

KNOWLEDGE & RESEARCH



WORLD BANK GROUP
Global Knowledge & Research Hub
in Malaysia

FINANCE, COMPETITIVENESS AND
INNOVATION GLOBAL PRACTICE

MAY 2020

THE MALAYSIA DEVELOPMENT EXPERIENCE SERIES

Public-Private Dialogue in Business Regulation Reform

A Case Study on PEMUDAH



Public Disclosure Authorized

Public Disclosure Authorized

Public Disclosure Authorized

Public Disclosure Authorized

CONNECT WITH US



wbg.org/Malaysia



[@WorldBankMalaysia](https://www.facebook.com/WorldBankMalaysia)



[@WB_AsiaPacific](https://twitter.com/WB_AsiaPacific)



http://bit.ly/WB_blogsMY

KNOWLEDGE & RESEARCH

MAY 2020

THE MALAYSIA DEVELOPMENT EXPERIENCE SERIES

Public-Private Dialogue in Business Regulation Reform

A Case Study on PEMUDAH



WORLD BANK GROUP
Global Knowledge & Research Hub
in Malaysia

FINANCE, COMPETITIVENESS AND INNOVATION
GLOBAL PRACTICE

About KNOWLEDGE & RESEARCH

The World Bank Group's current partnership with Malaysia is focused on knowledge-sharing. In March 2016, the World Bank Group officially launched its Global Knowledge and Research Hub in Malaysia. The new Hub is the first of its kind, serving both as a field presence in Malaysia and as a global knowledge and research hub. It focuses on sharing Malaysia's people-centered development expertise and creating new innovative policy research on local, regional and global issues.

Knowledge & Research reports are flagship work emanating from the teams based in the Malaysia Hub.

The Malaysia Development Experience Series captures key lessons from Malaysia relevant for emerging economies in Asia, Africa and elsewhere that are transitioning out of poverty and into shared prosperity.

The findings, interpretations, and conclusions expressed in this case study do not necessarily reflect the views of the Executive Directors of the World Bank or the governments they represent. The World Bank does not guarantee the accuracy of the data included in this work. The boundaries, colors, denominations, and other information shown on any map in this work do not imply any judgment on the part of the World Bank concerning the legal status of any territory or the endorsement or acceptance of such boundaries.

Please contact Smita Kuriakose, at skuriakose@worldbank.org if you have any questions or comments with respect to the content of this study.

Table of Contents

Acknowledgements.....	5
List of Figures.....	6
List of Boxes.....	6
List of Acronyms.....	7
Foreword.....	8
Chapter 1: Public-Private Dialogue: An Introduction.....	10
Importance of Private and Public Sector Collaboration.....	12
Understanding and Managing Challenges Associated with PPDs.....	15
What Makes Public–Private Collaboration Successful.....	16
Chapter 2: PEMUDAH – Malaysia’s Experience with Effective Public-Private Dialogue on Implementing Business Environment Reforms.....	18
A Historical Backdrop – Its Vision, Scope and Values.....	19
PEMUDAH’s Governance Framework and Organizational Structure.....	20
PEMUDAH’s Achievements.....	22
PEMUDAH: An Institutional Innovation of an Effective PPD.....	25
PEMUDAH: Private Sector Incentive.....	30
Chapter 3: Conclusion.....	32
References.....	35



Acknowledgements

Public-Private Dialogue in Business Regulation Reform – A Case Study on PEMUDAH was prepared by a team of the World Bank’s Finance, Competitiveness and Innovation Global Practice (FCI, GP). The study was written by Smita Kuriakose (Senior Economist, Task Team Leader, FCI GP) and Varun Eknath (ET Consultant, Development Economics Vice Presidency) with inputs from Haris Tiew (Consultant, FCI GP). Ruzita Ahmad (Team Assistant), provided valuable logistical support. Kane Chong designed the report and its cover.

The team worked under the overall guidance of Firas Raad (Country Manager, Malaysia) and Cecile Thioro Niang (Practice Manager, FCI GP). The team is grateful for very insightful comments from Arvind Jain (Senior Economist, Development Economics Vice Presidency) and Mei Ling Tan (Malaysia Country Operations Officer). The team extends a special thanks to Dato’ Dr. Ir. Andy Seo Kian Haw and Dato’ Chua Tia Guan for agreeing to be interviewed for the purpose of this study. Their personal vision and experiences within the different Technical Working Groups of PEMUDAH provided the authors with a better understanding of private sector incentive to help facilitate business regulatory reform.

We are indebted to the Malaysia Productivity Corporation (MPC) team led by Dato’ Abdul Latif Haji Abu Seman (Director General, MPC) and Mr. Zahid Ismail (Deputy Director General, MPC) for their ongoing collaboration with the World Bank and in particular, their strong leadership in the launch of this report. We thank the technical team led by Ms. Wan Fazlin Nadia Wan Osman, (Director) in the Competitiveness Department of MPC for their technical inputs and feedback on the study.

List of Figures

Figure 2.1	Evolution of PEMUDAH.....	19
Figure 2.2	Governance structure of PEMUDAH.....	21
Figure 2.3	Malaysia’s performance measured by the Doing Business study (2010–2020).....	22
Figure 2.4	Malaysia’s ranking on Doing Business indicators (2020).....	23
Figure 2.5	Malaysia’s score on the Global Competitiveness Index (2019).....	23
Figure 2.6	Global Indicators of Regulatory Governance.....	24
Figure 2.7	Enhancing the efficiency in Paying Taxes through collaborations.....	31

List of Boxes

Box 2.1	Interaction with Industry Leaders: Dato’ Dr. Ir. Andy Seo Kian Haw.....	20
Box 2.2	Interaction with Industry Leaders: Dato’ Chua Tia Guan.....	25
Box 2.3	Interaction with Industry Leaders: Tan Sri Saw Choo Boon.....	27
Box 2.4	Public-Private Collaborations at Work: From Dealing with Construction Permits to Regulating Private Hospitals.....	28

List of Acronyms

EU	European Union
FMM	Federation of Malaysia Manufacturers
GDP	Gross Domestic Product
GIRG	Global Indicators of Regulatory Governance
GPSF	Government-Private Sector Forum
ICT	Information and Communications Technology
IRBM	Inland Revenue Board of Malaysia
KEPSA	Kenya Private Sector Alliance
MAQIS	Malaysian Agricultural Quarantine and Inspection Agency
MBC	Malaysia Business Council
MCCI	Mauritius Chambers of Commerce and Industry
ME	Mesas Ejecutivas
MIOC	Malaysia Incorporated Officials Committee
MPC	Malaysia Productivity Council
OECD	The Organisation for Economic Co-operation and Development
PPD	Public-Private Dialogue
PSE	Economic Solidarity Pact
PEMUDAH	Pasukan Petugas Khas Pemudah Cara Perniagaan/The Special Task Force to Facilitate Business
TAB	Trading Across Border
TWG	Technical Working Group
WEF	World Economic Forum



Foreword

The importance of public-private dialogues in business regulation reform has been instrumental in strengthening business ecosystems. The Malaysian experience in this regard is no different. Established in 2007 as the Special Task Force to Facilitate Business, PEMUDAH has driven the Malaysian regulatory reform agenda. PEMUDAH has taken its mandate head-on with great vigor to address issues that impact regulatory service delivery and quality. PEMUDAH's work has helped to reduce the regulatory burden, thereby creating a conducive environment where all businesses can flourish amidst growing complexities and diversities of business and socio-economic challenges.

PEMUDAH's achievements in business regulatory reform have been recognized with continuous improvements seen across indicators of business operations and reforms. The success of PEMUDAH's work could not have been possible without the efforts of its stakeholders from the public and private sectors. PEMUDAH members have worked together over the years through various Focus Groups and Task Forces. Their shared experiences and expertise have helped identify regulatory bottlenecks and obstacles and design solutions to enable the business regulatory environment. PEMUDAH's journey over the years has not been without challenges and obstacles. Active participation of the private sector representatives in PEMUDAH had made sure that it considers and addresses the practical challenges faced by the private sector, thereby enhancing its relevance and assisting the business environment of Malaysia to thrive.

We welcome the efforts of the World Bank Group to document the progress made by PEMUDAH over the years. We hope this study can provide a roadmap for other countries to learn from PEMUDAH's experience to implement effective regulatory reform delivery. Documenting PEMUDAH's work in reform delivery is also helpful in developing its strategy in the future.

We hope to build upon our successful initiatives of the past and strengthen our existing governance and organizational structure to successfully navigate through potential challenges in the future. We look forward to continued collaborations with the World Bank in this area and beyond.



Dato' Abdul Latif Haji Abu Seman

Director General,

Malaysia Productivity Corporation (MPC)



CHAPTER 1

Public-Private Dialogue: An Introduction

Traditionally, government and business had few incentives to actively collaborate. For the most part, government regulated business, and business lobbied government on areas of economic interest. When partnerships did occur, they were usually undertaken to invest in large infrastructure projects through formal contractual agreements (Rosenbaum, L., Van Buren, E. and Mennel, J., 2013). With the growing complexity and diversity of socio-economic challenges, the nature of public-private collaborations has seen a fundamental change. Both sides realized that business problems are now government problems—and vice versa—and both are proactively intensifying new approaches to forging partnerships at the highest levels. Consequently, public-private dialogues (PPD) as a form of institutional arrangements have been pivotal in stimulating reform activity and improving a country's investment climate.

