

EXECUTIVE SUMMARY

TITLE	:	Reducing Unnecessary Regulatory Burdens on Business (RURB) 2020
OBJECTIVES	:	<ol style="list-style-type: none"> 1. To identify areas where regulation imposes unnecessary burdens on businesses. 2. To identify regulatory and non-regulatory options that will reduce regulatory burdens without compromising the achievement of the underlying policy objectives; and 3. To provide a platform for comprehensive assessment of individual regulators performance in regard to their interaction and engagement with businesses.
EXPECTED OUTCOMES	:	<ol style="list-style-type: none"> 1. Recommendation on the regulations/ procedures/ practices proposed for improvement or elimination; 2. Potential compliance cost savings from the proposed recommended changes; 3. Well-informed regulator and business on matters relating to regulatory burdens on business; and 4. Modernise business regulations to support economic growth and improve business efficiency by improving the quality of existing stock of regulations under review.
DURATION	:	Jan – Dec 2020
TOTAL COST	:	RM569,00.00
BUDGET	:	RMK11 – MBR (2020)
RECOMMENDED BY	:	Productivity and Competitiveness Development (PCD) / Good Regulatory Practice Division (GRPD)
COMMENT/ SIGNATURE BY PCT	:	

MALAYSIA PRODUCTIVITY CORPORATION (MPC)

PROPOSAL FOR BOARD OF MANAGEMENT

1.0 Purpose

The purpose of this paper is to inform Board of Management (BOM) on the Reducing Unnecessary Regulatory Burdens on Business (RURB) 2020 programmes and to request for the BOM approval for the estimated budget of **RM 569,000.00** to undertake a review of the stock of regulation for selected sector under study.

2.0 Background

Regulations are requirements imposed by governments that influence the decisions and conduct of businesses, other organisations and consumers. It is inconceivable to think of a modern economy functioning without regulation. Good regulation minimises compliance costs and distortions to investment (efficiency), while still achieving its objectives (effectiveness) and delivering benefits which exceed the costs it imposes (appropriateness).

However, regulations also impose costs on businesses. When regulation is poorly designed, excessive, needlessly complex, duplicative, or formulated without adequate transparency or consultation, these costs are unnecessarily burdensome.

The Government has recognised that the costs of existing regulation may be unnecessarily high and is exploring ways in which the regulatory burden placed on businesses can be reduced. Not only will such reforms lead to ease of doing business, they will also improve the efficiency and productivity of the Malaysian economy, leading to improved living standards.

3.0 Eleventh Malaysia Plan (2016-2020) Mid-term review - New priorities and emphases (2018-2020)

The Mid-Term Review of the Eleventh Malaysia Plan, with New Priorities and Emphases, aims to reform existing policies and outline the revised socioeconomic targets for 2018-2020. The Mid-Term Review outlines six pillars to support inclusive growth and sustainable development. In the remaining Plan period, 2018-2020, measures to support economic expansion will focus on strengthening sectoral growth and structural reforms, accelerating innovation and technology adoption as well as providing quality infrastructure.

The new Government will undertake extensive reforms in the overall administrative policies and practices to ensure the delivery of better and faster services to the public and businesses. These initiatives will support the implementation of good regulatory

practices to accelerate implementation of regulatory reforms to facilitate ease of doing business and complement the productivity initiatives at sector level through the nine (9) productivity nexus.

In this regard, two (2) pillars and priority areas outline related to RURB programme are:

- i. Pillar I: Reforming Governance towards Greater Transparency and Enhancing Efficiency of Public Service, Priority Area D Enhancing public service delivery, Strategy D2: Redesigning Public Services outline various programmes and initiatives to be undertaken to improve public service delivery by expanding outreach to the public. Greater emphasis was given to transform the public sector to become more citizen-centric through a whole-of-government approach.
- ii. Pillar VI: Strengthening Economic Growth, Priority Area A - Strengthening sectoral growth and structural reforms Strategy A1, A3 and A4. These initiatives comprise accelerating services sector transformation, re-energising manufacturing sector as well as developing modern and productive agriculture sector. Sectoral growth will be enhanced by improving productivity, increasing technology adoption and digitalisation as well as strengthening the business ecosystem.

