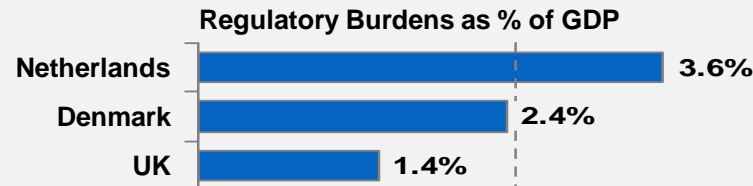


Regulatory Reforms: What's Now and What's Next?

Regulatory Reform: Why Malaysia Bothers?

Regulatory burdens assumed to constitute ~2.5% of Malaysia's GDP...



Malaysia's figure currently assumed to be the average of these figures (~2.5% of GDP)

...which is approximately equal to ~RM 29 billion per year

- Malaysia's GDP in 2017 was ~RM 1,174 billion (~USD 293 billion)
- 2.5% of GDP is ~RM 29 billion
- Regulatory burdens currently in the magnitude of ~RM 29 billion per year

By setting up a 25% reduction target...

- Many countries set up a 25% reduction targets for their regulatory burden reduction programs
- Examples of those with 25% targets: Denmark, UK, Netherlands, etc.

...positive impact on the economy could reach ~RM 7 billion per year

- If Malaysia could similarly set and achieve the 25% reduction target, unnecessary regulatory costs on the economy could be reduced by ~RM 29 billion x 25% = ~RM 7 billion per year

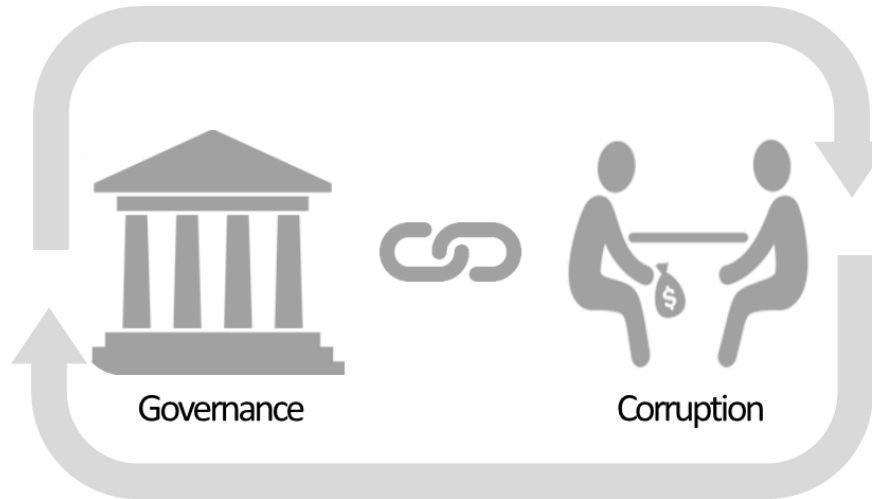
Note: Exchange rate of 4.00 MYR/USD used

Source: World Bank; CIA World Factbook; OECD SCM Manual; SCM Network; MPC estimate

Better regulation becomes a key feature for better governance

"WEAK"
Governance
...corresponds to...

