

Appendix I: Investment facilitation – menu of actions and measures (Voluntary submission by member economies: Malaysia)

IFAP Principle 1: Promote accessibility and transparency in the formulation and administration of investment-related policies			
Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> ▪ Publish laws, regulations, judicial decisions and administrative rulings of general application, including revisions and up-dates. ▪ Adopt centralised registry of laws and regulations and make this available electronically. ▪ Establish a single window or special enquiry point for all enquiries concerning investment policies and applications to invest ▪ Make available all investment-related regulations in clear simple language, preferably in languages commonly used by business ▪ Following establishment of an Investment Promotion Agency (IPA), or similar body, and make its existence widely known ▪ Make available to investors all rules and other information relating to investment promotion and incentive schemes ▪ Allow investors to choose their form of establishment within legislative and legal frameworks. ▪ Ensure transparency and clarity in investment-related laws ▪ Improve upon the APEC-wide website (e-portal) to replacing the hard copy publication of the APEC Investment Guidebook (IEG) ▪ Encourage on-line enquiries and on-line information on all foreign investment issues ▪ Maintain a mechanism to provide timely and relevant advice of changes in procedures, applicable standards, technical regulations and conformance requirements ▪ To the extent possible, provide advance notice of proposed 	<ul style="list-style-type: none"> • Ongoing 	<ul style="list-style-type: none"> • Investment regulations and incentives are transparent whereby current and up-to-date information are published through printed documents such as policy book, brochures, specific industry pamphlets, etc. as well as through Ministries/Agencies' websites. • Malaysian Investment Development Authority (MIDA) was set up as the principal agency to promote, facilitate and coordinate all activities in the manufacturing and services sectors. MIDA has established 'Business Information Centre' and 'Customer Service Centre' to facilitate investors' enquiries relating to investment policies and procedures. MIDA also has an Advisory Services Centre which stations key representatives from government agencies such as Customs, Immigration and Department of Environment, to assist investors with investment matters. • An Immigration Unit is also established in MIDA to approve visas and work permits for expatriates approved for manufacturing and services sectors. • At State/Regional Government Levels, One-Stop Centers are also set up to assist investors in obtaining licenses, permits and approvals to facilitate project implementation at the state/regional level. • Legislations related to investments are publicly 	<ul style="list-style-type: none"> • Enables investors to plan and operate their projects smoothly

<p>changes to laws and regulations and provide an opportunity for public comment</p> <ul style="list-style-type: none"> Explore the possibility of using the international benchmarks on a voluntary basis as a reference point for peer dialogue and measuring progress 		<p>available in various languages. For example, MIDA brochures are available in English, French, German, Italian, Japanese, Korean, Spanish and Mandarin. These publications are also available on the MIDA website i.e. http://www.mida.gov.my.</p> <ul style="list-style-type: none"> Other investment promotion bodies at the federal and state levels as well as economic corridors have also established websites to enhance transparency and facilitate investment. On-line enquiries/information are accessible through various Ministries and related agencies. Changes to procedures, standards, technical regulations and conformance requirements are announced in a timely manner through the media, websites, etc. 	
<p>Other voluntary actions in addition to the above:</p> <ul style="list-style-type: none"> _____ _____ 			

IFAP Principle 2 Enhance stability of investment environments, security of property and protection of investments

Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> Establish timely, secure and effective systems of ownership registration and / or property use rights for land and other forms of property Create and maintain an effective register of public or state owned property. Ensure costs associated with land transactions are kept to a minimum including by fostering competition. Foster the dissemination of accurate market reputation information including creditworthiness and reliability Explore the possibility of using the World Bank <i>Doing Business</i> indicator “Enforcing Contracts” as the basis 	<ul style="list-style-type: none"> Ongoing 	<ul style="list-style-type: none"> <u>Rights</u> on land and property ownership is clearly spelt out in the relevant Land laws and guidelines on the acquisition of properties. Malaysia has signed 73 Investment Guarantee Agreements (IGAs). All agreements include provisions for investor-state dispute settlement through arbitration using the International Centre for Settlement of Investment Disputes (ICSID), United Nations Commission on International Trade Law (UNCITRAL), Kuala Lumpur Regional Centre for Arbitration (KLRCA) and other fora. Investors can 	<ul style="list-style-type: none"> Investors are secured with protection of their investments in the country

