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# **Report on the Conduct of the Exposure Trip to Singapore and Malaysia on Business Permit Reforms and Investment Planning and Promotion**

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## **Investment Enabling Environment (INVEST) Project**

*Output 2.1, Deliverable 2, Program Area 2.2, Component 2*

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By Orient Integrated Development Consultants, Inc. (OIDCI)  
FSS Building, 89 Scout Castor Street, Quezon City, Philippines  
Tel No.: 374.0757; Fax. No. 413.232

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## List of Acronyms

BPLS	-	Business Permit and Licensing System
CDI	-	Cities Development Initiative
CIP-MC	-	City INVEST Project – Management Committee
CIP-TWG	-	City INVEST Project – Technical Working Group
CPA	-	City Program Adviser
DILG	-	Department of the Interior and Local Government
DTI	-	Department of Trade and Industry
HCD	-	Hawkers Centre Division
ICTIPB	-	Iloilo City Trade and Investment Promotions Board
IDA	-	Infocomm Development Authority
INVEST	-	Investment Enabling Environment
LEIPO	-	Local Economic and Investment Promotion Office
LKYSPP	-	Lee Kuan Yew School of Public Policy
MIDA	-	Malaysian Investment Development Authority
NCC	-	National Competitiveness Council
NEA	-	National Environment Agency
NUS	-	National university of Singapore
OBLIS	-	Online Business Licensing System
OSC	-	One-Stop Center
PBR	-	Philippine Business registry
PKA	-	Port Klang Authority
PPJ	-	Perbadanan Putrajaya (Putrajaya Corporation)
SPRING	-	Standards Productivity and Innovation for Growth Singapore
SSM	-	Suruhanjaya Syarikat Malaysia (Companies Commission of Malaysia)
URA	-	Urban Redevelopment Authority
USAID	-	United States Agency for International Development

# I. INTRODUCTION

## A. Context and Background of the Exposure Trip

The Investment Enabling Environment (INVEST) Project is a two-year undertaking of the United States Agency for International Development (USAID) that seeks to improve the investment climate in the Philippines by providing direct technical and capacity-building assistance to three (3) first-class cities: Batangas, Cagayan de Oro and Iloilo. The Project's objectives are to lower transactions costs and reduce the cost of doing business in the cities' jurisdictions, as well as to increase their competitiveness as investment destinations. More specifically, INVEST is assisting these cities, which are considered as partner cities of USAID under its Cities Development Initiative (CDI), in streamlining business registration processes and in improving local investment planning and promotion.

Under the Project's Program Area 2.1: "Strengthened Planning, Investment Programming and Budgeting," specifically Deliverable No. 1: "Enhanced Required Local Planning Documents," the Project organized an international study tour to provide a venue for its three partner cities to appreciate and benchmark with the best practices in neighboring cities in Asia on investment planning and promotion as well as in establishing regulatory policies in business transactions and operations.

This activity, dubbed as "Exposure Trip to Singapore and Malaysia on Business Permit Reforms and Investment Planning and Promotion," complements the series of benchmarking tours to several model cities and selected private organizations in Metro Manila and in nearby provinces which the Project mounted in May and June 2012. The Exposure Trip, which was successfully organized and conducted from February 14-19, 2013, was intended to further provide a wider and a more global perspective on the ongoing business reforms. More specifically, the tour was meant to give the partner cities the chance to observe, inquire about, and analyze the solutions that other countries, especially its cities (and organizations) executed to reduce transaction costs of investors and promote their cities as investment destinations.

## B. Objectives of the Exposure Trip

The Exposure Trip was designed for the partner cities to:

1. Study various modalities or strategies that Malaysia and Singapore have adopted to promote and market their localities as investment areas;
2. Visit and observe the management of investment promotion initiatives, including promotion centers, as well as business registration and permitting offices;
3. Interact directly with country and city officials and staff to get first-hand information on the planning, establishment, and institutionalization of, and roles in, investment promotion and business permitting as core functions of

- government as well as on the challenges met and actions taken towards their sustainability;
4. Learn more about the urban development framework of Singapore and Malaysia as well as its corresponding policy implications on investments and business permitting processes of these cities;
  5. Observe adopted technologies of other countries, especially on information technology, and other related factors that had facilitated the ease of doing business in those countries; and
  6. Meet with the private sector in these cities to get ideas on local investment promotion, and how it effectively engages the government in the process..

### C. The Participants

The 25-member Philippine delegation to the Exposure Trip was headed by Mr. John Lawrence Avila of USAID/Philippines and was participated in by key officials and selected businessmen from the partner cities and representatives from selected offices of the Department of Trade and Industry (DTI). Key officers of the INVEST Project managed the conduct of the Exposure Trip (refer to Table 1 below for the number of participants and Annex 1 for the list of participants).

**Table 1. Number of Participants to the Exposure Trip**

Partner City/NGA	Number of Participants			Percent share to total
	Male	Female	Total	
Batangas City	4	6	10	40
Iloilo City	4	1	5	20
Cagayan de Oro City	1	3	4	16
National Competitiveness Council	-	1	1	4
Philippine Business Registry	1	-	1	4
USAID/Philippines (as Head of Delegation)	1	-	1	4
INVEST Project (as organizer)	2	1	3	12
<b>Total</b>	<b>13</b>	<b>12</b>	<b>25</b>	<b>100</b>

The delegation from Batangas City, headed by the Secretary to the Mayor, Atty. Reginald Victor A. Dimacuha, had the most number of participants. Eight department heads who are directly involved in the implementation of the INVEST Project's activities at the city level and a support staff from the Local Economic and Investment Promotion Office (LEIPO) comprised the Batangas City delegation.

Iloilo City had 5 participants headed by the City Mayor, Hon. Jed Patrick Mabilog. The other participants from the city were the City Planning and Development Coordinator

(CPDC), the Local Economic and Investment Promotion Officer, the City Treasurer, and the Chairperson of the Iloilo City Trade and Investment Promotion Board (ICTIPB) who represented the private sector. The Mayor and the Chairperson for ICTIPB, however, only joined the Malaysia leg of the trip.

The Cagayan de Oro City delegation had only four members headed by the Chair of the City INVEST Project – Management Committee (CIP-MC), Mr. Ruben Vegafria who represented the business sector. The other members were the the Provincial Director of the Department of Trade and Industry for the Province of Misamis Oriental who heads the Secretariat of the CIP-MC, the city’s Local Economic and Investment Promotion Officer and the INVEST Project’s City Program Adviser (CPA) for Cagayan de Oro City.

Two of the participants came from two offices of the DTI - the National Competitiveness Council (NCC), which oversees the competitiveness related programs of the government, and the Philippine Business Registry (PBR) secretariat, which manages the web portal that is envisioned to be the government’s online permitting system. The Executive Director of the PBR attended the whole Exposure Trip, while the NCC representative opted to join only the Malaysia Leg.

The Project shouldered the expenses of five representatives from each of the three partner cities and one each from partner national government agencies/offices, i.e., the NCC, PBR, and the Department of the Interior and Local Government (DILG). Recognizing the importance of the activity, the city government of Batangas funded the participation of five additional city officials, thus increasing the number of its participants to 10. DILG failed to send a representative due to the equally important prior commitments of concerned DILG officials.

#### **D. Expenses for the Exposure Trip**

USAID approved the conduct of the Exposure Trip on January 28, 2013 with a budget PhP1,253,740 (US\$30,579) with a government counterpart of Php375,435. A request for additional budget amounting to PhP293,000 (US\$7,146) was submitted to USAID on February 8, 2013 and was subsequently approved on February 11, 2013. The total approved budget for the activity reached PhP1,546,740 ((US\$37,725). The bulk of the budget was allocated to hotel accommodation (43.5%), meals (24.5%) and airfare (21.1%).

The disbursements from the approved budget are shown in Table 2. Total expenses from Project funds amounted to PhP1,392,663 resulting in savings of PhP154,077. The Project was able to limit the expenses for the trip within the budget allocated for each budget item. There was a conscious attempt by the Project to look for the best deals offered by hotels and airlines. Most of the savings came from accommodation and meals since some of the agencies visited hosted lunch for the delegation.

**Table 2. Comparison of USAID-Approved Budget and Actual Disbursements for the Exposure Trip**  
(In Philippine Peso)

Particulars	Approved Budget	Actual Disbursements	Savings	As % of Budget
1. Airfare	326,500	304,160	22,340	6.8
2. Terminal Fees	21,740	7,380	14,360	66.1
3. Hotel Accommodation	673,500	618,508	54,992	8.2
4. Meal Allowance	379,000	331,650	47,350	12.5
5. Vehicle Rental	146,000	130,965	15,035	10.3
<b>TOTAL</b>	<b>1,546,740</b> <b>(US\$37,725)</b>	<b>1,392,663</b> <b>(US\$33,967)</b>	<b>154,077</b> <b>(US\$3,758)</b>	<b>9.9</b>

In addition to Project funds, the partner cities also provided counterpart financial support to the city officials participating in the tour amounting to PhP423,297 (refer to Table 3). This share represents the expenses of the delegates from their respective cities to Manila and back, as well as the expenses of the additional participants from Batangas City, excluding these delegates' per diem and meal allowances. Of the total share from the partner cities, PhP376,147 (89%) came from Batangas City. As a result, total expenses for the activity reached PhP1,815,960 of which 23.3 percent was contributed by the cities.

**Table 3. Counterpart Funds from the Partner Cities**  
(In Philippine Pesos)

Budget Line Item	Project Fund	City Counterpart			Total	Total
		Batangas City	Iloilo City	Cagayan de Oro City		
Airfare	304,160	148,150	9,716	14,154	172,020	476,180
Terminal Fee	7,380		1,000	600	1,600	8,980
Hotel Accommodation	618,508	217,997	8,500	3,080	229,577	848,085
Meal Allowance	331,650					331,650
Land Transportation	130,965	10,000	4,100	6,000	20,100	151,065
<b>Total</b>	<b>1,392,663</b>	<b>376,147</b>	<b>23,316</b>	<b>23,834</b>	<b>423,297</b>	<b>1,815,960</b>

Table 4 compares the budget and actual expenses as shared between the Project and its partner cities. Out of the total budget of PhP1,889,235 (combined Project and city counterpart), total expenses for the activity amounted to PhP1,815,960, resulting in savings of PhP73,275.

**Table 4. Comparison of the Total Budget and Actual Disbursements for the Conduct of the Exposure Trip**  
(In Philippine Pesos)

<b>Budget Line Items</b>	<b>Total Budget (Including City Funded)</b>	<b>Total Actual Disbursements</b>	<b>Excess (deficit)</b>
Airfare	529,650	476,180	53,470
Terminal fees	21,740	8,980	12,760
Hotel Accommodation	833,720	848,085	(14,365)
Meal Allowance	358,125	331,650	26,475
Land Transportation/Others	146,000	151,065	(5,065)
<b>Total</b>	<b>1,889,235</b>	<b>1,815,960</b>	<b>73,275</b>

**II.**  
**THE EXPOSURE TRIP:**  
**AGENCY VISITS, PRESENTATIONS AND DISCUSSION**

**A. The Itinerary**

The Exposure Trip covered two countries, Singapore and Malaysia, and was conducted from February 13-19, 2013. The offices and groups visited were earlier identified based on the needs of the cities to observe the business permits and licensing system and the investment promotion policies and centers of these two countries. At the same time, the design of the visit also took into account the interest of the INVEST partner cities in developing their ports. The detailed itinerary is presented in Table 4.

