



From Red Tape to Smart Tape

Administrative Simplification to Improve Malaysia's Competitiveness



Case Study on Setting Up a Petrol Kiosk

by Eddy Mazuaansyah Mohd Ali Murad

Ministry of Domestic Trade, Cooperatives & Consumerism

19th October 2011

Productivity Conference 2011



150

**New petrol stations
developed every year**

RM0.5B

Investment value per year

1,500

**New jobs opportunity
per year**



Source : Domestic Trade Unit, MDTCC (1990-2010)



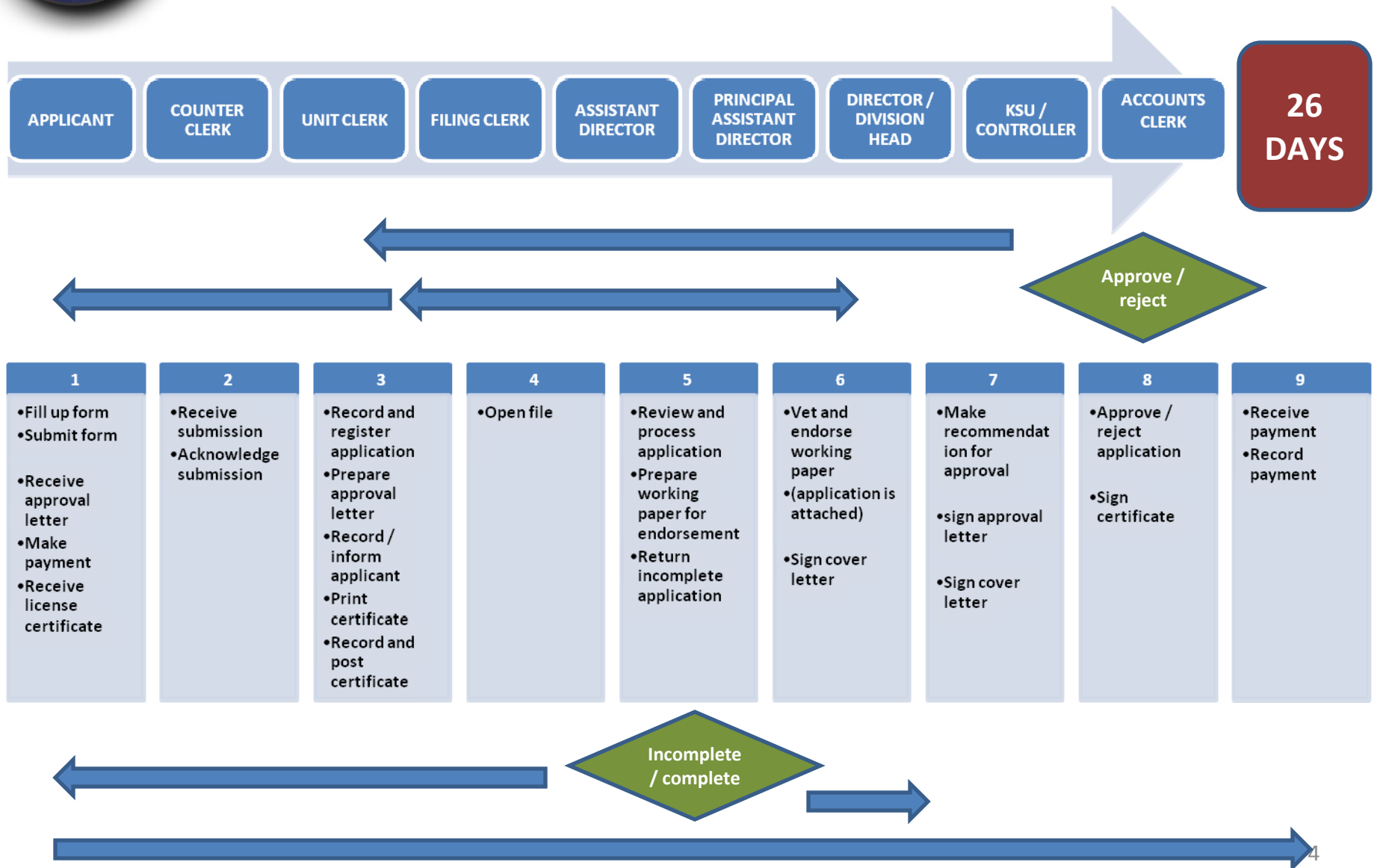
A **10-day** reduction
in start-up time
can lead to
an increase of
**0.4% in growth and
0.27% in investment**