<p>for peer dialogue and benchmarking and measuring progress across APEC</p> <ul style="list-style-type: none"> • Encourage or establish effective formal mechanisms for resolving disputes between investors and host authorities and for enforcing solutions, such as judicial, arbitral or administrative tribunals or procedures • Encourage and facilitate the use of arbitration and other means of alternative dispute resolution for the settlement of international commercial disputes between private parties • Facilitate commercial dispute resolution for foreign investors by providing reasonable cost complaint-handling facilities, such as complaint service centres, and effective problem-solving mechanisms • Take steps to accede to an arbitral convention 		<p>also pursue claims in domestic courts.</p>	
<p>Other voluntary actions in addition to the above:</p> <ul style="list-style-type: none"> ▪ _____ ▪ _____ 			

IFAP Principle 3 Enhance predictability and consistency in investment-related policies

Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> • Increase use of legislative simplification and restatement of laws to enhance clarity and identify and eliminate inconsistency. • Provide equal treatment for all investors in the operation and application of domestic laws and principles on investment • Reduce the scope for discriminatory bureaucratic discretion in interpreting investment-related regulations • Maintain clear demarcation of agency responsibilities where an economy has more than one agency screening or authorising investment proposals or where an agency has regulatory and commercial functions • Establish and disseminate widely clear definitions of 	<ul style="list-style-type: none"> • Ongoing 	<ul style="list-style-type: none"> • Investors are treated equally and can pursue claims in domestic courts. • Criteria and guidelines for investment proposals are available in MIDA’s policy books and websites, including licensing thresholds, general criteria for enjoyment of investment incentives, etc. 	<ul style="list-style-type: none"> • Equal treatment to all investors

<p>criteria for the assessment of investment proposals</p> <ul style="list-style-type: none"> • Establish accessible and effective administrative decision appeal mechanisms including where appropriate impartial “fast-track” review procedures 			
<p>Any voluntary actions in addition to the above:</p> <ul style="list-style-type: none"> ▪ _____ ▪ _____ 			

IFAP Principle 4: Improve the efficiency and effectiveness of investment procedures

Specific Actions	Time Table	Details of implementation	Expected outcomes
<ul style="list-style-type: none"> • Simplify and streamline application and, registration, licensing and taxation procedures and establish a one-stop authority, where appropriate, for the lodgement of papers • Simplify and reduce the number of forms relating to foreign investment and encourage electronic lodgement • Shorten the processing time and procedures for investment applications. • Promote use of “silence is consent” rules or no objections within defined time limits to speed up processing times, where appropriate • Ensure the issuing of licences, permits and concessions is done at least cost to the investor • Simplify the process for connecting to essential services infrastructure • Implement strategies to improve administrative performance at lower levels of government. • Facilitate availability of high standard business services supporting investment 	<ul style="list-style-type: none"> • Ongoing 	<ul style="list-style-type: none"> • Various measures to enhance the government delivery system are continuously undertaken by the Government through the Special Taskforce to Facilitate Business (PEMUDAH). • MIDA acts as the focal point and coordinates all applications related to investment projects. MIDA also coordinates all investment promotion activities through the establishment of Task Force on Investment which streamlines promotional programmes such as trade and investment missions as well as collation of investment figures in the manufacturing and services sectors. • Application procedures related to investments approvals have been simplified and streamlined over the years to facilitate investors, including through the ‘fast track’ mechanism. This has enabled investors to obtain approvals in a shorter period and with less hassle. • MIDA has introduced automatic issuance of Manufacturing Licence for all manufacturing activities, except for those that affects security, safety, health, environment and for religious considerations. The processing time for the 	<ul style="list-style-type: none"> • Ease of doing business for investors

		<p>issuance of licence is two days. Processing time for other applications, e.g. expatriate posts, duty exemption, incentives have been reduced. Processing time for projects are monitored on an on-going basis.</p> <ul style="list-style-type: none"> • On-line applications are also available on the MIDA website whereby companies can apply for Manufacturing Licenses, Tax Incentives, Expatriate Posts and Import Duty Exemptions on Machinery and Raw Materials. • MIDA also conducts ‘hand holding’ whereby investors are assisted in obtaining all necessary approvals until the projects are operational. Existing companies are also facilitated in overcoming operational problems faced. • Business Licensing Electronic Support System (BLESS) assists companies to obtain business licences efficiently through its portal. It provides information and facilitates companies to apply licenses and permits to start operating business in Malaysia. 	
<p>Other voluntary actions in addition to the above:</p> <ul style="list-style-type: none"> ▪ _____ ▪ _____ 			
<p>IFAP Principle 5: Build constructive stakeholder relationships</p>			
<p>Specific Actions</p>	<p>Time Table</p>	<p>Details of implementation</p>	<p>Expected outcomes</p>
<ul style="list-style-type: none"> • To the extent possible, establish a mechanism to provide interested parties (including business community) with opportunity to comment on proposed new laws, regulations and policies or changes to existing ones prior to their implementation 	<ul style="list-style-type: none"> • Ongoing 	<ul style="list-style-type: none"> • Regular dialogues and consultations with investors and the business community including Chambers of Commerce, Industry associations, etc. on Malaysia’s investment policies are undertaken by various 	<ul style="list-style-type: none"> • Investors’ views are taken into account in policy review