"HIGHER"
Corruption

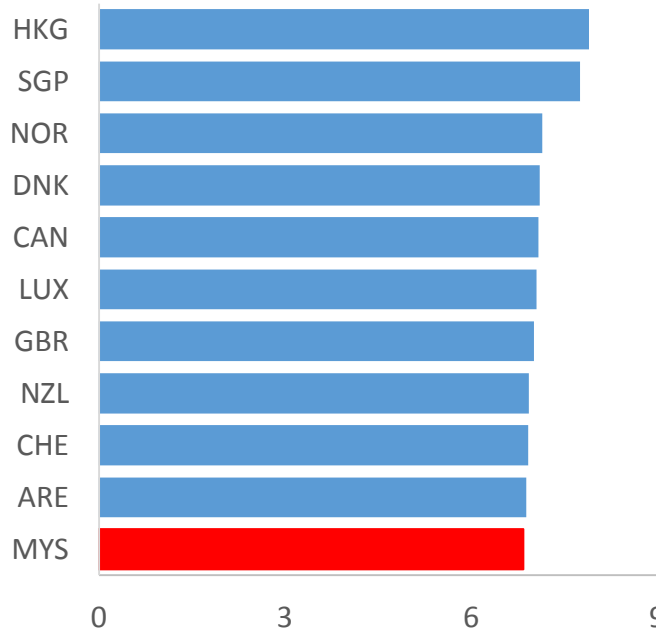


COST
of doing business

Seeing the forest, not only the trees...

Restrains competition

Impact of regulatory intensity on companies ability to compete (survey results)

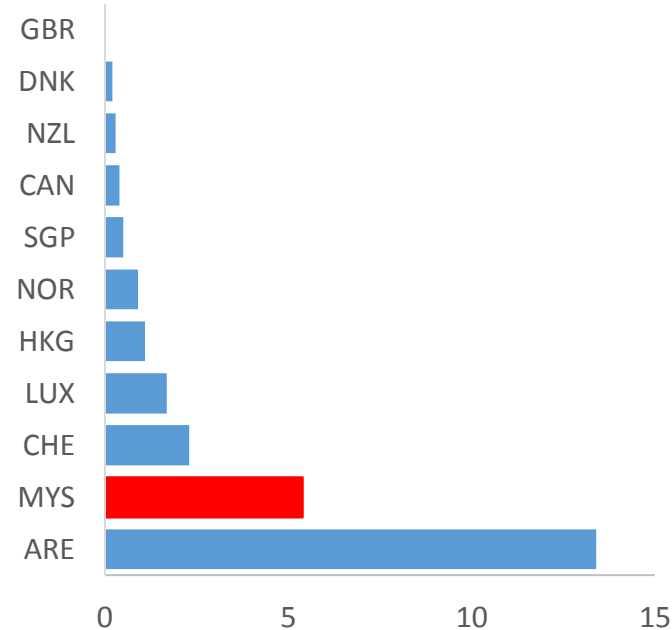


restricts the competitiveness of enterprises

encourages the competitiveness of enterprises

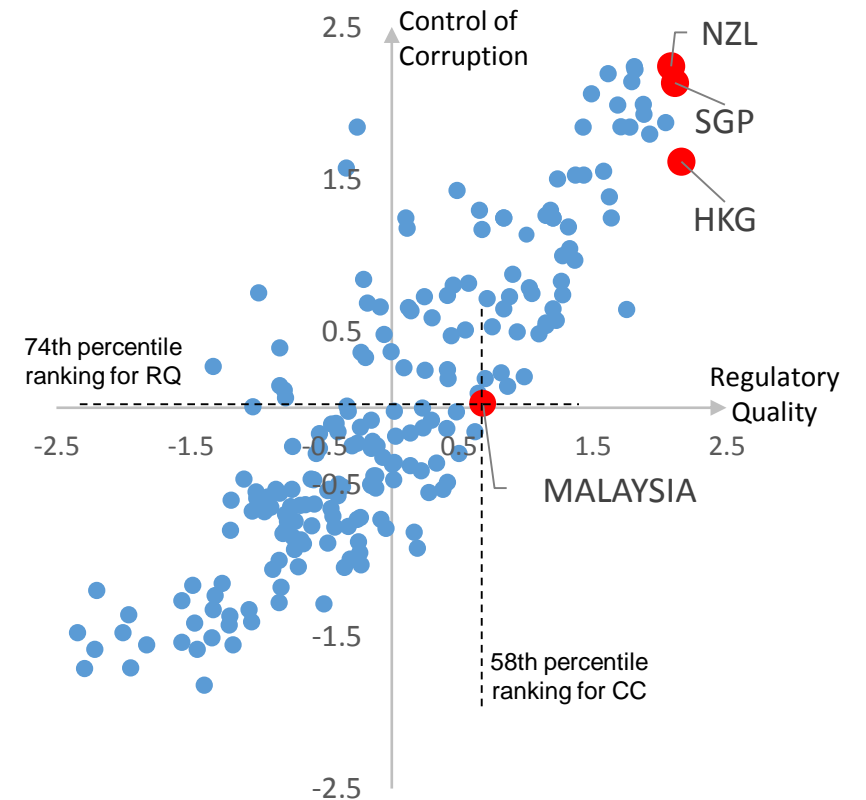
Adds administrative cost

Cost of starting a business (as % of per income capita)