4.0 Objectives

The overarching objective of regulatory review is to ensure that the stock of regulation is achieving its purpose (it is effective), that it is not imposing unnecessary distortions or burdens (it is cost-effective) and, by addressing real problems, will deliver net benefits to the community (it is efficient and appropriate) by improving the quality of regulation through regulatory review.

Immediate objectives in undertaking RURB programme are as follows:

- 1) To identify areas where regulation imposes unnecessary burdens on businesses.
- 2) To identify regulatory and non-regulatory options that will reduce regulatory burdens without compromising the achievement of the underlying policy objectives; and
- 3) To provide a platform for comprehensive assessment of individual regulators performance in regard to their interaction and engagement with businesses.

5.0 Outputs

The expected outputs of the project will comprise of as follows:

- 1) Engagements, consultations, etc.
- 2) Workshops, training events, group discussions, etc.
- 3) Reports containing materials such as presentations, recommendations, work plan, minutes etc.,

6.0 Outcomes

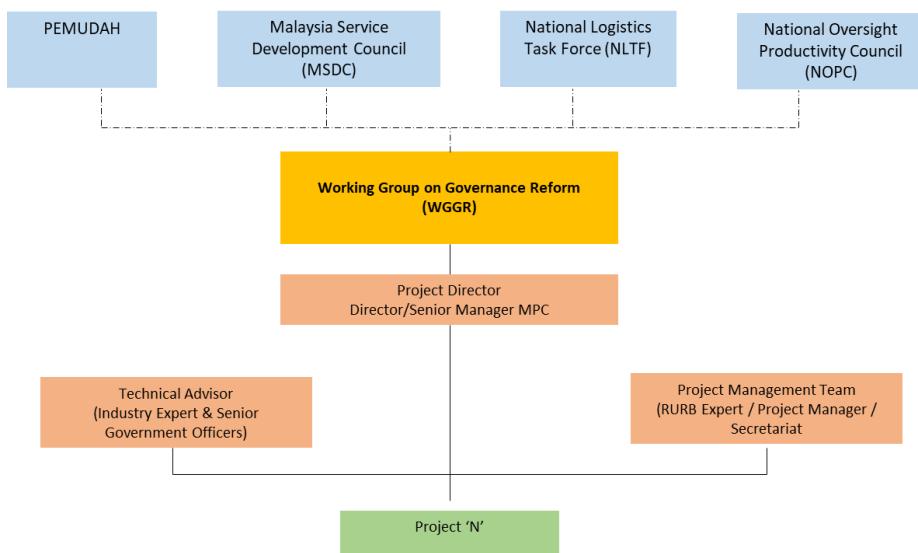
At the end of this project, the expected outcomes may include:

- 1) Recommendation on the regulations/ procedures/ practices proposed for improvement or elimination;
- 2) Potential compliance cost savings from the proposed recommended changes;
- 3) Well-informed regulator and business on matters relating to regulatory burdens on business; and
- 4) Modernise business regulations to support economic growth and improve business efficiency by improving the quality of existing stock of regulations under review.

7.0 Project proposal

List of Project and Project Milestone (Annex 1)

8.0 Project Governance



*Project 'N': List of proposed projects as in item 9.2

Note: This reporting structure is not exhaustive and only includes some of the existing and most common platform. Governance on each project can be varied depending on the project output.

