

22/07/2014 - Launching of Pemudah Report 2013

Assalamualaikum warahmatullahi wabarakatuh, Good Afternoon and Salam 1Malaysia.

Yang Berbahagia Dato' Saw Choo Boon,
Co-Chair of the Special Task Force to Facilitate Business (PEMUDAH);

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

Fellow Members of PEMUDAH;

Your Excellencies, Tan Sri-Tan Sri, Dato'-Dato',
Distinguished Guests;

Ladies and Gentlemen.

1. Before we begin, I would like us all to observe a moment of silence in remembrance of flight MH17. Our deepest condolences to the families and friends of all on board the flight.
2. I would like to welcome and extend my sincere appreciation to all of you here for taking the time to be with us this afternoon for the launch of the sixth PEMUDAH Annual Report.
3. PEMUDAH, or the Special Task Force to Facilitate Business, was established in 2007 to enhance public service delivery and improve the ease of doing business in Malaysia. In these seven years, PEMUDAH has successfully introduced many initiatives to enhance the business environment in the country. Leveraging on the **continuous collaboration between the public and private sectors** has led to several improvements with regards to efficiency and policy matters, as well as in the regulatory framework.

DOING BUSINESS 2014: WHERE WE ARE NOW

4. When PEMUDAH first started, the World Bank Doing Business Report was used as a benchmark to gauge where we stood globally, and thenceforth, track the effectiveness of our improvement initiatives. We are proud to note that today, Malaysia has risen in rankings to **6th position for the year 2013** in the World Bank Doing Business 2014 Report, from 12th position in 2012.
5. Our track performance speaks volumes when we compare our present performance with the 25th position that Malaysia was in, when PEMUDAH was first established. In fact, our **target last year was a bold top ten**, and I am proud to say that we did it. This was possible thanks to the **constant constructive dialogue and engagement between the public and private sectors** in addressing issues in doing business.
6. At 6th position, we are now behind Singapore, Hong Kong Special Administrative Region, New Zealand, United States and Denmark. We have managed to overtake Norway, United Kingdom, the Republic of Korea, Georgia, Australia and Finland. We still have a lot to learn from the best performers, and I dare say **we will not and should not** be complacent in our current position.

MALAYSIA'S COMPETITIVENESS

Ladies and Gentleman,

7. I am also happy to note that Malaysia's competitiveness performance at the international level is also monitored in two other reports. In the recent **Institute for Management Development's World Competitiveness Yearbook (WCY) 2014**, Malaysia is placed **among the top 12 most competitive countries out of 60**, indicating that the economic transformation programmes has had a positive impact on the country's progress. The WCY also assessed Malaysia as among the top ten countries in **Business Efficiency at 5th position**, and **Economic Performance at 9th position**. In terms of **Government Efficiency**, Malaysia maintained its **15th position** and registered **improvements in Institutional Framework at 13th position**, and **Business Legislation at 19th position**.
8. Similarly, in the **World Economic Forum's Global Competitiveness Report (GCR) 2013-2014**, Malaysia is ranked **24th out of 148 countries**, placing it in the top 20 per cent of the most competitive economies globally. Malaysia has sustained its position in the transition stage of development from Efficiency-Driven

towards the Innovation-Driven Stage of Development with an increase in GDP per capita to USD10,499. **Malaysia's most notable advantages** as highlighted in the Global Competitiveness Report are its **well-developed and sound financial market, ranked 6th**; and its **efficient and competitive market for goods and services, ranked 10th**.

9. These three reports are among some of the more significant reports used by PEMUDAH and MITI to monitor our competitiveness and thereby, our progress at achieving developed nation status by 2020.

