

EXECUTIVE SUMMARY

TITLE	:	Forging a Robust Ecosystem Programme 2020: Strengthening Governance and Competitiveness in Malaysia
OBJECTIVES	:	<ol style="list-style-type: none"> 1. Develop good governance framework and toolkit consisting of reference and learning materials to guide the mainstreaming of good governance principles. 2. Strengthen regulatory governance to improve the competitiveness of enterprises in Malaysia. 3. Streamline and refine regulations to ensure consistency across federal and state governments will greatly reduce the complexity of doing businesses in Malaysia. 4. Develop better approach to address issues at the policy and execution levels.
EXPECTED OUTCOME	:	<ul style="list-style-type: none"> • Publication on Good Governance – A Users' Guide on Good Governance Framework & Toolkit. • Stocktaking report / Recommendations Report.
DURATION	:	Mac – Dec 2020
TOTAL COST	:	RM 150,000.00
BUDGET	:	RMK 11 – PKP 2020
RECOMMENDED BY	:	Productivity and Competitiveness Division (PCD)
COMMENT/ SIGNATURE BY PCT	:	

MALAYSIA PRODUCTIVITY CORPORATION (MPC)

PROPOSAL FOR BOARD OF MANAGEMENT

1.0 Purpose

The purpose of this paper is to request for Board of Management (BOM) approval to undertake project “Forging a Robust Ecosystem Programme 2020: Strengthening Governance and Competitiveness in Malaysia”.

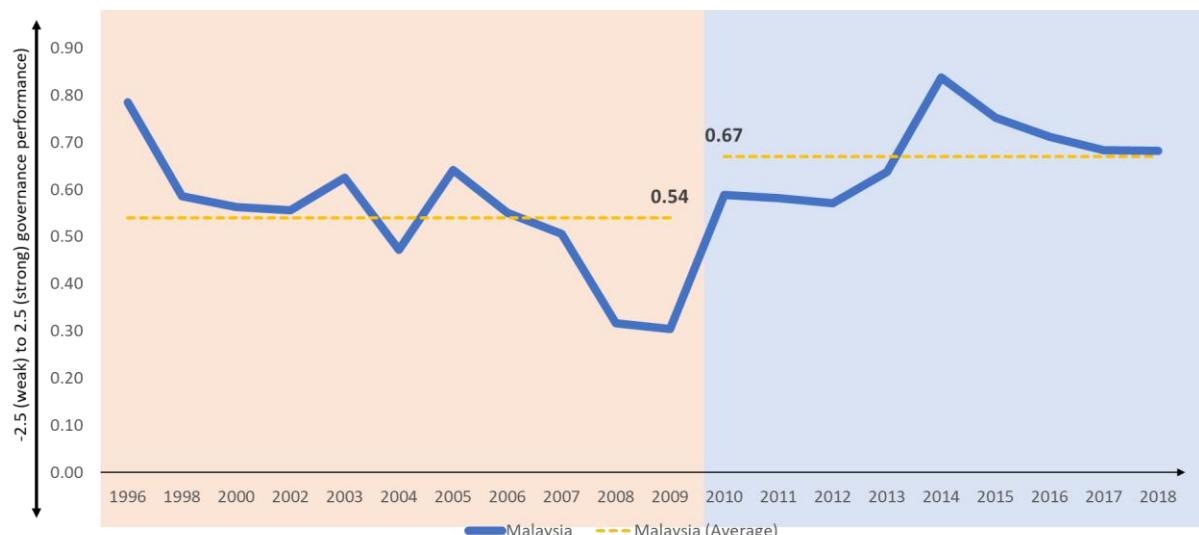
2.0 Background

2.1 Good governance is about both:

- performance—how an agency uses governance arrangements to contribute to its overall performance and the delivery of goods, services or programmes, and
- conformance—how an agency uses governance arrangements to ensure it meets the requirements of the law, regulations, published standards and community expectations of probity, accountability and openness.

2.2 Malaysia’s average performance is improving in regulatory quality since 1996 until year 2009 reflects improvement on businesses perceptions of the ability of the government to formulate and implement sound policies and regulations that permit and promote private sector development. (Figure 1).