**Table 5. Itinerary for the Exposure Trip**

<b>Date/Time</b>	<b>Activity/Agency Visited</b>
<b>February 12 (Tue)</b>	City Participants' Travel to Manila
<b>February 13 (Wed)</b>	Arrival in Singapore
<b>February 14 (Thur)</b>	
07:00 – 08:00am	Delegation Briefing
08:30 – 10:30am	Standards, Productivity and Innovation for Growth (SPRING) Singapore
10:30 – 12:30pm	Infocomm Development Authority (IDA)
12:30 – 01:30pm	LUNCH
03:00 – 04:30pm	Philippine Embassy in Singapore Courtesy Call to the Ambassador and Meeting with the Philippine Trade Attache
<b>February 15 (Fri)</b>	
09:00 – 11:00am	Hawker Centres Division of the National Environment Agency (HCD/NEA)
11:30 – 12:30pm	Urban Redevelopment Authority (URA)
12:30 – 1:30pm	LUNCH
04:00 – 05:00pm	National University of Singapore/ Lee Kwan Yew School of Public Policy
<b>February 16 (Sat)</b>	Travel to Kuala Lumpur, Malaysia
<b>February 17 (Sun)</b>	
10:30 – 12:30pm	Debriefing for Singapore Leg and Orientation on Malaysian Leg
<b>February 18 (Mon)</b>	
08:30 – 10:30am	Visit to PEMUDAH Secretariat (Ministry of International Trade and Industry)
10:30 – 12:30pm	Visit to Suruhanjaya Syarikat Malaysia (Companies Commission of Malaysia)
12:30-01:30pm	LUNCH
02:00-3:30pm	Visit to the Malaysian Investment Development Authority (MIDA)

Date/Time	Activity/Agency Visited
<b>February 19 (Tue)</b>	
09:00-11:00am	Perbadanan Putrajaya (PPj) and Putrajaya One Stop Center
11:00 – 12:30pm	Tour around Putrajaya
12:30 – 01:30pm	LUNCH
02:30 – 04:30pm	Port Klang Authority
06:30 – 09:30pm	Debriefing and Reform Planning
<b>February 20 (Wed)</b>	Return to Manila

## B. Brief Profile of Agencies Visited

### *Singapore*

1. **Standards, Productivity and Innovation for Growth (SPRING) Singapore.** SPRING Singapore's mission is to help Singapore enterprises grow and build trust in Singapore's products and services. It seeks to achieve this through enterprise development, and quality and standards compliance monitoring. One of its main initiatives is EnterpriseOne Initiative which advises small and medium enterprises on business operations and various government assistance programs. EnterpriseOne also manages the Key E-Service, which is the Online Business Licensing System (OBLs) for more than 80 license applications from 17 government agencies.
2. **InfoComm Development Authority (IDA).** IDA's key responsibilities include the creation of a conducive, innovative, and competitive infocomm environment that is both pro-consumer and pro-business. Through IDA, Singapore has been actively sharing its experience on government e-Transformation with other countries.
3. **Hawker Centres Division of the National Environment Agency (HCD/NEA).** Hawker centers are complexes that house a variety of food stalls - from fresh market produce to cooked food. All hawker centers, including the stalls within it, are managed by the National Environment Agency (NEA), which also processes the applications for business licenses from hawkers and conducts regular inspections to observe sanitation within the centers and the personal hygiene of food handlers.
4. **Urban Redevelopment Authority (URA).** URA takes a multi-faceted role. It is not only the national land use planning and conservation authority in Singapore, but it also serves as the government land sales agent. Hence, this dual function ensure conformance of firms with zoning regulations.

### *Malaysia*

5. **PEMUDAH.** The Special Task Force to Facilitate Business or PEMUDAH under the Office of the Prime Minister (of Malaysia) is tasked to: (i) review the status of public services delivery system; (ii) propose policies for improvements; (iii) benchmark best practices to improve the ease of doing business; and (iv)

enhance collaboration among public and private sector agencies. PEMUDAH is responsible for overseeing the Business Licensing Electronic Support System (BLESS) that processes 102 licenses/permits from 45 agencies in construction, hotels and manufacturing sectors. Apparently, the intervention of this Task Force has been instrumental in Malaysia's impressive improvements in its ranking in the Doing Business Survey (DBS) Report of the International Finance Corporation.

6. ***Suruhanjaya Syarikat Malaysia (SSM)***. The SSM or the Companies Commission of Malaysia is a statutory body that regulates companies and businesses, very similar to the Securities and Exchange Commission in the Philippines. It was formed as a merger between the Registrar of Companies (ROC) and the Registrar of Businesses (ROB) in Malaysia. Its main services are assisting investors in businesses registration and providing company and business information to the public.
7. ***Malaysian Investment Development Authority (MIDA)***. MIDA promotes the manufacturing and services sectors in Malaysia. It was hailed as the "necessary impetus for purposeful, positive and coordinated promotional action" for Malaysia's industrial development." (World Bank, 1967). MIDA assists investors willing to venture in manufacturing and services sector, as well as facilitates the implementation of their projects. They also evaluate the following applications for projects in the manufacturing and its related service sectors:
  - Manufacturing licenses,
  - Tax incentives,
  - Expatriate posts, and
  - Duty exemptions on raw materials, components, machinery and equipment.
8. ***Perbadanan Putrajaya (PPj)***. Putrajaya Corporation is an agency under the Federal Territories Ministry of Malaysia that is responsible for public health and sanitation, waste removal and management, urban planning, environmental protection and building control, social and economic development and general maintenance of urban infrastructure.
9. ***The PPj One-Stop Center***. The One-Stop Center (OSC) was established in 2007 to revamp and reengineer procedures and processes relevant to land development and construction applications. The functions of the OSC are to:
  - Receive and check applications;
  - Circulate development proposals to technical departments/agencies involved for comments;
  - Monitor/follow-up applications with technical departments/agencies;
  - Notify the OSC Committee about the applications; and
  - Advise and guide applicants to undertake e-submissions.
10. ***Port Klang Authority (PKA)***. PKA is a statutory corporation established on July 1, 1963 to take over the administration of Port Klang from the Malayan Railway Administration. Its core functions are: (i) trade facilitation, (ii) port planning and development, (iii) regulatory oversight of privatized facilities and services, (iv) free zone authority, and (v) asset management.

### **C. Highlights of Activities and Agency Presentations and Discussions**

Following the itinerary, Annex 2 presents the highlights of activities and agency visits, presentations and discussions.

### III. LESSONS LEARNED AND THEIR APPLICATIONS

#### A. Lessons Learned

The Exposure Trip provided useful insights to the participants that would be useful in formulating further reforms in business permitting and investment promotion both at the national and city levels.

##### ***1. Streamlining the Business Regulatory Environment: Policies and Systems***

One of the objectives of the study tour was to allow the delegates to benchmark their existing systems on business regulation and identify areas for improvement. The agencies visited from the two countries provided useful lessons on the topics that are critical for future streamlining of business permits, e.g. an online permitting process, the inspection system, construction permitting processes.

The first agency that provided a good model for business permitting was Singapore's SPRING (Standards, Productivity and Innovation Board). SPRING officials highlighted their EnterpriseOne initiative, which not only provides advice on business operations and government assistance schemes to small and medium enterprises but also runs the Key E-Service, a one-stop online business licensing system (OBLS) that integrates more than 80 applications from 17 government agencies into one convenient portal. There were two lessons shared by the officials – the importance of putting the customer first and getting proven technologies.

The learning gained by the delegates in SPRING was echoed by the insights they gathered at the Suruhanjaya Syarikat Malaysia (SSM - or Companies Commission of Malaysia) and the PEMUDAH. In SSM, clear policies and a truly autonomous regulatory authority have reduced the cost of doing business in Malaysia, resulting in an influx not only in domestic but foreign investments as well. PEMUDAH was the force behind the modernization of the business licensing system in Malaysia, which implements the Business Licensing Electronic Support System (BLESS), a portal that enables applicants registered with SSM to apply for 102 licenses/approvals and permits from 102 agencies. Malaysia's impressive ranking in the DBS was PEMUDAH's "Guillotine Approach" which requires validating the legal basis for the license/permit, justifying the objective of the permit and simplifying procedures. This approach is complemented by a computation of the regulatory burden of permits. About 122 permitting operations are automated in BLESS which boasted of a 41 percent reduction in procedures since 2008.

Perhaps the most practicable demonstration of how the regulatory environment impacts economic growth was to be gleaned at the Hawker Centres Division (HCD) of the National Environment Agency (NEA). HCD/NEA showed how the systematic, orderly and objective management and regulation of Singapore's hawker stalls transformed humble purveyors of cheap edible fare into tourist destinations in their own right. One of the more important lessons learned from the NEA is the grading of hawkers according to safety standards, which is akin to a risk assessment of establishments selling food.

On construction permitting, the delegation witnessed how the construction permitting process is automated in Malaysia, specifically in the PPj One-Stop Center. The Center operates an online system where permits are submitted and approved for land development in the Federal State of Putrajaya.

With these five visits, the delegation was provided a new lens through which to objectively examine how their present business regulation regimes could be made to facilitate – instead of stymie – the growth of investments in their own cities. The visits showed that the business regulatory environment must be convenient, streamlined, systematic, supportive and objective.

## **2. Strategizing for Investment Promotion: Focus on Competitive Advantage**

The study tour was also deliberately designed to allow the participants to re-examine why the present development paradigms in the three pilot cities are what they are. *“The real voyage of discovery consists not in seeking new landscapes but in having new eyes,”* so declared Marcel Proust, and for the delegation, new eyes were provided by the National University of Singapore (NUS) - Lee Kwan Yew (LKY) School of Public Policy, the Philippine Embassy in Singapore, and the Malaysian Investment Development Authority (MIDA).

Several statements made by Professor Eduardo Araral of the Lee Kwan Yew School of Public Policy resonated deeply with the participants, foremost of which was that truly globally competitive cities are distinctively branded, specialized, focused and innovative, whose untapped potentials have been competently developed, which deliberately created opportunities for growth and comparative advantage despite limited resources.

This inward looking view was complemented by the insights shared by the Philippine Ambassador to Singapore, Her Excellency Minda Cruz, who encouraged the delegates to look towards technologies and opportunities, such as those readily accessible in Singapore, and to invest appropriately in developing capacities and maximizing partnerships.

Both Ambassador Cruz and Professor Araral also underscored the importance of deliberate synchronicity, unity, dynamism, and collaboration between and among cities in order to secure growth for all.

The visit to MIDA, on the other hand, allowed for a concrete demonstration of the purposeful pursuit of opportunity creation. As the Malaysian government’s principal agency for the promotion of manufacturing and services, MIDA’s focus allowed for stellar growth in these sectors and facilitated the influx of investments into the country. Similar to the Philippines’ Board of Investments, MIDA illustrates the importance of being strategic, aggressive and coordinative in promoting investments. The breath of its functions includes not only in promoting the country and industries to investors of other countries but in coordinating with federal states and agencies to expedite the approval processes and ensure the implementation of big projects. The tour to MIDA prompted thoughtful consideration for the importance of deliberate focus and branding in future activities of the INVEST partner cities, and indicates a true paradigm shift in how planning and investment promotion may be pursued in these cities.

### **3. *Planning: the Holistic Approach in Promoting Cities for Business and Investment***

The development of a city is manifested in the juxtaposition of its land uses and the evolution of its urban form. Thus, the study tour included a component that would allow participants to immerse themselves in aspirational and inspirational area developments in the two countries.

The areas and institutions were selected to provide a contrast to how land use planning and land management is conducted in the Philippines (i.e., the former is done at several levels in a consultative and participatory manner, while the latter is mostly dictated by market forces and private ownership).

The Urban Redevelopment Authority (URA) acts not only as the central urban planning authority of Singapore but also as an agent for the State in carrying out land sales, development control, and even the management of public transport and parking spaces, illustrating tight government control in the management and disposition of lands.

Putrajaya, on the other hand, is a planned garden city and serves as the federal administrative center of Malaysia. While it was first developed to address overcrowding and congestion in Kuala Lumpur, Putrajaya has evolved into a government center and a showcase tourist destination with its numerous major landmarks and steadily increasing population.

Port Klang is another area in Malaysia that exhibits a different level of government control in a specific, economically viable area. While the Port Klang Authority (PKA) facilitates, regulates and owns the country's most important port, operations of the port's facilities are carried out by independent corporations.

The learning highlight for this component is the importance of taking seriously long-term urban planning as a first step in developing a city, and implementing the plan that has been approved. Furthermore, the visits demonstrated the different levels of government control in planning, managing and operating lands and facilities that have their own corresponding impacts on economic growth and urban order.

### **4. *Technology and Innovation: Making Operations More Efficient for Growth***

The success of the two countries in having an efficient permitting system partly lies in the use of information technology. The study tour allowed participants to move forward with newfound insights on technology and innovation and on public-private sector collaboration.

The InfoComm Development Authority (IDA) was able to emphasize the importance of acknowledging and using information technology (IT) as a crucial component in any effort towards development. One highlight was the introduction of the concept of iGovernment planning, wherein Infocomm is used to leverage social and economic progress in Singapore. IDA is a model where IT initiatives in government are highly coordinated.