Source : World Bank





PRE REVIEW





POST REVIEW



1 DAY APPROVAL

KSU / CONTROLLER

- ✓ KSU / Controller to approve on the application form
- ✓ Post-Audit will be done after 3-6 months operation

**DOMESTIC TRADE
DIVISION**

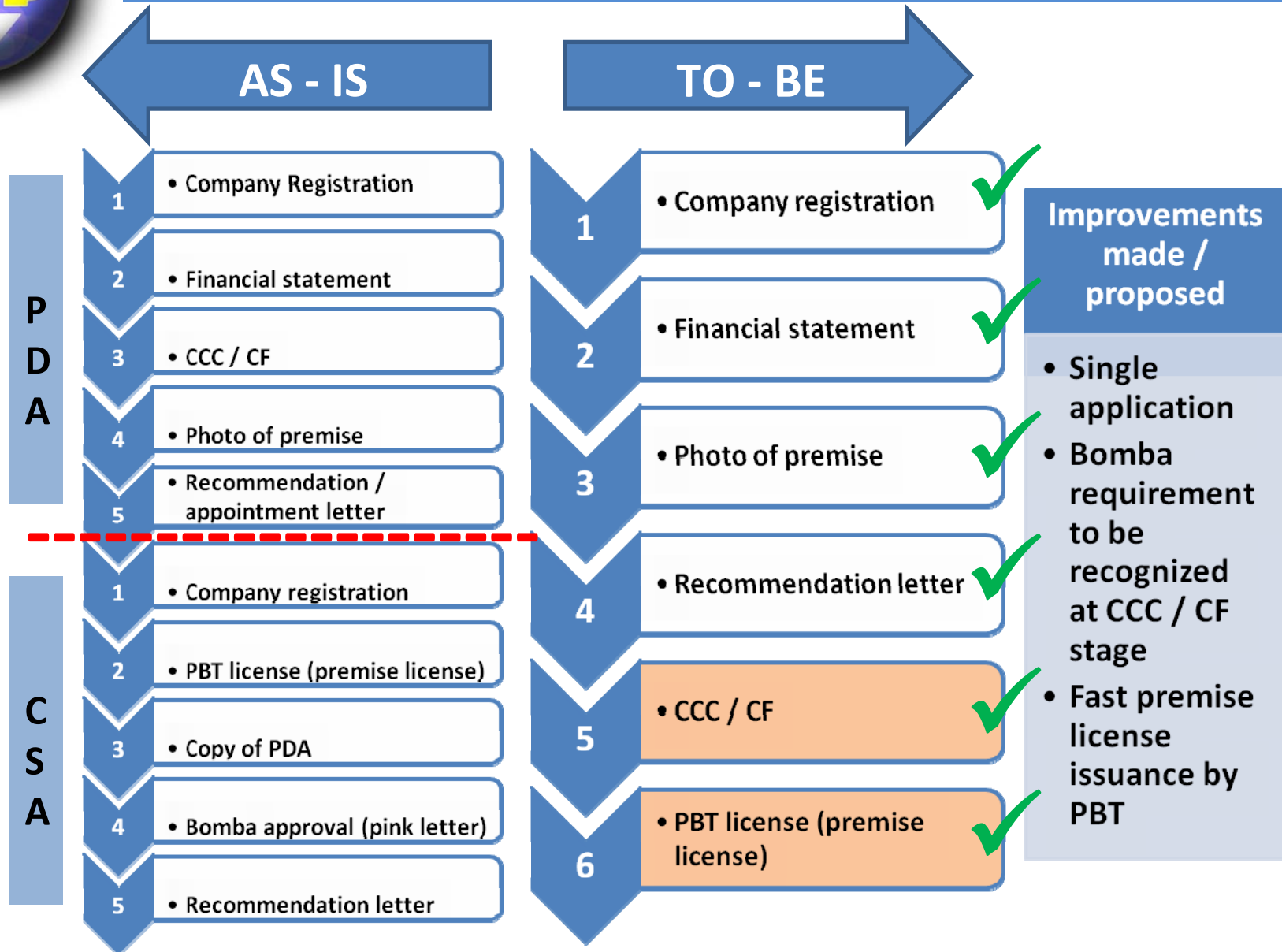
- ✓ Receive / record / open file done simultaneously
- ✓ Vetting only based on the checklist
- ✓ Receive payment
- ✓ Bank counter system – officer directly engaged with applicant
- ✓ Officer to endorse on the application form
- ✓ Print certificate according to application form using digital signature after approval
- ✓ Application form to be sent to KSU / Controller for approval