Against this backdrop, this study explores the key tenets of successful public-private dialogues and its importance in the overall development of an economy in its first chapter. This chapter also seeks to study the various challenges associated with PPDs to caution against their poor administration and consequent threat to diminish the anticipated public good.

In the second chapter, this study explores Malaysia's experience with effective public-private dialogue on implementing business environment reforms. The study finds that PEMUDAH (*Pasukan Petugas Khas Pemudah Cara Perniagaan*) possesses the key tenets of a successful PPD. The study seeks to present PEMUDAH as a successful prototype of a PPD to help implement regulatory reform delivery. The discussion highlights the attributes of PEMUDAH's governance framework and organizational structure that contribute to its success. In particular, the optimal level of private sector representation ensures that PEMUDAH is sufficiently embedded in the practical realities of the industry. PEMUDAH continues to motivate other similar PPD initiatives to foster a mutually productive partnership between the public and the private sector to achieve common goals.

Noteworthy, the study delves into a less explored, yet extremely pertinent question in the existing literature – What is the incentive for the private sector to participate effectively in public-private dialogues? The study benefits from in-person interviews with industry leaders who are members of PEMUDAH to help provide an understanding of some of the factors that drive private sector participation.

Lastly, the study seeks to contribute to the existing literature on the importance of PPDs as tools towards policy reform.

Importance of Private and Public Sector Collaboration

“Even the best-intentioned government cannot succeed without a collaborative and motivated private sector,” (Rodriguez-Clare, A., 2004).

As explained below, successful private and public sector collaborations are crucial to the overall development of an economy and can be credited particularly with improved investment climate conditions, sustained economic growth, good governance and innovation.

REFORM IMPLEMENTATION AND IMPROVED INVESTMENT CLIMATE CONDITIONS

Effective and credible mechanisms inside the government for managing regulation are indispensable for reform (OECD 2002). Appropriate institutional arrangements have been recognized as essential components of a comprehensive strategy for regulatory reform (OECD 2007).

There is increasing evidence to show that public-private dialogues, as successful institutional arrangements, can facilitate and drive reform agendas and help governments in their pursuit of improved investment climate conditions. The private sector is aware of the existing sector-specific bottlenecks and practical realities, which when identified can form the basis for targeted and well-structured reform efforts. Such dialogues can also help disseminate knowledge and awareness of reforms and provide channels for communication and feedback loops (Herzberg, B. and Wright, A. 2005). A Review of World Bank Group’s Support to Structured Public-Private Dialogue for Private and Financial Sector Development (2009), which evaluated World Bank Group-sponsored PPDs implemented in 30 countries, found that over 5 years, “the PPD network could be associated with about 400 reforms and \$400 million in private sector savings” (World Bank, 2009: 5). The Cambodia Government-Private Sector Forum (GPSF), a PPD platform, was formed to provide a reliable dialogue mechanism for consultation between the government and the private sector on investment climate issues ranging from long-range policies to day-to-day operations that would encourage private sector initiatives.¹ Successful engagements with the garments sector resulted in an increase of nearly five times the product’s exports and revenues from 2001 to 2014 (from US\$ 1,156 million to US\$ 5,817 million). Cambodia’s GFSP encouraged open discussions of legislations, (e.g. the union law, informal fees), reduced bureaucracy and documentation requirements, and improved the transparency in export processes, amongst others (Herzberg, B. and Sisombat, L, 2016). Similarly, in Malawi, the National Action Group played a crucial role in tax reforms and initiatives to enhance the supply of electricity. The Private Sector Forum in Vietnam paved the way for the successful abolishment of a dual-pricing system, thereby leveling the playing field for domestic and foreign firms. And the Bulldozer Initiative in Bosnia and Herzegovina, contributed to the successful efforts of improving business regulation, implementing 50 reforms in 150 days (Herzberg, B. and Wright, A., 2006).

Thus, explicit institutions, such as PPDs, can facilitate the efficient and effective implementation of regulatory reforms and can be crucial to enable governments to successfully undertake active reform agendas.

¹ Cambodian Federation of Employers and Business Associations, <https://www.camfeba.com/representative.html>

POSITIVE IMPACT ON COMPETITIVENESS AND ECONOMIC GROWTH

Increasing growth requires adequate levels of competitiveness by establishing a favorable environment where businesses can grow, create jobs and compete in domestic and international markets. Thus, competitiveness and inclusion are recognized as crucial pillars in countries' growth agendas and visions. In this regard, PPDs can help enhance business competitiveness and sustainability, thereby improving prosperity and inclusiveness for local communities (World Bank, 2011: 14). Following Spain's accession to the EU, at a time marked with increased pressure of European and global competition on local businesses, the successful implementation of PPDs played an instrumental role in stabilizing the local economy. The appointed Minister of Industry of Catalonia established a series of 30 PPD initiatives in diverse sectors with the aim to understand sector-specific competitiveness issues. These initiatives were carried out in sectors as diverse as leather tanning and digital entertainment, primarily to create a culture of dialogue between the government and industry. Interestingly, in the next two decades, Catalonia's GDP increased exponentially, and the region managed to consolidate its democracy and social system (World Bank, 2011: 34). While it is difficult to isolate the impact of PPDs from other factors contributing to economic development, existing literature suggests that public-private dialogues and partnerships promote cross-sectoral reforms. These reforms can then translate directly into associated macro-economic benefits. The example of the Economic Solidarity Pact (PSE) in Mexico, however, is an exception (Herzberg, B. and Wright, A. 2005: 6). PSE, a tripartite agreement between the government, the private sector, and labor that was created by the Government of Mexico in 1987 in response to hyperinflation that reached an extreme level of 100 percent, an exorbitant public deficit, as well as private and public debt of unprecedented levels which put the economy on the brink of collapse. PSE's framework made the adoption of orthodox fiscal adjustment policies possible, which directly led to a significant fiscal deficit reduction and surplus for several years (Heredia, B. 1992: 22).

FOSTERS GOOD GOVERNANCE AND TRANSPARENCY

PPDs have evolved into a broader concept of democratic governance, i.e. current PPDs are marked by less concentrated social participation, are based less on formal social representation, are less focused on bargaining and accord higher importance to the risk of state capture by special interest groups. (Devlin, R. 2014).

PPDs entail a greater involvement of its stakeholders in the decision-making process. By involving various stakeholders and encouraging a more transparent policy-making process, PPDs are perceived as a driving force for good governance. PPDs also facilitate a flow of information from the public sector to the private sector, thereby enhancing transparency. The involvement of the private sector representatives helps public officials better understand the bottlenecks affecting the productivity of a sector (Utterwulge, S. and Ghezzi, P., 2017a). First-hand feedback from the private sector experts is a crucial instrument in improving public-private coordination.

For instance, the Mesas Ejecutivas (ME) in Peru established in 2015, is a policy tool developed to identify bottlenecks in sector development. ME represents a working group involving public and private stakeholders that aims to enhance regulations, streamline bureaucratic processes, improve government agencies, enable a conducive environment for innovation, ensure sufficient infrastructure and facilitate the dialogue between the stakeholders. MEs offer a platform that can also foster the dialogue between private sector stakeholders, where private firms can identify common challenges and join their efforts to solve them (Utterwulge, S. and Ghezzi, P., 2017b).

By providing a platform for regular and structured engagement of the public and private sectors in policymaking, PPDs facilitate better policies, improved implementation and successful outcomes (Wanzala-Mlobela, M. and Banda, K., 2018).

SERVES AS A CATALYST FOR INNOVATION

Collaboration involves activities where two or more parties work together and each contributes resources, such as intellectual property, knowledge, money, personnel or equipment, to address a shared objective, with a view to obtaining a mutual benefit (Canka, S. and Petkovšek, V., 2013). Some of the most successful innovation clusters that have effectively leveraged public private collaborations have spurred innovative activities.

In the past, state interventions targeting sector development and competitiveness largely took the form of industrial policies. More recent developments, however, saw the shift towards cluster development policies. Clusters, which present agglomerations of companies usually operating in the same industry and close geographic proximity, can help individual firms achieve economies of scale, thereby improving the overall level of productivity and innovation (Reis, J.G. and Farole, T., 2012). An example of a successful cluster development is Pakistan's Sialkot Surgical Instruments Cluster, which hosts over 3600 companies employing 100,000-150,000 workers, with a contribution of 0.13% to the national GDP.² Some of the most successful innovation clusters, such as Information and Communications Technology (ICT) clusters in Silicon Valley in the US, and in Bangalore, India emerged from effective public-private collaboration initiatives. Governments continue to facilitate innovation through incentives, venture capital and intellectual property rights protection, to encourage the private sector, research institutions and universities to invest in research and development. Creating an enabling environment spurs innovation and has a positive impact on a firm's productivity and competitiveness.



² Punjab Cluster Development, Available at: <http://cdi.psic.gov.pk/surgical.php>

Understanding and Managing Challenges Associated with PPDs

PPD is a comprehensive framework that entails significant transaction costs and is marked by asymmetries of information. Thus, if administered poorly, PPDs can benefit only a few in government and/or private companies rather than bringing the anticipated public good of increasing national welfare (Pinaud, N., 2007). Also, they can waste time and resources which inadvertently worsen the problem.