Singapore's online portal for business registration, the OBLs, Malaysia's BLESS and its new model for approving construction permits online illustrate how technology can maximize efficiency in government operations.

Observing these systems has been very informative to the delegation since the cities are thinking of developing a web portal that would allow online submission and processing of business applications. On the national government side, the DTI members of the delegation observed the current systems being used in the two countries in comparison with the current Philippine Business Registry (PBR), a web-based portal intended to process initial registration requirements from national government agencies. The learning will definitely input into the current efforts to develop the next generation PBR.

### ***5. Supportive and Strong Institutions: Crucial in Reforms***

A cross-cutting message in the visits to the selected agencies in the two countries is the important role that institutions, i.e. the government and the private sector, play in all the policy and procedural changes that were implemented in both business permitting and investment promotion. In Singapore, the ability of SPRING to set up OBLs, the online portal for business applications and approval required coordination with 17 agencies. The PEMUDAH, on the other hand, was able to influence 45 agencies to participate in the BLESS. The PEMUDAH is a good example of how a center for public-private sector partnerships can be set-up in the Philippines to coordinate the streamlining of business procedures and in addressing critical issues raised by the private sector. The PEMUDAH, which means "simplifier" in Malay, has adopted the values of having a sense of urgency, facilitation, pro-activeness, removing unnecessary regulation, and zero tolerance for corruption. Its approach consists of four important programs: computerization, "guillotine", benchmarking with best practices and radical business re-engineering. These are consistent with the name "PEMUDAH" which itself emphasizes simplicity as a key principle in stimulating development. The government needs to identify respectable and high-level champions that will lead the reform process.

### **B. Application of Lessons Learned: Proposed Reforms and Possible Actions**

With all these lessons at hand, the members of the delegation set to identify priority reforms upon their return to their respective cities. Batangas City intends to revisit its Master Plan, and improve on its infrastructure, revenue generation and education and labor systems. The City of Cagayan de Oro will aim for full automation of business transactions in the city government, and implement inspection and business climate reforms, as well as effect master planning. Iloilo City intends to pursue full automation of its business permit and licensing system (BPLS), conduct urban transport planning, and practice more prudent groundwater resource management.

These reforms are but the first steps these INVEST partner cities will take to improve their competitiveness and prepare themselves for the CDI. These reforms also deliberately target specific criteria where their competitiveness rankings can be improved.

The details of the identified reforms and possible actions, by city, are presented in Annex 4.

## IV. EVALUATION OF THE EXPOSURE TRIP

### A. The Process of Evaluation

There were two levels of evaluation conducted on the Exposure Trip, namely: (1) the evaluation of specific agency visits; and (2) the evaluation of the whole Exposure Trip.

The specific agency visits were evaluated on five (5) indicators, namely: (1) relevance of the topic discussed to the situation of the partner city/ies; (2) knowledge of the resource persons on the topic; (3) accessibility and appropriateness of the venue; (4) adequacy of time allotted for the session/activity; and (5) provision of sufficient information and other relevant materials to support reforms in the city/ies.

The participants were asked to rate the agencies right after each visit using a scale of 1 to 4 for every indicator, with 1 meaning “strongly disagree,” 2 – “disagree,” 3 – “agree,” and 4 – “strongly agree.”

The participants were also for their views on: (1) the best aspect of the activity/agency visit; and (2) the part of the activity/agency visit that needs improvement. The participants were free to provide additional comments.

On the whole Exposure Trip, the participants were asked to rate four (4) major indicators, namely: (1) objectives of the Exposure Trip; (2) effectiveness of the conduct of the activity; (3) efficiency; and (4) learning. The lessons learned were further classified into two, i.e. those related to business permit and licensing system and to investment planning and promotion.

The participants were also asked to use the same 4-point scale used in the evaluation of individual agency visits.

The participants were also asked to provide comments and suggestions on: (1) what they think were the three (3) most important aspects of the Exposure Trip in terms of content and program structure; and (2) what specific ways can future exposure trips be improved.

Details of the results of the evaluations on specific agency visits and the whole Exposure Trip are presented in Annexes 4 and 5, respectively. Highlights of the evaluation are, however, provided below.

### B. Evaluation Results of Specific Agency Visit

#### *1. Relevance of the topic to the situation in the participants' city*

All the participants agreed that the topics discussed in Perbadanan Putrajaya (PPj) were relevant to the situation in their respective cities. For the rest of the agencies, about 90% to 95% of the participants agreed that the topics discussed were relevant. The agencies that garnered the highest “strongly agree” rating in terms the relevance of the

topic discussed to the situation in the participants' cities were: (a) SPRING Singapore; (b) Putrajaya; (c) IDA; and (d) HCD/NEA.

The agencies where the relevance of the topic discussed was perceived to be least relevant to the situation in the cities were Port Klang, with three participants felt that the topic discussed was irrelevant, and IDA, SSM, and PEMUDAH, with two participants each expressing the same opinion.

## ***2. Knowledge of the resource persons about the topic***

Participants showed great satisfaction with the resource persons during the agency visits. The agencies whose resource persons were found by all the participants to be knowledgeable about the topics discussed were Putrajaya, URA, and HCD/NEA. The rest of the agencies had one participant each finding the resource persons not knowledgeable.

The agencies whose resource persons were found by the most number of participants to be very knowledgeable about the topics discussed were SSM, MIDA, IDA, URA, Putrajaya, and SPRING Singapore.

## ***3. Accessibility and appropriateness of venue***

The agencies whose venues for the meetings were rated by most number of participants as most accessible and appropriate were SSM and Putrajaya. Some of the participants found the venues provided by HCD/NEA, PEMUDAH, MIDA, and Port Klang or PKA as inappropriate or inaccessible to some degree.

## ***4. Time allotted for the agency visit***

The most number of participants found the time allotted for the visits to Putrajaya, IDA, SPRING Singapore, and SSM to be most adequate. About 5% to 7% of the whole delegation, however, felt that the time allotted for URA, HCD/NEA, and SSM not to be so.

## ***5. Provision of sufficient information to support reforms in the cities***

Putrajaya and SSM were found by the most number of participants to have provided sufficient information to enable them to pursue further reforms in their respective cities. The other agencies whose adequacy of information provided were rated high by the participants were HCD/NEA and SPRING Singapore.

About 5% to 7% of the total delegation did not find the information provided by URA, PEMUDAH, PKA, MIDA, and IDA to be adequate.

## ***6. Best aspect of the activity/agency visit***

Most participants found the interactive discussions and the question and answer portions as the best aspects of the agency visits. They appreciated the openness and willingness of the host agencies and their resource persons to answer queries that clarified particular items in the presentations and to seek guidance for local application in

Philippine cities. The eloquence of speakers and resource persons as well as the focus of their topics in relation to the INVEST Project were appreciated by the participants.

The participants also identified the venue and set-up as an important part of the tour. The hospitality and generosity of agencies were also mentioned as among the best aspects of the agency visits, particularly to SSM and Putrajaya.

The tour around Putrajaya was specially appreciated by most participants. Strict time management (not the sufficient of time) was also noted in the conduct of the activities.

### **7. Part of the activity that needs improvement**

About 80% to 90% of the participants found that none of the aspects or parts of the agency visits need improvement. Those who found room for improvement suggested that (a) more time be allotted for the agency visits, particularly to URA and HCD/NEA, and; (b) the venues, particularly those in HCD/NEA, PEMUDAH, and SPRING Singapore, be less cramped.

### **8. Other comments**

Some participants expressed their appreciation and gratitude to the INVEST Project and to USAID for the Exposure Trip. These simple gestures of appreciation were repeatedly mentioned in the evaluation of several agency visits where probably these participants felt extremely good with the agency exposure.

## **C. Evaluation of the Whole Exposure Trip**

Table 5 summarizes the overall evaluation of the participants for the Exposure Trip.

**Table 6. Consolidated Overall Evaluation**

<b>Evaluation Dimension/Aspect</b>	<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Agree</b>	<b>Strongly Agree</b>
<b>I. OBJECTIVES</b>				
• The objectives of the study tour were clear and specific.			2	19
• The study tour objectives were fully achieved.			7	14
<b>II. EFFECTIVENESS</b>				
• The content of the study tour was relevant to my work.			7	14
• New information, knowledge and practices were gained from the activity.			6	15
• Topics covered in the study tour were relevant to my city.			9	12
• The resource persons were knowledgeable about the topic.			3	18
• The resource persons clearly answered questions from the participants.			5	16
• The provided documents and materials were useful and relevant to our city.			8	13
<b>III. EFFICIENCY</b>				
• Four days were enough to cover all topics in the study tour.		1	9	11
• The organizers were very helpful and efficient.			4	17
• The logistics of the study tour were well managed.			7	14
• The venues were generally appropriate for the activity.			5	16
• Hotel accommodations were very comfortable.			9	12

Evaluation Dimension/Aspect	Strongly Disagree	Disagree	Agree	Strongly Agree
• Transportation arrangements were well coordinated.			3	18
• Meals served were of good quality		1	11	9
<b>IV. LEARNINGS</b>				
<b>On the Business Permit and Licensing System (BPLS), the study tour provided me with new knowledge on:</b>				
• Ways to streamline and meet BPLS standards/benchmarks in my city			7	14
• Institutional partnership to help improve the BPLS in my city			8	13
• Enhancing the efficiency of a Business One-Stop Shop (BOSS)			7	14
• Possible reforms on the Philippine Business Registry (PBR) system		2	11	8
• BPLS automation to significantly improve business permitting			6	15
<b>On Investment Planning and Promotion, the study tour provided me with new knowledge on:</b>				
• Strategies/ideas to promote and market my city as an investment area			8	13
• Enhancing institutional arrangements and policies as a way of improving investment environment in my city			6	15
• Institutional partners to help my city improve investment planning and promotion			8	13
• The benefits/advantages of establishing a local economic investment and promotion office or center			5	16
• How to set-up and manage an investment center			9	12
• The role and responsibilities of a LEIPO			9	12
• Linkage to the Philippine Business Registry (PBR) to improve investment planning and promotion		1	11	9
• Possible and appropriate investment incentives for my city			8	13

The detailed analysis is presented below.

### **1. Objectives of the Exposure Trip**

All the participants agreed that the objectives of the trip were clear and specific. Out of the 21 participants who submitted the evaluation sheet for the Exposure Trip, 90.5% strongly agreed and 9.5% agreed that the trip attained its objectives.

Sixty-seven (67) percent of the respondents strongly agreed that the objectives of the trip were achieved. The remaining 33% agreed.

### **2. Effectiveness of the Conduct of the Activities**

The participants unanimously found the trip to be effective in terms of the following specific dimensions: (a) relevance of the content to their work in the city; (b) new information, knowledge and practices gained from the activity; (c) relevance of topics discussed; (d) knowledge of resource persons; (e) clarity of responses and answers of resource persons to questions from participants; and (f) usefulness of documents and materials provided. Majority of the participants strongly agreed while the rest agreed to the statements reflecting these sentiments. The two dimensions on which the highest number of participants found the trip to be especially effective were: (a) knowledge of resource person; and (b) clarity of responses and answers of resource persons to questions from participants. Those on which the lowest number of participants found the trip to be especially effective were: (a) relevance of the topics; and (b) usefulness of documents and materials provided.

### **3. Efficiency of the Exposure Trip**

This aspect of the Exposure Trip was measured in terms of the following dimensions: (a) number of days; (b) efficiency and helpfulness of the organizers; (c) management of logistics; (d) appropriateness of venues; (e) comfort of hotel accommodation; (f) transport arrangement; and (g) quality of food served.

Majority of the participants found the exposure Trip to be efficiently managed. Only one participant each found the trip to be inefficient in two of these dimensions, namely: (a) number of days for the trip; and (b) quality of food served. The dimensions with the most number of participants finding the trip to be most efficient in were: (a) transport arrangement; (b) efficiency and helpfulness of organizers; and (c) appropriateness of venues. The dimensions with the least number of participants finding the trip to be most efficient in were: (a) quality of food served; (b) number of days for the trip; and (c) comfort of hotel accommodation.

