purpose of achieving economic, social and environmental policy outcomes of the government such as protecting the interests of consumers and securing the welfare of the society.

However, there are costs associated with the introduction of regulations or changes to existing regulations. Such costs, otherwise known as regulatory burden, are necessary to realise the objective of the regulation. These are the costs arising from compliance with the regulatory requirements imposed by the government that must be borne by business, government and the broader community.

Regulatory measures may generate unnecessary regulatory cost in the form of excessive or unnecessary requirements of the regulation. These costs, which are above the costs necessary for compliance, add burden to the parties being regulated and cause market inefficiency that results in poor economic outcomes, hence reduced social welfare.

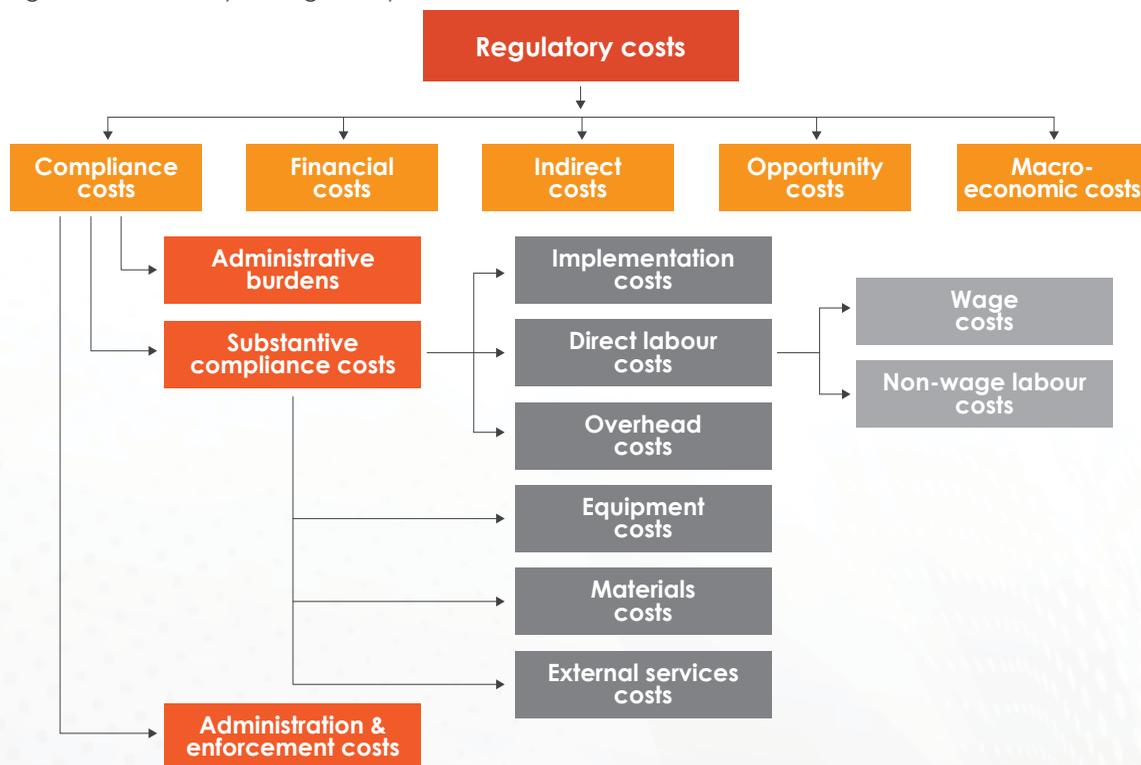
Regulatory costs on businesses tend to be passed through to end consumers. Therefore, it is important to ensure that these costs are proportionate and outweighed by the benefits achieved for consumers and society. Regulatory options which are cost effective and efficient ensure only the least burden necessary is imposed bringing the greatest possible net benefit to the community. Measuring regulatory burdens is thus the first step towards minimising and reducing the overall regulatory costs.

This Annex provides a description of regulatory costs focusing specifically on the compliance costs component and their measurement, and the use of the Standard Cost Model (SCM) as the tool for measuring administrative costs.

2. Overview of Regulatory Costs

The total costs of regulation are made up of the compliance costs and all other regulatory costs that fall outside the definition of compliance costs, such as financial costs, indirect costs, opportunity costs and macroeconomic costs. Figure 1 sets out a taxonomy of regulatory costs.

Figure 1 : Taxonomy of Regulatory Costs



Source: Source : OECD Regulatory Compliance Cost Assessment Guidance, 2014

3. Compliance costs

The costs borne by business being regulated in undertaking actions necessary to comply with the regulatory requirements and the direct costs to government in administering and enforcing the regulation form the total compliance costs of a regulation.

The breakdown of compliance costs is tabulated as shown in Table 1. The components of the costs borne by business are:

- administrative costs, and
- substantive costs.

Administrative costs are further elaborated in section 5.

Substantive costs are the direct costs borne by those being regulated to fulfil compliance obligations. They include implementation costs, direct labour costs, overheads, equipment costs, materials costs and the costs of external services.

The direct costs to the government is called the administration and enforcement costs. These are the costs incurred and borne by the government in administering and enforcing the regulatory requirements. They fall into the category of compliance costs since they are directly related to the achievement of the underlying regulatory objective and are an unavoidable part of the cost of regulation.

In principle, regulatory fees paid by businesses are imposed in order to recover the costs of government administration and enforcement of the regulations, thus are not considered as costs borne by business. Its inclusion into costs borne by business would result in double counting, if cost of government administration and enforcement are taken with account.

Table 1: Compliance Costs of a Regulation

| Category | Activity | Cost Component |
|---|---|---|
| Administrative costs (Business) | Paperwork activities for information obligations (IO) | <p>Costs of making, keeping and providing records</p> <p>Costs of notifying the Government of certain activities</p> <p>Costs of conducting tests</p> <p>Costs of making an application, completing forms</p> <p>Compliance costs associated with financial costs, for example, the time taken to pay a licence fee.</p> |
| Substantive costs (Business) | Direct compliance obligation activities | <p>Implementation costs</p> <p>Costs in acquiring sufficient knowledge about new or amended regulatory compliance obligations, developing compliance strategies and allocating responsibilities for completing compliance-related tasks</p> <p>Direct labour costs</p> <p>Staff time devoted to completing the activities required to achieve regulatory compliance</p> <p>Overhead costs</p> <p>Costs of rent, office equipment, utilities and other inputs used by staff engaged in regulatory compliance activities, as well as corporate overheads, such as management inputs, that are attributable to compliance activities</p> <p>Equipment cost</p> <p>Costs of acquiring items of capital equipment to comply with many kinds of regulations which include both machinery and software</p> <p>Material costs</p> <p>Incremental costs incurred in changing some of the material inputs used in the production process in order to ensure regulatory compliance</p> <p>External services costs</p> <p>Cash cost of payments made to external consultants in the course of achieving regulatory compliance</p> |
| Administration and enforcement costs (Government) | Administering and enforcing regulatory requirements | <p>Costs of publicising the existence of the new regulations</p> <p>Costs of developing and implementing new licensing or registration systems</p> <p>Costs of assessing and approving applications and processing renewals</p> <p>Costs of devising and implementing inspection and/or auditing systems</p> <p>Costs of developing and implementing systems of regulatory sanctions to respond to non-compliance</p> |

4. Measuring regulatory costs

Regulatory costs are measured qualitatively or quantitatively. The qualitative approach is suitable for costs which are intangible in nature and not able to be quantified in monetary term or when the actual cost measures are disproportionately costly to obtain. The quantitative approach enables the cost to be estimated in monetary term, which allows for quantitative comparison of burden under different regulatory options.

All categories of regulatory costs need to be identified and assessed as they are relevant to developing an understanding of the overall impact of regulation.

5. Administrative Costs Measurement using the Standard Cost Model

There are various tools for estimating compliance costs, such as the Standard Cost Model (SCM), Doing Business Indicators and Business Surveys. This article discusses the use of SCM, which is the preferred tool for measuring administrative cost, a component of compliance costs. It quantifies the costs of activities occurring within firms when complying with a regulation, specifically the paperwork obligations to provide information and data to the public sector or third parties. SCM allows a careful analysis of how specific components of a regulation cause certain generating activities in firms. The administrative costs can thereby be calculated for each of these activities.

SCM was first developed in the Netherlands in the early 2000s. It has become the regulatory reform tool of choice in EU and OECD countries for identifying and reducing regulatory compliance costs. The World Bank Group started using SCM as a diagnostic tool in business licensing reforms in the mid-2000s, and has since been used in projects in Africa, Asia, Eastern Europe and Oceania.

5.1 Cost components related to administrative costs

The following sections use SCM to derive administrative cost as an illustration of the use of the SCM model. The administrative costs component of the compliance costs of a regulation are the costs of paperwork activities undertaken by regulated entities in complying with specific regulatory obligations to provide information and data to the public sector or third parties. These are called information obligations (IOs)

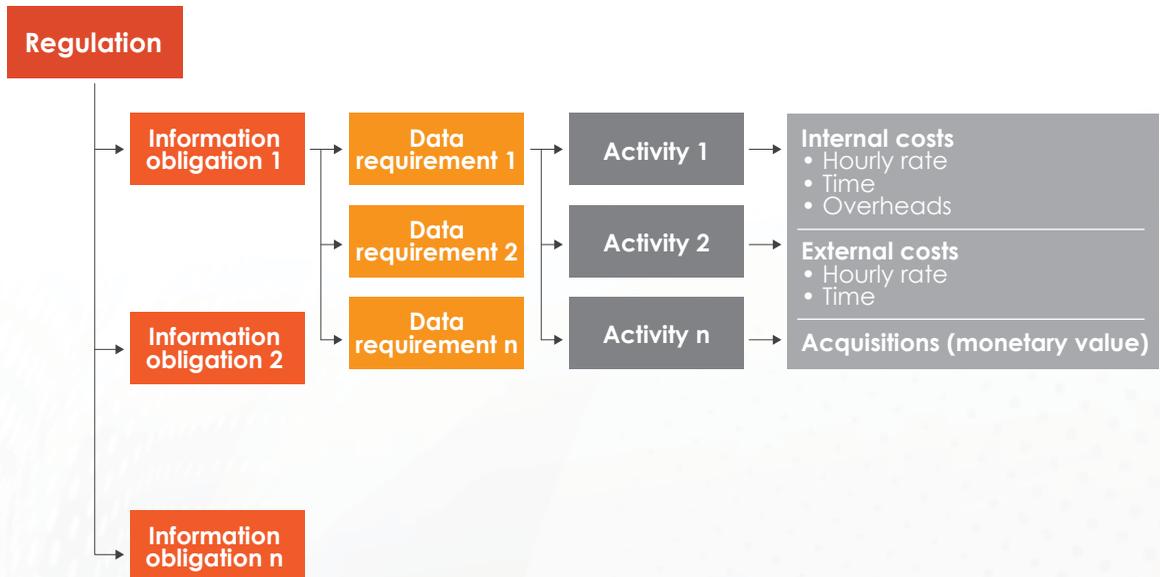
Examples of the activities that make up the administrative costs are:

- making, keeping and providing records;
- notifying the Government of certain activities;
- conducting tests;
- making an application, completing forms; and
- compliance costs associated with financial costs, for example, the time taken to pay a licence fee.

6. Standard Cost Model concept and framework

Figure 2 shows the breakdown of IOs of a regulation into measurable components from which the cost of each activity is estimated.

Figure 2: Structure of the Standard Cost Model



Information obligation

Information obligations (IO) are the obligations arising from regulation to provide information and data to the public sector or third parties. An IO includes a duty to have information available for inspection or supply on request, as well as transfer of information to the public authority or private persons. A regulation may contain many information obligations.

Data requirements

A data requirement is each element of information that must be provided by the firm in complying with an IO.

Administrative activities

Each data requirement will trigger a number of specific administrative activities that must be undertaken by the firm in order to provide the information. The SCM estimates the costs of completing each activity. Activities may be done internally by the staff or outsourced to external service providers.

Cost parameters

The cost parameters that need to be collected for each administrative activity carried out by an individual firm are shown in Table 2. The costs of each administrative activity can thus be calculated, enabling the costs of the IO, hence that of the regulation under review, to be determined for the firm.

The total annual administrative costs affecting the business population can thus be established for a particular activity, or a particular IO, or a regulation.

Table 2: Cost parameters for administrative activities

| Cost areas | | Cost parameters in the calculation | |
|--------------|--|------------------------------------|--|
| Internal | The costs of internal staff directly involved in the administrative activity | I | The amount of time spent on administrative activity |
| | | | Hourly pay for the staff |
| | | | Overhead |
| External | Professional fees of external service providers that perform administrative activity | E | The amount of time spent on administrative activity |
| | | | Hourly rate for the service provider |
| Acquisitions | Additional expenditure on necessary acquisitions for compliance | A | e.g. travelling expenses and acquisition fee of a document |

How to carry out SCM measurement

The SCM measurement of the administrative costs of a regulation is best demonstrated in the example in Box 1.