RISKS OF MONOPOLIZATION AND CAPTURE

According to Olson (1982), it is easier and faster for small groups to organize collective action compared to extensive groups. If the benefits of the collective action become selective, they extend to a small group of companies, instead of being a public good. In such cases, PPDs may be monopolized by a small but powerful interest group that has large influence over government, and such PPDs will be marked by rent extraction, undermining any reforms and reinforcing the power of the vested interest groups and existing elites (Pinaud, N., 2007).

POOR ORGANIZATION AND GOVERNANCE

In the case of the private sector, if it is largely fragmented, the process of cooperation and collaboration is costly, and the existing associations are usually not sufficiently representative. They further lack the ability and resources to influence the dialogue with the government, as the latter is less motivated to negotiate with a weak, fragmented and disorganized private sector (Pinaud, N., 2007: 35).

A “free rider” problem is another important reason why the private sector has difficulty organizing itself to contribute to policy design and implementation. Specifically, it is difficult to organize and motivate the private sector to take collective action and to contribute to policy reform, as the latter is seen as a public good, whose benefits are extended to all, and not only to those who contributed (Wanzala-Mlobela, M. and Banda, K., 2018:11).

Similarly, if the PPD is not well coordinated with existing institutions, the success may be diluted as a result of the duplication of efforts. Thus, while incorporating PPDs, it is important to ensure that they leverage existing institutional setups and do not duplicate efforts, in that it does not encroach on areas already covered by a similar institution. Moreover, a lack of continuity in dialogue is another sign of poor PPD management. For instance, absent records and minutes of previous meetings between government and the private sector may lead to a situation, where issues are blindly discussed repeatedly without a reference to what was agreed or discussed at any previous meeting (Wanzala-Mlobela, M. and Banda, K., 2018:11).

What Makes Public–Private Collaboration Successful

Despite the difficulties in establishing effective public–private collaboration, the success of such collaborations depends crucially on (1) the ability to effectively coordinate the government position through one agency with sufficient power; (2) the importance of a consultative process embedded in public agencies through formal and informal linkages; and (3) the credibility of the organizations enabling the private sector to speak with one voice (Ansu, Y., Booth, D., Kelsall, T. and Te Velde, D., 2016).

1. THE ABILITY TO EFFECTIVELY COORDINATE THE GOVERNMENT POSITION THROUGH ONE AGENCY WITH SUFFICIENT POWER

Schneider and Maxfield recommend delegating the ‘authority to interact with capitalists’ to the most competent and professional agencies of the national economic bureaucracy (Schneider, B. and Maxfield, S. (eds.), 1997:31). It is important for the PPD to get the necessary support and report to a high level in political leadership. Moreover, their political protection gives them the authority to bypass bureaucratic hurdles and effectively coordinate actions across government departments. Thus, it is important for high-level political leadership to validate and emphasize the importance of such an agency and its role in the pursuit of national development.

In addition to making governments act in tandem with the private sector, it is equally important to create the conditions in which they can interact with each other to facilitate effective policymaking.

2. IMPORTANCE OF A CONSULTATIVE PROCESS EMBEDDED IN PUBLIC AGENCIES THROUGH FORMAL AND INFORMAL LINKAGES

There is a need to have consultative committees or deliberation councils that offer a platform for public-private dialogue. Modern industrial policy needs to include a strong element of network-type governance, based on self-organization and voluntary horizontal coordination (Altenburg, T. and Lütkenhorst, W., 2015: 49). The importance of this embeddedness is crucial to formulate successful collaborative relationships between public agencies and the private sector. Horizontal information-sharing and problem-solving relationships between officials and business people are unlikely to be exclusively formal. According to Evans, public agencies need autonomy to be able to resist lobbying, but at the same time need to be well embedded in the networks of the economic sectors whose transformation they are directing (Evans, P., 1998 and Evans, P., 1995)

Such linkages can help to ensure that public sector agencies, as decision-making authorities are more aware and able to process the practical realities in an ever-changing globalized world. Deep embeddedness ensures that decisions by public agencies are well informed, well-grounded and targeted to address private sector hurdles.

3. THE CREDIBILITY OF THE ORGANIZATIONS ENABLING THE PRIVATE SECTOR TO SPEAK WITH ONE VOICE

The role of credible business associations in economic policy formation is invaluable. Often, sectoral associations represent only a fraction of their potential membership and have limited ability to organize their members and influence policymaking.



Governments need to recognize the value of business associations and engage in a dialogue with them (OECD, 2018: 9). Experiences from Mauritius, Zambia and Zimbabwe show that productive state-business relations often emerged where business associations were strong and representative and had nurtured linkages with the government over time (Brautigam et al., 2002).

The Belarussian Union of Entrepreneurs and Employers, the Mauritius Chambers of Commerce and Industry (MCCI), the Kenya Private Sector Alliance (KEPSA) are a few examples of effective business associations which engage in high-level public-private dialogue and influence policy-making. For example: The MCCI is a highly professional, financially sustainable business association that offers many services tailored to the challenges facing different business sectors. Similarly, KEPSA is a proactive confederation of business associations fully engaged in high-level PPD with the government.

In Zambia, Ethiopia and South Africa, where business association memberships are relatively strong, “lobbying government and information on government regulations are on average the two most important services provided by business associations” (Sen, K. and Te Velde, D., 2008: 10-11).



CHAPTER 2

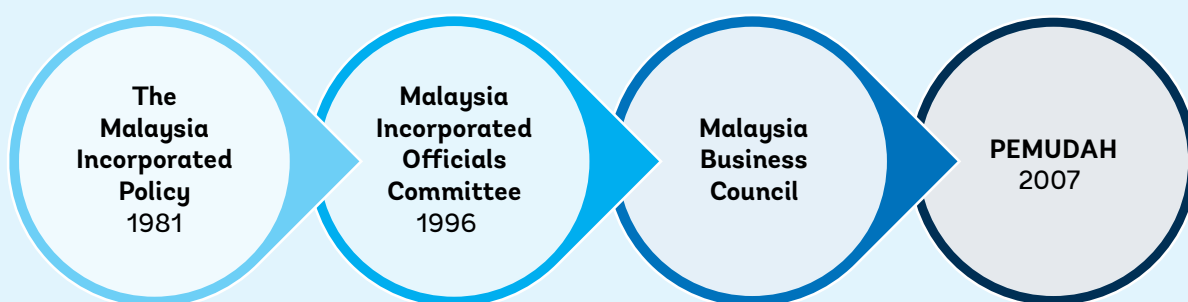
PEMUDAH: Malaysia's Experience with Effective Public- Private Dialogue on Implementing Business Environment Reforms

A Historical Backdrop – Its Vision, Scope and Values

The Malaysia Incorporated Policy of 1981 laid the foundation for the development of effective public-private relationships in Malaysia’s pursuit of national development. Propounded by the then Prime Minister Tun Dr. Mahathir, the Malaysia Incorporated Policy of 1981 has evolved from one of strategic intent to an operational reality brought about by subsequent development plans and actions, which helped forge a national consensus that the private sector should play a proactive role in Malaysia’s development. The next few decades witnessed the establishment of various public-private platforms such as the Malaysia Incorporated Officials Committee and the Malaysia Business Council which called for closer cooperation and collaboration between the two sectors.

More recently, Pasukan Petugas Khas Pemudah Cara Perniagaan (PEMUDAH), or the Special Task Force to Facilitate Business, was established on February 7, 2007 to facilitate closer collaboration between the public and private sector to enhance public service delivery and improve the business environment in Malaysia. PEMUDAH not only consistently identifies and addresses regulatory business and policy issues that constrain but also formulates solutions that enhance business activities in line with the national agenda and good regulatory practices. PEMUDAH’s vision is to achieve a globally benchmarked, customer-centric, innovative, entrepreneurial and proactive public and private sector delivery service in support of a vibrant, resilient and competitive economy and society. Among other values, ‘proactive public-private sector collaboration’ drives its vision.

FIGURE 2.1 Evolution of PEMUDAH



PEMUDAH’s Governance Framework and Organizational Structure

PEMUDAH’s work is carried out by its members, who are heads of federal government ministries and departments, accomplished leaders of trade and industry and members co-opted from key public sector agencies, working in harmony with the stakeholders on efficiency issues. PEMUDAH’s governance framework and organizational structure effectively cuts across silos, smoothens process implementation and encourages teamwork and information sharing. PEMUDAH has twelve technical working groups (TWGs), aligned with the business regulation indicators of the World Bank Doing Business studies. Each of these working groups is co-chaired by a senior government head and a business leader who report directly to the PEMUDAH co-chairs (the Chief Secretary to the government and the Vice-President of FMM at present) (See Figure 2.2). The PEMUDAH co-chairs reported directly to the Office of the Prime Minister, up until 2018 when a joint ministerial committee was set up. The Malaysia Productivity Corporation (MPC) serves as the secretariat for PEMUDAH and works closely with the respective TWGs to initiate and monitor the implementation of various reform initiatives. MPC, as a strong and active secretariat, plays a pro-active role in the everyday activities and functioning of PEMUDAH. In fact, its officers work closely to facilitate the activities of the various TWGs and even host the PEMUDAH TWG meeting at their offices.