### **4. Possible Areas of Learning Related to Business Permit and Licensing**

The participants were asked to identify in which of the following dimensions the trip provided learning related to business permit and licensing: (a) streamlining approaches; (b) institutional partnerships; (c) efficiency of business one-stop shops; (d) possible reforms on the Philippine Business Registry (PBR); and (e) BPLS automation.

The participants found that the trip provided learning related to business permit and licensing in all of the above-cited dimensions, with the majority finding the trip to have been especially successful in doing so. The dimensions that had the most number of participants opining that the trip was especially successful in providing learning on business permit and licensing were: (a) streamlining approaches; (b) efficiency of business one-stop shop; and (c) BPLS automation. Only one dimension – “possible reforms in the PBR” - had got two participants who thought that the trip did not provide any learning in. It is also in this dimension that the participants thought the trip was only successful, instead of being especially so, in providing learning.

### **5. Possible Areas of Learning Related to Investment Planning and Promotion**

The participants were also asked to identify in which of the following dimensions they gained knowledge in improving investment planning and promotion during the trip: (a) strategies for the promotion of cities as investment areas; (b) institutional arrangements and policies as ways of improving the investment environment; (c) benefits and advantages of a local economic and investment promotion office or center; (d) management and setting up of investment promotion centers; (e) roles and responsibilities of local economic and investment promotion officers; (f) linkage to the PBR to improve investment planning and promotion; and (g) appropriate incentives for the cities.

In all dimensions except “linkage to the PBR to improve investment planning and promotion.” the participants found the trip to have been especially successful. The dimensions in which the most number of participants thought the trip was especially successful in imparting knowledge were: (a) benefits and advantages of a local economic and investment promotion office or center; (b) institutional arrangement and

policies as ways of improving investment environment; and (c) strategies for the promotion of cities as investment areas.

### ***6. Three (3) most important aspects of the Exposure Trip***

The participants had varying responses on the three most important aspects of the trip, although their responses could be grouped in a thematic manner. The most common responses were: (a) automation of business permit and licensing system such as the OBLIS, E-Services, MyCoID, and BLESS; (b) competitiveness ranking-enhancing practices as demonstrated by PEMUDAH, SSM, and IDA; and (c) master planning and urban management as shown by Perbadanan Putrajaya, URA, and PKA.

The other responses pointed to the aspects that facilitated the conduct of the Exposure Trip. These included: (a) clarity and relevance of the objectives; (b) time management (no time wasted); and (c) well-coordinated activities.

Some responses could also be grouped into the important elements of development in current times, namely: (a) technology; (b) planned direction; (c) involvement of private sector; (d) involvement of the national government; and (e) good governance at the city level.

### ***7. Ways or Aspects to Improve in Future Exposure Trips***

Very few participants suggested ways on how future exposure trips could be improved. Among the more significant suggestions were to ensure that: (a) sufficient time is allotted for agency visits and discussion; (b) exposure trips are scheduled so that weekends are not included; (c) the agencies being visited are relevant to the situations at the city level (similarity of agencies visited and the partner cities); (d) schedules are less hectic; and (e) focus is on one country.

### ***8. Other comments***

Some participants expressed: (a) appreciation and gratefulness to USAID and the INVEST Project; and (b) admiration on how well the whole activity was managed and organized.

## **Exposure Trip to Singapore and Malaysia on Business Permit Reforms and Investment Promotion**

### **List of Delegation**

#### **Head of Delegation**

***Mr. John Lawrence Avila***  
Project Management Specialist / USAID Philippines

#### **City Government Officials**

##### ***Iloilo City***

***Hon. Jed Patrick E. Mabilog, Ph.D.\****  
City Mayor

***Mr. Jose Roni Peñalosa***  
City Planning and Development Coordinator

***Mr. Francis Rodolfo T. Cruz***  
Local Economic and Investment Promotion Officer

***Ms. Katherine Tingson***  
City Treasurer

##### ***Cagayan de Oro City***

***Ms. Ninfa Albania***  
City Program Adviser

***Ms. Estrella F. Sagaral***  
Local Economic and Investment Promotion Officer

##### ***Batangas City***

***Atty. Victor Reginald A. Dimacuha***  
Executive Officer, Office of the City Mayor

***Engr. Januario Godoy***  
City Planning and Development Coordinator

***Mr. Erick Anthony A. Sanohan***  
Local Economic and Investment Promotion Officer

***Ms. Ditas A. Rivera***  
Business Permit and Licensing Officer

**Ms. Maria Teresa Geron**  
City Treasurer

**Ms. Rosanna Carmelita Barrion**  
City Health Officer

**Ms. Guadalupe Judy Tumambing**  
City Assessor

**Engr. Adela B. Hernandez**  
City Engineer

**Mr. Oliver C. Gonzales**  
City Environment and Natural Resources Officer

**Ms. Marizel Melo**  
Support Staff  
Local Economic and Investment Promotion Office

#### **National Government Officials**

**Mr. Ernani M. Dionisio**  
Director, Philippine Business Registry  
Department of Trade and Industry

**Ms. Ma. Eliza A. Pabilore**  
Provincial Director, Department of Trade and Industry  
Provincial Office for Misamis Oriental

**Ms. Mary Lou A. Gesilva\***  
Division Chief, Center for Industrial Competitiveness,  
Department of Trade & Industry  
Head, EoDB Task Force, National Competitiveness Council

#### **Private Sector Representatives**

**Mr. Felix Tiu\***  
Chairperson, Iloilo City Trade and Investment Promotions Board  
Iloilo City

**Mr. Ruben Vegafria**  
Chairman, Management Committee of the INVEST Project & Private Sector  
Representative  
Cagayan de Oro City

## **Investment Enabling Environment (INVEST) Project Officials**

***Ms. Ofelia M. Templo***  
Chief of Party

***Mr. Nicasio Angelo J. Agustin, Ph.D.***  
Deputy Chief of Party

***Mr. Ramon C. Blanco, Jr.***  
Contracts & Human Resource Manager

\*Delegates joining the Malaysian leg on February 18 and 19 only

# **HIGHLIGHTS OF AGENCY VISITS, PRESENTATIONS AND DISCUSSIONS**

## **A. First Day – February 14, 2013**

### **7:30 am- 8:00 am – Welcome and Orientation Meeting**

The Meeting started with a message from the INVEST Chief of Party, Ms. Ofelia M. Templo. She welcomed the delegation to the Exposure Trip and greeted everyone a happy Valentine's Day.

The Head of Delegation, Mr. John Avila, Senior Program Management Specialist of USAID/Philippines, also welcomed the delegation to the Exposure Trip and specifically congratulated the cities for the successful renewal of business registrations that had just been concluded in January 2013. He noted that the event had significantly changed perceptions that there's really not much happening on the ground with the INVEST Project except the conduct of meetings and workshops. He said that in January 2013, people have seen the positive reforms that were introduced through the INVEST Project. With the conduct of the Exposure Trip, he expressed optimism that further changes would be introduced as participants are exposed to best practices in the ASEAN region that are meant to provide benchmarks for efficient and improved services. He then wished everybody a fruitful and enjoyable trip.

Mr. Nick Agustin asked the participants to introduce themselves to the whole group. Thereafter, he ran through the schedule for the two-day agency visits in Singapore. He also mentioned that the design of the whole Exposure Trip and the identification of agencies to be visited considered at least three factors, namely: (a) streamlined processes for business registration; (b) opportunities for investment planning and promotion; and (c) showcasing of an integrated environment conducive to business, e.g. good practices in urban development planning, availability of infrastructure support facilities and the presence of reinforcing as well as regulatory policies all aligned for the promotion of cities as investment hubs.

### **8:30 am – 10:00 am – SPRING Singapore**

#### ***SPRING Officials:***

Hung Lai Thoe, Director, Enterprise Services

Wong Mei Yuan, Head SME Connect

Linton Warren Ng, Manager, SME Connect (presenter)

The briefing covered three (3) major items: (a) overview on SPRING; (b) briefing on EnterpriseOne (E1) Initiative, i.e. the portal, the Online Business Licensing Service (OBLS); and (c) demonstration of the OBLS.

#### ***Highlights of the presentation and discussion:***

1. The Mission of SPRING Singapore is to help Singapore enterprises grow and build trust in Singapore's products and services. The way to achieve this Mission is through enterprise development, and quality and standards compliance monitoring.

2. EnterpriseOne is a multi-agency initiative championed by SPRING to offer a total solution for businesses. It provides different channels for local enterprises, start-ups and aspiring entrepreneurs to access business-related government information and services and to seek assistance. It enables SPRING to reach out to more small and medium enterprises (SMEs) so that it could better serve them.
3. EnterpriseOne involves many agencies under one government. It is a networked government team, composed of more than 52 agencies and partner institutions.
4. SPRING Singapore, in partnership with Enterprise Development Centers (EDCs) from local business organizations, provides business advisory services in finance, human resource and operations as well as advice on government assistance schemes in such areas as management, overseas expansion, and productivity improvements.
5. The features of the EnterpriseOne portal include:
  - a. comprehensive multi-agency government information written in easy to understand language;
  - b. a learning knowledge base of frequently asked questions (FAQs);
  - c. interactive quick find tools to help SMEs identify relevant financing options, government schemes, market statistics, e-services, etc.;
  - d. micro-sites, such as productivity@work, to raise awareness on productivity issues and encourage SMEs to take action to increase productivity; and
  - e. a chinese version to cater to Mandarin-speaking businessmen.
6. EnterpriseOne's Key E-Service is the Online Business Licensing System (OBLS) in Singapore. It is a one-stop licensing service for more than 80 license applications from 17 government agencies for convenient integrated online applications.
7. OBLS provides an avenue for businesses to: (a) search for licenses and permits that businesses need; (b) apply for multiple licenses and permits online at once using the integrated form; (c) update particulars on existing licenses; (d) renew existing licenses; (e) terminate licenses; (f) pay for multiple licenses via one consolidated transaction; and (g) make online status inquiries.
8. The key features of the OBLS include: (a) the OBLS profiler which allows users to search for licenses they need; (b) a "Forms Engine" that generates dynamically-integrated Online License Form based on selected licenses; (c) immediate submission of licenses; (d) integration with several government-wide Common Services to enhance user experience; and (e) integrated online payments for license applications and renewals.
9. The impact of the OBLS consists of: (a) improved customer services and satisfaction by creating a pro-enterprise environment and providing one-stop

access to information, services and licensing requirements; (b) cost savings for businesses by reducing compliance costs; (c) faster response and time savings through a dedicated helpdesk service for business information and licensing needs and reduction of average time spent in processing applications and data entry; and (d) benefits to government which basically enhance Singapore's position as a global hub for business and investment.

10. The lessons learned from the experiences and accomplishments of the OBLs include the need for: (a) a common vision shared by all relevant parties to see how streamlining of current processes benefits government and businesses; (b) active participation and involvement by the senior management of ministries and agencies; (c) regular feedback to the main project team on any business logic or system issues or problems when necessary; (d) setting critical milestones or key performance indicators within a stipulated timeline to help agencies stay on track; (e) putting the customer first; and (f) expertise of vendors or solution partners in leveraging current and proven technology.

### **10:30 am – 12:30 pm - Infocomm Development Authority (IDA)**

#### ***IDA Officials:***

Andrew Khaw, Senior Director, Industry Development Group  
Melvern Ong, Deputy Director, International Operations  
Shaik Umar, Assistant Director, International Operations (presenter)  
P. Ramakrishna, Head, Industry Partnership, IDA International  
Chin May Fang, Assistant Manager, International Operations  
Davina Wong, Assistant Manager, International Operations

The session with IDA focused on two items: (a) the IDA as an organization and the services it provides; and (b) the infocomm strategy for economic development in Singapore.

