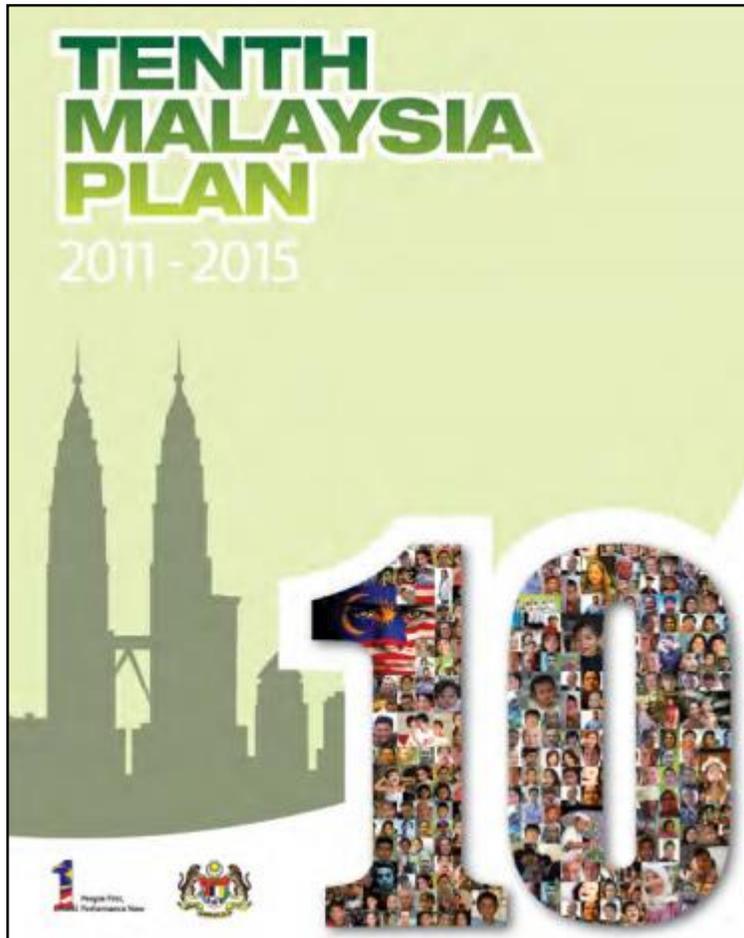


**Dialogue: Parliamentarians Supporting the “Quiet Revolution” for Better Regulatory Governance**

# **The Malaysian Experience of Pioneering Reducing Unnecessary Regulatory Burdens**

# Mandate from Malaysian Government: Creating a private sector-led economy



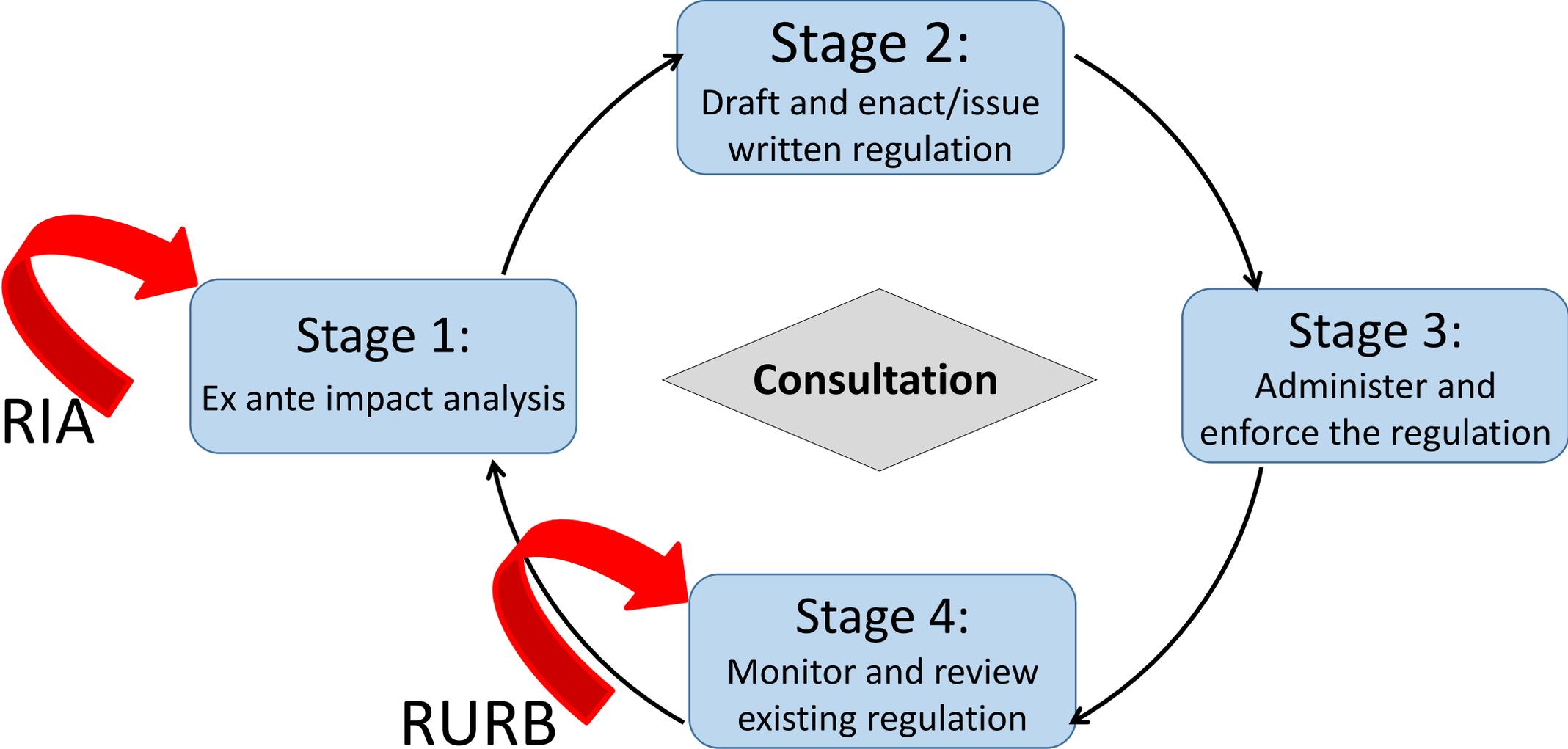
- Malaysia Productivity Corporation (MPC) to review existing regulations with a view to removing unnecessary rules and compliance costs;
- Regulations affecting 12 National Key Economic Areas (NKEAs) will be prioritised; and
- It was recommended for MPC to benchmark Australian Productivity Commission (AGPC) as international best practice.

