

Reducing Unnecessary Regulatory Burdens on Business: Warehousing Services

1. What the MPC has been asked to do

In the Eleventh Malaysia Plan, 2016-2020¹, the focus is to accelerate economic growth and promote an economy that will be driven by high-value and knowledge-intensive activities, sectoral governance reforms, and enhancing internationalisation of products and services.

The Services Sector Blueprint (2015-2020)² mandated Malaysia Productivity Corporation (MPC) to undertake initiative on sectoral governance reform to remove structural barriers and outdated regulations through:

- Accelerating and increasing the efficiency of sectoral governance reform;
- Ensuring that the best regulatory development practices are in place for new regulations by expanding and accelerating the adoption of the National Policy for the Development and Implementation of Regulations (NPDIR).

The 10th Malaysian Plan has mandated MPC to carry out regulatory reviews to facilitate the ease of doing business in Malaysia. Under the 10th Malaysia Plan specifically, MPC will Review existing regulations with a view to removing unnecessary rules and compliance costs;

- Undertake a cost-benefit analysis of new policies and regulations to assess the impact on the economy;
- Provide detailed productivity statistics, at sector level, and benchmark against other relevant countries;
- Undertake relevant productivity research (e.g. the impact of regulations on growth of small-medium enterprises (SME));
- Make recommendations to the Cabinet on policy and regulatory changes that will enhance productivity; and
- Oversee the implementation of recommendations.

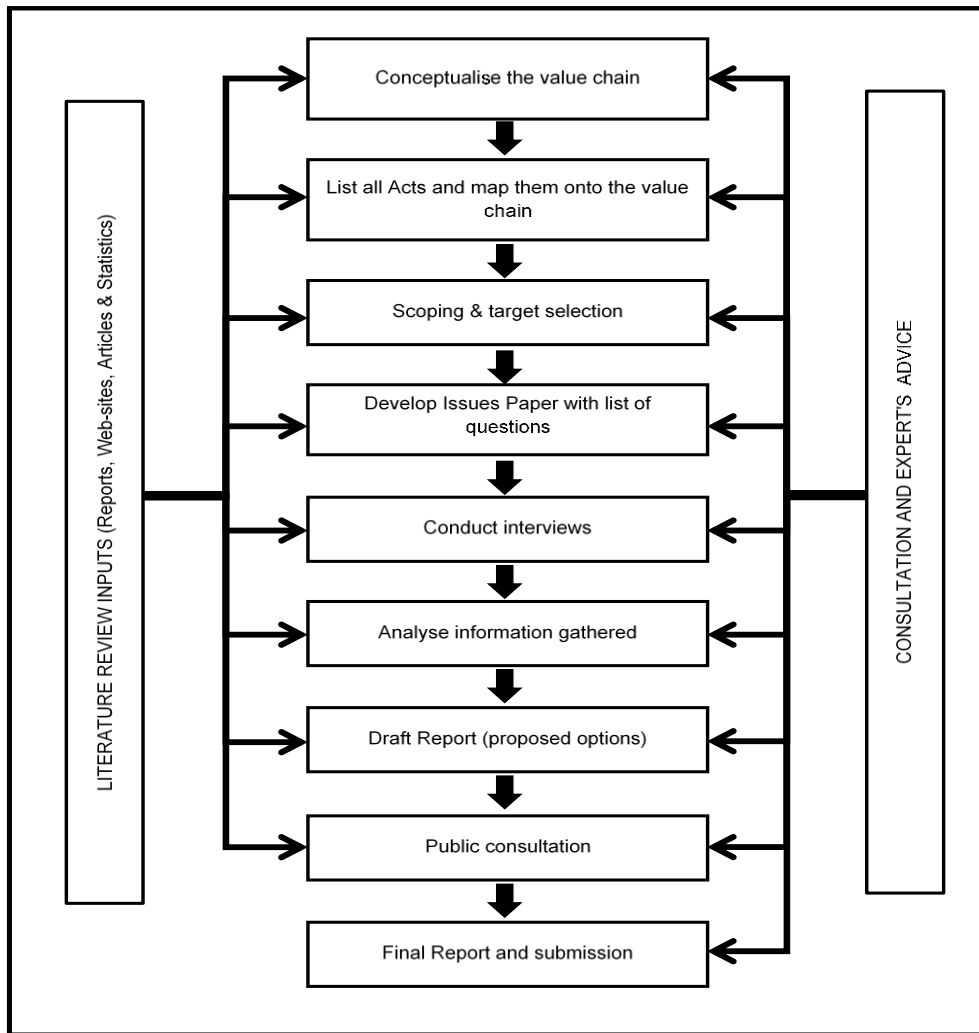
2. Conduct of the review

The study will emulate the approach used by the Australian Government Productivity Commission (AGPC) and the team will be guided by a regulatory expert Ms. Sue Holmes. The team will select a sample of practices providing engineering, architecture, planning and surveying services to the building industry across the country and at state and national borders. The team will interview the senior management personnel to identify the regulatory issues of concern. Based on the principles of good regulatory practices, the team will formulate feasible options for further deliberation. These issues and options will be subject to further consultation with relevant stakeholders in order to develop concrete recommendations that will reduce unnecessary regulatory burdens. The figure below summarizes the study process for this review.

1 Eleventh Malaysia Plan: Strategy Paper 18 – Transforming Services Sector <http://rmk11.epu.gov.my/pdf/strategy-paper/Strategy%20Paper%2018.pdf>

2 <http://www.epu.gov.my/documents/10124/284bf88c-1aa1-4e3a-b43e-3b4b91fa2d1b>

Figure 1: Summary of RURB Study Process



3. Timing

This review commenced in April 2016 and has started with canvassing interested parties about concerns with written regulation and its administration.

4. Contacts

Interested parties are welcomed to participate in this review. You can contact the persons below on matters relating to this review.

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