Box 1: The Standard Cost Model Procedures

Step 1

The first step in the SCM is to breakdown the regulation into manageable components:

- Identify the information obligations (IO) for the regulation,
- Identify the data requirements for each IO,
- Identify the administrative activities for each data requirement,
- Identify and determine the values of the cost components for each administrative activity in complying with each identified IO

Information is collected from firms on their efforts in terms of time spent and costs in complying with each identified IO. This information is used to determine the costs associated with such effort for each firm.

Step 2

The next step is to calculate the costs incurred by an individual firm in carrying out administrative activities in complying with a particular regulation.

- Calculate the cost of an administrative activity of an IO, using the formula

$$C = I+E+A$$

where

I is the costs incurred for each employee dealing directly with the process for the required working duration, that is the wage costs of such employee which includes an overhead percentage, multiplied by the required working time,

E is the costs incurred by firm in hiring an external service providers such as a consultant to finalise the application, that is the hourly rate multiplied by the required working time,

and

A is the additional expenditure incurred in the course of acquiring items which are considered to be directly related to the application, such as the fee for the acquisition of documents, and travelling expenses.

- Calculate the costs of each identified IO, which is the sum of the costs of all individual administrative activities of the particular IO.

$$T=C1+C2+C3+\dots$$

- Calculate the administrative costs of complying with the regulation, on the individual firm, which is the sum of all the costs of individual IOs of the regulation

$$S=T1+T2+T3+\dots$$

Step 3

Finally, the total annual administrative costs on all affected firms are determined as the costs of the typical firm multiplied by the population(P).

Depending on relevance, the total annual administrative costs on all affected firms can be determined for a particular administrative activity, or an IO or a regulation under review.

- Determine the population (P), that is the annual number of occurrence for the administrative activity, or the IO, or the regulation under review in the jurisdiction,

$$P = N \times F$$

Where

N is the number of affected businesses, and

F is the frequency of occurrence of the administrative activity, or the IO, or the regulation in a year.

- Determine the total annual administrative costs of a particular activity on the population

$$C \times P_c$$

$$P_c = N \times F_c$$

where

F_c is the frequency of occurrence of the administrative activity

- Determine the total annual administrative costs of a particular IO on the population

$$T \times P_t$$

$$P_t = N \times F_t$$

where

F_t is the frequency of occurrence of the IO

- Determine the total annual administrative costs of a regulation on the population

$$S \times P_s$$

$$P_s = N \times F_s$$

where

F_s is the frequency of occurrence of the regulation

The following section provides an illustration of SCM measurement of administrative costs of the premises licence application from a local council.

A firm intending to set up a business is required to apply for a premises licence from the local council in accordance with the Local Government Act 1976 (Act 171).

Following the SCM procedures in Box 1, table 3 shows the breakdown of the regulation into manageable components that enables the administrative costs to be estimated.

Table 2: The administrative costs of complying with the application of a premises licence

| Information Obligation (IO) | Data Requirement | Administrative activities | Costs (RM) | | | | |
|-----------------------------|---|--|----------------------------|-----------------------------|--------------------------|-----------------|------------|
| | | | I Internal @ RM20/hr | E External @ RM150/hr | A Additional expenses | | Total |
| | | | | | Travelling | Acquisition Fee | |
| 1 | 5 copies of application form | Application form | 20 | | | 5 | 25 |
| | | Gather relevant information | | | | | |
| | | Fill in application form | | | | | |
| 2 | 2 copies of firm registration form | Form 9 | 40 | | 100 | 80 | 220 |
| | | Form 24 | | | | | |
| | | Form 49 Memorandum of Article (MMA) | | | | | |
| 3 | 3 copies of certificate of fitness (CF) | CF | 40 | | 100 | 50 | 190 |
| | | Obtain a copy of CF from the local council | | | | | |
| | | Obtain forms from company secretary | | | | | |
| 4 | 5 copies of location plan | Plan drawing | | 300 | | | 300 |
| | | Draw location plan | | | | | |
| | | Print five copies | | | | | |
| Total cost (RM) | | | 100 | 300 | 200 | 135 | 735 |

An individual firm must incur a total of RM 735 when applying for a premises licence from the local council, which must be renewed annually. If there are 5000 businesses in the local area, the total administrative costs of compliance with the regulation on the business population is RM 3,675,000.

7. Conclusion

Businesses must comply with regulations in the course of pursuing their business activities. They must bear the costs associated with fulfilling such obligations. These costs are unavoidable but regulators must be careful not to impose unnecessary costs. It is essential to quantify the costs due to regulation in order to identify and minimise the unnecessary impact on businesses.



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Annex 2 RN RECEIVED FROM REGULATORS FOR 2016 (as at 31 Dec)

| No | Ministry | No | Agency | RN |
|----|---|----|--|----|
| 1 | Ministry of Federal Territories (KWP) | 1 | Kuala Lumpur City Hall (DBKL) | 6 |
| 2 | Ministry of Agriculture and Agro-based Industry (MOA) | 2 | Ministry of Agriculture and Agro-based Industry (MOA) | 8 |
| | | 3 | Department of Veterinary Services (DVS) | 12 |
| | | 4 | Department of Fisheries | 2 |
| | | 5 | Department of Agriculture (DOA) | 2 |
| | | 6 | Farmers' Organization Authority (FOA) | 1 |
| | | 7 | Malaysian Quarantine and Inspection Services (MAQIS) | 1 |
| 3 | Prime Minister's Department (JPM) | 8 | Malaysian Anti-Corruption Commission (MACC) | 1 |
| 4 | Ministry of Domestic Trade and Consumer Affairs (KPDNHEP) | 9 | Ministry of Domestic Trade and Consumer Affairs (KPDNHEP) | 4 |
| | | 10 | Bahagian Pembangunan Francais | 3 |
| | | 11 | Bahagian Penguatkuasaan | 1 |
| | | 12 | Intellectual Property Corporation of Malaysia (MyIPO) | 2 |
| | | 13 | Companies Commission of Malaysia (SSM) | 2 |
| 5 | Ministry of Women, Family and Community Development (KPWKM) | 14 | Bahagian Dasar Pembangunan Wanita, Keluarga dan Masyarakat | 1 |
| 6 | Ministry of Finance (MOF) | 15 | Langkawi Development Authority (LADA) | 2 |
| 7 | Ministry of Health (MOH) | 16 | Ministry of Health (MOH) | 16 |
| | | 17 | Bahagian Perkhidmatan Farmasi | 5 |
| 8 | Ministry of Higher Education (MOHE) | 18 | Department of Higher Education (JPT) | 1 |
| 9 | Ministry of Human Resources (MOHR) | 19 | Department of Labour of Peninsular Malaysia (JTKSM) | 1 |
| | | 20 | Industrial Relations Department Malaysia (JPPM) | 2 |

| No | Ministry | No | Agency | RN |
|--------------|--|----|---|-----------|
| | | 21 | Department of Occupational Safety and Health (DOSH) | 1 |
| 10 | Ministry of Plantation Industries and Commodities (MPIC) | 22 | Malaysia Palm Oil Board (MPOB) | 1 |
| TOTAL | | | | 75 |

Annex 3 RN RECEIVED FROM REGULATORS FOR 2017 (as at 31 Dec)

| No | Regulator | No | Agency | RN |
|----|--|----|---|----|
| 1 | Ministry of Tourism and Culture Malaysia (MOTAC) | 1 | National Archives of Malaysia | 1 |
| | | 2 | Department of Museums Malaysia (JMM) | 1 |
| | | 3 | Malaysia Handicraft Development Corporation | 1 |
| 2 | Prime Minister's Department (JPM) | 4 | Land Public Transport Commission (SPAD) | 1 |
| 3 | Ministry of Higher Education (MOHE) | 5 | Department of Higher Education (JPT) | 11 |
| 4 | Malaysian Communications And Multimedia Commission (MCMC) | 6 | Malaysian Communications And Multimedia Commission (MCMC) | 1 |
| 5 | Ministry of Works (KKR) | 7 | Board of Architects Malaysia (LAM) | 1 |
| 6 | Ministry of Domestic Trade and Consumer Affairs (KPDNHEP) | 8 | Ministry of Domestic Trade and Consumer Affairs (KPDNHEP) | 5 |
| | | 9 | Intellectual Property Corporation of Malaysia (MyIPO) | 1 |
| | | 10 | Companies Commission of Malaysia (SSM) | 4 |
| 7 | Ministry of Wellbeing, Housing and Local Government (KPKT) | 11 | Fire and Rescue Department of Malaysia (JBPM) | 3 |
| | | 12 | Federal Department of Town and Country Planning (JBPD) | 1 |
| | | 13 | Solid Waste Management and Public Cleansing Management (SWCorp) | 1 |
| 8 | Ministry of International Trade and Industries (MITI) | 14 | Ministry of International Trade and Industries (MITI) | 1 |
| 9 | Ministry of Agriculture and Agro-based Industry (MOA) | 15 | Department of Agriculture (DOA) | 8 |
| | | 16 | Lembaga Kemajuan Ikan Malaysia (LKIM) | 1 |

| No | Regulator | No | Agency | RN |
|--------------|---|----|---|-----------|
| | | 17 | Department of Veterinary Services (DVS) | 1 |
| | | 18 | Department of Fisheries (DOF) | 1 |
| 10 | Ministry of Finance (MOF) | 19 | Ministry of Finance (MOF) | 1 |
| 11 | Ministry of Health (MOH) | 20 | Pharmaceutical Services Division | 4 |
| | | 21 | Medical Practice Division | 10 |
| | | 22 | Food Safety and Quality Division | 1 |
| | | 23 | Allied Health Sciences Division | 1 |
| 12 | Ministry of Human Resources (MOHR) | 24 | PERKESO | 2 |
| | | 25 | Pembangunan Sumber Manusia Berhad (PSMB) | 1 |
| 13 | Ministry of Natural Resources and Environment (NRE) | 26 | Ministry of Natural Resources and Environment (NRE) | 1 |
| | | 27 | Department of Environment | 3 |
| 14 | Ministry of Energy, Green Technology and Water (KeTTHA) | 28 | National Water Services Commission (SPAN) | 2 |
| TOTAL | | | | 70 |

Annex 4 REGULATORY IMPACT STATEMENT (RIS) RECEIVED FOR 2016 (as at 31 Dec)

| No | Ministry | No | Title of Proposal | Assessment Status |
|----|---|----|--|-------------------|
| 1 | Ministry of Domestic Trade and Consumer Affairs (KPDNHEP) | 1 | Proposal to amend the Patents Act (1983) ("the Act") for purposes of Trans-Pacific Partnership Agreement (TPPA) and some other general proposal. | Under Revision |
| | | 2 | Cadangan Pindaan Peraturan-Peraturan Perihal Dagangan (Harga Jualan Murah) 1997 | Under Revision |
| | | 3 | Pemohonan Bagi Pelaksanaan Menguatkuasakan Penentusahan Dan Penentusahan Semula Tiga (3) Alat Iaitu Meter Kelembapan Padi, Mesin Penggredan Telur Dan Tolok Tekanan Tayar Di Bawah Akta Timbang Dan Sukat 1972 | Under Revision |
| | | 4 | Rang Undang-Undang Perkhidmatan Penyelenggaraan Dan Pembaikan Kenderaan Bermotor | Under Revision |
| 2 | Ministry of Agriculture and Agro-based Industry (MOA) | 5 | Pindaan Peraturan-Peraturan Makanan Haiwan (Antibiotik, Hormon Dan Bahan Kimia Lain Terlarang) 2012 | Under Revision |
| | | 6 | Cadangan Mewujudkan Peraturan-Peraturan Kawalan Padi Dan Beras (Pelesenan Loji Pemprosesan Benih Padi) | Adequate |
| | | 7 | Peraturan- peraturan Kebajikan Haiwan (Notis Penambahbaikan) 201X | Adequate |
| | | 8 | Peraturan- Peraturan Kebajikan Haiwan (Pegawai Kebajikan Haiwan) 201X | Adequate |
| | | 9 | Peraturan Kebajikan Haiwan (Haiwan yang digunakan dalam penyelidikan, ujian dan pengajaran) 201X | Adequate |
| | | 10 | Peraturan-peraturan Kebajikan Haiwan (Pembantu sukarela kebajikan haiwan) 201X | Adequate |
| | | 11 | Peraturan-Peraturan Kebajikan Haiwan (Perlesenan) 201X | Adequate |
| | | 12 | Peraturan-Peraturan Makanan Haiwan (Pengkompaunan Kesalahan) 201X | Adequate |

| No | Ministry | No | Title of Proposal | Assessment Status |
|----|---|----|--|-------------------|
| | | 13 | Kaedah-Kaedah Binatang (Pelesenan Premis Penyedia Perkhidmatan Pemiakbakaan) 201X | Under Revision |
| | | 14 | Peraturan-Peraturan Kebajikan Haiwan (Pengkompaunan) | Under Revision |
| | | 15 | Cadangan Pindaan Peraturan-Peraturan Kawalan Padi dan Beras (Pelesenan Kilang-Kilang Padi) 1996 P.U.(A) 626) | Adequate |
| | | 16 | Cadangan Pindaan Peraturan-Peraturan Kawalan Padi dan Beras Pelesenan Pemborong dan Peruncit) 1996 P.U. (A) 624) | Adequate |
| | | 17 | Cadangan Mewujudkan Peraturan-Peraturan Kawalan Padi dan Beras (Kawalan Gred Dan Harga) | Adequate |
| | | 18 | Cadangan Mewujudkan Peraturan-Peraturan Kawalan Padi dan Beras (Pelesenan Runcit Benih Padi) | Adequate |
| | | 19 | Cadangan Pindaan Peraturan-Peraturan Kawalan Padi dan Beras (Pelesenan Pembeli Padi) 1996 P.U. (A) 625) | Adequate |
| 3 | Ministry of International Trade and Industry (MITI) | 20 | National Small Medium Enterprises Bill 2014 | Adequate |
| 4 | Ministry of Transport | 21 | Proposal to Establish A Port And Trade Focused Community System at Port Klang Linking Key Industry Players Under a Common Platform | Adequate |