<ul style="list-style-type: none"> • Continue to share APEC member economies' experiences of successful stakeholder consultative mechanisms • Promote the role of policy advocacy within IPAs as a means of addressing the specific investment problems raised by investors including those faced by SMEs • Continue to share APEC member economies' experiences of successful public private dialogue to take advantage of the information on successes and problems encountered by established investors • Promote backward investment linkages between businesses, especially between foreign affiliates and local enterprises including through the promotion of industry clusters • Encourage high standards of corporate governance through cooperation aimed at promoting international concepts and principles for business conduct, such as APEC's programs on corporate governance and anti-corruption. • Examine and share APEC member economies' experience with responsible business conduct instruments 		<p>Ministries and agencies before changes to laws, regulations and policies are made.</p> <ul style="list-style-type: none"> • An annual dialogue is conducted by the Ministry of International Trade and Industry (MITI Annual Dialogue) with investors and the business community including Chambers of Commerce, Industry associations, etc to obtain feedback from the private sector on issues that they may have in 'doing business in Malaysia'. It also provides a platform for trade and other associations to raise issues of concern which affect their members and hinder the country's economic development. 	
<p>Other voluntary actions in addition to the above:</p> <ul style="list-style-type: none"> ▪ _____ ▪ _____ 			
<p>IFAP Principle 6: Utilise new technology to improve investment environments</p>			
<p>Specific Actions</p>	<p>Time Table</p>	<p>Details of implementation</p>	<p>Expected outcomes</p>
<ul style="list-style-type: none"> • Promote the introduction and use of new technologies aimed at making the investment process simpler and faster • Maintain adequate and effective protection of technology and related intellectual property rights • Where possible, give effect to international norms for property protection 	<ul style="list-style-type: none"> • Ongoing 	<ul style="list-style-type: none"> • On-line submissions, automatic and fast track approvals are available for investment related applications. • BLESS facilitates applications for approvals and reduce processing times. 	<ul style="list-style-type: none"> • Ease of doing business for investors

<p>Other voluntary actions in addition to the above:</p> <ul style="list-style-type: none"> ▪ _____ ▪ _____ 			
<p>IFAP Principle 7: Establish monitoring and review mechanisms for investment policies</p>			
<p>Specific Actions</p>	<p>Time Table</p>	<p>Details of implementation</p>	<p>Expected outcomes</p>
<ul style="list-style-type: none"> • Conduct periodic reviews of investment procedures ensuring they are simple, transparent and at lowest possible cost 	<ul style="list-style-type: none"> • Ongoing 	<ul style="list-style-type: none"> • Various measures are constantly being reviewed to ensure transaction costs for the business sector is reduced. 	<ul style="list-style-type: none"> • Continuous improvement in investment policy
<p>Other voluntary actions in addition to the above:</p> <ul style="list-style-type: none"> ▪ _____ ▪ _____ 			
<p>IFAP Principle 8: Enhance international cooperation</p>			
<p>Specific Actions</p>	<p>Time Table</p>	<p>Details of implementation</p>	<p>Expected outcomes</p>
<ul style="list-style-type: none"> • To the best extent possible, accede to, or observe, multilateral and/or regional investment promotion and facilitation conventions • Make use, where appropriate, of international and regional initiatives aimed at building investment facilitation and promotion expertise, such as those offered by the World Bank, UNCTAD and OECD • Ensure measures exist to ensure effective compliance with commitments under international investment agreements • Review existing international agreements and treaties to ensure their provisions continue to create a more attractive environment for investment. 	<ul style="list-style-type: none"> • 2012 • Ongoing 	<ul style="list-style-type: none"> • Malaysia participates in OECD's Investment Policy Peer Review to develop the Policy Framework for Investment. • International agreements and treaties are being reviewed based on the agreed schedule. • Exchange of experiences and best practices among countries. 	<ul style="list-style-type: none"> • Enhance country's image and international ranking globally
<p>Other voluntary actions in addition to the above:</p> <ul style="list-style-type: none"> ▪ _____ ▪ _____ 			