



**SPEECH FOR
YBHG. TAN SRI DR. ALI BIN HAMSA
CHIEF SECRETARY TO THE GOVERNMENT**

**THE LAUNCHING OF THE PEMUDAH
ANNUAL REPORT 2015 &
PEMUDAH JOURNALISM COMPETITION 2015
AWARD CEREMONY**

**28 JULY 2016 (THURSDAY)
12.30 PM – 2.00 PM
DEWAN TAKLIMAT,
ARAS 1, BLOK TIMUR, BANGUNAN
PERDANA PUTRA, PUTRAJAYA**

Assalamualaikum Warahmatullahi Wabarakatuh,
Salam Sejahtera and Salam 1Malaysia.

YBhg. Tan Sri Saw Choo Boon,
Co-Chair of the Special Task Force to Facilitate
Business (PEMUDAH);

YBhg. Tan Sri Mohd. Zabidi Zainal,
Director-General of Public Service Malaysia;

Members of PEMUDAH;

Members of the Media;

Distinguished Guests, Ladies and Gentlemen.

OPENING REMARKS

1. I would like to welcome and extend my sincere appreciation to all PEMUDAH members and distinguished guests who are here with us today to witness the launch of the ninth PEMUDAH Annual Report and the prize-giving for the PEMUDAH Journalism Competition 2015 Awards.

2. Since its inception in 2007, PEMUDAH has worked tirelessly to address issues and challenges affecting the business environment in Malaysia. The initiatives driven by PEMUDAH **seek to transform the regulatory environment in Malaysia** through benchmarking good regulatory practices, reducing unnecessary regulatory burden, and in doing so, propel growth in the economy.

INITIATIVES TO IMPROVE DELIVERY

3. Reflecting on 2015, PEMUDAH has completed various initiatives which has impacted positively on the service delivery of both the public and private sectors. Allow me to share with you some of these initiatives.

- a. Firstly, in the area of Getting Electricity, cost reduction was achieved via **improvement in stakeholders' communication**, for example between Tenaga Nasional Berhad, the local authority, owner, consultant and project engineer, and the **use of electronic document management** with risk-based resources management.
- b. Secondly, for Trading Across Borders, an initiative undertaken on Movement of

Free Zone Dutiable Goods for Value-Added Activities to all Free Zone companies has resulted in **savings of a total of RM150 million a year in compliance costs** and **90% of the time** that was previously expended. This has also led to a new customs procedure being introduced to facilitate the movements for value-added activities of goods and raw materials.

- c. Thirdly, the Ministry of Human Resources together with other relevant agencies has come up with a **guideline requiring employers to provide minimum standard of accommodation and amenities for their foreign workers**, so as to comply with Convention 29 of the International Labour Organisation (ILO) and Chapter

19 of the Tran-Pacific Partnership Agreement; and

d. Fourthly, in the area of Business Process Re-engineering in Business Licensing, various initiatives to support the local authorities were introduced, such as:

- **Eliminating overlapping or conflicting requirements** by different licensing authorities to ensure better coordination;
- **Collecting information** on the impacts of licenses on various businesses for the business community to comply to regulatory requirement;

- **Providing updated information** on compliance by license approval authorities on the online portal;
- **Reducing the work cycle** by improving work systems, eliminating non value-added activities and standardisation of procedures; and
- **Developing a composite form** based on 3 categories of license, namely Business Premises and Advertising License, Hawker License and Businesses Permit.

4. Our work to maintain a conducive business environment has borne results, as evidenced by Malaysia's performance in international ranking reports on competitiveness. For instance, the

World Competitiveness Yearbook 2016 produced by the Institute for Management Development based in Lausanne, Switzerland ranked Malaysia 19th out of 61 countries. The World Bank Doing Business Report 2016 placed Malaysia at 18th position among 189 countries, while the World Economic Forum, in its Global Competitiveness Report 2015-2016 covering 140 countries, ranked Malaysia as the 18th most competitive nation.