PEMUDAH has been commissioned, among many other things, with identifying and benchmarking best practices in order to improve Malaysia’s business environment by working on the various indicators captured by the World Bank Doing Business indicator.

BOX 2.1



Dato’ Dr. Ir. Andy Seo Kian Haw
Private sector co-chair of PEMUDAH

Interaction with Industry Leaders

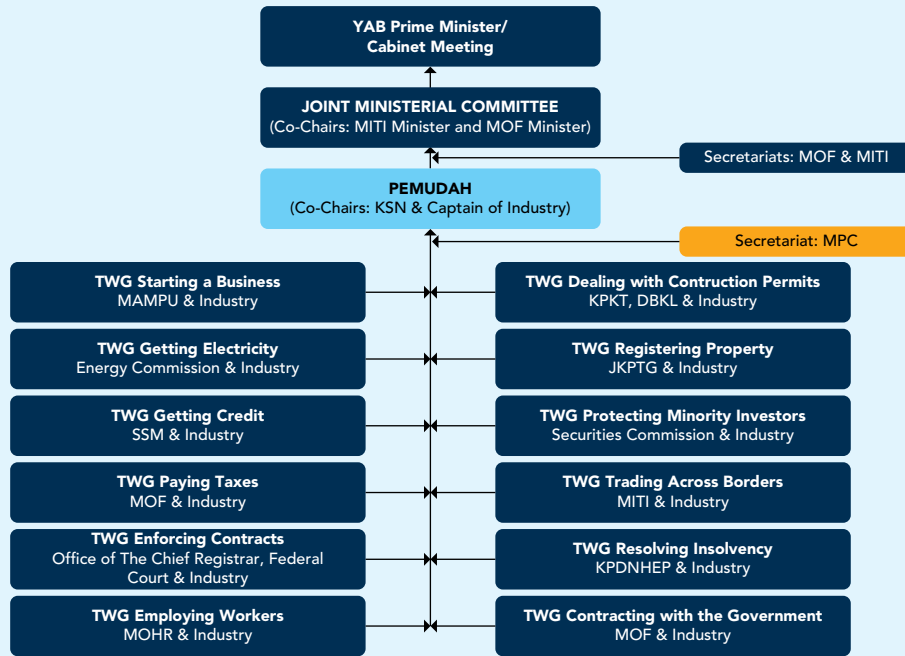
Dato’ Dr. Ir. Andy Seo Kian Haw

“While the members of PEMUDAH work on a pro-bono basis, a strong sense of collective responsibility unites them to work towards the attainment of national development goals.”

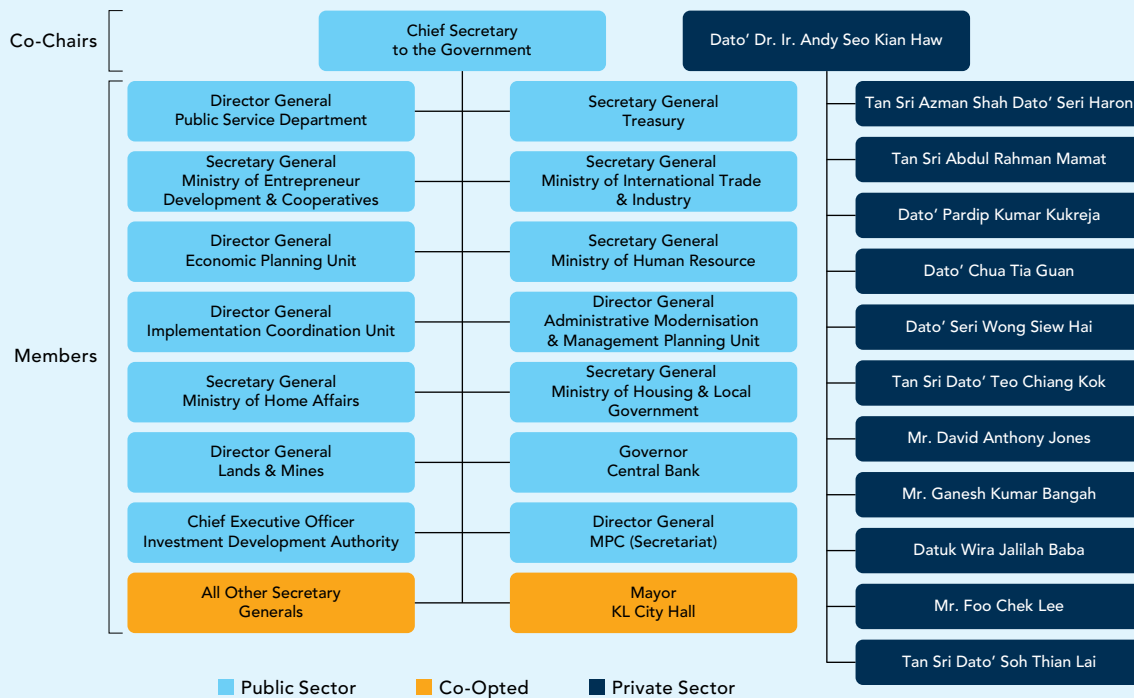
“We, as members of the private sector realize that good regulatory governance is equally important for the profitability of the private sector.”

FIGURE 2.2 Governance structure of PEMUDAH

GOVERNANCE STRUCTURE



PEMUDAH MEMBERS



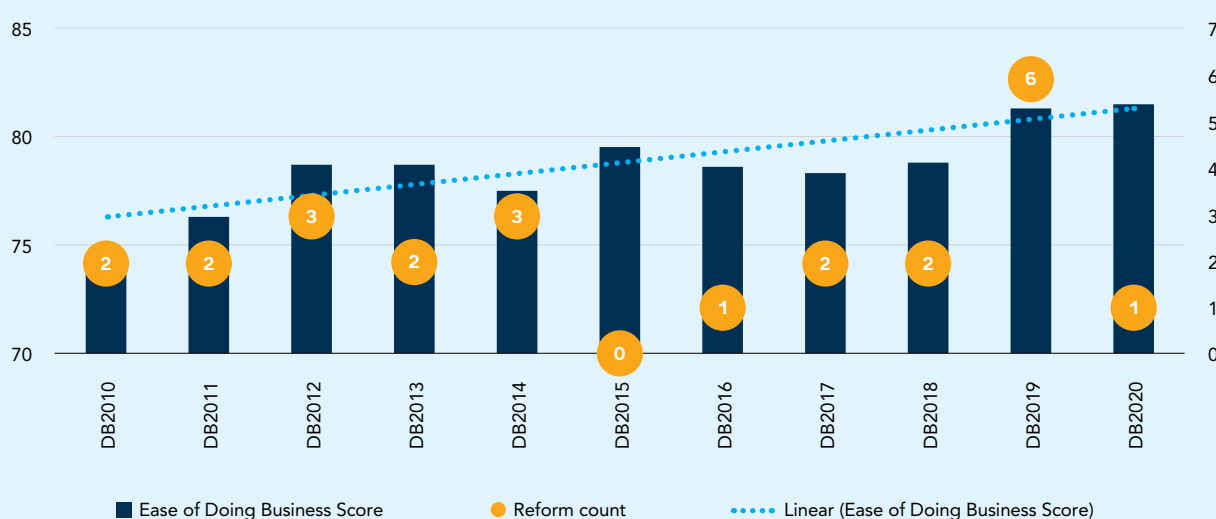
PEMUDAH’s Achievements

PEMUDAH led initiatives have made Malaysia an easier place to do business by creating an investment-friendly business climate. Since its establishment, PEMUDAH has accomplished numerous initiatives that have played a role in an improved business environment, which in turn has contributed substantial savings in time, cost and effort. PEMUDAH has and continues to work on simplifying the regulatory burdens for businesses in the economy, thus, enabling a shift in focus from creating a conducive business environment to achieving comprehensive government reforms.

According to the World Bank Doing Business study, Malaysia has seen a steady improvement in its business climate for domestic small and medium-sized enterprises over the years. A total of 24 reforms have been implemented since the Doing Business 2010 study, highlighting the country’s ongoing efforts to shorten the gap between its performance and international good practices. As evidenced in Figure 2.3, the Ease of Doing Business score and the number of reforms recorded by the Doing Business study have seen a consistent rise over the last decade. In its latest study in 2020, Malaysia’s overall rank is 12 among 190 economies, outperforming most of its regional peers in East Asia and Pacific. According to the 2020 study, Malaysia’s strengths are in the areas of protecting minority investors (global rank of 2); dealing with construction permits (2); getting electricity (4); and registering property (33). (See Figure 2.4).

The Global Competitiveness Report 2019 of the World Economic Forum (WEF) ranked Malaysia 27th globally among 141 countries. Malaysia performs better than its regional competitors according to the findings. (See Figure 2.5) According to the WEF, Malaysia is the best performing non-high-income economy. The World Competitiveness Yearbook 2019 published by the Institute for Management Development, ranks Malaysia 22nd globally.