Annex 5 REGULATORY IMPACT STATEMENT (RIS) RECEIVED FOR 2017 (AS AT 31 DEC)

| No | Ministry | No | Title of Proposal | RIS Assessment |
|----|---|----|---|----------------|
| 1 | Ministry of Domestic Trade and Consumer Affairs (KPDNHEP) | 1 | Pindaan Kepada Akta Perlindungan Pengguna 1999 (Akta 599) | Adequate |
| | | 2 | Motor Vehicles Safety Glass | Adequate |
| 2 | Ministry of International Trade & Industry (MITI) | 3 | National Remanufacturing Policy | Adequate |
| 3 | Ministry Of Higher Education (MOHE) | 4 | Cadangan Pindaan Peraturan-Peraturan Di Bawah Akta Institusi Pendidikan Tinggi Swasta 1996 [Akta 555] (Peraturan Penubuhan IPTS) | Adequate |
| | | 5 | Cadangan Pindaan Peraturan-Peraturan Di Bawah Akta Institusi Pendidikan Tinggi Swasta 1996 [Akta 555] (Peraturan Pendaftaran) | Adequate |
| | | 6 | Cadangan Pindaan Peraturan-Peraturan Di Bawah Akta Institusi Pendidikan Tinggi Swasta 1996 [Akta 555] (Peraturan Kompoun dan Kesalahan) | Adequate |
| | | 7 | Cadangan Pindaan Peraturan-Peraturan Di Bawah Akta Institusi Pendidikan Tinggi Swasta 1996 [Akta 555] (Peraturan Rayuan) | Adequate |
| | | 8 | Cadangan Pindaan Peraturan-Peraturan Di Bawah Akta Institusi Pendidikan Tinggi Swasta 1996 [Akta 555] (Peraturan Penubuhan Cawangan Institusi Pendidikan Tinggi Swasta) | Adequate |
| | | 9 | Cadangan Pindaan Peraturan-Peraturan Di Bawah Akta Institusi Pendidikan Tinggi Swasta 1996 [Akta 555] (Peraturan Pertukaran Atau Perubahan Berkenaan Dengan Syarikat) | Adequate |
| | | 10 | Cadangan Pindaan Peraturan-Peraturan Di Bawah Akta Institusi Pendidikan Tinggi Swasta 1996 [Akta 555] (Peraturan Perlembagaan) | Adequate |

| No | Ministry | No | Title of Proposal | RIS Assessment |
|----|---|----|--|----------------|
| | | 11 | Cadangan Pindaan Peraturan-Peraturan Di Bawah Akta Institusi Pendidikan Tinggi Swasta 1996 [Akta 555] (Peraturan Pengiklanan) | Adequate |
| | | 12 | Amendment to Private Higher Educational Institutions (Conducting Courses of Study) Regulations 1997 | Adequate |
| | | 13 | Amendment to Private Higher Educational Institutions (Permit to teach) Regulations 2017 | Adequate |
| 4 | Ministry of Agriculture and Agro-based Industry (MOA) | 14 | Cadangan Pindaan Akta Pertubuhan Peladang 1973 [Akta 109] | Adequate |
| | | 15 | Permohonan Penggantian Peraturan -Peraturan Racun MakhluK Perosak (Iklan) 1996 kepada Peraturan - Peraturan Racun MakhluK Perosak (Iklan) 2017 | Under Revision |
| | | 16 | Peraturan Rang Undang-Undang Kualiti Benih | Under Revision |
| 5 | Ministry of Health (MOH) | 17 | Pembangunan Rang Undang-undang Kawalan Hasil Tembakau dan Merokok 20XX | Adequate |
| | | 18 | Pathology Laboratory Regulations 201_ | Under Revision |
| | | 19 | Memperuntukkan Kesalahan Bagi Pemalsuan Dokumen Untuk Tujuan Pengeluaran Notifikasi Produk Kosmetik Di Bawah Peraturan 28 (B), Peraturan-Peraturan Kawalan Dadah Dan Kosmetik 1984 Di Bawah Akta Jualan Dadah 1952 | Under Revision |
| | | 20 | Kawalan Aktiviti Pembancuhan Di Bawah Peraturan 7 (D), Peraturan-Peraturan Kawalan Dadah Dan Kosmetik 1984 Di Bawah Akta Jualan Dadah 1952 | Under Revision |

| No | Ministry | No | Title of Proposal | RIS Assessment |
|----|--|----|--|----------------|
| | | 21 | Pengawalan Pembekalan Produk Semulajadi Dengan Tuntutan Terapeutik Di Bawah Peraturan 7 (C), Peraturan-Peraturan Kawalan Dadah Dan Kosmetik 1984 Di Bawah Akta Jualan Dadah 1952 | Under Revision |
| 6 | Ministry of Human Resources (MOHR) | 22 | Rang Undang-undang Sistem Insurans Pekerja 2017 | Under Revision |
| 7 | Suruhanjaya Perkhidmatan Air Negara (SPAN), Ministry of Energy, Green Technology & Water (KETTHA) | 23 | Cadangan Pindaan Akta Industri Perkhidmatan Air Negara 2006 (Akta 655) | Under Revision |
| 8 | Department of Environment (DOE), Ministry of Natural Resources and Environment (NRE) | 24 | Proposal for Environment Quality (Industrial Noise) Regulations 20XX | Under Revision |
| 9 | Federal Department of Town and Country Planning (JPBD), Ministry of Urban Wellbeing, Housing and Local Government (KPKT) | 25 | Panduan Kaedah-Kaedah Mengenai Orang Yang Berkelayakan Menyediakan Dokumen dan Pelan untuk Kebenaran Merancang (KM) | Under Revision |

Annex 6 ANNUAL REGULATORY PLAN 2016

| No | Regulator | No | Title Of Regulatory Proposal | Month/Timeline |
|----|---|----|---|----------------------------|
| 1 | Ministry Of Science, Technology & Innovation (MOSTI) | 1 | RUU Antartika | - |
| 2 | Atomic Energy Licencing Board (LPTA), Ministry Of Science, Technology & Innovation (MOSTI) | 2 | RUU Tenaga Atom | 2016 |
| 3 | Jabatan Standard Malaysia, Ministry Of Science, Technology & Innovation (MOSTI) | 3 | Peraturan-Peraturan Fi (Perkhidmatan Penstandardan Dan Akreditasi) 2016 | December 2016 |
| | | 4 | Peraturan-Peraturan Standard Malaysia (Majlis Standard Dan Akreditasi) 2016 | December 2016 |
| 4 | National Oceanography Directorate (Nod), Ministry Of Science, Technology & Innovation (MOSTI) | 5 | National Ocean Policy (Ocean Bill Act) | - |
| 5 | National Space Agency Of Malaysia, Ministry Of Science, Technology & Innovation (MOSTI) | 6 | Malaysian Outer Space Act | August 2016 - January 2017 |
| 6 | Ministry Of Youth And Sport (KBS) | 7 | Pindaan Akta Pembangunan Sukan 1997 | December 2016 |
| 7 | Ministry Of Urban Wellbeing, Housing And Local Government (KPKT) | 8 | Akta Pemberi Pinjam Wang 1951 | 2016 |
| | | 9 | Akta Pemegang Pajak Gadai 1972 | - |
| | | 10 | Akta Pajak Gadai Islam (ArRahnu) | 2015 |
| | | 11 | Akta Tuan Rumah Inapan 1952 | - |
| | | 12 | Akta Pengurusan Strata 2013 | 2016 |
| 8 | National Housing Department (JPN), Ministry Of Urban Wellbeing, Housing And Local Government (KPKT) | 13 | Dasar Perumahan Negara | 2016 |
| | | 14 | Akta Pemajuan Perumahan (Kawalan Dan Pelesenan) 1966 | 2016 |

| No | 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 | Akta Perancangan Bandar Dan Desa 1976 | 2016 |
| | | 16 | Akta Perancang Bandar 1995 | 2016 |
| | | 17 | Rancangan Fizikal Negara (RFN Ke-3) (2016-2040) | 2016 |
| | | 18 | Dasar Perbandaran Negara (DPN Ke-2) (2016-2025) | 2016 |
| 10 | Local Government Department (JKT), Ministry Of Urban Wellbeing, Housing And Local Government (KPKT) | 19 | Draf Dasar Perancangan Fizikal Desa Negara | - |
| | | 20 | Akta Kerajaan Tempatan 1976 | 2016 |
| | | 21 | Akta Jalan, Parit Dan Bangunan 1974 | 2015 |
| 11 | Fire And Rescue Department Malaysia (JBPM), Ministry Of Urban Wellbeing, Housing And Local Government (KPKT) National Solid Waste Management Department (JPSPN), Ministry Of Urban Wellbeing, Housing And Local Government (KPKT) | 22 | Akta Perkhidmatan Bomba 1988 | - |
| 12 | National Solid Waste Management Department (JPSPN), Ministry Of Urban Wellbeing, Housing And Local Government (KPKT) | 23 | Dasar Pengurusan Sisa Pepejal Negara | 2016 |
| | | 24 | Akta Pengurusan Sisa Pepejal Dan Pembersihan Awam 2007 | 2016 |
| | | 25 | Akta Perbadanan Pengurusan Sisa Pepejal Dan Pembersihan Awam 2007 | - |
| 13 | National Landscape Department (JLN), Ministry Of Urban Wellbeing, Housing And Local Government (KPKT) | 26 | Dasar Landskap Negara | 2016 |
| | | 27 | RUU Arkitek Landskap | 2016 |

| No | Regulator | No | Title Of Regulatory Proposal | Month/Timeline |
|----|---|----|---|----------------|
| 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) | 2016 |
| 15 | Medical Practice Division, Ministry Of Health (MOH) | 29 | Organ And Tissue Transplantation Bill | 2016 |
| | | 30 | Assisted Reproductive Technology Bill | |
| | | 31 | Medical Assistants Registration Act 1977 (Amendments) | |
| | | 32 | Managed Care Organisation Bill | |
| | | 33 | Medical Regulation 1974 (Amendments) | |
| | | 34 | Pathology Laboratory Regulation | |
| | | 35 | Private Mobile Healthcare Service | |
| | | 36 | Private Ambulance Service | |
| 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 | 2016 |
| | | 40 | Development Of Code Of Ethic And Professional Conduct | 2016 |
| | | 41 | Development Allied Health Professions Council | 2016 |
| | | 42 | Development Of 23 Allied Health Professions Committee | 2016 |
| | | 43 | Modification Of Online Registration For Allied Health Professional | 2016 |
| | | 44 | Encouraging Voluntary Online Registration For Allied Health Professional In Public Sector | 2016 |
| 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 |