#### ***Highlights of the presentation and discussion:***

1. IDA aims to grow Singapore into a dynamic global infocomm hub and to leverage infocomm for Singapore's economic and social development.
2. Singapore is now into the completion of its current iGov2010 Master Plan which commenced in 2006. As IDA formulates the next iGovernment Master Plan, it will continue to leverage on emerging technologies such as cloud computing, business analytics, and new media to enhance service delivery and enable new business models for collaboration between government, businesses and the citizenry.
3. The next strategic thrusts for the next iGovernment Master Plan or iN2015 consist of the following, better known as the 3Cs:
  - a. co-creating for higher value, where government will continue to facilitate sharing of data and tapping capabilities that reside in the private sector to co-develop and deliver higher value services;

- b. connecting for active participation, where government will continue to establish effective means of interacting with the citizens to draw participation and to engage them on national policies; and
  - c. catalyzing the transformation of the whole government through the adoption of innovative and sustainable technologies in government to bring public sector effectiveness and productivity to the next level.
4. The iN2015 is envisioned to fuel creativity and enables innovation among businesses and individuals by providing an infocomm platform that supports enterprise and talent. It will connect businesses, individuals and communities, giving them the ability to harness resources and capabilities across geographies. iN2015 will be the conduit to enable access to the world's resources and for Singapore to export her ideas, products and services to the global market.
5. Singapore's strategy with iN2015 includes the following:
- a. to establish an ultra-high speed, pervasive, intelligent and trusted infocomm infrastructure;
  - b. to develop a globally-competitive infocomm industry;
  - c. to develop an infocomm-savvy workforce and globally competitive infocomm manpower; and
  - d. to spearhead the transformation of key economic sectors, government and society through more sophisticated and innovative use of infocomm.
6. The desired outcomes of iN2015 are:
- a. enhanced lives through infocomm;
  - b. enhanced economic competitiveness and innovation through infocomm; and
  - c. increased growth and competitiveness of the infocomm industry.
7. The more specific goals of iN2015 are:
- a. to be number 1 in the world in harnessing infocomm to add value to the economy and to the society;
  - b. to realize a two-fold increase in the value-add of the infocomm industry to S\$26 billion;
  - c. to realize a three-fold increase in infocomm export revenue to S\$60 billion;
  - d. to create 80,000 additional jobs;
  - e. to achieve 90 percent broadband usage in all homes; and

- f. to achieve 100 percent computer ownership in homes with school-going children.

### **3:00 pm- 4:00 pm - Philippine Embassy in Singapore**

#### ***Embassy officials met:***

Her Excellency Minda Cruz, Ambassador  
Glen Penaranda, Trade Attache

#### ***Highlights of discussion with, and insights of, the Trade Attache:***

1. Singapore lacks people, which provide opportunities for the Philippines.
2. To thrive in business, invest in an informative website. This is the first step in being known to prospective investors.
3. Inform the Bureau of Investment (BOI) of your investment opportunities so that they can assist in promoting your city and your products.
4. Food is important in Singapore and halal food is a booming business. This is an area, which the cities should explore.
5. Another important factor to consider is the availability of skills for the different industries; hence, a need for skills inventory. Relatedly, capacity development is a continuing concern that would help the cities and the country to seize opportunities in Singapore.
6. Partnership between public and private sectors is the way to go. Establishing a strong linkage between national and local government and the local business groups are important.
7. If tourism is a major sector which will be promoted by the cities, the cities should note that hotel operators are major players in the tourism industry. Tourism also requires good logistics.
8. Creative industries and visual arts are some of the priority sectors in Singapore. These are areas which the Philippines should explore.

#### ***Key messages of the Ambassador:***

1. Singapore is one of the key investors of the country; the embassy is helping in trying to bring in more investments from Singapore.
2. The development of the Philippines is a collective effort of the people and all sectors.
3. While our country's development relies heavily on OFW remittances, there is a high social cost in sending Filipino workers abroad.

4. There are many Filipinos in Singapore, which is a place to learn various fields, such as architecture. Singapore is heavily competitive and innovative. These are the traits that we must learn to also pursue. They have institutions for everything, e.g. Singapore's institution for the future.
5. The Philippines need to restructure the manner by which the government deals with business and how it processes transactions.
6. Development of the country is a collective effort of all. There is a need for sectors to work together and with government towards raising the country's economic performance.
7. In mounting a business forum, the cities may consider investing in "virtual" or digital collaterals, not anymore on the traditional kind, e.g. USBs, which are more desirable and appealing these days.
8. The cities should partner with various institutions and should try to learn from each other.

**B. Second Day – February 15, 2013**

**9:00 am – 10:30 am - National Environment Agency/Hawker Centres Division**

***NEA Officials:***

Tan Huay Koon, Assistant Director, Hawker Centres Division

Tan Kay Keng, Assistant Director, Environmental Health Department

The discussion with NEA officials focused on two items: (a) management and regulation of hawker centers; and (b) food hygiene practices in Singapore.

***Highlights of the presentation and discussion:***

1. Hawker centers sprang up in urban areas following the rapid urbanization in the 1950s and 1960s. In many cases, they were built partly to address the problem of unhygienic food preparation by unlicensed street hawkers. More recently, they have become less ubiquitous due to the growing affluence in the urban populations of Malaysia and Singapore. Particularly in Singapore, they are increasingly being replaced by food courts, which are indoor, air-conditioned versions of hawker centers located in shopping malls and other commercial venues.
2. In the 1950s and 1960s, hawker centers were considered to be a venue for the less affluent. They had a reputation for serving unhygienic food, partly due to the frequent appearance of stray domestic pets and pests. Many hawker centers were poorly managed by their operators, often lacking running water and proper facilities for cleaning. More recently, hygiene standards have improved, with pressure from the local authorities. This includes the implementation of licensing requirements, which are based on standards of hygiene and a reward system for those which follow exceptionally good hygiene practices. The upgrading or reconstruction of hawker centers was initiated in the late 1990s in Singapore. At

the same time, hawker centers were renamed food centers.

3. The hawker centers in Singapore are owned by three government bodies, namely the National Environment Agency (NEA) under the parent Ministry of the Environment and Water Resources (MEWR), Housing and Development Board (HDB) and JTC Corporation. All the centers, in turn, are managed by NEA.
4. On 5 March 2010, NEA launched [www.myhawkers.sg](http://www.myhawkers.sg), which is an interactive web portal that offers useful information on hawker centers and food stalls. The portal allows registered users to review or recommend hawker stalls or hawker centers and to provide feedback to NEA on hygiene matters in hawker centers.
5. Food hygiene regulation involves three groups of actors, namely: (a) food operators (operators, food handling officers, food handlers); (b) regulators (NEA/HCD/MOH); and (c) the public (consumers).
6. The regulation of the food industry involves four areas of concern: (a) legislation; (b) surveillance; (c) enforcement; and (d) education.
7. The objective of regulating the food industry in Singapore is to ensure low incidence of food poisoning.
8. In terms of legislation, the laws provide that all licensed food establishments and their personnel have the responsibility of ensuring that the food sold to the public is clean and wholesome.
9. The estimated waiting time for a license to be issued by NEA varies from 2 weeks to 3 months from application date. Applicants with complete documents upon application can get their license within 2 weeks; otherwise, the process could take several weeks and months and only upon submission of the required documents.
10. Temporary licenses are issued but these do not allow establishments to operate. It is in these instances when the NEA and the government can “hand hold” the applicants, i.e., assist in securing the required documents.
11. The licensing and control of food establishments is aimed at ensuring that food is prepared in licensed premises which are equipped with proper facilities and equipment to ensure that the food sold to the public is wholesome and safe for consumption.
12. Licensing and control covers: (a) food shops; (b) food stalls; (c) trade fairs and events; (d) supermarkets; and (e) markets.
13. The issuance of a license requires compliance with the following: (a) documentary requirements; (b) operational and hygiene requirements; (c) design criteria for food retail outlets; and (d) site inspections.
14. Regular health permits are no longer required for food handlers as they would be required to attend a hygiene course before they could be employed in food operations. Refresher courses are also offered to food handlers once every

- three years. The courses include the do's and don't's, regulations and learning points in the food operation industry.
15. Applying for a license involves the following processes: (a) submission of application via internet (OBLS); (b) processing at the environment regional office; (c) review and processing of application and requirements; and (d) issuance of the license.
  16. The design of the premises and facilities of prospective hawkers/restaurants should consider the following factors: (a) serving area; (b) kitchen area; and (c) toilet.
  17. Surveillance is basically conducted through the inspection procedures.
  18. Inspection is done regularly. The frequency is based on the grades awarded to the food establishment as follows: (a) Grade A – inspection is done once in 6 months; (b) Grade B – once in 6 months; (c) Grade C – every month; (d) Grade D – weekly; and (e) Non Graded – once in 12 months.
  19. Food outlets are assessed based on cleanliness, food hygiene, housekeeping, and the personal hygiene of food handlers. Food outlets are graded as follows: (a) Grade A - >85%; (b) Grade B – 70% - 84%; (c) Grade C – 50% - 69%; (d) Grade D – 40% - 49%.
  20. Unscheduled inspections are conducted in response to feedback from the public or as a follow-up to an earlier inspection conducted, or as part of the law enforcement rounds.
  21. Enforcement of laws uses sanctions and penalties. Fines are imposed based on the severity of offense, which are classified as minor, major and serious.
  22. A Point Demerit System (PDS) is used in Singapore to impose suspension or revocation of licenses in a systematic and fair manner. Licensees are encouraged to improve on hygiene and sanitation and to comply with policies and standards.
  23. Education and information campaigns as well as outreach programs are conducted regularly to educate the public that food safety is a shared responsibility among stakeholders where everyone plays a part.
  24. As to future plans, the government shall continue to build more hawker centers to service the increasing population of Singapore, to make food affordable for the masses, and to provide job opportunities.

**11:00 am – 12:30 pm - Urban Redevelopment Authority (URA)**

***URA Officials:***

Marc Boey, Group Director, Land Sales and Administration (welcome message)

Lim Hwee Hoon, Director, Land Sales and Administration (briefing on URA)

Benjamin Ng, Executive Manager, Land Sales and Administration (guide - gallery walk)

The agency briefing focused on two items: (a) background on the redevelopment of Singapore; and (b) functions of the Urban Redevelopment Authority (URA). The briefing was followed by a tour around the URA gallery.

***Highlights of the presentation and discussion:***

1. URA is the national urban planning authority of Singapore, and a statutory board under the Ministry of National Development of the Singapore Government.
2. URA acts as agent for the State in carrying out land sales mainly for commercial, hotel, and private residential developments. The objective of its land sales program is to meet the demand for properties from the private sector, to support the economic growth, and implement key development plans of Singapore. Sites are usually sold on 99-year leases. Other lease tenures may be offered depending on the specific sites, e.g., some commercial sites may be offered for leases ranging from 15 years to 60 years.
3. The release of state land is carried out through the Government Land Sales (GLS) program. Each program is planned for and announced every 6 months. The GLS sites are released through two main systems - the reserve list and the confirmed list.
4. The authority was established in 1974, and is of especially critical importance to the city-state because Singapore is an extremely dense country where land usage is required to be efficient and maximized in order to reduce land wastage in the face of land shortage.
5. URA is also responsible for facilitating racial harmony where its urban planning approach avoids segregation, while seeking ways to improve aesthetics and reduce congestion. It is also responsible for the conservation of historic and cultural buildings and national heritage sites.
6. URA controls land development by evaluating applications and granting planning approval for development projects from the public and private sectors. In approving development applications, URA seeks to foster orderly development conforming to the planning guidelines as stated in the statutory Master Plan and the existing control factors. It tries to provide quality service when working in partnership with building industry professionals and the general public to foster development.
7. URA plays an important role of managing car parks in the City State. It provides information and services to the public regarding coupon parking, season parking and heavy vehicle parking. URA also sets the by-laws on parking infringement and fines.
8. URA maintains a regular and ever updated public urban planning exhibition on the first three floors of its headquarters. The highlights of the exhibit include three scale models of the island of Singapore, the central region, and the central area.

Special exhibits and models on current projects and island-wide developments are regularly displayed as well.