FIGURE 2.3 Malaysia’s performance measured by the Doing Business study (2010–2020)



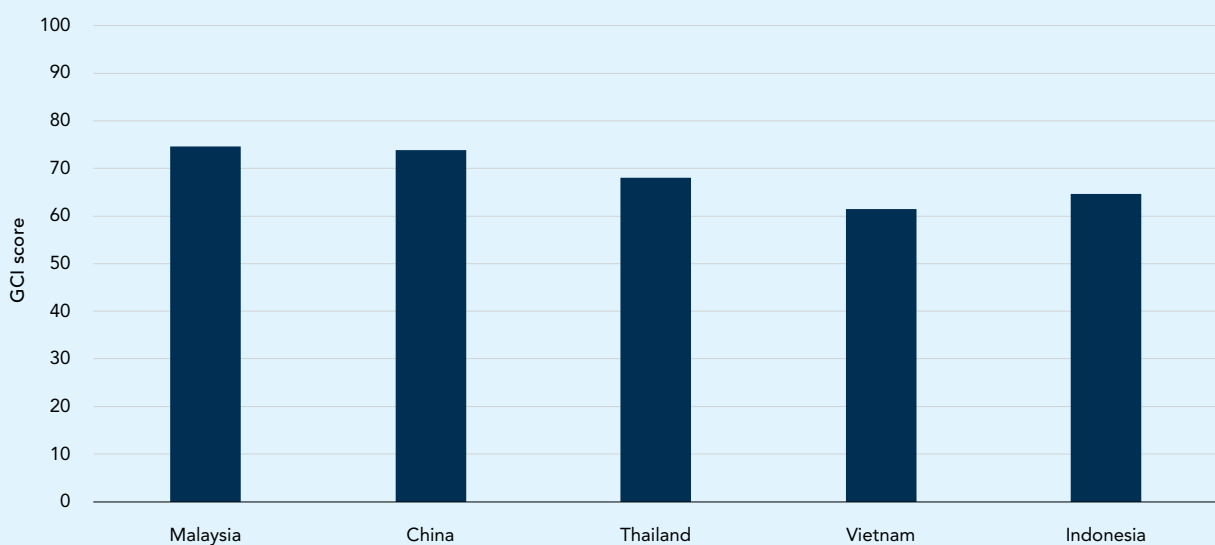
Source: World Bank Group, Doing Business.

FIGURE 2.4 Malaysia’s ranking on Doing Business indicators (2020)



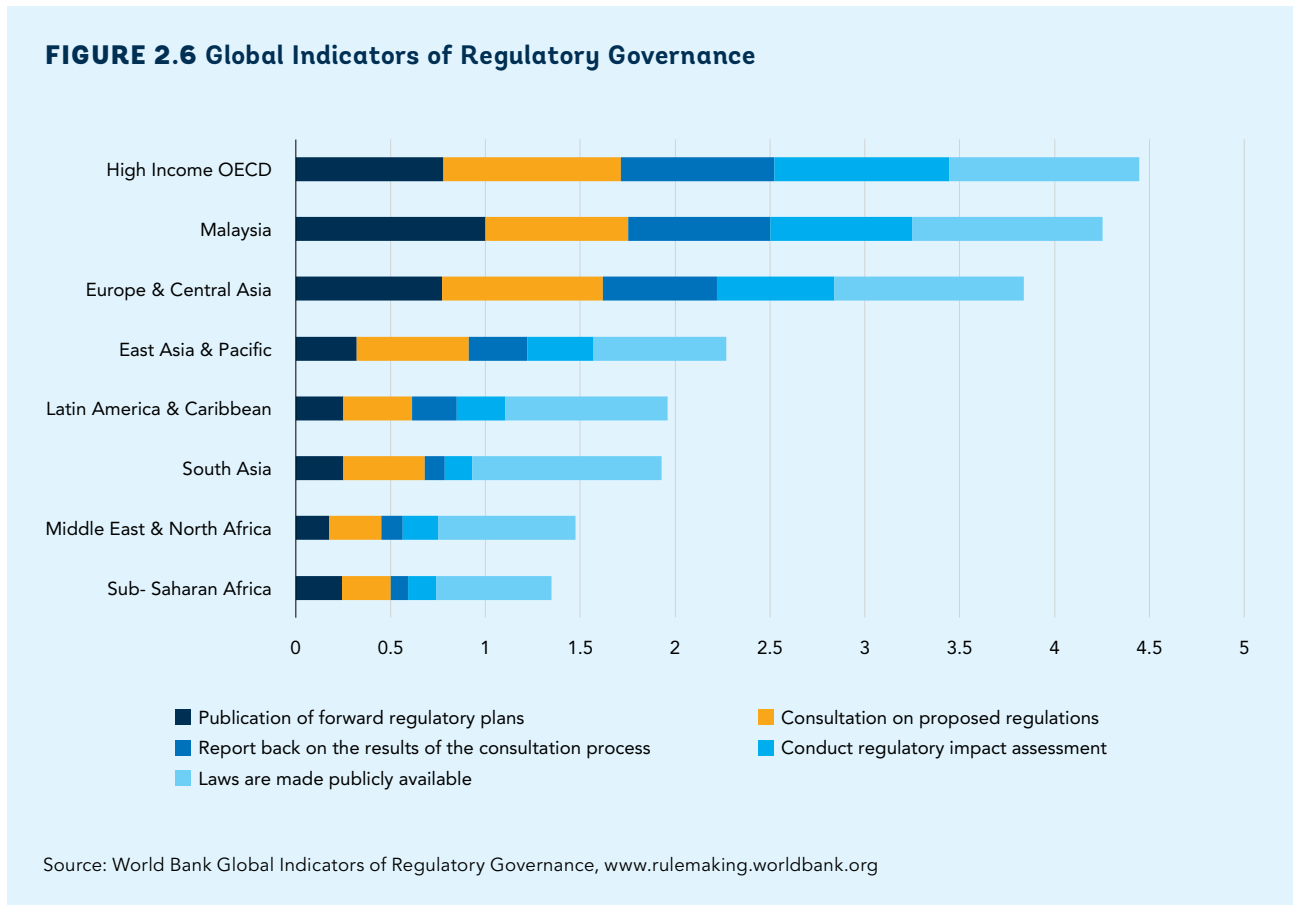
Source: World Bank Group, Doing Business 2020.

FIGURE 2.5 Malaysia’s score on the Global Competitiveness Index (2019)



Source: World Economic Forum, The Global Competitiveness Index 4.0 2019 Score

The establishment and implementation of Good Regulatory Practices have made Malaysia’s regulatory policy one of the best globally. According to the WB Global Indicators of Regulatory Governance (GIRG) database, Malaysia scores 4.25 out of a maximum possible score of 5.0. The GIRG project explores how governments interact with the public when shaping regulations that affect their business community, thereby, promoting evidence-based participatory rulemaking. Malaysia outperforms its regional peers and its performance is comparable to that of the high-income OECD average. (See Figure 2.6)



PEMUDAH: An Institutional Innovation of an Effective PPD

1. PEMUDAH ENJOYS THE KEY FEATURES THAT MAKE A PPD SUCCESSFUL

- **PEMUDAH has sufficient power and is able to effectively coordinate the government position.** PEMUDAH on its own is an autonomous institution that directly reports to the Prime Minister’s office. The Chief Secretary is the public sector co-chair who reports directly to the Prime Minister. Not only does PEMUDAH report to the highest level in political leadership, but it also comprises of the senior-most bureaucrats from different ministries. This highlights the strong political commitment and sustained leadership that PEMUDAH enjoys.

The public sector representatives in PEMUDAH are the respective secretary generals of different ministries of the government. At present, members of PEMUDAH are the Director General of Public Service Department, Secretary General of Treasury, Secretary General of the Ministry of Entrepreneur Development & Cooperatives, Secretary General of the Ministry of International Trade & Industry, Director General of Economic Planning Unit, Secretary General of the Ministry of Human Resources, Director General of Implementation Coordination Unit, Director General of Administrative Modernization & Management Planning Unit, Secretary Generals of the Ministry of Home Affairs, Secretary Generals of the Ministry of Housing & Local Government, Director General of Land & Mines, Governor of the Central Bank, Chief Executive Officer of the Investment Development Authority and Director General of Malaysia Productivity Corporation. The diversity of PEMUDAH’s public sector membership allows it to successfully coordinate actions across government, overriding the typical bureaucratic barriers that often prohibit inter-ministerial coordination.

BOX 2.2



Dato' Chua Tia Guan
Member of PEMUDAH & Co-Chair of PEMUDAH’s
Technical Working Group on Paying Taxes

Interaction with Industry Leaders

Dato' Chua Tia Guan

“In the race for economic competitiveness, the private sector must play its role in making the country a more conducive environment to do business.”

“The importance of strategizing and working together is crucial to achieve the national development goals.”

- **PEMUDAH provides the public and private sector a platform to build formal and informal networks, share information and take ownership**

Since its creation, PEMUDAH members from both the public and private sectors have been working together, sharing experiences and expertise to champion transformational reform bearing significant outcomes via various Technical Working Groups within PEMUDAH. PEMUDAH leads the change initiatives by pursuing closer collaboration between the relevant government ministries and agencies, local authorities, trade and industry representatives and subject matter experts. Collaboration with the private sector has been fundamental to influence and drive regulatory reform in Malaysia.