| No | Regulator | No | Title Of Regulatory Proposal | Month/Timeline |
|----|--|----|---|-------------------------|
| 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 | |
| | | 55 | Children And Young Persons (Employment) Act 1966 | April 2016 - March 2017 |
| 22 | Department Of Labour Of Sabah, Ministry Of Human Resource (MOHR) | 56 | Labour Ordinance (Sabah Cap. 67) | April 2016 - March 2017 |
| | | 57 | Labour Ordinance (Sarawak Cap. 76) | April 2016 - March 2017 |
| 23 | Department Of Labour Of Sarawak, Ministry Of Human Resource (MOHR) | 58 | Labour (Licence To Employ Non-Residence Employee In Sarawak Rules 201x | - |
| 24 | Department f Trade Union, Ministry Of Human Resource (MOHR) | 59 | Trade Union Act 1959 | May 2016 - May 2017 |

| No | Regulator | No | Title Of Regulatory Proposal | Month/Timeline |
|----|--|----|--|----------------------------|
| 25 | Department Of Industrial Relations Malaysia, Ministry Of Human Resource (MOHR) | 60 | Industrial Relations Act 1967 [Act 177] | May 2016 - May 2017 |
| 26 | Department Of Occupational Safety And Health (DOSH), Ministry Of Human Resource (MOHR) | 61 | Akta Keselamatan Dan Kesihatan Pekerjaan 201x | 2016 |
| | | 62 | Peraturan-Peraturan Keselamatan Dan Kesihatan Pekerjaan (Penggunaan Dan Standard Pendedahan Bahan Kimia Berbahaya Kepada Kesihatan) 2000 | 2016 |
| | | 63 | Peraturan-Peraturan Keselamatan Dan Kesihatan Pekerjaan (Pegawai Keselamatan Dan Kesihatan) 1997 | 2016 |
| | | 64 | Peraturan-Peraturan Keselamatan Dan Kesihatan Pekerjaan (Kawalan Terhadap Bahaya Kemalangan Besar Dalam Perindustrian) 1996 | 2016 |
| | | 65 | Peraturan-Peraturan Petroleum (Langkah-Langkah Keselamatan) (Pengangkutan Petroleum Melalui Talian Paip) 1985 | 2016 |
| | | 66 | Peraturan-Peraturan Keselamatan Dan Kesihatan Pekerjaan (Pendedahan Bising) 201x | 2016 |
| 27 | Dewan Bandaraya Kuala Lumpur (DBKL) , Ministry Of Federal Territories (KWP) | 67 | Undang-Undang Kecil Establisymen Makanan (Uuk Di Bawah Lesen 1 Wilayah) | Arpil 2016 - December 2016 |
| | | 68 | Undang-Undang Kecil Pasar (Uuk Di Bawah Lesen 1 Wilayah) | Arpil 2016 - December 2017 |
| | | 69 | Undang-Undang Kecil Pelesenan Tred, Perniagaan Dan Perindustrian (UUK Di Bawah Lesen 1 Wilayah) | Arpil 2016 - December 2018 |
| | | 70 | Undang-Undang Kecil Pelesenan Penjaja (Uuk Di Bawah Lesen 1 Wilayah) | Arpil 2016 - December 2019 |
| 28 | Perbadanan Putrajaya (PPJ), Ministry Of Federal Territories (KWP) | 71 | Undang-Undang Kecil Establisymen Makanan (Uuk Di Bawah Lesen 1 Wilayah) | Arpil 2016 - December 2020 |

| No | Regulator | No | Title Of Regulatory Proposal | Month/Timeline |
|----|--|----|---|----------------------------|
| | | 72 | Undang-Undang Kecil Pasar (UUK Di Bawah Lesen 1 Wilayah) | Arpil 2016 - December 2021 |
| | | 73 | Undang-Undang Kecil Pelesenan Tred, Perniagaan Dan Perindustrian (UUK Di Bawah Lesen 1 Wilayah) | Arpil 2016 - December 2022 |
| | | 74 | Undang-Undang Kecil Pelesenan Penjaja (UUK Di Bawah Lesen 1 Wilayah) | Arpil 2016 - December 2023 |
| 29 | Perbadanan Labuan (PI), Ministry Of Federal Territories (KWP) | 75 | Undang-Undang Kecil Establisyment Makanan (UUK Di Bawah Lesen 1 Wilayah) | Arpil 2016 - December 2024 |
| | | 76 | Undang-Undang Kecil Pasar (UUK Di Bawah Lesen 1 Wilayah) | Arpil 2016 - December 2025 |
| | | 77 | Undang-Undang Kecil Pelesenan Tred, Perniagaan Dan Perindustrian (UUK Di Bawah Lesen 1 Wilayah) | Arpil 2016 - December 2026 |
| | | 78 | Undang-Undang Kecil Pelesenan Penjaja (UUK Di Bawah Lesen 1 Wilayah) | Arpil 2016 - December 2027 |
| 30 | Jabatan Perikanan Malaysia (DOF), Ministry of Agriculture and Agro-based Industry (MOA) | 79 | Kaedah-Kaedah Perikanan (Penyu, Telur Dan Habitatnya) | 2016 |
| | | 80 | Peraturan-Peraturan Perikanan (Tukun Tiruan) | 2016 |
| 31 | Jabatan Perkhidmatan Kuarantin Dan Pemeriksaan Malaysia (MAQIS), Ministry of Agriculture and Agro-based Industry (MOA) | 81 | Peraturan Kuarantin Dan Pemeriksaan Malaysia (Pengkompunan) | 2016 |
| 32 | Lembaga Pertubuhan Peladang (LPP), Ministry Of Agriculture (MOA) | 82 | Peraturan-Peraturan Pertubuhan Peladang 1983 Komposisi Ahli Jemaah Pengarah Pertubuhan Peladang | January 2016 |
| | | 83 | Peraturan-Peraturan Pertubuhan Peladang 1983 Penggantungan Ahli Jemaah Pengarah Pertubuhan Peladang | January 2016 |
| | | 84 | Draf Pindaan Akta Lembaga Pertubuhan Peladang 1973 Penempatan Pegawai LPP Di LPP | January 2016 |

| No | Regulator | No | Title Of Regulatory Proposal | Month/Timeline |
|----|---|----|---|----------------|
| | | 85 | Draf Pindaan Akta Pertubuhan Peladang 1973 Anggota Bersekutu, Penubuhan Lembaga Disiplin Jemaah Pengarah, Saraan Kepada Caretaker Semasa Penggantungan Pertubuhan Peladang Dan Had Denda Ditingkatkan | September 2015 |
| 33 | Jabatan Perkhidmatan Veterinar (DVS), Ministry of Agriculture and Agro-based Industry (MOA) | 86 | Akta Binatang (Pindaan) | 2015 |
| | | 87 | Rang Undang-Undang Lembaga Pembangunan Ruminan | 2014 |
| | | 88 | Kaedah-Kaedah Binatang (Pencucian Dan Disinfeksi) | 2014 |
| | | 89 | Kaedah-Kaedah Binatang (Pendaftaran Tempat Penyimpanan Daging Dan Produk Berasaskan Daging) | 2014 |
| | | 90 | Kaedah-Kaedah Binatang (Kawalan Penjualan) (Pindaan) | 2014 |
| | | 91 | Perintah Binatang (Pengkompunan Kesalahan) | 2014 |
| | | 92 | Peraturan-Peraturan Makanan Haiwan (Pengkompunan Kesalahan) | 2014 |
| | | 93 | Kaedah-Kaedah Pemeriksaan Daging (Pindaan) | 2013 |
| | | 94 | Peraturan-Peraturan Kebajikan Haiwan (Pelesenan) | 2012 |
| | | 95 | Peraturan-Peraturan Kebajikan Haiwan (Notis Penambahbaikan Dan Pengkompunan Kesalahan) | 2012 |
| | | 96 | Peraturan-Peraturan Kebajikan Haiwan (Pegawai Kebajikan Haiwan Dan Pembantu Sukarela Kebajikan Haiwan) | 2012 |
| | | 97 | Peraturan-Peraturan Kebajikan Haiwan (Pengurusan Prosidur Veterinar Dibenarkan) | 2012 |
| | | 98 | Peraturan-Peraturan Kebajikan Haiwan (Pengangkutan Haiwan) | 2012 |

| No | Regulator | No | Title Of Regulatory Proposal | Month/Timeline |
|----|--|-----|--|----------------|
| | | 99 | Peraturan-Peraturan Kebajikan Haiwan (Tanggungjawab Pemilikan Haiwan Bertanggungjawab) | 2012 |
| | | 100 | Peraturan-Peraturan Kebajikan Haiwan (Pengurusan Penyelamatan, Pemulihan Dan Penangkapan Haiwan Berkeliaran) | 2012 |
| | | 101 | Peraturan-Peraturan Kebajikan Haiwan (Penyedia Latihan Dan Pusat Latihan Haiwan) | 2012 |
| | | 102 | Peraturan-Peraturan Kebajikan Haiwan (Haiwan Yang Digunakan Dalam Penyelidikan, Ujian Dan Pengajaran) | 2012 |
| | | 103 | Kaedah-Kaedah Binatang (Pelesenan Pemilik Vaksin Dan Pemvaksin Veterinar) | 2012 |
| | | 104 | Peraturan-Peraturan Doktor Veterinar (Pendaftaran Doktor Veterinar & Amalan Perubatan Doktor Veterinar) | 2012 |
| | | 105 | Peraturan-Peraturan Doktor Veterinar (Laporan Pemeriksaan Premis) | 2012 |
| | | 106 | Peraturan-Peraturan Doktor Veterinar (Tindakan Tatatertib) | 2012 |
| | | 107 | Perintah Wilayah Putrajaya Kuala Lumpur Dan Putrajaya (Ubah Suaian Akta Binatang 1953) | 2012 |
| | | 108 | Kaedah-Kaedah Binatang (Pelesenan Premis Penyedia Perkhidmatan Pemiakbakaan) | 2011 |
| | | 109 | Kaedah-Kaedah Binatang (Fi Bagi Ujian Makmal) | 2010 |
| 34 | Lembaga Perindustrian Nanas Malaysia (LPNM), Ministry of Agriculture and Agro-based Industry (MOA) | 110 | Draf Rang Undang Undang Lembaga Nanas Malaysia | 2016 |
| | | 111 | Draf Peraturan-Peraturan Lembaga Nanas Malaysia (Pelesenan) | 2016 |
| | | 112 | Draf Peraturan-Peraturan Lembaga Nanas Malaysia (Kawalan Pemasaran Nanas) | 2016 |

| No | Regulator | No | Title Of Regulatory Proposal | Month/Timeline |
|----|--|-----|---|--------------------------|
| | | 113 | Draf Peraturan-Peraturan Lembaga Nanas Malaysia (Pengkompaunan Kesalahan) | 2016 |
| | | 114 | Draf Peraturan-Peraturan Lembaga Nanas Malaysia (Bantuan Kewangan) | 2016 |
| 35 | Lembaga Kemajuan Pertanian Muda (MADA), Ministry of Agriculture and Agro-based Industry (MOA) | 115 | Akta Lembaga Kemajuan Pertanian Muda 1972 [Akta 70] (Pindaan) | 2016 |
| 36 | Institut Penyelidikan Dan Kemajuan Pertanian Malaysia (MARDI), Ministry of Agriculture and Agro-based Industry (MOA) | 116 | Peraturan-Peraturan Pegawai MARDI (Pelantikan, Kenaikan Pangkat Dan Penamatan Perkhidmatan) | Jun 2016 |
| 37 | Suruhanjaya Tenaga ,Ministry Of Energy, Green Technology & Water (KETTHA) | 117 | Peraturan-Peraturan Pemegang Lesen 1990 | June 2016 |
| | | 118 | Peraturan-Peraturan Elektrik 1994 | June 2016 |
| | | 119 | Peraturan Berhubung Electricity Industry Fund (Eif) | December 2016 |
| 38 | Tribunal Rayuan Pengguna, Ministry of Domestic Trade and Consumer Affairs (KPDNHEP) | 120 | Amendments To Competition Act 2010 (Act 712) | January 2016 - June 2016 |
| 39 | Suruhanjaya Syarikat Malaysia, Ministry of Domestic Trade and Consumer Affairs (KPDNHEP) | 121 | Companies Bill <ul style="list-style-type: none"> • Regulations • Guidelines • Practice Directives | December 2016 |
| | | 122 | Interest Scheme Bill <ul style="list-style-type: none"> • Regulations • Guidelines | December 2016 |
| | | 123 | Proposal Paper On The Review Of Registration Of Businesses Act 1956 (Sole Proprietorship & Partnership) | September 2016 |

| No | Regulator | No | Title Of Regulatory Proposal | Month/Timeline |
|----|--|-----|--|----------------|
| 40 | Bahagian Pembangunan Francais, Ministry of Domestic Trade and Consumer Affairs (KPDNHEP) | 124 | Amendment Of Franchise Act 1998 (Act 590) 1. Section 4 – Definition 2. Part li – Multiple Section On Forms Used 3. Part Vi – Detail On Offences And Penalty 4. Part Vii - Enforcement | - |
| | | 125 | 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 | - |