Scope for corruption

Regulatory quality vs. Control of corruption



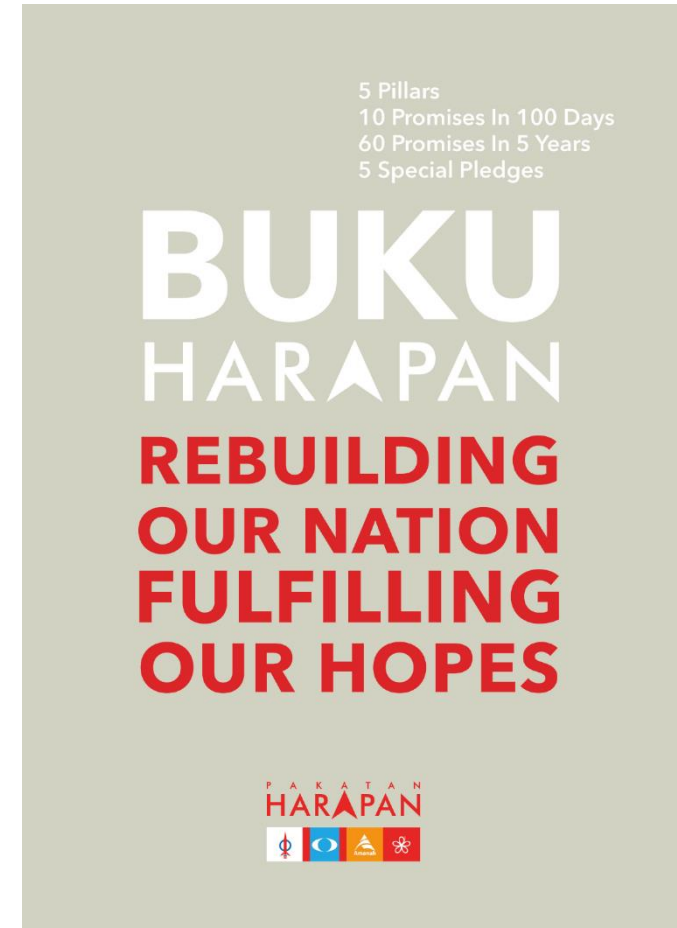
Regulatory Reforms: **What's Now** and What's Next?



.. the policies of the government of the day... from *kleptocracy to democracy*...

60 promises focus on governance, integrity, anti corruption and human right.

- GIACC is responsible, inter-alia, to advise, plan, coordinate, monitor, evaluate and report.



Stock-take of current initiatives to improve “Good Governance”

National Centre for Governance, Integrity and Anti-Corruption (GIACC)



Cabinet Special Committee on Anti-corruption (JKKMAR)



National Policy on the Development and Implementation of Regulations (NPDIR)

NATIONAL POLICY ON THE DEVELOPMENT
AND
IMPLEMENTATION OF REGULATIONS

JULY 2013

Annual Report on Modernisation of Regulations (ARMR)

Regulatory Reforms: What's Now and **What's Next?**



Call for action!!!

1

Political commitment to reform agenda

- National Centre for Governance, Integrity and Anti-Corruption (GIACC)
- Regulatory policy - National Policy on the Development and Implementation of Regulations (NPDIR)

2

Promoting a fair business environment

- ensure the efficiency, transparency and accountability of regulations based on a good rule-making approach.
 - ensure transparency and accountability by regulatory agencies.
 - reviewing and reforming existing regulations.
-

Thank you