PEMUDAH'S ACCOMPLISHMENTS IN 2013

Ladies and Gentlemen,

10. I am glad to note that PEMUDAH registered several accomplishments in 2013. Among them were:
 - Improving the **implementation of the One Stop Centre (OSC) 1 Submission for Construction Permits** by Kuala Lumpur City Hall (DBKL);
 - **Reducing the number of procedures for approval of construction permits** from 37 to 15, and time taken from 140 days to 130;
 - Requiring **mandatory online incorporation through the MyCoID portal** for Kuala Lumpur, Selangor and Negeri Sembilan;
 - **Achieving one-day registration** of standard property;
 - Setting up of the **Regulatory Impact Statement (RIS) Portal** which serves as a repository and reference source for all regulators;
 - Implementing e-Payment Facilities whereby **392 agencies have implemented e-payment** offering **708 services**, compared to 250 agencies and 551 services in 2012;
 - **Publishing the Guidebook on Export and Import Procedures in Malaysia** to enable SMEs to navigate through the various processes and procedures in international trade;

- **Implementing the Court Recording and Transcription System (CRT)** to expedite hearings and to reduce judicial delays;
 - Being selected as the **overall champion in the Prime Minister's Innovation Award (ICT Category)** for the E-Halal system; and
 - **Having engagement sessions with journalists** and successfully organising the PEMUDAH Journalism Competition 2013.
11. Various improvements on **policy matters** were also undertaken in 2013, which includes:
- **DBKL issuing standard Guidelines** for the construction of protective hoarding and construction signboard;
 - **Reducing the incorporation fee** from RM3,000 to RM1,000 for companies with an authorised share capital of RM400,000;
 - **Amending the Income Tax Act 1967** to facilitate the submission of tax returns by both taxpayers and companies;
 - **Issuing Guidelines** on trading over Internet (e-Commerce);
 - **Mapping of 145 Business Efficiency Framework (BEFs)** by the Malaysia Productivity Corporation (MPC) to enable entrepreneurs to have quick reference to Business ownerships and Steps to Starting a Business in Malaysia; and
 - **Initiating a tax incentive scheme** to reduce the burden borne by house purchasers, banks and financial institutions and the rescuing contractors in abandoned housing projects.
12. In 2013, PEMUDAH also welcomed the launch of the **National Policy on Development and Implementation of Regulations**, which formalised the requirement of undertaking Regulatory Impact Analysis (RIA) for new and amended regulations by all ministries and agencies.
13. Efforts to **intensify the use of Authorised Economic Operators (AEO) programme** to ease the import and export of goods, and the use of **Digital Recording system (with Speech Recognition Technology) to expedite cases in the Industrial Court** are among some of the efficiency initiatives that are

ongoing and continuing into this year 2014. As is our usual practice, PEMUDAH will monitor all these ongoing initiatives to ensure its successful completion and implementation.

CLOSING REMARKS

Ladies and Gentlemen,

14. I would like to take this opportunity to thank all PEMUDAH Members, past and current, from the public as well as the private sector, for their painstaking efforts in working together, tackling issues and facing challenges which truly reflect their level of commitment, so that businesses can enjoy a smooth and seamless conducive environment which ultimately benefits the *rakyat*.
15. I would also like to thank all the various Working Groups, Focus Groups and Taskforces set up under PEMUDAH, whose Chairpersons and members, from both the public and private sector, have worked very hard and diligently to ensure that the reality on the ground meets the needs and expectations of business. Without your endearing support, Malaysia would not have been able to achieve its position of being among the top 10 in Ease of Doing Business.
16. I urge all of you to **continue this momentum of transformation to further improve the public as well as the private sector delivery system**, so that we can achieve the **top five positions** in Ease of Doing Business, as envisioned by our Honourable Prime Minister, Dato' Sri Mohd Najib Tun Haji Abdul Razak. Like our German friends in the recently concluded World Cup, we need to work together as a team, because Together, We Achieve Excellence!
17. On this note, it gives me great pleasure to launch the PEMUDAH Annual Report 2013.

Thank you. *Wabillahittaufik walhidayah, Wassalamualaikum warahmatullahi wabarakatuh.*