| No | Regulator | No | Title Of Regulatory Proposal | Month/Timeline |
|----|--|-----|---|---------------------|
| 41 | Bahagian Industri Perkhidmatan, Ministry of Domestic Trade and Consumer Affairs (KPDNHEP) | 126 | Rang Undang-Undang Perkhidmatan Penyelenggaraan Dan Pembaikan Kenderaan Bermotor | October 2015 - 2017 |
| 42 | Bahagian Perdagangan Dalam Negeri, Ministry of Domestic Trade and Consumer Affairs (KPDNHEP) | 127 | Amendment Of "Guidelines On Foreign Participation In The Distributive Trade Services Malaysia" | 2016 |
| 43 | Myipo, Ministry of Domestic Trade and Consumer Affairs (KPDNHEP) | 128 | Akta Paten 1983 - Akta Paten (Pindaan) 2016 Dan Peraturan | December 2016 |
| | | 129 | Akta Cap Dagangan 1976 - Akta Cap Dagangan (Pindaan) 2016 Dan Peraturan | December 2016 |
| | | 130 | Akta Petunjuk Geografi 2000 - Akta Petunjuk Geografi (Pindaan) 2016 Dan Peraturan (Sekiranya Perlu) | December 2016 |
| 44 | Maktab Koperasi Malaysia, Ministry of Domestic Trade and Consumer Affairs (KPDNHEP) | 131 | Pindaan Akta Maktab Koperasi Malaysia Ke Institut Koperasi Malaysia | December 2016 |
| 45 | Bahagian Penguatkuasa, Ministry of Domestic Trade and Consumer Affairs (KPDNHEP) | 132 | Akta Timbang Dan Sukat 1972 (Pindaan) | Jun 2016 |
| 46 | 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) | |

| No | Regulator | No | Title Of Regulatory Proposal | Month/Timeline |
|----|--|-----|--|----------------------|
| 47 | Perpustakaan Negara Malaysia, Ministry Of Tourism And Culture (MOTAC) | 135 | Cadangan Pindaan Ke Atas Peraturan-Peraturan Perpustakaan Negara 1977 P.U.(A) 365 | February 2016 |
| | | 136 | Cadangan Pindaan Ke Atas 2. Peraturan-Peraturan Perpustakaan Negara (Pindaan) 1993 P.U. (A) 294 | |
| 48 | Lembaga Pembangunan Langkawi, Ministry Of Finance (MOF) | 137 | Ilankawi Enforcement | - |
| | | 138 | Amendment Of Langkawi Development Authority Act 1990 (Act 423) | December 2016 |
| 49 | Bahagian Keselamatan Dan Ketenteraman Awam, Ministry Of Home Affairs (KDN) | 139 | Rang Undang-Undang Dadah Berbahaya (Langkah-Langkah Pencegahan Khas) (Pindaan) 2015 | November 2015 - 2016 |
| 50 | Bahagian Kepingjaraan, Antidadah Dan Rela, Ministry Of Home Affairs (KDN) | 140 | Rang Undang-Undang Agensi Antidadah Kebangsaan (Pindaan) 2016 | 2016 |
| 51 | Jabatan Pendaftaran Negara, Ministry Of Home Affairs (KDN) | 141 | Akta Pendaftaran Kelahiran Dan Kematian (Peruntukan-Peruntukan Khas) 1975 (Akta 152) & Akta Pendaftaran Kelahiran Dan Kematian 1957 (Akta 299) | 2016 |
| 52 | Ministry Of Transport (MOT) | 142 | Akta Penubuhan Malaysia Transportation Safety Board (Mtsb) | 2016 |
| | | 143 | Pindaan Akta Pengangkutan Jalan (Apj) 1987 | 2016 |
| | | 144 | Rang Undang-Undang Ordinan Perkapalan Saudagar (Pindaan) 2016 | 2016 |
| | | 145 | Akta Penubuhan Lembaga Penerbangan Awam Malaysia (Civil Aviation Authority Malaysia) | 2016 |
| 53 | Ministry Of Plantation Industries And Commodities (MPIC) | 146 | National Commodities Policy (Ncp) | 2016 |

| No | Regulator | No | Title Of Regulatory Proposal | Month/Timeline |
|----|--|-----|---|----------------|
| 54 | 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 | December 2016 |
| | | 148 | Malaysian Timber Industry Board (Import Licence For Timbers And Timber Products) Regulations 2016 | December 2016 |
| | | 149 | Malaysian Timber Industry Board (Issuance Of Permit And Certificate) Regulations 2016 | December 2016 |
| | | 150 | Malaysian Timber Industry Board (Sawn Timber Grading Fees) (Revocation) Rules 2016 | December 2016 |
| 55 | Department Of Islamic Development (JAKIM), Prime Minister's Office (JPM) | 151 | Trade Description Act 2011 (This Act Is Under The Purview Of Kpdnkk) | - |
| | | 152 | The Malaysian Protocol For The Halal Meat And Poultry Productions (Under Purview Of Department Of Islamic Development Malaysia) | - |
| | | 153 | Manual Procedure For Halal Certification Malaysia (Third Revision) 2014 (Under Purview Of Department Of Islamic Development Malaysia) | - |
| | | 154 | Malaysian Standard (Ms) Related To Halal Certification Q Ms1500: 2009 Halal Food - Production, Preparation, Handling And Storage - General Guidelines (Second Revision) Q Ms2200 Part 1: 2008 For Cosmetic & Personal Care Q Ms2400 -1: 2010 Halalan - Toyyiban Assurance Pipeline - Part 1: Management System Requirements For Transportation Of Goods And/ Or Cargo Chain Services Q Ms2400 - 2: 2010 Halalan - Toyyiban Assurance Pipeline - Part 2: Management System Requirements For Warehousing And Related Activities; Q Ms2400 - 3: 2010 Halalan - Toyyiban Assurance Pipeline - Part 3: Management System Requirements For Retailing; Q Ms2424: 2012 Halal Pharmaceuticals - General Guidelines Q Ms2200: Part 2: 2012 Islamic Consumer Goods Made Of Bones, Skin And Fur Under Purview Of Department Of Standard Malaysia | - |

| No | Regulator | No | Title Of Regulatory Proposal | Month/Timeline |
|----|--|-----|--|----------------|
| 56 | Land Public Transport Commission (SPAD), Prime Minister's Office (JPM) | 155 | Land Public Transport (Railway Operator's Licensing) Regulations 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 |
| 57 | Perbadanan Kemajuan Filem Nasional Malaysia (FINAS), Ministry Of Communication And Multimedia (KKMM) | 158 | Pindaan Sijil Perakuan Penggambaran (Spp) - Di Bawah Lesen Pengeluaran Akta Perbadanan Kemajuan Filem Malaysia (Akta 244) | July 2016 |
| | | 159 | Pindaan Sijil Akuan Filem Iklan Buatan Malaysia (Mim - Made In Malaysia) - Di Bawah Lesen Pengeluaran Akta Perbadanan Kemajuan Filem Malaysia (Akta 244) | July 2016 |
| 58 | Bahagian Pendidikan Swasta, Ministry Of Education (MOE) | 160 | Peraturan-Peraturan Pendidikan (Tadika) | December 2016 |
| 59 | Ministry Of Women, Family And Community Development (KPWKM) | 161 | Akta Ketua Pengarah Kebajikan Masyarakat 1948 (Akta 529) | - |
| | | 162 | Akta Orang Papa 1977 (Akta 193) | - |
| | | 163 | Akta Orang Kurang Upaya 2007 | - |
| | | 164 | Akta Kanak - Kanak 2001 (Akta 611) | - |
| | | 165 | Akta Keganasan Rumah Tangga 1994 (Akta 521) | - |
| | | 166 | Akta Taman Asuhan Kanak - Kanak 1984 (Akta 308) | - |
| | | 167 | Akta Pusat Jagaan 1993 (Akta 506) | - |
| 60 | Peraturan, Ministry Of Women, Family And Community Development (KPWKM) | 168 | Peraturan-Peraturan Pusat Jagaan 1994 | - |
| | | 169 | Peraturan - Peraturan Pasukan Perlindungan Kanak - Kanak (Prosedur Dan Amalan) 1995 | - |

| No | Regulator | No | Title Of Regulatory Proposal | Month/Timeline |
|----|---|-----|---|----------------|
| | | 170 | Peraturan-Peraturan Taman Asuhan Kanak-Kanak (Di Institusi) 1985 | - |
| | | 171 | Peraturan-Peraturan Perlindungan Kanak-Kanak (Tempat Selamat) 1992 | - |
| | | 172 | Peraturan-Peraturan Jawatankuasa Kebajikan Budak-Budak (Perlembagaan Dan Kewajipan-Kewajipan) 1976 (Pindaan 1988) | - |
| | | 173 | Peraturan-Peraturan Asrama Akhlak 1982 | - |
| | | 174 | Peraturan-Peraturan Sekolah Yang Diluluskan 1981 | - |
| | | 175 | Peraturan –Peraturan Taska (Pengkompaunan Kesalahan) 2011 | - |
| | | 176 | Peraturan –Peraturan Pusat Jagaan (Pengkompaunan Kesalahan) 2011 | - |
| | | 177 | Peraturan-Peraturan Kanak-Kanak (Borang Dan Daftar Ditetapkan) 2007 | - |
| | | 178 | Peraturan-Peraturan Orang Kurang Upaya (Pusat Perkembangan Kerjaya) 2009 | - |
| | | 179 | Peraturan- Peraturan OKU, Pendaftaran Dan Pengeluaran Kad OKU 2010 | - |
| 61 | Ministry Of Women, Family And Community Development (KPWKM) | 180 | Kaedah-Kaedah Bagi Pengurusan Rumah Orang-Orang Tua 1983 | - |
| | | 181 | Kaedah-Kaedah Perlindungan Wanita Dan Gadis (Tempat Perlindungan) 1982 | - |
| | | 182 | Kaedah-Kaedah (Rumah Kebajikan) Orang-Orang Papa 1981 | - |
| | | 183 | Kaedah-Kaedah Woksyhop Terlindung 1979 | - |
| | | 184 | Kaedah-Kaedah Pengurusan Rumah-Rumah Pesakit Melarat 1978 | - |
| | | 185 | Kaedah-Kaedah Bagi Pusat-Pusat Pemulihan Cacat Akal 1977 | - |

| No | Regulator | No | Title Of Regulatory Proposal | Month/Timeline |
|----|---|-----|---|----------------|
| 62 | Ministry Of Women, Family And Community Development (KPWKM) | 186 | Akta Pekerja Sosial 2013 | - |
| | | 187 | Peraturan-Peraturan Rang Undang-Undang Pekerja Sosial 2013 | - |
| 63 | Malaysian Investment Development Authority (MIDA), MITI | 188 | Review Of Promotion Of Investments Act 1986 [Act 327] (PIA) | 2018 |
| | | 189 | Review Of The Industrial Coordination Act (ICA) 1975 | 2018 |