PEMUDAH meets monthly to examine issues. Importantly, PEMUDAH ensures that ownership and responsibility for all the initiatives are shared amongst all stakeholders.

- **The importance of the Federation of Malaysia Manufacturers (FMM) in enabling the private sector to speak with one voice**

The FMM, an umbrella organization of the manufacturing sector has played a pivotal role in providing critical feedback on policy and operational issues. The FMM has been Malaysia’s premier economic organization since its establishment in 1968. Today, as the largest private sector economic organization in Malaysia representing over 3,000 manufacturing and industrial service companies of varying sizes, the FMM is the officially recognized and acknowledged voice of the industry.

Previously, President of FMM, Tan Sri Yong Poh Kon, was the co-chair of PEMUDAH for the years 2007-2012. He was succeeded by Tan Sri Saw Choo Boon who was also the President of FMM and co-chaired PEMUDAH in the years 2013-2018. Dato’ Dr. Ir. Andy Seo Kian Haw, the current vice-president for FMM is a founding and serving member of PEMUDAH and has been the private sector co-chair of PEMUDAH since 2019.

2. PEMUDAH: AN ADVANCEMENT OVER ITS PREDECESSORS

Since the inception of the Malaysia Incorporated Policy of 1981, a series of agencies and committees were set up to enhance the public-private relationship. Among the administrative reforms undertaken by the 7th Malaysia plan, the Malaysia Incorporated Officials Committee (MIOC) was set up as a consultative panel to promote greater consultation and cooperation among the two sectors.³ The MIOC held regular dialogue sessions to facilitate the exchange of ideas and make the public sector more informed about the concerns and considerations of the private sector. Similarly, the Malaysia Business Council (MBC) and other such panels were set up in the last three decades to strengthen the public-private sector working relationship. However, all these partnerships were largely confined and limited to dialogues and discussions and were essentially led by the public sector. The role of the private sector was considerably restricted and limited to providing feedback and comments.

With the establishment of PEMUDAH in 2007, the private sector has taken a front seat. PEMUDAH is co-chaired by representatives from both the public and the private sector. PEMUDAH, as distinct from its predecessors, is ‘action-oriented’ and fully exploits the benefits of the public-private sector collaboration to drive regulatory reforms.

3 The Malaysia Incorporated dialogue with the Malaysia regional program members, 1996. Available at: <https://www.pmo.gov.my/ucapan/?m=p&p=ahmadsarji&id=2496>

BOX 2.3



Tan Sri Saw Choo Boon
Former private sector co-chair of PEMUDAH

Source: PEMUDAH Annual Report, 2016

Interaction with Industry Leaders

Tan Sri Saw Choo Boon

“The unique public-private sector collaboration in PEMUDAH is the key to the effectiveness of its initiative.”

PEMUDAH defines its own initiatives, seeks and tests ideas as to their feasibility, and finally, implements those ideas that have been endorsed. PEMUDAH is not a ‘talk shop’ forum, unlike all the previous public sector-industry mechanisms. It implements proposals that have been endorsed by its members (Thiruchelvam K., Suzana, A. and Ali, M., 2015). PEMUDAH’s monthly meetings have become the main platform to discuss issues for resolving business regulatory issues as well as initiatives to enhance the Malaysian business environment. By establishing several smaller technical working groups (TWGs) to carry out its mission, PEMUDAH can deliberate on specific issues which require focused attention and resolution.

3. PEMUDAH: EXPERIMENTING WITH NEW OPPORTUNITIES IN RESOLVING REGULATORY ISSUES TO FACILITATE THE EASE OF DOING BUSINESS AND ENHANCE COMPETITIVENESS AND PRODUCTIVITY

A willingness to experiment novel approaches and solutions is key to PEMUDAH’s success in addressing a broad array of issues on regulatory delivery to facilitate ease of doing business. Amongst other novel features previously discussed, solutions in PEMUDAH were not viewed narrowly in terms of territorial domains of agencies, but more in terms of the value that each agency brought by contributing towards addressing the problem (Thiruchelvam K., Suzana, A. and Ali, M., 2015). The members of PEMUDAH, from its early years, have ensured that the task force works with clearly defined deliverables and timelines. A result-based approach has propelled a shift in the mindset of public servants who were process-driven and often ignored the eventual outcome. New approaches along with a shift towards an outcome-based mindset have also made PEMUDAH an organizational innovation enhancing its effectiveness.

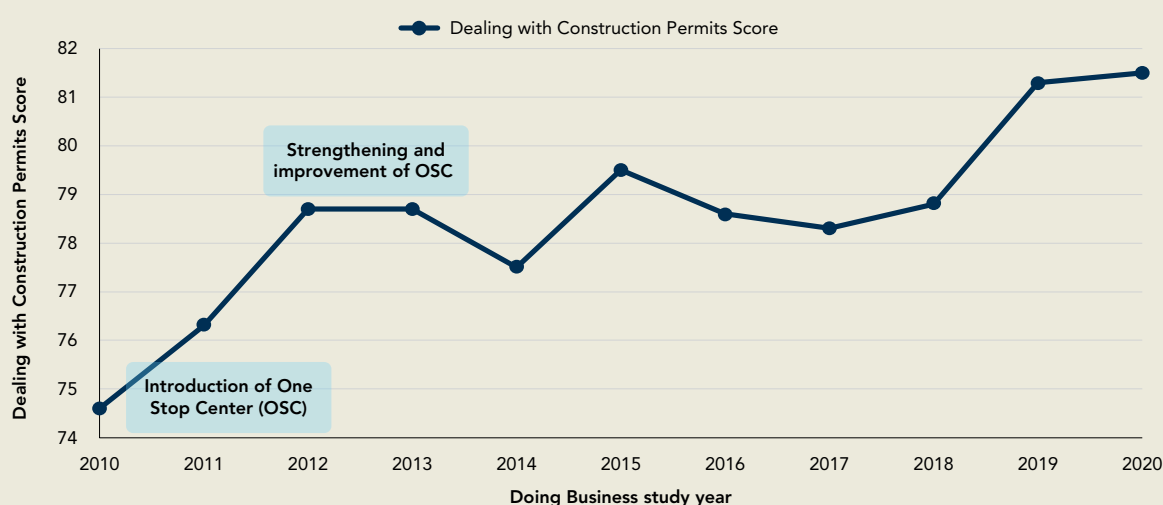
BOX 2.4

Public-Private Collaborations at Work: From Dealing with Construction Permits to Regulating Private Hospitals

- A. While there may not be an unequivocal direct impact of the initiatives undertaken by PEMUDAH on the business environment of Malaysia as there may be numerous exogenous factors to be considered, there are some noteworthy improvements in some aspects of the business environment that correlates with the initiatives taken by PEMUDAH.

DEALING WITH CONSTRUCTION PERMITS

Malaysia has seen some remarkable performance and ranking improvements in the area of Dealing with Construction Permits in the World Bank’s Ease of Doing Business Studies. Initiatives involving public-private dialogues that were implemented reduced the number of procedures and times taken in the processing of applications and approvals of permits. Following this, Malaysia’s score for Dealing with Construction Permits was able to drastically improve as it was once ranked 105th out of 178 economies in 2008 to currently being ranked as 2nd out of 190 economies. A timeline of Malaysia’s score with some key initiatives can be seen:



Source: World Bank Group, Doing Business.

Since 2008, the Kuala Lumpur City Hall along with PEMUDAH launched a One Stop Center (OSC) which housed administrative processes and approvals for small-scale commercial development projects. In 2012, further efforts were taken to improve such processes by implementing OSC 1Submission, speeding up development approval for the small-scale commercial development projects through concurrent submissions of plans. It follows that such initiatives are continuously improved upon with the implementation of monitoring systems that enable permit applicants to track the status of processing or identifying issues that require rectification. PEMUDAH reported that such initiatives enabled a great reduction in the number of procedures and time taken for construction permits, decreasing from 10 to 3 procedures and 51 to 3 days respectively.⁴

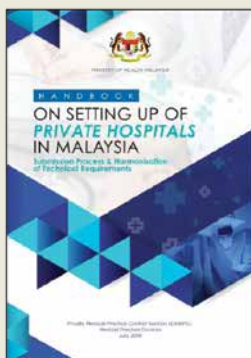
⁴ Reflective of Kuala Lumpur only since it was implemented by the Kuala Lumpur City Hall.

B. Since its inception in 2007, PEMUDAH has worked and led initiatives in areas beyond Doing Business indicators. Among others, PEMUDAH has worked on initiatives to ease tariff congestion, implement e-payment facilities and set up private hospitals. (PEMUDAH, 2016). More recently, in July 2019, PEMUDAH led an initiative to provide healthcare industry players with the requisite information on the submission process and harmonization of technical requirements for setting up private hospitals in Malaysia.

A CASE OF PRIVATE HOSPITALS IN MALAYSIA: BEYOND THE WORLD BANK’S DOING BUSINESS INDICATORS

When private organizations get involved in healthcare, a large number of regulations are involved, and such organizations would be under a substantial amount of scrutiny by the Ministry of Health. With more than 200 private hospitals in Malaysia, the process of setting up an establishment providing healthcare services can be difficult and confounding for both the ministerial body and the private organizations setting up these hospitals. Healthcare industry players would have to regularly consult the Ministry of Health regarding technical requirements, operating procedures and many more, whilst also requiring them to go back and forth to the Ministry of Health to obtain their approvals. As an example, healthcare industry players had to go back and forth approximately 10-20 times to the Ministry of Health to obtain a drawing’s approval.

