

Notes of Meeting
PEMUDAH Private Sector Virtual Meeting 2/2020
Thursday 16 April 2020 (2.00 - 3.40 p.m.)

OPENING REMARKS

- Chairman Dato' Andy Seo Kian Haw welcomed the members to the **Second PEMUDAH Private Sector Meeting of 2020** held online due to the Covid-19 Pandemic and the Malaysian Government's Movement Control Order (MCO).
- **Objective of the Meeting:** To discuss MCO-related issues and their solutions as proposed by the members. PEMUDAH will then submit counter measure recommendations, based on the outcome of the discussion, to minimise or alleviate business disruptions caused by the issues to YBhg. Datuk Seri Ketua Setiausaha Negara (KSN) and YBhg. Dato' KSU (MITI) for urgent consideration and implementation.
- Chairman acknowledged the presence of Dr Asmawi Noor Saarani and Mr. Jaya Singam Rajoo from MITI and also Mr. Adam Ling Hau Yong from MOF in the meeting.
- Appreciation was extended to the members who contributed to the Proposal Paper on Recommended Counter Measures arising from the First Meeting which had been submitted to YBhg. Datuk Seri KSN and YBhg. Dato' KSU (MITI) and also to the Secretariat for assistance rendered in finalising the paper.
- The meeting would focus on how PEMUDAH could help address the socio-economic impacts of the MCO and how digitalisation could be given top-priority during and post-MCO in the conducting of business and in interactions with and within the public sector.
- YBhg. Dato' Abdul Latif added that the Proposal Paper consisted of recommendations for immediate and post-MCO counter measures. PEMUDAH will follow-up with KSN to update any further developments on the recommendations submitted.

DISCUSSION: Issues Related to Covid-19 and the MCO.

1. GENERAL ISSUES AFFECTING ALL BUSINESSES

No.	Issue	Proposed Solution
1.	<p>Companies issued QR codes under MCO 1 & MCO 2 registration are uncertain of obtaining QR codes for MCO 3.</p> <ul style="list-style-type: none"> • MITI requires personal particulars of employers, etc. to be submitted. 	<ul style="list-style-type: none"> • Companies issued QR Codes for MCO 1 and MCO 2 should be issued QR Codes for MCO 3 without registering again as their data is already registered with MITI.

	<ul style="list-style-type: none"> Police are checking for QR codes of employees and employers who need to travel. 	
2.	<p>Industries' supply chains consist of different entities e.g. a construction project involves a developer, a main contractor, sub-contractors and suppliers. Multiple QR code applications are required.</p> <p>Multiple applications are not necessary.</p>	<ul style="list-style-type: none"> MITI could use a method of assessment and approval for QR code applications applicable to supply chain companies of all industries. Government should set out procedures for companies to comply with in order to operate business. Compliance monitoring can be done. MITI can set policies regulating the operation of different sectors e.g. the restaurant industry. Enforcement agencies can monitor for compliance.
3.	<p>Essential services companies should not be required to apply for QR codes.</p>	<ul style="list-style-type: none"> A MITI's press statement informed that essential services were exempted for the entire MCO period. Mr. Rajoo to help highlight the exemption to MITI Management. Bring to the Police's attention that essential services companies' letters should be sufficient to authorise employees' travel movements.
4.	<p>Employers are responsible for their employees' medical bills if they are infected with Covid-19.</p>	<ul style="list-style-type: none"> Should appeal for waiver of this requirement imposed by MKN as part of the conditions allowing essential services companies to operate business with employees. Secretariat is to clarify with SOCSO whether workers'

		insurance coverage includes infectious diseases.
5.	Companies may not be aware of MITI's SOPs regulating the working environments at companies allowed to operate during the MCO. (Associations had submitted SOPs to MITI.)	<ul style="list-style-type: none"> Secretariat is to upload the SOPs into the PEMUDAH Website.
6.	The Civil Service should resume work as certain transactions can be performed online such as licensing fee payments and plan approvals. <ul style="list-style-type: none"> The private sector requires regulatory and compliance approvals from local authorities. 	<ul style="list-style-type: none"> Civil servants can report back to duty on a batching basis over designated days of the week. SOPs set by MKN should be implemented to regulate the working environments at government offices.
7.	Allow 50% of the employees of companies to resume work with SOCSO providing insurance coverage for any of them contracting Covid-19 (to be verified).	<ul style="list-style-type: none"> Bring to MITI's attention.
8.	Test foreign workers for Covid-19 infections.	<ul style="list-style-type: none"> Instead of using the costly and time-consuming PCR testing, perform preliminary antibody and antigen testing to speedily validate infection-negative persons. PCR testing is to be performed later only if deemed necessary.
9.	GST and tax refunds should be expedited as businesses are in urgent need of cash flow. <ul style="list-style-type: none"> Need to clarify any timeline set to complete refunds based on risk-based assessments and the number of refund claims of 	<ul style="list-style-type: none"> Remind MOF and RMCD to expedite refunds for zero-risk profiled businesses by performing desktop verifications and not audits. (Audits can be performed later after a refund has been made.)

	RM100,000/- and above, and below RM100,000/-.	
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2. MANUFACTURING SECTOR ISSUES

No.	Issue	Proposed Solution
1.	24-hour operation companies should be allowed to operate their normal hours for technical reasons e.g. cement plants.	<ul style="list-style-type: none"> • Bring to MITI's attention.