Annex 7 ANNUAL REGULATORY PLAN 2017

| No | Regulator | No | Title Of Regulatory Proposal | Month/Timeline |
|----|--|----|--|------------------------|
| 1 | Ministry of International Trade and Industry (MITI) | 1 | The Review of Promotion of Investments Act (PIA) 1986 | March 2017-August 2017 |
| | | 2 | The Review of Industrial Coordination Act (ICA) 1975 | March 2017-August 2017 |
| | | 3 | National Remanufacturing Policy | March 2017 |
| 2 | SME Corporation Malaysia, Ministry Of International Trade and Industry (MITI) | 4 | National Small and Medium Enterprises Development Bill 2016 | February - June 2017 |
| 3 | Ministry of Rural and regional Development (KKLW) | 5 | Dasar Transformasi Luar Bandar | |
| | | 6 | Akta Lembaga Kemajuan Wilayah (LKW) | |
| 4 | Majlis Amanah Rakyat (MARA), Ministry of Rural and Regional Development (KKLW) | 7 | Semakan semula Dasar dan Garis Panduan Pelaburan MARA | - |
| | | 8 | MARA Ecosystem Quality Standard (MQS) Peraturan Pelaksanaan dan Kuasa Melulus Program Pembangunan Usahawan | - |
| | | 9 | Pelan Rasionalisasi Syarikat Subsidiari MARA | - |
| 5 | Ministry of Women, Family and Community Development (KPWKM) | 10 | Pelan Tindakan Keganasan Terhadap Wanita (Baharu) | December 2017 |
| | | 11 | Akta Keganasan Rumah Tangga (Pindaan) 2017 | March 2017 |
| | | 12 | Peraturan Taman Asuhan Kanak-kanak (TASKA) (Pindaan) | December 2017 |
| | | 13 | Peraturan Taman Asuhan Kanak-kanak (TASKA) di rumah (Baharu) | December 2017 |
| | | 14 | Akta Orang Papa 1977 (Pindaan) | |
| | | 15 | Akta Pekerja Sosial | December 2017 |
| | | 16 | Dasar Kanak-kanak (Baharu) | December 2017 |
| | | 17 | Pelan Tindakan Warga Emas Negara (PTWEN) | 2018 December 2017 |

| No | Regulator | No | Title Of Regulatory Proposal | Month/Timeline |
|----|--|----|---|------------------------------|
| | | 18 | Peraturan Kanak-Kanak (Asrama Akhlak) 2017 | 2017 |
| | | 19 | Peraturan Kanak-Kanak (Tempat Selamat) 2017 | 2017 |
| | | 20 | Peraturan Kanak-Kanak (Tempat Perlindungan) 2017 | 2017 |
| | | 21 | Peraturan Kanak-Kanak (Sekolah Diluluskan) 2017 | 2017 |
| | | 22 | Peraturan Kanak-Kanak (Pembantu Pelindung) 2017 | 2017 |
| | | 23 | Peraturan Kanak-Kanak (Pemeliharaan Berasaskan Keluarga) 2017 | 2017 |
| | | 24 | Peraturan Kanak-Kanak (Majlis Kebangsaan Kanak-Kanak) 2017 | 2017 |
| | | 25 | Peraturan Kanak-Kanak (Borang dan Daftar yang Ditetapkan) 2017 yang masih dalam peringkat penyediaan oleh JKM | - |
| 6 | Sustainable Energy Development Authority Malaysia (SEDA Malaysia)-(KETTHA), Ministry of Energy, Green Technology and Water | 26 | Renewable Energy (Allocation from Electricity Tariffs) Order | 2017 |
| | | 27 | Renewable Energy (Feed-in Approval & Feed in Tariff Rate) Rules 2011 | 2017 |
| | | 28 | Renewable Energy (Manner of Appeal) Regulations | 2017 |
| | | 29 | Renewable Energy (Amendment of Schedule) Order 2017 | June 2017 |
| 7 | Department of Agriculture (DOA), Ministry of Agriculture and Agro-based Industry (MOA) | 30 | Repeal of the Protection of New Plant Varieties Act 2004 (Act 634) | 13 February - June 2020 |
| | | 31 | Enactment of Plant Breeder's Rights Act 20XX | January 2017 - December 2018 |
| | | 32 | myGAP certification | - |
| | | 33 | myOrganic certification | - |
| | | 34 | Seed certification Scheme (SPBT) | - |

| No | Regulator | No | Title Of Regulatory Proposal | Month/Timeline |
|----|---|----|---|------------------------------|
| | | 35 | Seed Quality Bill | January 2017 - December 2018 |
| | | 36 | Plant Biosecurity Bill | December 2017 |
| | | 37 | Pindaan Peraturan-Peraturan Racun MakhluK Perosak (Pelabelan) 1984 | November |
| | | 38 | Pindaan Akta Racun MakhluK Perosak 1974 (akta 149) | December 2017 |
| 8 | Ministry of Youth and Sports (KBS) | 39 | Sport Development Act 1997 (Act 576) (in amendment process) | November 2017 |
| | | | | - |
| 9 | Human Resorce Development Fund (MOHR), Ministry if Human Resources | 40 | Amendment and Expansion of PSMB Act 2001 (Act 612) | - |
| 10 | Department of Occupational Safety and Health (MOHR), Ministry of Human Resources | 41 | Peraturan - Peraturan Kilang dan Jentera (Keselamatan, Kesihatan Dan Kebajikan) 1970 | - |
| | | 42 | Peraturan - Peraturan Kilang dan Jentera (Skim Pemeriksaan Khas) (Pemeriksaan Berasaskan Risiko) 2014 | - |
| 11 | Malaysia Industrial Court, Ministry of Human Resources (MOHR) | 43 | Industrial Court Rules (e-Filing and e-service) 2018 | - |
| 12 | Malaysian Palm Oil Board (MPOB), Ministry of Plantation Industries and Commodities | 44 | Malaysian Palm Oil Board (Licensing) Regulations 2017 | - |
| 13 | Malaysian Timber Industrial Board (MTIB), Ministry of Plantation Industries and Commodities | 45 | Malaysian Timber Industry Board (Registration) Rules 2017 | - |
| | | 46 | Malaysian Timber Industry Board (Suspension, Cancellation, Refusal to Renew Registration) Rules 2017 | - |
| | | 47 | Malaysian Timber Industry Board (Registration) (Appeal) Rules 2017 | - |

| No | Regulator | No | Title Of Regulatory Proposal | Month/Timeline |
|----|---|----|--|------------------|
| | | 48 | Malaysian Timber Industry Board (Compounding of Offences) Regulations 2017 | - |
| 14 | Suruhanjaya Pelabuhan Pulau Pinang, Ministry of Transport (MOT) | 49 | Pengeluaran dan Pemantauan Lesen dan Permit: a) Lesen Stevedoring b) Lesen Cargo Handling c) Lesen Menduduki Persisiran Pantai d) Surat Kuasa Mengendalikan Barangan Persisiran Pantai (Foreshore) | - |
| | | 50 | Memastikan kemudahan marin dan kawasan pengangkutan maritim mencapai piawaian dari segi keselamatan dan sekuriti | - |
| | | 51 | Pengendalian Kargo berbahaya secara atas talian | - |
| | | 52 | Pergerakan Barangan Zon Bebas Komersil | - |
| 15 | Johor Port Authority, Ministry of Transport (MOT) | 53 | Undang-Undang Kecil (UUK) Perlesenan LPJ & LPJ (TP) | - |
| | | 54 | Undang-Undang Kecil (UUK) Keselamatan, Kesihatan dan Persekitaran Pelabuhan LPJ & LPJ (TP) | - |
| | | 55 | Peraturan Kewangan LPJ dan LPJ (TP) | - |
| | | 56 | Undang-Undang Kecil (UUK) Dagangan Bahaya Pelabuhan LPJ & LPJ (TP) | - |
| 16 | Ministry of Domestic Trade and Consumer Affairs (KPDNHEP) | 57 | Peraturan Jualan Langsung (Pengkompaunan Kesalahan-kesalahan) 1993 | December 2017 |
| | | 58 | Pindaan Peraturan-Peraturan Timbang dan Sukat 1981 | 2017 - 2020 |
| | | 59 | Pindaan Peraturan-Peraturan Kawalan Harga dan Antipencatutan (Mekanisme Untuk Menentukan Keuntungan Tinggi Yang Tidak Munasabah Bagi Barangan) 2016 | April -June 2017 |

| No | Regulator | No | Title Of Regulatory Proposal | Month/Timeline |
|----|--|----|---|------------------------------|
| | | 60 | Pindaan kepada Akta Perlindungan Pengguna 1999 (Akta 559) | January - December 2017 |
| | | 61 | Pindaan kepada Akta Kawalan Harga dan Antipencatutan 2011 | January - December 2017 |
| | | 62 | Pindaan kepada Akta Perihal Dagangan 201 | January - December 2017 |
| | | 63 | Pindaan Syarat Khas Lesen Borong Minyak Masak | November - March 2017 |
| | | 64 | Garis Panduan Skim Penstabilan Harga Minyak Masak (Cooking Oil - Stabilization Scheme-Coss) | 2017 |
| | | 65 | Pindaan Garis Panduan Permohonan Lesen Jualan Langsung | 2017 |
| | | 66 | Petroleum Dan Gas (CPDG) Pindaan Garis Panduan Permohonan Kebenaran PDA | January 2016 - December 2017 |
| | | 67 | Penambahbaikan Syarat Permit Ejen Pemilikan Semula (EPS) Competition Appeal Tribunal | 2017 |
| | | 68 | Amendment of Competition Act 2010 (Act 712) | December 2017 |
| | | 69 | Trade Descriptions (Marking of Safety Glass For Motor Vehicles) Order 2017 | August 2017 |
| 17 | Perbadanan Harta Intelek Malaysia (MyIPO), Ministry of Domestic Trade and Consumer Affairs (KPDNHEP) | 70 | Patents (Amendment) Bill 2017 | April/May 2017 |
| | | 71 | Patents(Amendment) Regulations 2017 | April - July 2017 |
| | | 72 | Trademarks (Amendment) Bill 2017 | April - July 2017 |
| | | 73 | Trade Marks (Amendment) Regulations 2017 | April - August 2017 |
| | | 74 | Geographical Indications (Amendment) Bill 2017 | March - July 2017 |
| | | 75 | Geographical Indications (Amendment) Regulations 2017 | April - August 2017 |
| | | 76 | Intellectual Property Corporation of Malaysia (Amendment) Bill 2017 | March - July 2017 |

| No | Regulator | No | Title Of Regulatory Proposal | Month/Timeline |
|----|---|----|---|---------------------|
| | | 77 | Intellectual Property Corporation of Malaysia Regulations 2017 | June -October 2017 |
| | | 78 | Copyright (Amendment) Bill 2017 | March -October 2017 |
| | | 79 | Copyright (Notification of Internet Service Provider) Regulations 2017 | May - October 2017 |
| 18 | Maktab Koperasi Malaysia (MKM), Ministry of Domestic Trade and Consumer Affairs (KPDNHEP) | 80 | Pindaan Akta Maktab Kerjasama (Perbadanan) 1968 [Akta 437] | January -July 2017 |
| | | 81 | Pindaan Akta MKM termasuk petukaran nama MKM ke Institut Koperasi Malaysia | Januay - July 2017 |
| 19 | Suruhanjaya Syarikat Malaysia, Ministry of Domestic Trade and Consumer Affairs (KPDNHEP) | 82 | Review of the Registration of Businesses Act 1956 | May - October 2017 |
| | | 83 | Review of the Trust Companies Act 1949 | May - December 2017 |
| | | 84 | Introduction of Personal Property Securities Registration Law | May - December 2017 |
| 20 | Suruhanjaya Persaingan Malaysia (MYCC), Ministry of Domestic Trade and Consumer Affairs (KPDNHEP) | 85 | Drafting of Guidelines on the Treatment of Intellectual Property Rights | December 2017 |
| 21 | Suruhanjaya Komunikasi dan Multimedia Malaysia (SKMM), Ministry of Multimedia and Communications | 86 | Review of Communications and Multimedia Act 1998 | 2017 |
| | | 87 | Review of Malaysian Communications and Multimedia Commission Act 1998 | 2017 |
| | | 88 | Review of all relevant Regulations under the Communications and Multimedia Act 1998 | 2018 |
| 22 | Ministry of Urban Wellbeing, Housing and Local Government (KPKT) | 89 | Dasar Kebersihan Persekitaran Kebangsaan | - |
| | | 90 | Akta Pemberi Pinjam Wang 1951 | - |
| | | 91 | Akta Pemegang Pajak Gadai 1972 | - |

| No | Regulator | No | Title Of Regulatory Proposal | Month/Timeline |
|----|---|-----|---|----------------|
| | | 92 | Akta Pengurusan Strata 2013 | - |
| 23 | Local Government Department, Ministry of Urban Wellbeing, Housing and Local Government (KPKT) | 93 | Akta Kerajaan Tempatan 1976 | - |
| | | 94 | Akta Jalan, Parit dan Bangunan 1974 | - |
| 24 | National Landscape Department, Ministry of Urban Wellbeing, Housing and Local Government (KPKT) | 95 | Dasar Landskap Negara | - |
| | | 96 | RUU Arkitek Landskap | - |
| 25 | Solid Waste Corporation, Ministry of Urban Wellbeing, Housing and Local Government (KPKT) | 97 | Akta Perbadanan Pengurusan Sisa Pepejal dan Pembersihan Awam 2007 | - |
| 26 | Federal Department of Town and Country Planning, Ministry of Urban Wellbeing, Housing and Local Government (KPKT) | 98 | Dasar Perancangan Fizikal Desa Negara | - |
| | | 99 | Akta Perancangan Bandar dan Desa 1976 | - |
| | | 100 | Akta Perancang Bandar 1995 | - |
| 27 | Fire and Rescue Department Malaysia, Ministry of Urban Wellbeing, Housing and Local Government (KPKT) | 101 | Dasar Kebombaan Negara | - |
| | | 102 | Akta Perkhidmatan Bomba 1988 | - |
| 28 | National Housing Department, Ministry of Urban Wellbeing, Housing and Local Government (KPKT) | 103 | Dasar Perumahan Negara | - |
| | | 104 | RUU Perbadanan Pengurusan Perumahan Awam Negara | - |
| 29 | National Solid Waste Management Department, Ministry of Urban Wellbeing, Housing and Local Government (KPKT) | 105 | Akta Pengurusan Sisa Pepejal dan Pembersihan Awam 2007 | - |
| 30 | Inland Revenue Board, Ministry of Finance (MOF) | 106 | Income Tax (Country by Country Reporting Rules 2016) | - |

