



PEMUDAH

Pasukan Petugas Khas Pemudahcara Perniagaan
The Special Task Force to Facilitate Business

Media Release/Statement from PEMUDAH

MALAYSIA IMPROVES RANKING ON THE EASE OF DOING BUSINESS

Malaysia improved four ranks to 20th in the World Bank's Ease of Doing Business Survey 2009, from 24th in 2008 and 25th in 2007. Malaysia has improved in its ranking throughout the 3 years, considering that the total number of countries being ranked has increased to 181 in 2009 from 178 in 2008 and 175 in 2007.

Tan Sri Mohd Sidek Hassan, Chief Secretary to the Government and the Co-Chairman of PEMUDAH, the country's special task force to improve Malaysia's business competitiveness, said that he was encouraged by Malaysia's improved ranking in this survey. But stressed that there was much more work to be done if Malaysia is to move into the top 10 in the near future.

PEMUDAH was set up on 7 February 2007, in part as a response to the less than stellar ranking in this survey in the past years. Since its establishment 19 months ago PEMUDAH has succeeded in reducing, if not totally removing, various impediments in the business environment. It worked with the public sector in a number of areas, and was able to among others:

- i. Reduce the time taken for clearance of exports undertaken to facilitate trade;
- ii. Reduce the time taken for property registration through

improvement of processes and enabling on line applications for property registration;

iii. Ease and refine tax matters;

iv. Reduce time and costs as well as increase the rate of recovery in closing a business in Malaysia; and

v. facilitate e-payment;

vi. established one-stop centre to expedite incorporation of companies; and

vii. improve the processes for employing expatriates and skilled workers;

The World Bank's Ease of Doing Business Survey 2009 is the sixth in a series of annual reports co-published by the World Bank and the International Financial Cooperation. The report investigates the regulations that enhance business activities and those that constrain them. Rankings on the ease of doing business do not tell the whole story about an economy's business environment. The rankings also do not account for all factors important for doing business for example, macroeconomic conditions, infrastructure, workforce skills or security. But improvement in an economy's ranking does indicate that its Government is creating a regulatory environment conducive to operating a business.

Regulations affecting ten areas of daily business are measured:

- i. Starting a business;
- ii. Dealing with permits;
- iii. Employing workers;

- iv. Registering property;
- v. Getting credit;
- vi. Protecting investors;
- vii. Paying taxes;
- viii. Trading across borders;
- ix. Enforcing contracts; and
- x. Closing a business.

Malaysia improved its rankings in 4 of the 10 indicators, namely:

- i) Getting credit , to 1 in 2009 from 3 in 2008;
- ii) Dealing with construction permits, to 104 in 2009 from 105 in 2008;
- iii) Paying taxes, to 21 in 2009 from 56 in 2008;
- iv) Enforcing contracts, to 59 in 2009 from 63 in 2008.

Sidek reassured that PEMUDAH would continue with the agenda of improving the quality of service at all levels, especially that of local government.

PEMUDAH will continue to promote a conducive environment for doing business in the country through the following measures:

- streamlining and speeding up Government Agencies and Departments' processes;
- encouraging on-line applications;
- enhancing transparency and accountability of the Public Sector;
and
- continuous monitoring of initiatives already undertaken.

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