3. CONSTRUCTION SECTOR ISSUES

No.	Issue	Proposed Solution
1.	Which construction sub-sectors can be allowed to resume operation?	<ul style="list-style-type: none"> • Sub-contractors should be allowed to resume operation to complete on-going projects.

4. DIGITALISATION ISSUES

No.	Issue	Proposed Solution
1.	<p>Information technology (IT) should be classified as an essential service. Digitalisation must be given much greater emphasis.</p> <ul style="list-style-type: none"> • Digitalisation is the key to open up new business approaches such as IR4.0 and creates more business and employment opportunities. • Many SMEs will cease to be in business post-MCO and a significant portion of the workforce will lose their jobs. Priority must be given to creating new job opportunities. 	<ul style="list-style-type: none"> • Technical working group (TWG) should work with productivity nexuses to widen digitalisation across all sectors.

2.	<p>Bank Simpanan Nasional (BSN) should simplify and automate their digitalisation grant application process to facilitate approvals for entrepreneurs.</p> <ul style="list-style-type: none"> • Digitalisation promotes the doing of business online. 	<ul style="list-style-type: none"> • MOF should advise BSN on the need to simplify and automate the application process.
3.	<p>The Government must strengthen the public sector e-payment infrastructure to support the greater push for digitalisation in the public and all other sectors.</p>	<ul style="list-style-type: none"> • TWG e-Payments should engage with MOF, MAMPU and other relevant Agencies.

5. SME ISSUES

No.	Issue	Proposed Solution
1.	<p>A one-stop centre should be established to assist SMEs with information of and guidance on post-MCO recovery assistance available from both the Government and the private sector such as financial and marketing support.</p>	<ul style="list-style-type: none"> • A one-stop centre has been established at MITEC, Jalan Duta, Kuala Lumpur. MITEC Chairman had written to YBhg. Dato' Sri Senior Minister (MITI) and YBhg. Datuk Seri Mustapa Mohamed (PM's Department) to inform about the centre and to seek their good offices to disseminate about the centre to SMEs.

THE WAY FORWARD

No.	Subject	Action
1.	PEMUDAH Private Sector meetings shall be held weekly during the MCO period until further notice.	<ul style="list-style-type: none"> • Secretariat.
2.	To prioritise which critical issues and proposed solutions are to be submitted to the Government.	<ul style="list-style-type: none"> • Chairman and Secretariat.
3.	Members are encouraged to share their views and suggestions during the weekly meetings by submitting their inputs to Secretariat prior to a meeting.	<ul style="list-style-type: none"> • Members & Secretariat.
4.	TWG meetings should be held online during the MCO period.	<ul style="list-style-type: none"> • All TWGs.
5.	Datuk Seri KSN will be invited to join a PEMUDAH Private Sector meeting via video conferencing.	<ul style="list-style-type: none"> • Secretariat.
6.	A review of the effectiveness of the Government's Stimulus Packages 1, 2 and 3 should be done and the Government should consider providing Stimulus Package 4 to re-vitalise the economy.	<ul style="list-style-type: none"> • PEMUDAH Private Sector members.
7.	PEMUDAH will launch the World Bank Group's Sub-National Study for Malaysia on 21 April 2020. Invitations will be extended to PEMUDAH members.	<ul style="list-style-type: none"> • Secretariat.

ADJOURNMENT OF MEETING

Chairman Dato' Andy Seo Kian Haw adjourned the virtual meeting at 3.40 p.m. with a word of thanks to the members for their presence and contributions to the meeting.

SECRETARIAT**THE SPECIAL TASK FORCE TO FACILITATE BUSINESS (PEMUDAH)****17 APRIL 2020**

ATTENDANCE LIST**Chairman**

YBhg. Dato Dr. Ir. Andy Seo Kian Haw
PEMUDAH Co-Chair / Vice President, Federation of Malaysian Manufacturers (FMM)

PEMUDAH Private Sector Members

1.	YBhg. Tan Sri Abdul Rahman Mamat	Chairman Asia Logistics Council
2.	YBhg. Dato' Pardip Kumar Kukreja	Executive Chairman Paradise Group of Company
3.	YBhg. Dato' Seri Wong Siew Hai	Chairman MAEI
4.	YBhg. Tan Sri Teo Chiang Kok	The Associated Chinese Chambers of Commerce and Industry of Malaysia (ACCCIM)
5.	Mr. David Anthony Jones	Managing Director APAC Chartered Management Institute
6.	Mr. Ganesh Kumar Bangah	Immediate Past Chairman, The National Tech Association of Malaysia (PIKOM)
7.	Mr. Foo Chek Lee	President, Master Builders Association Malaysia (MBAM)
8.	Tan Sri Soh Thian Lai	President, Federation of Malaysian Manufacturers (FMM)

SECRETARIAT

9.	Mr. Zahid Ismail	MPC
10.	Ms. Wan Fazlin Nadia Wan Osman	MPC
11.	Mr. Muhd Adha Abd Hamid	MPC
12.	Ms. Nurul Farahaton Najihan Jusoh	MPC

13. Ms. Rabiatul Hana Ishak

MPC