Multiple initiatives have been undertaken to mitigate such a tedious and inefficient process by the Ministry of Health in collaboration with PEMUDAH. One of the initiatives taken involved consultative sessions with the healthcare industry players and relevant stakeholders. Ultimately, this would allow PEMUDAH to conduct training sessions for the industry players regarding the establishment of private hospitals. A culmination of previous efforts by PEMUDAH and the aforementioned initiatives involving numerous experts and industry players enabled PEMUDAH to garner insights regarding the business environment and certain regulatory burdens pertaining to the operations of private hospitals. Another initiative taken was the publication of four handbooks and guidelines on setting up new private hospitals in Malaysia. These handbooks and guidelines provide healthcare industry players comprehensive information and guides through the multiple stages of setting up a private hospital in Malaysia from the requirements and procedures of private hospitals to the expansion or modification of them, in line with the standards set by the Ministry of Health. PEMUDAH reported that such initiatives, among many others, eased the process of conducting business as it reduced the numbers of submissions to the ministry from 10-20 times to only 1-2 times.



Handbook on Setting Up New Private Hospital in Malaysia: Submission Process and Harmonization of Technical Requirement



Handbook on Setting Up New Private Hospital in Malaysia: Requirement and Procedures Under Act 586



License Renewal Application Procedures for Private Hospitals



Guidelines for Extensive Expansion or Modification for Private Hospitals

PEMUDAH: Private Sector Incentive

The existence of incentives for the private sector is best reflected through the proactive role played by the private sector in the functioning of PEMUDAH. The private sector, recognizing the benefits of such a relationship, works actively towards developing and maintaining their symbiotic working relationship. PEMUDAH offers various incentives for the private sector:

1. THE STRUCTURE OF PEMUDAH ITSELF VESTS SUFFICIENT POWER WITH THE PRIVATE SECTOR

A private sector representative, historically the president of the leading industry association is the co-chair of PEMUDAH. Previously, Tan Sri Saw Choo Boon, President of FMM was the co-chair of PEMUDAH in the years 2013-2018. The current co-chair of PEMUDAH is Dato’ Dr. Ir. Andy Seo Kian Haw, who is also the current vice-president of FMM. Moreover, even at the Technical Working Group (TWG) level, there is a private sector co-chair together with the public sector. These TWGs meet regularly to discuss issues related to each of the twelve indicators.

PEMUDAH has 12 private sector representatives that are nominated by industry associations and approved by the cabinet. The current private sector members include the leaders from the Malaysian Employers Federation; National ICT Association; Associated Chambers of Commerce and Industry; Malaysian American Electronics Industry; Master Builders Association; and Asia Logistics Council.

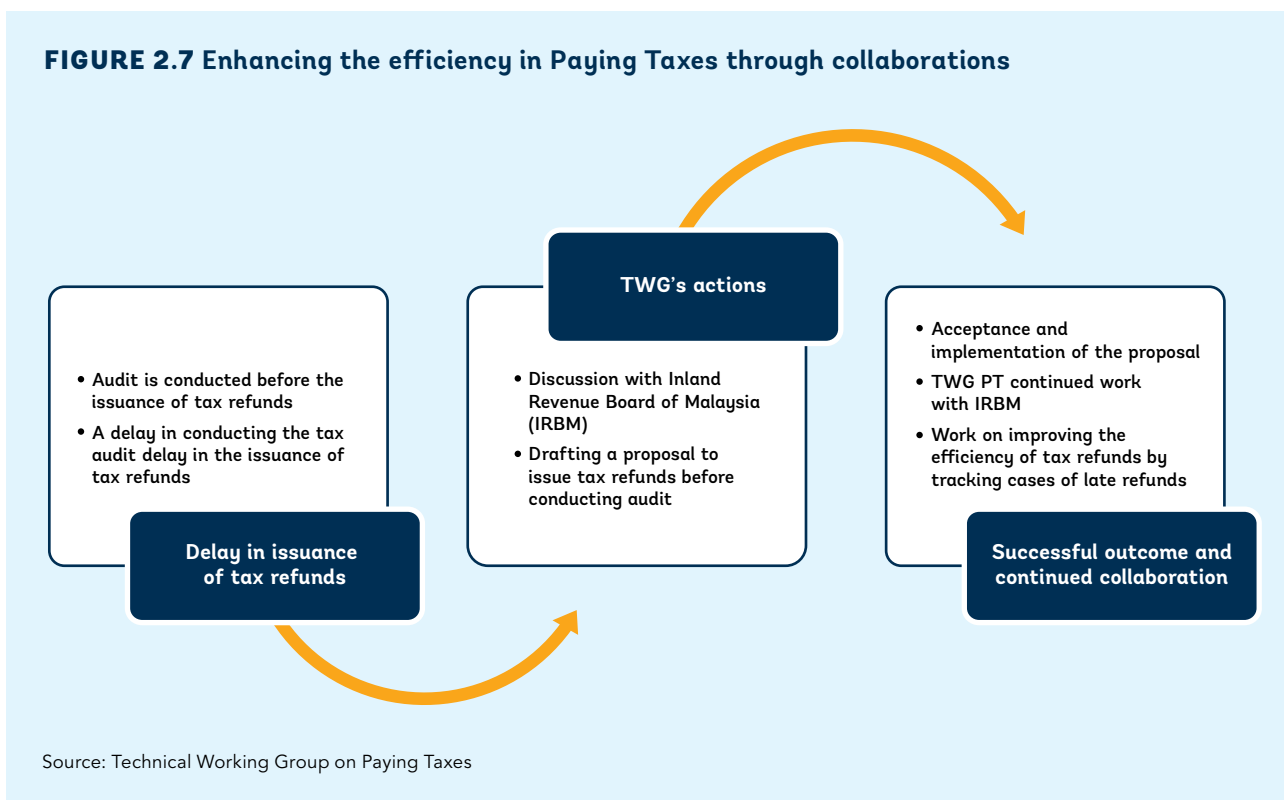
The private sector is empowered with agenda-setting and participation in the decision-making process which enhances the private sector incentive for active participation. This institutional structure emphasizes the importance of the private sector role and makes them equal players in the business regulation reform agenda. Vested with such powers, the private sector sees itself as an equal player with adequate advantage in advising policymakers make the necessary regulatory changes that affect the business environment in which they operate thus directly benefitting from these changes. The commitment of the private sector is further demonstrated by the fact that they are not paid for any of the work done or the time they spend in PEMUDAH.

2. PEMUDAH INITIATIVES DRIVEN BY PRIVATE SECTOR LEADERSHIP

Each member of PEMUDAH from the private sector enriches PEMUDAH’s resources by his or her industrial expertise and experience. The private sector participation and leadership provide critical insights into the existing regulatory issues and are consequently more likely to result in sensible prioritization plans and workable reforms. A few of the PEMUDAH initiatives driven by private sector leadership are highlighted below:

- a. The TWG on Trading Across Borders (TAB) was co-chaired by Dato’ Dr. Ir. Andy Seo Kian Haw, a founding member of PEMUDAH and current Co-Chair of PEMUDAH, together with the Ministry of International Trade and Industry. In 2016, the TWG on TAB initiated the removal of the quarantine certification requirement for exports by the Malaysian Agricultural Quarantine and Inspection Agency (MAQIS). The TWG on TAB worked with different stakeholders, including MAQIS officials and through a series of engagements, MAQIS agreed to eliminate the requirement. This required the approval of the cabinet to amend the statute. By facilitating a successful stakeholder agreement, in particular with the concerned agency, the members of PEMUDAH worked towards building a case for the introduction of the amendment in the cabinet for its approval.

- b. The TWG on Registering Property (RP), that was co-chaired by Dato’ Dr. Ir. Andy Seo Kian Haw and Director General of Lands & Mines worked with the land registration department to remove the regulatory barriers that made registering a property time consuming and expensive. The erstwhile national land code, amongst other hurdles, required customers to fill and submit a physical form for registering property. Successful stakeholder consultations at the TWG level that involved banks, national house buyer association, real estate groups, officials from the land registration department, etc. translated into a proposal calling for the elimination of the physical applications and introducing the provisions of electronic payment of stamp duty. Consequently, the national code was amended by the cabinet, to eliminate the requirement of physical applications and introduce online stamping, thereby significantly reducing the time and cost to transfer property (World Bank, 2020).⁵ This was made possible primarily because all major stakeholders were part of the reform process through the TWG on Registering Property.
- c. The TWG on paying taxes (PT), that was co-chaired by Dato’ Chua Tia Guan and the Ministry of Finance successfully addressed the issue of delay in tax refunds. The practice for the Inland Revenue Board of Malaysia (IRBM) had been to conduct an audit before they issued tax refunds to the taxpayer. A delay in conducting the tax audit led to a delay in the tax refunds that were issued, fueling discontent in general. Through the engagements conducted by the TWG, the IRBM agreed to collaborate to analyze and address the issue. Subsequently, the TWG and IRBM drafted a proposal to issue tax refunds before conducting audits which were successfully accepted and implemented. As distinct from the earlier initiatives, which required the approval of the cabinet, this initiative was directly addressed and implemented by PEMUDAH through its TWG. Subsequently, the TWG PT continued its work, by working with IRBM to improve the efficiency of tax refunds by tracking cases of late refunds (See Figure 2.7).