9.0 Estimated Budget

9.1 Budget Summary

Items	Cost (RM)
Professional (Subject Matter Expert/ Advisor/Researcher/Facilitator/Moderator/Writer)	290,000
Seminar/ Workshop (Meeting/ Accommodation Package)	137,200
Logistics (Accommodation, Travelling and Subsistence Allowances)	44,800
Report & Document Reviewer/Editorial/Proofread	24,000
Promotion Activities	20,000
Focus Group Meetings	53,000
Total Budget	569,000

9.2 Details of Budget Costing

No.	Items	Cost Rate	No. of Unit (Pax/ Meeting)	Man/ Days	Total Cost (RM)
1	RURB Electrical & Electronics				
	Professional (Subject Matter Expert/ Advisor/Researcher/Facilitator/Moderator/ Writer)	2,000	1	25	50,000
	Seminar/ Workshop (Meeting/ Accommodation Package)	350	28	2	19,600
	Sub Total				
2	RURB Retails and Food & Beverage				
	Professional (Subject Matter Expert/ Advisor/Researcher/Facilitator/Moderator/ Writer)	2,000	1	25	50,000
	Seminar/ Workshop (Meeting/ Accommodation Package)	350	28	2	19,600
	Sub Total				
3	RURB Logistic				
	Professional (Subject Matter Expert/ Advisor/Researcher/Facilitator/Moderator/ Writer)	2,000	1	10	20,000
	Seminar/ Workshop (Meeting/ Accommodation Package)	350	28	4	39,200
	Sub Total				
4	RURB Tourism				
	Professional (Subject Matter Expert/ Advisor/Researcher/Facilitator/Moderator/ Writer)	2,000	1	30	60,000
	Seminar/ Workshop (Meeting/ Accommodation Package)	350	28	2	19,600
	Sub Total				

No.	Items	Cost Rate	No. of Unit (Pax/ Meeting)	Man/ Days	Total Cost (RM)
5	RURB Digital				
	Professional (Subject Matter Expert/ Advisor/Researcher/Facilitator/Moderator/ Writer)	2,000	1	30	60,000
	Seminar/ Workshop (Meeting/ Accommodation Package)	350	28	2	19,600
	Sub Total				
6	RURB Pharmaceutical				
	Professional (Subject Matter Expert/ Advisor/Researcher/Facilitator/Moderator/ Writer)	2,000	1	25	50,000
	Seminar/ Workshop (Meeting/ Accommodation Package)	350	28	2	19,600
	Sub Total				
	Others				
7	Logistics (Accommodation, Travelling and Subsistence Allowances)				
8	Promotion Activities (Posters/Buntings/Exhibition/Brochure/Pamphlet, etc.)				
9	Report & Document Reviewer/Editorial/Proofread	150	20	8	24,000
10	Working Group on Governance Reform	3,000	5	1.5	22,500
11	Technical Working Group on Getting Electricity	3,000	5	1.5	22,500
12	Working Group on Home Sharing Economy	2,000	4	1	8,000
	Sub Total				
	GRAND TOTAL				

Please note that the programmes are subject to change due to government priority, the availability of funds and resources.

10.0 Approval

The approval of the Board of Management (BOM) is sought on the MBR budget of **RM 569,000.00**.

Prepared by : Siti Zaharah Ibrahim
Assistant Manager, PCD (GRPD)

Reviewed by : Mohamad Azrol Mohamad Dali
Senior Manager, PCD (GRPD)

Date: 1 January 2020

PROGRAMME	MILESTONE 2020											
	JAN	FEB	MAC	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
A. RURB Electrical & Electronics												
i. Issue Paper												
ii. Draft recommendation report												
iii. Final recommendation report												
B. RURB Retail and Food & Beverage												
i. Issue Paper												
ii. Draft recommendation report												
iii. Final recommendation report												
C. RURB Logistic												
i. Thematic Study												
D. RURB Tourism												
i. Issue Paper												
ii. Draft recommendation report												
iii. Final recommendation report												
E. RURB Pharmaceutical												
i. Issue Paper												
ii. Draft recommendation report												
iii. Final recommendation report												

F. RURB Digital											
i. Issue Paper			■								
ii. Draft recommendation report			■	■	■	■					
iii. Final recommendation report						■	■				
G. Working Group on Governance Reform											
			■			■			■		■
H. Technical Working Group on Getting Electricity											
			■			■			■		■
I. Working Group on Home Sharing Economy											
	■	■									