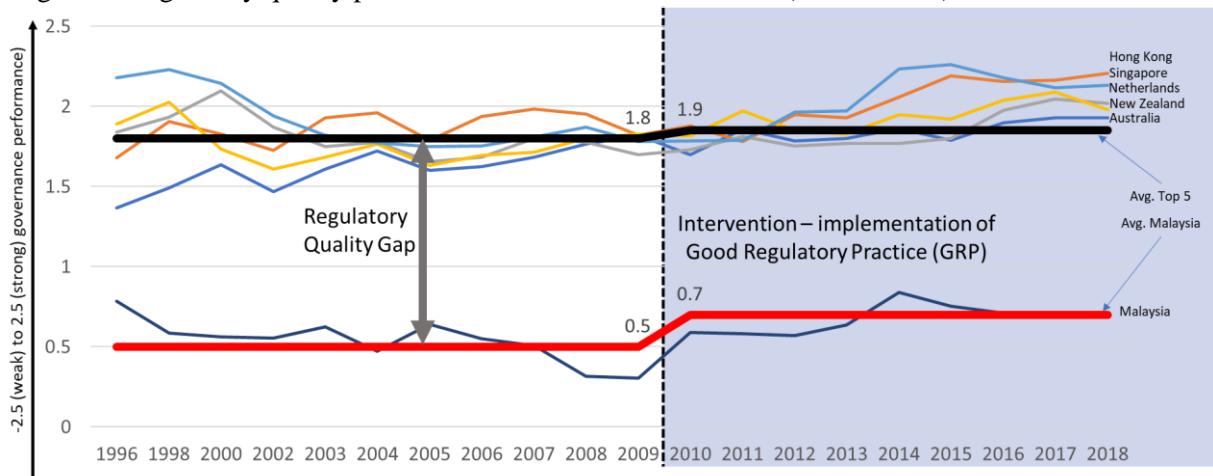
Figure 1: Malaysia’s regulatory quality performance (1996 – 2018).



(Source: World Governance Indicators; MPC Analysis)

2.3 Malaysia’s regulatory quality performance trend is similar in comparison with selected frontier economies. However, there is ample room for improvements of regulatory practices in Malaysia. (Figure 2).

Figure 2: Regulatory quality performance for selected economies (1996 – 2018).



(Source: World Governance Indicators; MPC Analysis)

2.4 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.¹ 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 for the Rakyat.

3.0 Objective

This project aims to:

- Develop good governance framework and toolkit consisting of reference and learning materials to guide the mainstreaming of good governance principles.
- Strengthen regulatory governance to improve the competitiveness of enterprises in Malaysia.
- Streamline and refine regulations to ensure consistency across federal and state governments will greatly reduce the complexity of doing businesses in Malaysia.
- Develop better approach to address issues at the policy and execution levels.

4.0 Expected Outcome

- Publication on Good Governance – A Users' Guide on Good Governance Framework & Toolkit.
- Strengthening Regulatory Oversight and Formalising GRP Requirements.
- Stocktaking report / Recommendations Report / Strategic Implementation plan.

5.0 Team Members

This project will be involved representatives from the Good Regulatory Practice Department, the Competitiveness Department and the Productivity Growth Department. The representatives are as follows:

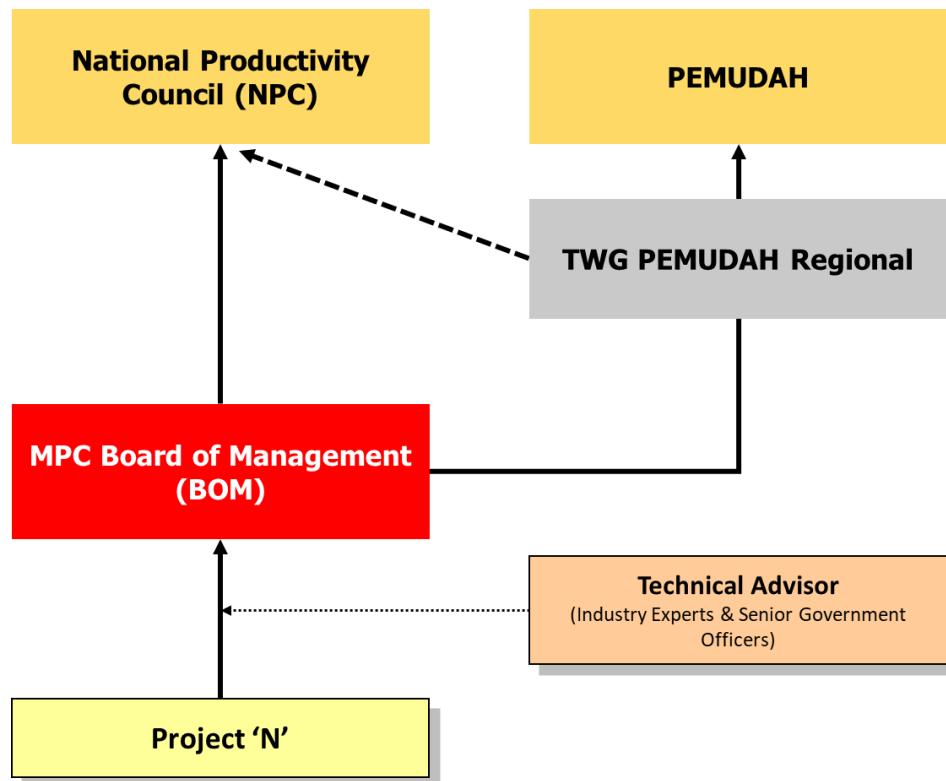
Project Champion	:	Zahid Ismail
Project Coordinator	:	Wan Fazlin Nadia Wan Osman
Project Leader	:	Mohd Zulkifly Rawawi