5 According to Doing Business estimates, the time to register a property in Malaysia dropped from 146 to 50 days between Doing Business 2010 and Doing Business 2011.



CHAPTER 3

Conclusion



Public-private dialogues as forms of institutional arrangements can be instrumental in driving regulatory reforms to improve a country's investment climate. Successful collaborations between the public and the private sector can be credited with improved competitiveness and economic growth. They also foster good governance and serve as catalysts for innovation.

While the risk of monopoly and poor organization can affect the effectiveness of PPDs, their role in facilitating regulatory reforms remains ever important. Successful PPDs across the world possess certain key characteristics that enhance their effectiveness. These include the ability to effectively coordinate the government position through one agency with sufficient power, the embeddedness of the public agencies in the realities of the private sector and the credibility of the organization enabling the private sector to speak with one voice.

In this context, PEMUDAH, set up as a special task force to facilitate business has proven to be a regulatory marvel in the context of Malaysia's pursuit of creating a more conducive business environment. As an innovative hybrid, PEMUDAH has been able to successfully integrate different approaches and expertise across the public and private sectors to find solutions to regulatory hurdles that transcend different areas of regulation. As the co-chair of PEMUDAH, the chief secretary is able to successfully coordinate the position of different ministries within the government. His leadership also ensures that the task force is vested with sufficient decision-making powers. An optimal level of private sector representation ensures that PEMUDAH is sufficiently embedded in the practical realities of the industry.

The key characteristics of PEMUDAH provide a template for thinking about what can work to steer and regulate transformation initiatives globally. The case of PEMUDAH is and will continue to be an inspiration for other PPDs that endeavor to foster a healthy relationship between the public and the private sector in the pursuit of an improved investment climate. Its innovative, flexible, adaptive and multi-stakeholder approach serves as an example for other institutions in the area of strengthening the delivery of regulatory reform to facilitate the ease of doing business and enhance private sector competitiveness and productivity.



References

- Altenburg, T. and Lütkenhorst, W. (2015). "Industrial Policy in Developing Countries. Failing Markets, Weak States." Edward Elgar. Cheltenham, United Kingdom.
- Ansu, Y., Booth, D., Kelsall, T. and Te Velde, D. (2016). "Public and Private Sector Collaboration for Economic Transformation." African Transformation Forum, Rwanda. Available at: <https://set.odi.org/wp-content/uploads/2016/03/SET-ACET-ATF-Public-and-Private-Sector-Collaboration-Paper.pdf>.
- Bräutigam, D., Rakner, L. and Taylor, S. (2002). "Business associations and growth coalitions in sub-Saharan Africa." *Journal of Modern African Studies*, 40(4), 519–47.
- Canka, S.S. and Petkovšek, V. (2013). "Private and Public Sector Innovation and The Importance of Cross-Sector Collaboration". *The Journal of Applied Business Research –November/December 2013, Volume 29, Number 6* <https://clutejournals.com/index.php/JABR/article/view/8197/8236>.
- Delvin, R. (2014). "Towards Good Governance of Public-Private Alliance Councils Supporting Industrial Policies in Latin America". Technical Note No. IDB-TN-615. Inter-American Development Bank, Washington, DC. Available at: <http://ppd.cipe.org/wp-content/uploads/2015/01/Towards-Good-Governance-LA.pdf>.
- Evans, P. (1995). "Embedded autonomy: States and industrial transformation." Princeton University Press. Princeton, New Jersey.
- Evans, P. (1998). "Transferable lessons? Re-examining the institutional prerequisites of East Asian economic policies." *Journal of Development Studies*, 34(6), 66–86.
- Heredia, B. (1992). "Mexican Business and the state: The Political Economy of a "muddled" Transition." Working Paper No. 182. The Helen Kellogg Institute of International Studies, University of Notre Dame. Available at: <https://pdfs.semanticscholar.org/b41a/6e566bfab2eaa1a1761c948b94cf9af954f0.pdf>.
- Herzberg, B. and Sisombat, L. (2016). "State of Play— Public-Private Dialogue". World Bank, Washington, DC. Available at: <https://pdfs.semanticscholar.org/fb5c/d44492006f0dd0d734e06b6f7ee5bd0193fc.pdf>.
- Herzberg, B. and Wright, A. (2005). "Competitiveness Partnerships— Building and Maintaining Public-Private Dialogue to Improve the Investment Climate." Policy Research Working Paper Series; No. 3683. World Bank Group (WBG), Washington, DC. Available at: <http://documents.worldbank.org/curated/en/913391468339899092/pdf/wps3683.pdf>.
- Herzberg, B. and Wright, A. (2006). "The Public-Private Dialogue Handbook: A Toolkit for Business Environment Reformers". World Bank, Washington, DC. Available at: http://siteresources.worldbank.org/INTEXPCOMNET/Resources/PPD_Handbook.pdf.
- OECD. (2018). "How can private sector organisations contribute to economic resilience in fragile and conflict-affected contexts in the Middle East and North Africa?". Available at: <http://www.oecd.org/mena/competitiveness/ERTF-Jeddah-2018-Background-note-Role-of-business-organisations.pdf>.
- OECD. (2007). "Implementing Regulatory Reform: Building the Case through Results, Proceedings of the Meeting of the Group on regulatory Policy". OECD Publishing, Paris.
- Olson, M. (1982). "The rise and decline of nations: Economic Growth, Stagflation, and Social Rigidities." Yale University Press.
- OECD. (2002). "Regulatory Policies in OECD Countries: From Interventionism to Regulatory Governance." OECD Publishing, Paris.
- PEMUDAH. (2016). "Annual Report 2016: A Decade of Public-Private Sector Collaboration for a World-Class Regulatory Environment." Kuala Lumpur, Malaysia.
- Pinaud, N. (2007). "Public-Private Dialogue in Developing Countries." Development Centre Studies. OECD, Paris. Available at: <http://www.publicprivatedialogue.org/papers/PPD%20in%20developing%20countries.pdf>.

References

- Reis, J.G. and Farole, T. (2012). "Trade Competitiveness Diagnostic Toolkit". World Bank, Washington, DC.
- Rodriguez-Clare, A. (2004). "Microeconomic Interventions after the Washington Consensus". Inter-American Development Bank, Washington, DC.
- Rosenbaum, L., Van Buren, E. and Mennel, J. (2013). "Partnerships for the Future Redefine public/private cooperation". Deloitte. <https://www2.deloitte.com/insights/us/en/focus/business-trends/2013/partnerships-for-the-future.html>.
- Schneider, B. and Maxfield, S. (eds.). (1997). "Business and the state in developing countries." Cornell University Press. Ithaca, NY.
- Sen, K. and Te Velde, D. (2008). "State Business Relations and Economic Growth in Sub-Saharan Africa". *The Journal of Development Studies*, 45(8), 1267-1283.
- Thiruchelvam K., Suzana, A. and Ali, M. (2015). "Igniting Productivity Improvements in the Public Sector: a Case Study on Organizational Innovation in Malaysia." Perdana School of Science, Technology and Innovation Policy, Universiti Teknologi Malaysia, Volume 1(1) 2015.
- Utterwulghe, S. and Ghezzi, P. (2017a). "From Policy Dialogue to Implementation: How to Solve Public-Private Coordination Failures?". Private Sector Development Blog. World Bank, Washington, DC. Available at: <https://blogs.worldbank.org/psd/policy-dialogue-implementation-how-solve-public-private-coordination-failures>.
- Utterwulghe, S. and Ghezzi, P. (2017b). "Public-private dialogue for modern industrial policies: towards a solutions-oriented framework (English). World Bank, Washington, D.C. Available at: <http://documents.worldbank.org/curated/en/222441504197210483/pdf/P162579-07-06-2017-1499370465883.pdf>.
- Wanzala-Mlobela, M. and Banda, K. (2018). "Literature Review of Best Practices in Designing and Conducting Public-Private Dialogues (PPDs) in Sub-Saharan Africa." Alliance for African Partnership, Michigan State University. Available at: https://www.canr.msu.edu/fsg/projects/Literature%20Review%20of%20Best%20Practices%20in%20PPDs%20Final%2011-5-2018_1.pdf.
- World Bank. (2020). "Doing Business 2020". Washington, DC.
- World Bank. (2011). "Public-Private Dialogue for Sector Competitiveness and Local Economic Development: Lessons from the Mediterranean Region". Washington, DC.
- World Bank. (2009). "Review of World Bank Group Support to Structured Public-Private Dialogue for Private and Financial Sector Development." Washington, DC. Available at <http://www.publicprivatedialogue.org/workshop%202009/Review%20of%20World%20Bank%20Group%20Support%20to%20PPD%20-%20April%202009.pdf>.



CONNECT WITH US



wbg.org/Malaysia



[@WorldBankMalaysia](https://www.facebook.com/WorldBankMalaysia)



[@WB_AsiaPacific](https://twitter.com/WB_AsiaPacific)



http://bit.ly/WB_blogsMY