# RURB: Why Malaysia Bothers?

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- RURB can directly help in improving factors that impact productivity and could result in ~RM4Bn GDP impact\*;
- All regulations are experiments – subject to review and change;
- Many will have not done well – either not well written or enforced, or both;
- Others will have passed their “use by date” – may no longer be relevant for new era; and
- The “stock” of regulation is much larger than the flow.

# Regulatory Cycle



# RURB Value Proposition

**RURB** helps regulated businesses **identify regulatory burdens, suggest solutions** and then **present them to regulators in a credible way**. RURB covers *written regulation* and its *administration*.



## REGULATED BUSINESSES INSIGHTS

- identify regulatory burdens
- ways to reduce regulatory burdens

## ROLES OF MPC

- identify least burdensome tools for achieving regulatory ends without slowing economic growth, innovation, competitiveness, and job creation
- present recommendations
- provide a forum and a process for identifying RURBS and finding answers
- Review "regulations and regulators"

## REGULATORS' INSIGHTS

- regulatory objectives
- how to protect public health, welfare, safety, environment, etc. using regulation

# RURB Achievements

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- RM6Bn in potential compliance cost savings since Jan 2011;
- 75% of recommendations implemented;
- 15 areas successfully reviewed;
- RURB framework established;
- RURB Core Concepts published in 2013; and
- RURB initiatives registered in National Transformation Programme Annual Report 2017.

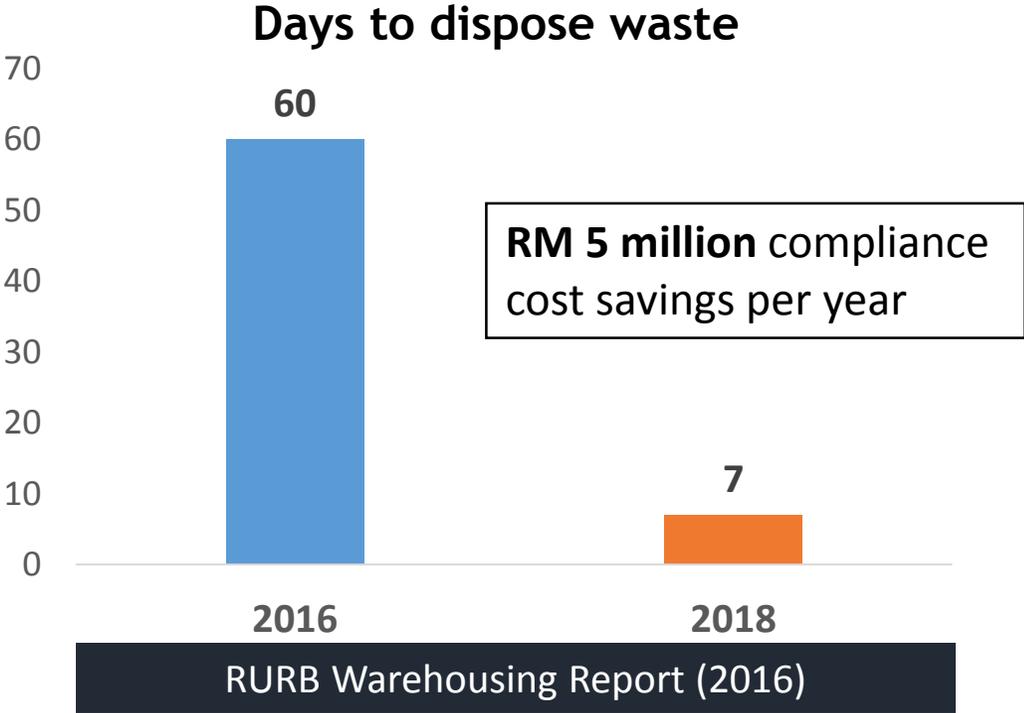
# RURB Achievements (cont'd)

## Example of recommendation implemented



Communication with the business community on new procedure

Reduction in time taken to dispose waste for Licensed Manufacturing Warehouse (LMW) operating in Free Zone from 60 to 7 days



# Future Challenges and Opportunities

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- We cannot cut RM1Bn per annum in RURB forever – where do we go from here?
  - *Strengthen monitoring and evaluation*
  - *Integrate with Productivity Nexus*
- RURB opportunities are the jurisdiction of Malaysia's 13 states and 3 federal territories and 149 local authorities – how to pursue cohesive action on RURB?
  - *Collaboration with states and local governments*
- The Malaysian Government's focus is productivity and growth – RURB is only part of the Malaysia Productivity Blueprint agenda

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