ENGAGEMENT THE PEMUDAH WAY

Distinguished Guests, Ladies and gentlemen,

5. Having said that, I am mindful of the backdrop under which we are operating this year. The situation in the Eurozone is still unfolding with Britain exiting the European Union; the United States is in election mode; there seems to

be no abating of the upheaval in parts of the Middle East; and questions remain as to China's direction economically and politically. As Malaysia has a relatively small domestic economy, we are thus dependent on international trade and so must continue to strive towards efficiency improvements. We must encourage more foreign investment and local companies to move up the value chain. This means that we must listen to the voice of foreign investors and our trade partners. Yet, there is much that can distract us and derail our best of intentions. This provides all the more reason **why we must band together and keep our eyes steadfast on our goal.**

6. In this regard, PEMUDAH has handled challenges and issues related to business, trade and industry. It has formulated various solutions and options derived from the unique cooperation

between the public and private sectors, which is the cornerstone of PEMUDAH. This Special Task Force **continues to be recognised** in the civil service and business community as the **catalyst for transforming the regulatory environment** through the adoption of regulatory best practices for the ease of doing business.

7. The model of public and private sector collaboration was novel back in 2007. In the early days, it was rare to have a group of private sector folks discussing frankly with the public sector on service delivery challenges faced by businesses. It was deemed that the Government knows best, so businesses steered clear of being too candid. I know that in the past, to raise such issues meant to tread on the territory that was the sole responsibility of Government, and the private sector did not have much avenue for

engagement with the government then to raise their issues.

8. But I am glad to say that what a difference open minds have made! Today, both sides appreciate each other's perspectives on such matters. Engagement between both sides are positive and cordial, and our approach is not about compromise, but about national good. Ultimately, that is what matters most.

Distinguished Guests, Ladies and Gentlemen,

9. Our competitiveness is as much a function of the public sector delivery system as it is that of the private sector. I am even inclined to say that private sector delivery would have an even more significant impact. For instance, in logistics, banking and the legal profession. I am pleased to share with you that PEMUDAH is not only

dealing with public sector delivery issues but also that of the private sector. Among others, we have **adopted a standardised template** for the description of key terms and conditions for housing loan agreements in both English and Bahasa Malaysia for principal amounts of RM500,000 and below. This initiative allows greater consistency across the industry, thereby enabling consumers to make better informed decisions of financial products and services offered. In addition, the Association of Banks in Malaysia and the Bar Council are in discussion on a reduction in the number of lawyers required in the conveyancing of sales and purchases of properties.

10. I commend our Focus Group and Task Force members for taking this on because the improvements made will impact not only the business environment but also the lives of the

man-on-the-street. PEMUDAH has brought about a mind-set change in the public sector, and it is happening in the private sector as well.

11. I am also pleased to note that the PEMUDAH mind-set has spread its wings from the Federal level to the State level. We have State level PEMUDAH now, which is a collaborative effort of the various state agencies, local authorities and the private sector, to address local issues that can affect businesses. This is indeed a step forward in the right direction.

PEMUDAH JOURNALISM COMPETITION 2015

Distinguished Guests, Ladies and Gentlemen,

12. Today, we will also celebrate the winners of the PEMUDAH Journalism Competition 2015. This initiative started in 2013 and is aimed at

recognising journalists' works in publishing the government's reform initiatives in an interesting manner.

13. The competition is open to all journalists working for any Malaysian printed or online publication as well as broadcasting and radio stations. It is divided into three categories, namely, Bahasa Malaysia, English and Mandarin for entries which have been published between January and December 2015, offering RM10,000 cash for the first prize winner in each category. The objective of the competition is to enlist journalists in identifying opportunities for reforms and providing feedback on whether reform initiatives are actually working in practice.

14. I take this opportunity to thank all journalists for their participation and excellent contributions. I am told that selecting the winners was not an easy task as there were several good

entries this year. To those whose entries were not selected, I urge you not to be too disappointed; try again next year! To those who have been selected as winners, congratulations for being the antennae for PEMUDAH, in getting the pulse of the *rakyat*, as far as reform initiatives are concerned.

CLOSING REMARKS

Distinguished Guests, Ladies and Gentlemen,

15. In closing, I would like to remind ourselves that PEMUDAH'S vision is very clear. We must **continue to be innovative, proactive and provide solutions** that will facilitate the national effort of becoming a developed nation, competitive and with a high income economy that includes all socio-economic levels by 2020. We must make Malaysia the preferred investment

destination, a profitable place for business and a great place to live! With your cooperation and dedication to service, I am confident that Malaysia can become one of the top five ranked economies for the ease of doing business, as envisioned by our Honourable Prime Minister.

Thank you.

Wabillahittaufikwalhidayah,

Wassalamualaikumwarahmatullahiwabarakatuh.