9. URA takes a long-term and integrated approach in land use planning and plans with implementation in mind to optimize the use of land for current and future needs.
10. Prudent land use planning has enabled Singapore to enjoy strong economic growth and social cohesion, and to ensure that sufficient land is safeguarded to support continued economic progress and future development.
11. The Concept Plan is Singapore's strategic land use and transportation plan to guide development in the next 40 to 50 years. The Concept Plan is reviewed every ten years. This long-term plan ensures that there is sufficient land to meet anticipated population and economic growth, and to provide a good living environment. Concept Plan 2011 is currently under review and will be released at a later date.
12. The Master Plan is the statutory land use plan that guides Singapore's development in the medium-term, that is, over the next 10 to 15 years. It is reviewed every five years and translates the broad long-term strategies of the Concept Plan into detailed plans to guide development. The Master Plan shows the permissible land use and density for developments in Singapore. Master Plan 2008 is the current Master Plan.
13. The development timeframe of Singapore depends on various factors such as market demand, prevailing market conditions, and development momentum of the site's immediate surrounds. The release of State Land is carried out through the Government Land Sales (GLS) program. Interim or temporary uses may be allowed for vacant State land that is not required for development in the near-term.
14. Development Control ensures that all properties are developed and used according to the Master Plan land use zoning, gross plot ratio, building height controls, and other development control guidelines.
15. These guidelines help to protect the amenities and interests of the wider community while allowing individual landowners and businesses to develop their property. This ensures the development fits well in its neighborhood.
16. A mid-term review of the Concept Plan in 2006 concluded that there is sufficient land to cater to Singapore's future needs while maintaining a good quality living environment. The broad strategies arising from the review are:
  - a. Need to make better use of land. There is a need to make more creative use of land to meet future needs, such as using underground spaces and co-location of compatible uses.
  - b. Decentralization through new growth centers. New growth centers outside of the city are proposed at Jurong and Paya Lebar. These growth centers will not only spread jobs across the island, but also provide a wider choice of

location to meet future economic needs.

- c. Priority on public transport. Priority has to be given to the use of public transport to meet increasing transportation needs. In particular, new rail lines will improve the public transport system so that there is less reliance on private transportation.
- d. Enhancing the Quality of Life & Sense of Identity. Quality of life can be enhanced by providing for a greater variety of leisure options. At the same time, there is also a need to selectively retain Singapore's built and natural heritage to foster a sense of belonging among its citizens.

**3:00 pm – 5:00 pm - Lee Kwan Yew School of Public Policy, National University of Singapore**

***LKY Faculty:***

Prof. Eduardo Araral

***Highlights of insights shared by Professor Araral:***

1. Professor Araral informed the delegation that there is selective entry of investors and businesses in Singapore because of limitations such as land area, labor and market.
2. On the matter of investments and investors to the country, the Professor mentioned that synergy and industry clustering are necessary in bringing in the big investors to the country; market the country to the major investors, i.e. "sell big" rather than the small ones that the country has.
3. At the end of the day, investors go to a country simply because of the comparative advantages a country could offer. The traditional come-ons to investors are the provision of incentives and reduced cost of doing business thru streamlined business registration processes. However, the modern day investors and businesses are looking for big markets, i.e. "cheap" markets to source raw materials and resource inputs, on one hand, and "big" markets to sell their goods and services, on the other.
4. He advised the participants to look into the experience of Singapore. Singapore has no oil resources but has three oil refineries. It has limited water resources but has 220 water distribution companies. It has limited number of professionals in the medical fields but has a lot of hospitals and medical facilities. More importantly, it has traditional tourist attractions but it has managed to attract some two million tourists annually, due to the recent establishment of two casinos.
5. Professor Araral encouraged local governments to form clusters or alliances to enable them to "scale up" their operations and compete big time. Other countries and cities around the globe are very competitive.

6. Prof. Araral also noted that visibility is important; hence, it is worthwhile for cities to invest in credible and informative websites about what they can offer, e.g. products and services.
7. Prof. Araral stated that, in competing against bigger and more advanced cities worldwide, Philippine cities have the advantages of a skilled and literate labor force and reliable professionals, as well as an adequate infrastructure. He then counseled that the country should continue to invest in infrastructure, improve the competitiveness metrics, and develop the skills of local manpower so that it could respond to the needs of industries.
8. Professor Araral likewise proposed that tourism be a driver of growth for the Philippines, noting that the country has untapped potentials, especially the diving spots such as Siargao and Bicol.
9. The roles of the government vis-à-vis the private sector, on the one hand, and of national and local governments, on the other, according to Prof. Araral, should be well defined. He cited Taliapas in Indonesia as a model. However, the Philippines and the cities can still work at achieving unity and better coordination to achieve a dynamic economy.
10. He also advised the cities to build around their competencies and that the only limitation to development is their imagination.
11. While the redevelopment of Singapore was funded and assisted by the United Nations, United States and the United Kingdom, Prof. Araral emphasized that the Singaporeans themselves rolled up their sleeves, went to work and dirtied their hands. He noted that the redevelopment of Singapore can be considered as internally financed through earnings from the Central Provident Fund, where citizens were required to contribute a portion of their earnings. Singapore also has brought in capital from the outside which is now sustaining its economy.
12. Like Singapore, the cities of Batangas, Iloilo and Cagayan de Oro are port cities. There are other bigger port cities around the world such as Dubai and Amsterdam. But the port cities in the Philippines should focus on the services sectors since port facilities serve as magnets for small industries. The cities need to identify these support services and industries and anticipate their entry in order to better manage their growth. Logistic services could be developed; hence, there is wisdom in tapping local investors, e.g. the likes of Manny Pangilinan and the Razons and other big local investors into these fields.
13. One item Professor Araral raised is the wage level in the Philippines. While there was a time when wages in the country were higher than its Asian neighbors, he shared that the cost of labor in other Asian countries, e.g., Vietnam, are now increasing. The relatively stable labor situation and wages in the country could also be taken as an advantage.
14. Branding is critical to the cities in selling themselves as investment destinations, Prof. Araral likewise noted. He pointed out that there are now plenty of sites in the internet where social marketing could be developed, e.g., YouTube.

15. Prof. Araral likewise opined that public-private partnerships (PPP) for infrastructure development do not offer too much advantage or potential to the local governments.
16. He also counseled that the government should market its cities rather than the country as a whole. He said that international investors are more inclined to get attracted to specific geographical localities/cities rather than in specific countries.
17. He also advised the cities to strengthen their links to their international “sister cities” and that these links be harnessed to develop meaningful partnerships.
18. Finally, Prof. Araral recommended that cities specialize based on their areas of competency and thus develop a strategic focus.

### **C. February 17, 2013**

#### **10:30 am – 12:30 pm - Debriefing For Singapore Leg and Orientation on the Malaysian Leg**

The INVEST Chief of Party, Ms. Ofie Templo, led the group in revisiting the objectives of the Exposure Trip vis-à-vis the learnings and insights that might have been gained by the participants from agencies visited in Singapore. To help the participants recall the Singapore leg of the Exposure Trip, Ms. Templo showed some pictures taken from each agency visited. The participants shared their thoughts and “feelings” on each visit.

From that introduction, Mr. Nick Agustin facilitated the sharing of individual as well as group learnings. Participants from Batangas City were particularly impressed with the need for: (a) urban planning which involves integrated planning and engineering; (b) infrastructure preparedness for a city so that it can link with other areas, thereby increasing its level of competitiveness; (c) more proactive revenue generation activities; and (d) skills development for the city’s human resources to ensure adequate labor supply for the industry drivers of the city.

The insights gathered by the delegation from Cagayan de Oro included: (a) the value of IT for process reforms; (b) the necessity of starting with a “vision;” (c) the need for a focused leadership in doing things and in improving the competitiveness ranking of the city; and (d) the need to determine and define the city competitiveness level.

Mr. Agustin then proceeded to guide the group in coming up with their reform areas and possible actions which they could implement in their respective cities. After a 30-minute discussion by city, the cities of Batangas and Cagayan de Oro presented their initial lists of reform areas and possible actions. The reform areas initially identified by the cities will be further refined as the group goes through the Malaysian leg of the Exposure Trip.

Mr. Agustin provided an overview of the Malaysian leg highlighting the agencies to be visited and cited their significance to the INVEST Project’s objectives.

Mr. John Avila, the Head of Delegation, ended the activity with a closing message. He shared that Singapore has changed a lot since more than 20 years ago; as Malaysia

had. While he felt that the Philippines is somewhat 15 years behind Singapore and 10 years behind Malaysia in terms of physical development, he expressed optimism that the country will be able to develop and be at par with its Asian neighbors. He cited three factors that are critical: (a) the vision; (b) the leaders; and (c) the persistence in achieving the goals for the betterment of cities. He then assured the participants of the assistance the USAID has lined up for the cities especially under the Cities Development Initiative (CDI).

#### **D. Third Day – February 18, 2013**

##### **9:00 am – 11:30 am – PEMUDAH**

###### ***PEMUDAH Officials:***

Ybhg. Dato SawChoo Boon, Integrated Petroleum Services  
David Jones, RUAG Aviation Malaysia SdnBhd  
Bahria Modh. Tamil, Director, PEMUDAH Secretariat

The presentation focused on two items: (a) PEMUDAH as an organization and what it does; and (b) initiatives of PEMUDAH in promoting business efficiency and government's policy and regulatory effectiveness.

###### ***Highlights of the presentation and discussion:***

1. PEMUDAH was established on February 7, 2007 as a mechanism under the Ministry of International Trade and Industry (MITI) for inclusive public-private sector collaboration. It oversees regulatory reforms to facilitate the entry of business in Malaysia and reports directly to the Prime Minister.
2. PEMUDAH is a special task force to facilitate business. Under it are (a) the working group on efficiency issues; and (b) the working group on policy issues. There are other 14 task forces and focus groups under its control and oversight, such as the focus group on business process re-engineering in business licensing, the task force on halal matters, the task force on the implementation of e-payment facilities, and the focus group on private sector efficiency and accountability towards consumerism.
3. PEMUDAH adheres to the following values: (a) a sense of urgency; (b) proactive public-private sector collaboration; (c) facilitation, not hampering; (d) no more regulation than necessary; and (e) zero tolerance for corruption.
4. The approaches employed by PEMUDAH include: (a) computerization – remove human discretion and interface; (b) Guillotine – remove regulations that cannot be justified; (c) best practice – learn from the best; and (d) business re-engineering – radical change.
5. PEMUDAH has the following objectives:
  - a. to review the status of the public and private service delivery system in terms of the processes, procedures, legislation, and human resources and to introduce new policies for improvement;

- b. to benchmark best practices to improve the ease of doing business;
  - c. to enhance collaboration among public and private sector agencies to improve Malaysia's competitiveness;
  - d. to monitor the implementation of policies, strategies and procedures that would improve the efficiency and effectiveness of the public and private sector delivery system; and
  - e. to take appropriate action to address issues in line with the national philosophy of 1Malaysia, People First, Performance Now.
6. The 2013 Ease of Doing Business ranking of Malaysia highlighted the following:
- a. Malaysia was one of the more than 35 economies that have established a regulatory reform committee at ministerial level;
  - b. A total of 201 regulatory reforms have been implemented, 44% of which focuses on making starting a new business easier, increasing the efficiency of tax administration, and facilitating trade across international borders;
  - c. Malaysia made the biggest improvement in the ease of registering property by introducing a new caseload management system at the land registry office;
  - d. Malaysia made dealing with construction permits faster by improving the one-stop center for new buildings; and
  - e. Some good practices of Malaysia include: (i) offering cadaster information online; (ii) defining clear duties for directors in case of related-party transactions; and (iii) allowing electronic filing of complaints.
7. Examples of efficiency and policy improvements instituted by the PEMUDAH include:
- a. starting a business in a day at only RM 1,030;
  - b. registering a property in a day at 1-3% of property value;
  - c. implementing reforms in the construction permitting process, e.g.: (i) reduction to 10 procedures and a processing time of 100 days from 22 procedures and 260 days as reported in WB Doing Business Report 2012; (ii) introduction of risk-based assessment; and (iii) a comprehensive online system for approval process from pre-construction phase to the connection of utilities;
  - d. pursuing a policy of attracting and retaining talents that involves: (i) clear definition of skilled workers; (ii) extension of work permit from 2 to 5 years; and (iii) setting up of executive counters at all state offices;

- e. improving tax payment procedures;
  - f. establishing the Business Licensing Electronic Support System (BLESS), a portal that enables applicants to register with SSM and apply for any of the 102 licenses, permits or any approval procedure offered by 45 agencies in the construction, manufacturing and hotel sectors;
  - g. using E-Payment facilities made faster and easier with around 250 agencies authorized to receive payments and offer some 551 public sector business processing services;
  - h. implementing business process re-engineering which involves: (i) the systematic review of all business licenses, legislation and regulations; (ii) the elimination of archaic licenses and laws; (iii) the implementation of the proposals to either eliminate or consolidate the licenses; and (iv) the reduction of licenses from 548 to 323; and
  - i. pursuing policy improvements that included: (i) restricting approvals to real estate transactions above RM20 million that involve dilution of Bumiputera/Government interest; (ii) establishing the National Wages Consultative Council; (iii) liberalizing 17 sub-sectors; (iv) allowing of 100% foreign equity participation in selected sub-sectors; (v) issuing resident pass for up to 10 years; (vi) abolishing time limits on approval of employment passes; (vii) automatic issuance of expatriate passes and work permits for expatriates' spouses; and (viii) comprehensive review to simplify and improve efficiency of regulations related to land and insolvency matters.
8. PEMUDAH will continue to promote a conducive business-friendly environment by:
- a. enhancing transparency and accountability of the public sector and the efficiency of the private sector;
  - b. focusing on other elements that impact national competitiveness such as the services provided by the government, attracting and retaining talents and the delivery systems of critical private sector services; and
  - c. continuous monitoring of initiatives already undertaken.