¹ Mid-term review of the 11MP, Strategy A4: Facilitating Ease of Doing Business; p.g.,15-14

Project Members : Anis Marina Abd Wahab
 Reps. from PEMUDAH DMO, Productivity Nexus

6.0 Project Governance

The output of the project will be monitored and reported to



7.0 Workplan and Deliverables

Timeline	Activity	Deliverable
Work stream 1: A users' guide on good governance framework & toolkit		
Mac – Apr 2020	<ul style="list-style-type: none"> Public stocktake reviews and Benchmarking on Good Governance 	<ul style="list-style-type: none"> Publication on Good Governance (i.e., toolkit; webinar; etc.,)
Apr – Jun 2020	<ul style="list-style-type: none"> Consultation round – Preliminary diagnostic (scoping) mission 	<ul style="list-style-type: none"> Report (i.e., Benchmarking report; Stocktaking Report; Recommendations Report; Strategic Implementation plan; etc.,)
Jul – Oct 2020	<ul style="list-style-type: none"> Outlines the building blocks for developing better governance and perform a gap analysis. Frame criteria and sub-criteria to establish the good-governance framework. 	
Oct – Nov 2020	<ul style="list-style-type: none"> Final Report 	
Work stream 2: Strengthening regulatory oversight and accelerating regulatory reforms.		

Mac – Apr 2020	<ul style="list-style-type: none"> Consultation round – Preliminary diagnostic (scoping) mission 	<ul style="list-style-type: none"> Establishment of TWG PEMUDAH Regional Report (i.e., Stocktaking Report; Recommendations Report; Strategic Implementation plan; etc.,)
May – Jun 2020	<ul style="list-style-type: none"> Establish Term of Reference and identify Specific Request Items (i.e., Sector) Establish a Change Team for coordinating and overseeing the reform process 	
Jul – Oct 2020	<ul style="list-style-type: none"> M&E: project governance, completion, evaluation, and lessons learned 	
Nov 2020	<ul style="list-style-type: none"> Final Report 	

8.0 Project budget costing

The estimated cost for the project is as follows:

No.	Item	Cost Per Unit (RM)	No. of Unit/ Pax/ Pages	No. of Man-Days / Trips / Program	Cost (RM)
1.	Project Consultant and Panel of Experts (Technical Expert, Advisor, Facilitator)	2,000	3	10	60,000
2.	Hosting Workshop/ Meeting/ Seminar package	250	20	10	50,000
3.	Report and document reviewer	2,000	2	5	20,000
4.	Officers flight ticket & accommodation	1,000	2	4	8,000
5.	Officers travelling and subsistence allowances	300	4	10	12,000
TOTAL					150,000

9.0 Approval from BOM

The approval of the Board of Management (BOM) is sought on the budget of **RM150,000.00** to implement the proposed project.

Prepared by	:	Mohd Zulkifly Rawawi Assistant Manager, Productivity and Competitiveness Division (PCD)
Reviewed by	:	Wan Fazlin Nadia Wan Osman Director, Productivity and Competitiveness Division (PCD)
Supported by	:	Mohammed Alamin Rehan Deputy Director, Productivity and Competitiveness Division (PCD)

Date : 16 March 2020