| No | Regulator | No | Title Of Regulatory Proposal | Month/Timeline |
|----|--|-----|--|----------------|
| | | 107 | Income Tax (Automatic Exchange of Financial Account Information) Rules 2016 | - |
| 31 | Ministry of Science, Technology and Innovation (MOSTI) | 108 | Rang Undang-undang Antartika | - |
| 32 | Atomic Energy Licensing Board (LPTA), Ministry of Science, Technology and Innovation (MOSTI) | 109 | Rang Undang-undang Tenaga Atom | - |
| 33 | Agensi Angkasa Negara (ANGKASA), Ministry of Science, Technology and Innovation (MOSTI) | 110 | Rang Undang-Undang Angkasa Lepas | - |
| 34 | Pharmaceutical Services Division, Ministry of Health (MOH) | 111 | Kawalan ke atas pelabelan ubat | - |
| | | 112 | Aktiviti penyediaan keluaran tidak berdaftar untuk pesakit specific (compounding) | - |
| | | 113 | Pembekalan ubat tradisional yang mempunyai tuntutan tinggi | - |
| | | 114 | Kesalahan memberi maklumat palsu semasa pengeluaran nota notifikasi kosmetik | - |
| | | 115 | Kawalan ke atas kepatuhan GMP dan/atau GDP | - |
| | | 116 | Membatalkan penetapan amaun fi pemprosesan lesen dan sijil | - |
| | | 117 | Peruntukan kuasa kepada Pengarah Kanan Perkhidmatan Farmasi untuk mengeluarkan lesen percubaan klinikal produk dengan syarat-syarat tertentu | - |
| 35 | Medical Practices Division, Ministry of Health (MOH) | 118 | Human Organ and Tissue Transplantation Bill | - |
| | | 119 | The Human Tissue Act 1974 amendment | - |
| | | 120 | Assisted Reproductive Technology Bill | - |

| No | Regulator | No | Title Of Regulatory Proposal | Month/Timeline |
|----|--|-----|---|------------------------|
| | | 121 | Standalone Ambulance Services Regulations | - |
| | | 122 | Amendments of Private Healthcare Facilities and Services Act 1998 | - |
| | | 123 | Amendments of Private Healthcare Facilities and Services Regulations (Private hospitals and other private healthcare facilities) 2006 | - |
| | | 124 | Private Aged Healthcare Facilities and Services Regulations | - |
| | | 125 | Director General's Directives on Aesthetic Medical Practice | - |
| | | 126 | Repeal of Optic Act 1991 | - |
| | | 127 | Medical Regulations amendment | - |
| | | 128 | Assistant Medical Practitioners Bill (to repeal Medical Assistant (Registration) Act 1977 | - |
| | | 129 | Allied Health Profession Regulation | - |
| | | 130 | Regulating Paramedics | - |
| | | 131 | Mobile Healthcare Services | - |
| | | 132 | Managed Care Organisation (MCO) Bill | - |
| | | 133 | Private Healthcare Facilities and Services (Private Hospitals and Other Private Healthcare Facilities) (Amendment) Order 2017 | - |
| | | 134 | Private Healthcare Facilities and Services (Private Medical Clinics and Private Dental Clinics) (Amendment) Regulations 2017 | - |
| 36 | Food Safety and Quality Division, Ministry of Health (MOH) | 135 | Harmonization Food Additive Provisions with Codex standard | 2016 |
| | | 136 | Processing Aids | January -December 2017 |
| | | 137 | Plastic material and articles | January -December 2017 |

| No | Regulator | No | Title Of Regulatory Proposal | Month/Timeline |
|----|-----------|-----|--|---------------------------|
| | | 138 | Teats and pacifier: N-nitrosamines and total of N-nitrosatable | January -December 2017 |
| | | 139 | Organic labelling | January -December 2017 |
| | | 140 | Labelling for no added sugar | January -December 2017 |
| | | 141 | Labelling for no added salt | January -December 2017 |
| | | 142 | Amendment on net weight labelling | January -December 2017 |
| | | 143 | Amendment on font size of labelling contain of "beef", "pork and its constituent", and "alcohol" | January -December 2017 |
| | | 144 | Amendment on Cocoa and Cocoa Product Standard | January -December 2017 |
| | | 145 | To review control requirement by FSQD on negative list for food (ingredient under DRGD (NPRA)) | January -December 2017 |
| | | 146 | To develop mechanism for product registration and registration fee for supplemented food | January -December 2017 |
| | | 147 | To review permitted level of caffeine in flavoured drink | January -December 2017 |
| | | 148 | To review the difference between non dairy creamer, sweetened creamer, sweetened condensed milk and condensed milk | January -December 2017 |
| | | 149 | Requirement to control total soluble solid in fruit juice | January -December 2017 |
| | | 150 | Expand standard of tea mix to cater for premix tea | January -December 2017 |
| | | 151 | Standard for Madu kelulut | January -December 2017 |
| | | 152 | To review alcohol content in wine and general standard for distilled spirit | January -December 2017 |

| No | Regulator | No | Title Of Regulatory Proposal | Month/Timeline |
|----|--|-----|--|---------------------------|
| | | 153 | To review general standard for distilled spirit | January -December 2017 |
| | | 154 | Proposed Amendments of Fourteenth Schedule (Regulation 38)- Metal Contaminant for Cocoa and Cocoa Products | January -December 2017 |
| | | 155 | Proposed Amendments of Sixteenth Schedule (Regulation 41)- Pesticide Residue- ASEAN Harmonized MRLs | January -December 2017 |
| | | 156 | Proposed Amendments of Fifteenth A Schedule (Regulation 40)- Drug Residue | January -December 2017 |
| | | 157 | Isotonic Electrolyte Drink | January -December 2017 |
| | | 158 | Isotonic Electrolyte Drink Base | January -December 2017 |
| | | 159 | Food Advertisement Regulations 20 __ | January -December 2017 |
| | | 160 | Sports Food/performance food | January -December 2017 |
| | | 161 | To expand the nutrient function claim and nutrient content claim Iodised salt | January -December 2017 |
| | | 162 | Amendment Regulation for Formulated Milk Powder for Children | January -December 2017 |
| | | 163 | To review other food commodity that is mandatory for Nutrition Information Panel (NIP) | January -December 2017 |
| | | 164 | To review NIP to be in line with Codex | January -December 2017 |
| 37 | Engineering Services Division, Ministry of Health (MOH) | 165 | Drinking Water Quality Act | December 2017 |
| 38 | Malaysia Handicraft Development Corporation, Ministry of Tourism and Culture (MOTAC) | 166 | Akta Perbadanan Kraftangan Malaysia 1979 [Akta 222] | 2018 |

| No | Regulator | No | Title Of Regulatory Proposal | Month/Timeline |
|----|---|-----|--|----------------|
| 39 | Jabatan Muzium Negara, Ministry of Tourism and Culture (MOTAC) | 167 | Rang Undang-Undang Muzium 2017 | 2017 |
| | | 168 | Akta Warisan Kebangsaan 2005 [Akta 645] | October 2017 |
| 40 | Jabatan Warisan Negara, Ministry of Tourism and Culture (MOTAC) | 169 | Peraturan-peraturan di bawah Akta Warisan Kebangsaan 2005 [Akta 645]; a) Peraturan Warisan Kebangsaan (Daftar Warisan Kebangsaan 2017) b) Peraturan Warisan Kebangsaan (Borang-borang ditetapkan 2008) | 2018 |
| 41 | Perpustakaan Negara Malaysia, Ministry of Tourism and Culture (MOTAC) | 170 | Dasar Maklumat Negara | 2018 |
| 42 | Akademi Seni Budaya dan Warisan Kebangsaan, Perpustakaan Negara Malaysia, Ministry of Tourism and Culture (MOTAC) | 171 | Cadangan Pindaan Akta Akademi Seni Budaya dan Warisan Kebangsaan 2006 [Akta 653] | October 2017 |
| 43 | Suruhanjaya Pengangkutan Awam Darat (SPAD), Prime Minister Office (JPM) | 172 | Land Public Transport (Railway Operator's Licensing) Regulations 2017 | July 2017 |
| | | 173 | Land Public Transport (Licensing of Train Drivers) Regulations 2017 | July 2017 |
| | | 174 | Land Public Transport (Licensing of Train Drivers) (Application Forms) Rules 2017 | July 2017 |

Annex 8 ANNUAL REGULATORY PLAN 2017

| No | Ministry | No | Title Of Regulatory Proposal | Month/Timeline |
|----|--|----|--|----------------|
| 1 | Pharmacy Services Division/Ministry of Health (MOH) | 1 | Poisons (Amendment of Poison List) Order 2018 | 2018 |
| | | 2 | Poisons (Amendment)Regulations (No.1) 2018 | 2018 |
| | | 3 | Poisons (Psychotropic Substances) (Amendment) Regulations 2018 | 2018 |
| | | 4 | Dangerous Drugs (Amendment)Regulations 2018 | 2018 |
| | | 5 | Medicine Advertisement S Board(Amendment)Regulations 2018 | 2018 |
| | | 6 | Registration of Pharmacists (Amendment)Regulation 2018 | 2018 |
| | | 7 | Registration of Pharmacists (Amendment of First Schedule) Order 2018 | 2018 |
| | | 8 | Sales of Drugs (Amendment)Bill 2018 | 2018 |
| | | 9 | Control of Drugs and Cosmetics (Amendment)Regulations 2018 | 2018 |
| | | 10 | Poisons (Amend of Poisons List (No.2) Order 2018 | 2018 |
| | | 11 | Poisons (Psychotropic Substances) (Amendment) Regulations 2018 | 2018 |
| | | 12 | Poisons (Amendment)Regulations (No.2) 2018 | 2018 |
| | | 13 | Poisons (Sodium Hydroxide) (Amendment) Regulations 2018 | 2018 |
| | | 14 | Medicines (Advertisement & Sales) (Amendment) Act 2018 | 2018 |
| | | 15 | POISON (Amendments) BILL 2018 | 2018 |
| 2 | Food Safety and Quality Division, Ministry Of Health (MOH) | 16 | Food Contact Material | 2018 |
| | | 17 | Flavour | 2018 |
| | | 18 | Microbiological Criteria | 2018 |
| | | 19 | Food Commodity - Cocoa and Cocoa | 2018 |

| No | Ministry | No | Title Of Regulatory Proposal | Month/Timeline |
|----|---|----|---|----------------|
| | | 20 | Food Commodity - labelling of caffeine content in food product | 2018 |
| | | 21 | Food Commodity - Milk and Milk Product Standard | 2018 |
| | | 22 | Food Commodity - To develop standard for Madu kelulut | 2018 |
| | | 23 | Supplemented Food | 2018 |
| | | 24 | Formula Dietary Food | 2018 |
| | | 25 | Pesticide Residue (Maximum Residue limit) | 2018 |
| | | 26 | Drug Residue (Maximum Residue limit) | 2018 |
| | | 27 | Probiotic culture (12A th Schedule) | 2018 |
| | | 28 | Added nutrient (12 th Schedule) | 2018 |
| 3 | Allied Health Sciences Division/Ministry of Health (MOH) | 29 | Regulations for Allied Health Professions Act 2016 | 2018 |
| 4 | Traditional Complementary Medicine (TCM) Division | 30 | Traditional & Complementary Medicine Regulations | 2018 |
| 5 | Engineering Services Division, Ministry of Health (MOH) | 31 | Drinking Water Quality Act | 2018 |
| 6 | Ministry Of Domestic Trade, Co-Operatives And Consumerism (KPDNHEP) | 32 | <i>Pindaan Akta Perdagangan Elektronik 2006 dan Akta serta Peraturan-peraturan lain yang berkaitan</i> | 2018 |
| | | 33 | <i>Akta Perihal Dagangan 2011 (AKTA 730) Cadangan Pindaan Perintah Perihal Dagangan (Perakuan dan Penandaan Halal) 2011</i> | 2018 |
| | | 34 | <i>Akta Kawalan Bekalan 1961 (AKTA 122) Peraturan-Peraturan Kawalan Bekalan 1974</i> | 2018 |