**11:30 am – 1:00 pm - Suruhanjaya Syarikat Malaysia (SSM)**

***SSM Officials:***

Madam Zahrah Abdul Wahab Fenner, Chair (Welcome message)

Madam Nor Azimah Abdul Azia (Speaker 1)

Mr. Mohamed Zanyuin Ismail

Madam Azizah Rohani (Speaker 2)

Mr. Sufyan Mokhtar

Mr. Saiful

Mr. Lokman Ramli (Speaker 3)

***Highlights of the presentation and discussion:***

1. The Companies Commission of Malaysia (Suruhanjaya Syarikat Malaysia or SSM) is a statutory body formed under an Act of Parliament that regulates corporate and business affairs in Malaysia. It was formed in 2002 under the Companies Commission of Malaysia Act 2001, assuming the functions of the Registrar of Companies and Registry of Business.
2. The main purpose of SSM is to serve as an agency to incorporate companies and register businesses as well as to provide company and business information to the public. The commission launched SSM e-Info Services to make information on companies and businesses obtainable via its website.
3. As the leading authority for the improvement of corporate governance in Malaysia, the commission also undertakes monitoring and enforcement activities to ensure compliance with business registration and corporate legislation.
4. In 2003, the SSM began a review of the Companies Act 1965, with the aim of simplifying the process of incorporation in Malaysia and reducing businesses' costs of compliance with Malaysian corporate law.
5. The Acts and regulations that SSM operates under are:
  - a. Companies Commission of Malaysia Act 2001 (Act 614)
  - b. Companies Act 1965 (Act 125)
  - c. Registration of Businesses Act 1956 (Act 197)
  - d. Trust Companies Act 1949 (Act 100)
  - e. Kootu Funds (Prohibition) Act 1971 (Act 28)
  - f. Act A1299 Companies (Amendment) Act 2007
6. SSM also operates under any subsidiary legislation made relative to the Acts specified above such as the Companies Regulations 1966 and the Registration of Businesses Rules 1957.
7. The objectives of the SSM are:
  - a. to ensure the systematic and dynamic growth of the corporate and business sector;
  - b. to ensure that the conduct of business is in accordance with the laws and principles of the corporate world; and
  - c. to move towards the establishment of an autonomous, flexible and recognized regulatory authority.
8. In general, SSM ensures that the provisions of the Acts under the purview of SSM are administered, enforced, given effect to, carried out, and complied with. It also serves as agent for the government in administering the collection and payment of prescribed fees and charges. It conducts researches and studies on

corporate and business activities. SSM provides advisory services to the ministers on corporations and businesses in relation to prescribed laws.

9. Aside from its regulatory functions, SSM also undertakes outreach programs and activities, which are intended to promote corporate governance such as the conduct of corporate training and awareness programs, dialogues, seminars, and consultative forums. It is also responsible in enhancing and promoting sufficient supply of manpower needed by businesses and companies in Malaysia.
10. One of the core functions of SSM is to assist the corporate world using the parameters used in the World Bank's Ease of Doing Business Reports. SSM adopts an approach involving: (a) short term initiatives, mainly to enhance current processes and procedures; and (b) long-term initiatives, focusing on the review of related pieces of legislation.
11. As part of its short-term initiatives, SSM is reviewing and implementing procedures to ensure ease in doing business in Malaysia. Specifically, it reviews standards for small and medium-sized companies that need to start operation legally. It also assesses fee structures and conducts consultation forums with stakeholders.
12. Other discussion items during the presentation included: (a) the registration process flow in Malaysia; (b) fee structures for different types of licenses and kinds of companies; (c) requirements for business registration for all types of businesses or companies; and (d) the products and services of SSM.
13. Among the products and services of SSM, the following were mentioned:
  - a. corporate information (e.g. company information, business information and other services);
  - b. corporate and business information data (CBID) which could help provide solutions to business decisions (e.g., customized company information, customized business information, list of companies by major industry in Malaysia, statistical data, list of companies by state, local and post code); and
  - c. business registration mobile counter (BRMC).

**2:00 pm – 3:30 pm - Malaysian Investment Development Authority (MIDA)**

**MIDA Officials:**

Mohamed Ismail, Sr. Deputy Director, Foreign Investment Coordination Division, MIDA  
Muhhamad Najib, Executive, Foreign Investment Coordination Division, MIDA  
Azuzul Hakim, Executive, Foreign Investment Coordination Division, MIDA

***Highlights of the presentation and discussion:***

1. MIDA's vision is to be the best partner of investors, known for the integrity and professionalism of its people. Its mission is to ensure that Malaysia achieves its goal of economic transformation and its aspiration to be a developed nation by 2020.
2. MIDA is the government's principal agency for the promotion of the manufacturing and services sectors in Malaysia. Incorporated as a statutory body under the Malaysian Industrial Development Authority Act, its establishment in 1967 was hailed by the World Bank as "the necessary impetus for purposeful, positive and coordinated promotional action" for Malaysia's industrial development. Today, MIDA is Malaysia's cutting-edge, dynamic and pioneering force in opening pathways to new frontiers around the globe.
3. MIDA assists companies, interested in investing in the manufacturing and services sectors, as well as facilitates the implementation of their projects. Its range of services includes providing information on the opportunities for investments, as well as facilitating joint venture partnerships.
4. To further enhance MIDA's role in assisting investors, senior representatives from key government agencies are stationed at MIDA's headquarters in Kuala Lumpur to advise investors on government policies and procedures. These representatives include officials from the Department of Labor, Immigration Department, Royal Malaysian Customs, Department of the Environment, Tenaga Nasional Berhad, and Telekom Malaysia Berhad.
5. MIDA's functions include the following:
  - a. to promote foreign and local investments in the manufacturing and services sectors;
  - b. to undertake planning for industrial development in Malaysia;
  - c. to recommend policies and strategies on industrial promotion and development to the Minister of International Trade and Industry;
  - d. to evaluate applications for manufacturing licenses and expatriate posts; tax incentives for manufacturing activities, tourism, R&D, training institutions and software development; and duty exemption on raw materials, components and machinery;
  - e. to assist companies in the implementation and operation of their projects, and offer assistance through direct consultation and cooperation with the relevant authorities at both the federal and state levels; and
  - f. to facilitate the exchange of information and coordination among institutions engaged in or connected with industrial development.

6. Given these functions, MIDA is committed to provide services in a professional, efficient and ethical manner to industrialists and potential investors in the manufacturing and services sectors by:
  - a. responding to all investment enquiries in a prompt and courteous manner;
  - b. disseminating accurate and up to-date information on investments; and
  - c. assisting investors in the implementation of their projects.
7. MIDA is also committed to complete the evaluation of applications from the date of receiving complete information, within the stipulated time-frame as follows:
  - a. **Manufacturing Sector**
    - Manufacturing License - 4 weeks
    - Incentives - 6 weeks
    - Exemption from Custom Duties - 4 weeks
    - Expatriate Posts:
      - 7 working days for existing companies
      - 4 weeks for new companies
  - b. **Services Sector**
    - Status of Regional Establishment - 4 weeks
    - Incentives - 6 weeks
    - Exemption from Custom Duties - 4 weeks
    - Expatriate Posts:
      - 7 working days for existing Operational Headquarters, International Procurement Centre and Regional Distribution Centre
      - 4 weeks for new companies
8. Hand-in-hand with PEMUDAH and SSM, MIDA also manages the Business Licensing Electronic Support System (BLESS). The BLESS is a portal that provides information and facilities for companies in applying for licenses or permits to start operating business in Malaysia. It is a virtual One-Stop Service Centre (OSSC) that assists companies to obtain business licenses efficiently and in an organized manner.
9. BLESS assists company representatives to select relevant licenses, fill up online application forms, submit these online, and track the progress of the application throughout the process until notification of the approval of the application. At the same time, BLESS provides an online communication platform for the licensing agencies to communicate directly with companies for any clarification and justification on their license applications which effectively saves time and resources for both parties.
10. For its initial implementation (Phase 1), BLESS only covers applications for business licenses in the manufacturing, construction and hotel sectors and from manufacturing, construction and hotel facilities located within the Klang Valley.

11. BLESS has the following features: (a) multiple licensing involving several agencies; (b) simultaneous processing and updating by concerned agencies; (c) composite and standardized forms; (d) online submission; (e) online approval and notification; (f) online query; (g) online tracking and monitoring; (h) electronic payment; (i) feedback mechanism; (j) best practices (knowledge repository); and (k) bilingual communication facility.

**E. Fourth Day – February 19, 2013**

**9:00 am – 12:00 noon - Perbadanan Putrajaya (PPj) and Putrajaya One-Stop Center**

***PPj Official:***

Nik Khusairie Bin Jaafar, Jabatan Perancangan Bandar

The visit to PPj included 3 activities: (a) briefing on Putrajaya as the administrative center of Malaysia; (b) briefing on PPj and the One-Stop Center (OSC) and how it regulates applications for development in Putrajaya; and (c) tour around Putrajaya.

***Highlights of presentation and discussion:***

1. Putrajaya is a planned city, located 25 km south of Kuala Lumpur. It serves as the federal administrative centre of Malaysia. The seat of government was shifted in 1999 from Kuala Lumpur to Putrajaya, due to the overcrowding and congestion in the Kuala Lumpur areas. Nevertheless, Kuala Lumpur remains Malaysia's national capital, being the seat of the King and Parliament, as well as the country's commercial and financial centre.
2. Putrajaya was the brainchild of former Prime Minister Tun Dr. Mahathir Mohammad. In 2001, Putrajaya became Malaysia's third Federal Territory after Kuala Lumpur and Labuan.
3. Named after the first Malaysian Prime Minister, Tunku Abdul Rahman Putra, the city is situated within the Multimedia Super Corridor, beside the also newly developed Cyberjaya. The development of Putrajaya started in early 1990s. Today, major landmarks have been completed and the population is expected to grow larger.
4. Planned as a garden and intelligent city, 38% of the area is reserved for green spaces. A network of open spaces and wide boulevards were incorporated to the plan. Construction began in August 1995 and it was Malaysia's biggest project and one of Southeast Asia's largest with an estimated final cost of US\$ 8.1 billion. The entire project was designed and constructed by Malaysian companies with only 10% of the materials imported.
5. The Asian Financial Crisis of 1997/1998 slowed down the development of Putrajaya. In 1999, 300 staff members of the Prime Minister's office moved to Putrajaya and the remaining government servants moved in 2005. On 1 February 2001, Tun Dr. Mahathir declared Putrajaya as a Federal Territory with the ceremony of handing over Putrajaya township from the Selangor state authorities.