OIL COMPANY

- ✓ Oil company will go through all application processes
- ✓ Pre-Audit (KPDNKK official will be in the selection committee and to facilitate selection process)
- ✓ Interview done by oil company
- ✓ Checklist
- ✓ Batch submission by oil company based on the checklist



DOCUMENTATION REQUIREMENT





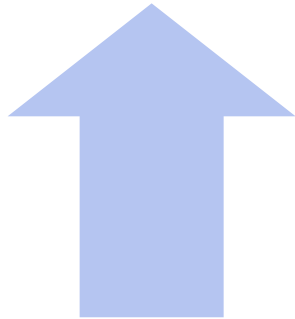
58 days reduction is **significant...**

PROCESS	AGENCY	PAST #day	PRESENT #day	FUTURE #day
Dealer appointment	Oil company	30	30	30
Business registration	SSM	1	1	1
Construction permit	PBT	120	120	120
Premise license	PBT	30	30	Composite approval at CCC / post CCC stage 7
Signboard license	PBT	7	7	
PDA	KPDNKK	26	Composite approval 1	
CSA	KPDNKK	3		
Total		217	189	159



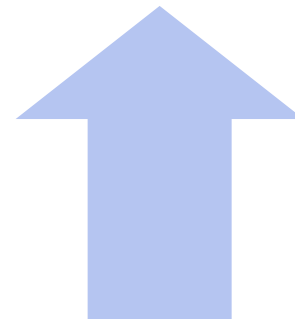
27% of total reduction
will lead to ...

2.4%



**Growth in
Domestic Economy**

1.62%



**Growth in
Private Investment**



Note : Assuming a 10-day reduction in start-up time can lead to an estimated increase of 0.4% in growth and 0.27% in investment respectively



Our Proposal...

1

Composite Approval for Premise and Signboard License at CCC stage

- By approving CCC, we are actually **pre-approving** the premise

Cooling-Off Period of **6/12 months** after CCC approval

- Premise / Signboard License is not required **during** the Cooling-Off Period as premise is deemed to be safe, in-compliance to standards and fit for occupancy. No inspections/tests from various agencies required
- Premise / Signboard License is only required if an application submitted **after** the Cooling-Off Period

2

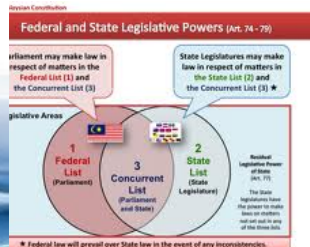
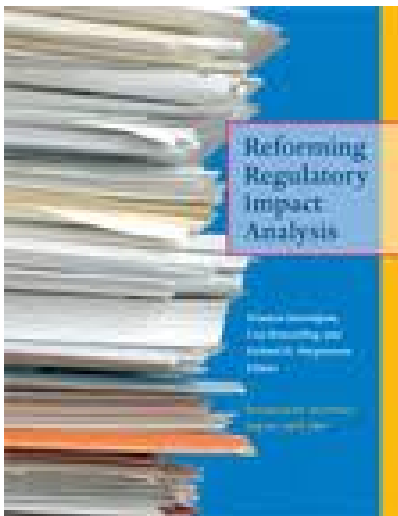




Key Takeaways...

Empowerment

PLAN
POST-AUDIT



A close-up photograph of a person's hand holding a white rectangular card. The hand is positioned on the left side of the card, with the thumb and index finger visible. The card is held flat against a white background.

Thank You

eddysms@kpdnkk.gov.my