| No | Ministry | No | Title Of Regulatory Proposal | Month/Timeline |
|----|--|----|---|----------------|
| 7 | Intellectual Property Corporation of Malaysia (MyIPO), Ministry of Domestic Trade, Co-Operatives And Consumerism (KPDNHEP) | 38 | Trademarks Bill 2018 | 2018 |
| | | 39 | Trademarks (Amendment) Regulations 2018 | 2018 |
| | | 40 | Patents (Amendment) Bill 2018 | 2018 |
| | | 41 | Patents (Amendment) Regulations 2018 | 2018 |
| | | 42 | Copyright (Amendment) Bill 2018 | 2018 |
| | | 43 | Copyright (Notification of Internet Service Provider) Regulations 2018 | 2018 |
| 8 | Co-operative College of Malaysia (MKM), Ministry of Domestic Trade, Co-Operatives and Consumerism (KPDNHEP) | 44 | <i>Pindaan Akta Maktab Kerjasama (Pemerbadanan) 1968 [Akta 437]</i> | 2018 |
| 9 | Malaysia Co-Operative Societies Commission (SKM), Ministry of Domestic Trade, Co-Operatives and Consumerism (KPDNHEP) | 45 | Co-operative Societies Act 1993 [Act 502] | 2018 |
| | | 46 | Malaysia Co-Operative Societies Commission Act 2007 [Act 665] | 2018 |
| 10 | Department of Survey and Mapping Malaysia (JUPEM), Ministry Of Natural Resources And Environment (NRE) | 47 | Survey And Mapping Malaysia Act | 2018 |
| | | 48 | Peraturan Ukur Kadaster 2009 | 2018 |
| | | 49 | Garis Panduan Penyediaan Dan Pengukuran Pelan Siapbina (As-Built Plan) | 2018 |
| | | 50 | Garis Panduan Penerimaan Permohonan Pengukuran Tanpa Permohonan Ukur(PU) | 2018 |
| | | 51 | Garis Panduan Ukuran Untuk Permohonan Hakmilik Stratum Tanah Bawah Tanah (TBT) | 2018 |
| | | 52 | Garis Panduan Perolehan Perkhidmatan Ukur Tanah Dan Pemetaan Oleh Agensi Kerajaan | 2018 |

| No | Ministry | No | Title Of Regulatory Proposal | Month/Timeline |
|----|--|----|---|----------------|
| | | 53 | <i>Garis Panduan Pelaksanaan Pengukuran Ke Atas Jajaran Utiliti Bawah Tanah Semasa</i> | 2018 |
| | | 54 | <i>Garis Panduan Penggunaan Unmanned Aerial Vehicle (UAV) Bagi Aktiviti Citraan</i> | 2018 |
| | | 55 | <i>Prosedur Operasi Standard (SOP) Pelaksanaan Fleet Commander Uav</i> | 2018 |
| | | 56 | <i>Urusan Penyelarasan Penggambaran Dan Pengimejan Udara Menggunakan Airbone Bagi Agensi-Agensi Di Bawah Kementerian Sumber Asli Dan Alam</i> | 2018 |
| | | 57 | <i>Garis Panduan Penentuan Nama Geografi Versi 2</i> | 2018 |
| | | 58 | <i>Pindaan Dasar Ulangkaji Peta Topografi Malaysia (MY SIRI)</i> | 2018 |
| | | 59 | <i>SOP Bagi Semakan Kualiti Data Untuk Peta Topografi</i> | 2018 |
| | | 60 | <i>Buku Nama-Nama Pulau Dan Entiti Geografi Di Malaysia</i> | 2018 |
| 11 | Department of Agriculture (DOA), Ministry of Agriculture and Agro-based Industry (MOA) | 61 | PLANT BIOSECURITY BILL (Rang Undang-Undang Biosekuriti Tumbuhan) | 2018 |
| | | 62 | Fertilizer Bill | 2018 |
| | | 63 | Seed Quality Act 201x | 2018 |
| 12 | Lembaga Kemajuan Ikan Malaysia (LKIM), Ministry of Agriculture and Agro-based Industry (MOA) | 64 | <i>Akta Lembaga Kemajuan Ikan Malaysia Pindaan 2018</i> | 2018 |
| | | 65 | <i>Akta Persatuan nelayan (Pindaan) 2018</i> | 2018 |
| 13 | Jabatan Perkhidmatan Kuarantin Dan Pemeriksaan Malaysia (MAQIS), Ministry of Agriculture and Agro-based Industry (MOA) | 66 | <i>Peraturan-peraturan Perkhidmatan Kuarantin dan pemeriksaan Malaysia (Pengkompaunan kesalahan) 2018</i> | 2018 |

| No | Ministry | No | Title Of Regulatory Proposal | Month/Timeline |
|----|---|----|--|----------------|
| 14 | Lembaga Pertubuhan Peladang, Ministry of Agriculture and Agro-based Industry (MOA) | 67 | Akta Pertubuhan Peladang 1973 (AKTA 109) | 2018 |
| 15 | Bahagian Peraturan Kawalan Padi dan Beras, Ministry of Agriculture and Agro-based Industry (MOA) | 68 | Peraturan Kawalan Padi Dan Beras (Pengawalan Jentuai Padi) | 2018 |
| 16 | BPP (Bahagian Perkhidmatan Perbandaran), Ministry of Urban Wellbeing, Housing And Local Government (KPKT) | 69 | Strata Management Act 2013 [Act 757] Akta Pengurusan Strata 2013 [Akta 757] | 2018 |
| 17 | BDI (Bahagian Dasar dan Inspektorat), Ministry of Urban Wellbeing, Housing and Local Government (KPKT) | 70 | Inns Keeper Act 1952 [Act 248] Akta Tuan Rumah Inapan 1952 [Akta 248] | 2018 |
| 18 | PLANMalaysia (JBPD), Ministry of Urban Wellbeing, Housing and Local Government (KPKT) | 71 | Town and Country Planning Act 1976 [Act 172] Akta Perancangan Bandar dan Desa 1976 [Akta 172] | 2018 |
| | | 72 | Town Planning Act 1995 [Act 538] Akta Perancang Bandar 1995 [Akta 538] | 2018 |
| 19 | Local Government Department, Ministry of Urban Wellbeing, Housing and Local Government (KPKT) | 73 | Akta Kerajaan Tempatan 1955 [Akta 171] | 2018 |
| | | 74 | Road, Drainage and Building Act 1974 [Act 133] Akta Jalan, Parit dan Bangunan 1974 [Akta 133] | 2018 |
| 20 | National Housing Department, Ministry of Urban Wellbeing, Housing and Local Government (KPKT) | 75 | Housing Development (Control and Licensing) Act 1966 [Act 118] | 2018 |

| No | Ministry | No | Title Of Regulatory Proposal | Month/Timeline |
|----|--|----|---|----------------|
| 21 | Lembaga Hasil Dalam Negeri Malaysia (LHDN), Ministry Of Finance (MOF) | 76 | Akta Lembaga Hasil Dalam Negeri Malaysia 1995 | 2018 |
| | | 77 | Akta Cukai Pendapatan 1967 | 2018 |
| | | 78 | Akta Petroleum (Cukai Pendapatan) 1967 | 2018 |
| | | 79 | Akta Cukai Keuntungan Tanah 1976 | 2018 |
| | | 80 | Akta Penggalakan Pelaburan 1986 | 2018 |
| | | 81 | Akta Setem 1949 | 2018 |
| | | 82 | Akta Cukai Aktiviti Perniagaan Labuan 1990 | 2018 |
| 22 | Ministry of Science, Technology And Innovation (MOSTI) | 83 | Rang Undang-Undang Antartika | 2018 |
| 23 | Department of Standards Malaysia (DSM), Ministry of Science, Technology And Innovation (MOSTI) | 84 | Peraturan-peraturan Standards Malaysia (Fi) 2018 | 2018 |
| | | 85 | Pindaan Akta Standard Malaysia 549 | 2018 |
| 24 | National Space Agency (ANGKASA), Ministry of Science, Technology And Innovation (MOSTI) | 86 | Rang Undang-Undang Angkasa Lepas | 2018 |
| 25 | Atomic Energy Licensing Board (AELB), Ministry of Science, Technology And Innovation (MOSTI) | 87 | Rang Undang-Undang Tenaga Atom | 2018 |
| 26 | Dewan Bandaraya Kuala Lumpur (DBKL), Ministry of Federal Territory | 88 | Kaedah-Kaedah Perancangan (Permohonan) Untuk Kebenaran Perancangan (WPKL) | 2018 |
| | | 89 | Kaedah-Kaedah Perancangan (Permohonan) Untuk Kebenaran Perancangan (WPKL) | 2018 |
| | | 90 | Kaedah-Kaedah Perancangan Lembaga Rayuan | 2018 |

| No | Ministry | No | Title Of Regulatory Proposal | Month/Timeline |
|----|--|-----|--|----------------|
| | | 91 | <i>Pindaan Undang-Undang Kecil Tandas Awal (WPKL)</i> | 2018 |
| 27 | Perbadanan Putrajaya (PPJ), Ministry of Federal Territories (KWP) | 92 | <i>Perintah Penubuhan Syarikat Milik Penuh Perbadanan Putrajaya</i> | 2018 |
| 28 | Ministry Of Women, Family And Community Development (KPWKM) | 93 | <i>Peraturan Profesion Kerja Sosial (Pendaftaran dan Perakuan Amalan Kerja Sosial)</i> | 2018 |
| | | 94 | <i>Peraturan Profesion Kerja Sosial (Fi dan Caj Professional)</i> | 2018 |
| | | 95 | <i>Peraturan Profesion Kerja Sosial (Kelakuan dan Tata tertib)</i> | 2018 |
| | | 96 | <i>Peraturan Profesion Kerja Sosial (Pembangunan Profesional Kerja Sosial)</i> | 2018 |
| 29 | Ministry of Youth and Sports (KBS) | 97 | To Amend the Youth Societies and Youth Development Act 2007 (Act 668) | 2018 |
| | | 98 | Sport Development (Licensing) Regulations 2018 | 2018 |
| | | 99 | Sports Development (Bidding or Hosting International sports Events) Regulations 2018 | 2018 |
| | | 100 | Sports Development (Sports Disputes Committee) Regulations 2018 | 2018 |
| 30 | Prime Minister's Office (JPM) | 101 | Revised Malaysian Halal Certification Procedure Manual (MPPHM) <i>(Semakan Manual Prosedur Pensijilan Halal Malaysia (MPPHM))</i> | 2018 |
| | | 102 | <i>Pewartaan Kadar Fi Baharu Pensijilan Halal Malaysia dan Perkhidmatan Berkaitannya</i> | 2018 |
| | | 103 | Halal Development National Policy <i>(Pembangunan Dasar Halal Negara)</i> | 2018 |
| 31 | Department of Higher Education, Ministry of Education (MOE) | 104 | <i>Cadangan Pindaan Peraturan-Peraturan Di Bawah Akta Institusi Pendidikan Tinggi Swasta 1996 [Akta 555] - Peraturan Penutupan</i> | 2018 |

| No | Ministry | No | Title Of Regulatory Proposal | Month/Timeline |
|----|---|-----|--|----------------|
| | | 105 | <i>Cadangan Pengwujudan Peraturan-Peraturan Di Bawah Akta Institusi Pendidikan Tinggi Swasta 1996 [Akta 555] - Peraturan Audit</i> | 2018 |
| | | 106 | <i>Cadangan Pemansuhan Peraturan-Peraturan Di Bawah Akta Institusi Pendidikan Tinggi Swasta 1996 [Akta 555] - Peraturan</i> | 2018 |
| 32 | Human Resources Development Funds (HRDF)/Ministry Of Human Resources (MOHR) | 107 | Amendment of Human Resources Development Funds Act 2001 (Act 612) | 2018 |
| 33 | Perbadanan Kemajuan Kraftangan Malaysia (KRAFTANGAN), Ministry of Culture and Tourism (MOTAC) | 108 | <i>Akta Perbadanan Kraftangan Malaysia 1979 (AKTA 222</i> | 2018 |
| 34 | Prison Malaysia, Ministry of Home Affairs (MOHA) | 109 | <i>Prison Act Amendment (Pindaan Akta Penjara)</i> | 2018 |
| 35 | Malaysian Cocoa Board /Ministry of Plantation And Commodities (MPIC) | 110 | <i>Malaysian Cocoa Board Regulations 2012 (First Revision)</i> | 2018 |
| 36 | SME Corp, Ministry of International Trade And Industry(MITI) | 111 | <i>National Small and Medium Enterprises Development Bill 2016</i> | 2018 |
| 37 | Ministry of Communication and Multimedia Malaysia | 112 | <i>Malaysian Communications and Multimedia Commission Act 1998</i> | 2018 |

NOTE

NOTE



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