

EXECUTIVE SUMMARY

TITLE	:	Accelerating the adoption of the Regulatory Impact Analysis (RIA) for the development of new regulations
OBJECTIVE	:	Improve quality of new regulations
EXPECTED OUTCOMES	:	<ol style="list-style-type: none"> 1. Reduce compliance cost; 2. Improve Regulatory Impact Statement (RIS) submission; and 3. Better management tools and governance
DURATION		January - December 2020
TOTAL COST	:	RM750,000.00
BUDGET	:	RMK11 – PKP (2020)
RECOMMENDED BY	:	Productivity and Competitiveness Development (PCD) - Good Regulatory Practice Division (GRPD) - RIA
Comment/ Signature by PCT	:	

PERBADANAN PRODUKTIVITI MALAYSIA (MPC)

PROPOSAL FOR THE BOARD OF MANAGEMENT

1.0 Purpose

The purpose of this paper is to obtain approval from Board of Management (BOM) on the Accelerating the Adoption of the Regulatory Impact Analysis (RIA) for the Development of New Regulations programme for the year 2020.

2.0 Background

RMK11 Chapter 8: Strategy A2 Implementing comprehensive and integrated governance reforms, highlighted that regulation reforms will be accelerated to ensure new and existing regulations as well as their administration and enforcement are aligned with good regulatory practices. This will be done by expanding the adoption of the National policy on Development and Implementation of Regulations (NDPIR) to states and local governments, and conducting regular regulatory review for ministries and agencies.

Therefore, accelerating the adoption of the Regulatory Impact Analysis (RIA) for the development of new regulations programme is part of GRP initiatives that could help policy makers and regulators to develop better regulation through:

- Sound analysis of the case for government intervention in response to a perceived problem and the rationale for a regulatory action
- Informed decision making of the likely impact of the available options, giving specific attention to impact on business (including SMEs) and society
- Support transparency in decision making by providing a process and instrument for engaging stakeholders and explaining the case for government action

This programme is a continuation from the 2019 project which is tabulated in the RMK11 plan (for the years 2016 – 2020). The achievements for **2019** can be referred to as below:

No.	Item	KPI	Achievement
1	Decision makers adopting the RIA approach	40%	54%
2	Compliance Cost Savings	RM 1 billion	RM1.413 billion
3	Published Summary RIS annually	20	27
4	Report on National Policy on Good Regulatory Practice (NPGRP)	1 published report	1 draft report

No.	Item	KPI	Achievement
5	Regulatory Coordinators	70	70
6	GRP e-newsletters	3	4
7	Peers' Review Assessment on Unified Public Consultation (UPC)	10	15

3.0 Objective

The main objective of this programme is to improve quality of new regulation which is to ensure that the new 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).

4.0 Outputs

The expected outputs of the project will consist as follows:

- i. Advisory, consultations, etc.
- ii. Workshops, trainings, and group discussions
- iii. GRP portal
- iv. Publications: National Policy on Good Regulatory Practice (NPGRP), RIA guideline, Report on Modernising Regulation, and GRP e-newsletters
- v. Competency Development: Regulatory Coordinators and Champions

5.0 Outcomes

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

- i. Reduce compliance cost;
- ii. Improve Regulatory Impact Statement (RIS) submission; and
- iii. Better management tools and governance

6.0 Project Proposed Planning

(Refer to Annex 1: RIA's Proposed Planning for the year 2020)

7.0 Estimated Budget Summary

	Activity/Items	Cost (RM)
1	Associate/Consultant RM2,000.00 X 5 pax X 30 days	300,000.00
2	Panel of Experts (Technical Expert, Advisor, Facilitator) RM3,000.00 X 5 pax X 6 days	90,000.00
3	Report and Document Reviewer RM200.00 X 10 pages X 36 days	72,000.00
4	Secretariat RM1,000.00 X 5 pax X 10 days	50,000.00
5	Publication (Report) RM500.00 X 100 copies	50,000.00
6	Printing (Notebook, woven bags)	13,000.00
7	Hosting Workshop/Meeting/Seminar Package RM500.00 X 30 pax X 10 times	150,000.00
8	Travelling Expenses RM250.00 X 5 pax X 20 days	25,000.00
	TOTAL	750,000.00

7.0 Project Team

Project Champion : YBhg. Dato' Abdul Latif Hj. Abu Seman
Director-General MPC

Project Advisor : En. Mohd Zahid Ismail
Deputy-Director General MPC

Project Leader : Mohammed Alamin bin Rehan

Deputy Director MPC

Project Manager : Khidzir Ahmad
Manager MPC

Project Coordinators : Cham Yin Hwa & Ilyana Norsaidah Ab Rahman

Project Members : Lee Wan Swanee
Mohd. Aizuddin Noor Azman

8.0 Approval from BOM

The approval of the Board of Management (BOM) is sought to undertake the programme on Accelerating the Adoption of the Regulatory Impact Analysis (RIA) for the Development of New Regulations with a total of **RM750,000.00**.

Prepared By:

Cham Yin Hwa
Assistant Manager
GRP Division/PCD

Date: 13 March 2020

Reviewed By:

Mohammed Alamin bin Rehan
Deputy Director
GRP Division/PCD

Date: 13 March 2020

ANNEX 1: RIA'S PROPOSED PLANNING FOR THE YEAR 2020

Activities	KPIs for 2020	Action Plan / Communication Plan
<ol style="list-style-type: none"> 1. Stock taking of management tools and governance to identify the current process 2. Improving management tools and governance by developing guidelines and checklist used among team members 3. Developing capacity of assessing RIS 4. Assessing the quality of RIS 5. Communicating RIA results 6. Targeting and prioritising RIA efforts into several sectors or ministries (i.e. education, health, trade , environment & social) 	<ol style="list-style-type: none"> 1. 30 published RIS (Regulatory Impact Statement) – (published summary RIS) 2. 1 NPGRP 3. 50% of decision makers adopting RIA/GRP 4. RM 1 Billion of Compliance costs savings 5. 80 developed Regulatory Champions 6. 4 Publications 7. Step by Step RIA Guideline 8. National GRP conference 9. Code of Conduct for Regulators on Regulatory Delivery 10. 110 Received Regulatory Notification (RN) 	March – November 2020
<ol style="list-style-type: none"> 7. Targeting and prioritising RIA efforts into several sectors or ministries (i.e. education, health, trade , environment & social) 		
<ol style="list-style-type: none"> 8. Providing guidance, training and advocacy for regulators 		