6. In 2002, a high speed rail link called KLIA Transit was opened, linking Putrajaya to both Kuala Lumpur and KL International Airport in Sepang. However, construction of the Putrajaya Monorail, which was intended to be the city's metro system, was suspended due to high costs. One of the monorail suspension bridges in Putrajaya remains unused.
7. In 2007, the population of Putrajaya was estimated to be over 30,000, comprised mainly of government employees.
8. Putrajaya Holdings is the Master Developer of Putrajaya, and was given the task of translating the vision of Putrajaya into reality. Putrajaya Holdings Sdn. Bhd. was incorporated on October 19, 1995 with the initial responsibility of designing and developing the comprehensive, highly strategic 20-year Putrajaya Master Plan. Putrajaya Holdings shareholders include PetroliaM Nasional Berhad (PETRONAS) with a majority stake, Khazanah Nasional Berhad, the investment arm of the Government of Malaysia, and Kumpulan Wang Amanah Negara.
9. Today, with more than 20 signature development projects in Putrajaya comprising of office buildings, commercial hubs and residential units, Putrajaya Holdings is a “maestro” in the property market, working alongside renowned names in the construction industry.
10. The vision of the Putrajaya Holdings is to be the Premier Property Developer of Choice. It integrates specific planning concepts In its projects, such as: (a) environmental management; (b) energy efficiency; (c) waster reduction and waste recycling; (d) urban design and urban natural; and (e) parks and water management.
11. For environmental management, Putrajaya Holdings has implemented the Environmental System (EMS) since the beginning of Putrajaya’s development. EMS is aimed at fulfilling Environmental Impact Assessment (EIA) requirements, and maintaining Putrajaya Lake’s water quality at Class 2B.
12. Putrajaya Holdings’ Policy Statement on Environment: *“Putrajaya Holdings Sdn. Bhd. shall adopt environmental sustainability as a corporate priority in all its development and business decisions.”*
13. Putrajaya Holdings undertakes specific management control and regulatory activities at various stages of project development, as follows:
  - a. Planning stage: Environmental Management Plan (EMP) is prepared for review;
  - b. Construction Stage: Environmental control strategies and implementation are planned through the Environmental Management Compliance Plan (EMCP), and environmental monitoring is carried out through a Monitoring and Audit Report (EMAR); and
  - c. Project Completion: The Project Completion Plan is required for site remediation prior to handing over. Putrajaya Holdings’ achievements in its

EMS have been benchmarked by industry players and organizations.

14. For energy efficiency, Gas District Cooling (GDC) is used to supply chilled water for air conditioning to all main buildings in Putrajaya, thus achieving energy efficiency. Unlike the conventional air-conditioning system, GDC is environmental-friendly as it utilizes clean natural gas as the primary energy source. GDC operates by using the R-134A ozone-friendly refrigerant instead of the ozone-depleting chlorofluorocarbon (CFC). Its co-generation system, the combination of steam turbine-driven chillers and electric chillers, achieves higher energy efficiency in its production process compared to a combined cycle power plant. GDC also reduces air and noise pollution, and the system uses energy more efficiently because a single system applies over a wide area and to various buildings. This levels off the energy and saves fuel with its Chilled Water Thermal Energy Storage installation.
15. There are 5 GDC plants in Putrajaya, with each plant providing around 15,000 to 33,000 RT (Refrigeration Tonnes) of chilled water to the government and commercial offices.
16. Putrajaya was selected as the national model for a recycling project in 2004. In 2009, the pilot project to separate solid waste was launched by the Housing and Local Government Ministry, which aims to reduce the waste sent to landfills nationwide by 40%. All houses, apartments, shops, schools and kindergartens within the areas involved are supplied with two bins to allow the residents to separate recyclable items or other waste under the pilot project. In various precincts, collection centers were built for the residents to send waste products to be recycled.
17. For urban design and for the application of the concept “urban natural”, Detailed Urban Design (DUD) Guidelines provides Putrajaya with a unique sense of place and character by land use, building massing and typology, provision for pedestrian linkages, open space coverage, streetscape control, among others. The Putrajaya Master Plan allocates 38% of the total area of the city to greenery and open spaces.
18. In Putrajaya’s Core Island, the 70:30 traffic controls and parking provision have been imposed in the design of buildings and infrastructure. Under this provision, 70% of public transport and 30% of private transport are used to reduce pollution and traffic congestion in the Core Island.
19. The Common Utility Tunnel (CUT) is intended to house all utilities and minimize the disruption of utility services. The Common Utility Tunnel will also help to reduce or avoid traffic congestion when there is repair work that needs to be done and to facilitate maintenance. Some of its utilities are electricity, telecommunications, gas, and water.
20. Putrajaya’s wetlands are deemed as the world’s largest man-made fresh water wetlands in the tropics. It has a total area of 170 hectares and consists of 24 wetland cells, the Wetlands Park (Taman Wetland) and the other Wetlands areas and make up about 38% of the overall Putrajaya area.

21. The wetlands are maintained to improve the quality of water entering the Putrajaya Lake, ensuring it meets the stringent international water quality standard while, at the same time, helping to mitigate floods by reducing flood peak flows. The wetlands also help in nature conservation, especially of endangered flora and fauna, focusing on scientific, biological and environmental research and education. The Wetlands are now a wildlife sanctuary which attracts a huge variety of animals to the combined terrestrial-aquatic wetland environment. It provides recreation and the visitors can also enjoy a leisurely walk, jog or cycle along its bicycle track.
22. Putrajaya Lake is regarded as the jewel in the crown of the city. The 400-hectares lake was built by taking advantage of pre-existing topography to create a city with an island in the center – the Core Island. A waterfront area measuring 38 km was formed with the creation of the lake and Waterfront Retail at Precinct 8 is the first development within this area. The lake has become an attraction for the locals and internationals. Annual international events are organized around the lake such as the International Dragon Boat Race, World Cup Water Skiing Competition, and Putrajaya Sailing Week.
23. Putrajaya has constructed rock-filled dams using crushed rocks from Putrajaya Core Island to recycle its water supply. One rock-filled dam is one-third the size of an earth-filled one, thus lowering costs and reducing the demand for land. Apart from serving as material for dams, the rocks from blasted hills were used to construct rubble walls while the smaller aggregates were utilized to pave roads.
24. Putrajaya also has a biomass composting facility which uses oil palm wastes and through which its aim of zero burning is to be reached. Oil palm tree trunks and fronds from land clearance were shredded and composted, and the compost used as mulching materials for landscaping at the wetlands.
25. Sewage in Putrajaya is treated to Standard A (based on Sewerage & Industrial Effluent Regulations) and can thus be used for irrigation.
26. The PPj One-Stop Center (OSC) was established on 16 April 2007. Among its functions are:
  - a. Receiving and checking of applications;
  - b. Circulation of development proposals to technical departments and agencies involved for comments;
  - c. Monitoring and following-up of applications with technical departments and agencies;
  - d. Submission of notification to the OSC Committee about the applications;
  - e. Preparation of working papers for OSC Committee meetings;
  - f. Calling of OSC Committee meetings at least every 3 weeks time; and
  - g. Advising and guiding applicants, who are going through the e-submission

process.

27. All types of development applications in Putrajaya must be submitted thru the OSC Counter Perbadanan Putrajaya. Applicants are given two options in submitting applications:
  - a. Concurrent Application, which is a combination of a few types of applications which are for land matters, planning permission, building plans, or engineering plans and submitted at the same time and day; or
  - b. Non-concurrent Application, which is a submission of one application.
28. OSC accepts all applications, as follows: (a) for layout plans; (b) for pre-computation plans; (c) for development orders; (d) for the erection of temporary buildings; (e) for the extension of planning permissions; (f) for building or park names and addresses; (g) for building plans; (h) for amendments to building plans; (i) for certificates of fitness for occupation; (j) for temporary permits; (k) for extensions and renovations; (l) for earthworks; (m) for roads and drainage works; (n) for landscape approvals; (o) for fences; (p) for minor infrastructure permits; and (q) for certificates of completion and compliance.
29. Applicants are required to submit their applications on-line. The e-submission is a system that was developed by PPj to aid consultants and qualified persons (QPs) send applications electronically. With this service, application approvals can be done from any location and at anytime.
30. The steps in submitting an application through the OSC are:
  - a. Step 1: Applicants must get the checklists relevance to the type of applications;
  - b. Step 2: Applicants are allowed to do pre-consultation with the technical departments/agencies concerned on their applications. However, this process is not mandatory;
  - c. Step 3: Applicants complete the e-submission process/requirements and pay the development fees;
  - d. Step 4: Applicants submit the hardcopy of the applications, together with the payment receipt at the OSC Counter; and
  - e. Step 5: Applications that had been checked as complete and had complied with all the technical requirements are registered through the PPj-OSC's system.

**2:00 – 3:30 pm - Port Klang Authority (PKA)**

***PKA Official:***

G. Shanti, Manager, Corporate Communication Department, PKA  
Glennie Mathew, Officer, Corporate Communication Department, PKA

The agency briefing comprised of two items: (a) video presentation on Port Klang facilities; and (b) presentation on Port Klang Authority (PKA): its operations, organizational set-up, and powers and functions. The proposed tour around the facilities of Southport was cancelled for lack of time.

***Highlights of the presentation and discussion:***

1. Port Klang is a town that serves as the main gateway into Malaysia by sea. Colonially known as Port Swettenham, it is also the location of the largest and busiest port in the country. As such, its economic progress has been greatly influenced by the port activities in its area. It is located about 6 kilometers (3.7 miles) southwest of the town of Klang, and 38 kilometers (24 miles) southwest of Kuala Lumpur.
2. Located in the District of Klang, it was the 13th busiest transshipment port in (2004) and the 16th busiest container port (2007) in the world. It was also the 26th busiest port by total cargo tonnage handled in 2005.
3. Klang was formerly the terminus of the government railway and the port of the State. In 1880, the state capital of Selangor was moved from Klang to the more strategically advantageous Kuala Lumpur.
4. Port Klang is situated on the west coast of Peninsular Malaysia, about 40 km. from the capital city, Kuala Lumpur. Its proximity to the greater Klang Valley, the commercial and industrial hub of the country as well as the country's most populous region, ensures that the port plays a pivotal role in the economic development of the country.
5. Based on a Government directive in 1993, Port Klang is currently being developed as the National Load Centre and eventually a hub for the region. With a number of load centering and hubbing strategies pursued since 1993, the facilities and services in Port Klang are now comparables with those of world-class ports.
6. The port has trade connections with over 120 countries and dealings with more than 500 ports around the world. Its ideal geographical location makes it the first port of call for ships on the eastbound leg and the last port of call on the westbound leg of the Far East-Europe trade route.
7. In pursuit of the government policy to infuse private sector management and discipline into various government owned/controlled undertakings in the country, the first privatization of a major port facility took place in Port Klang. In 1986, the container terminal facilities operated by Port Klang Authority (PKA) were privatized to Klang Container Terminal Berhad.
8. The PKA is a statutory corporation established on 1 July 1963 to take over the administration of Port Klang from the Malayan Railway Administration.
9. The Authority maintains a 20% equity in the new company. Subsequent to the take-over, the remaining operational facilities and services of the port were

privatized to Klang Port Management Sdn. Bhd. in 1992. The new port facilities developed in the island of Pulau Lumut were privatized to Kelang Multi Terminal Sdn Bhd in 1994. Kelang Multi Terminal Sdn. Bhd. was also given the option to develop the remaining port facilities planned under the Port Master Plan 1990-2010.

10. With the divestment of the operational facilities and services of the port to three distinct entities under three separate privatization exercises, the Authority has taken on an enhanced role of a trade facilitator, regulator and landlord.
11. The core functions of the Authority under this “reshaped” role are: (a) trade facilitation; (b) port planning and development; (c) regulatory oversight of privatized facilities and services; (d) managing the free zone authority; and (e) asset management.
12. The PKA administers three (3) ports in the Port Klang area, namely: Northport, Southport and Westport. Prior to its establishment, South Port was the only existing port and was administered by the Malayan Railway Administration. Both Westport and Northport have been privatized and managed as separate entities.
13. Port Klang is under the jurisdiction of the Klang Municipal Council (MPK). It is represented in the Parliament by the Member of Parliament for Klang. In the State Assembly of Selangor, the township is represented by the state assemblyman for Port Klang.
14. Northport is owned and operated by Northport (Malaysia) Bhd and comprises dedicated multi-purpose port facilities and services. The Northport entity was a merger of two companies; Kelang Container Terminal (KCT) and Kelang Port Management (KPM). Its operations also cover South Port, which was renamed Southport for conventional cargo handling. It acquired Northport Distripark Sdn. Bhd. (NDSB) as part of its logistics division.
15. Westports Malaysia Sdn. Bhd. (formerly known as Kelang Multi-Terminal Sdn. Bhd.) manages Westport. A passenger port, Port Klang Cruise Centre, opened in December 1995 at Pulau Indah, which is located next to the cargo terminals of Westport. Cruise line and naval ships drop anchor in any of the three berths at Port Klang Cruise Centre, which was under the management of Star Cruises before being taken over by the Glenn Marine Group.
16. Port Klang is served by the KTM Komuter service and trains stop at the Port Klang Komuter station. The electric train service links to Klang, Kuala Lumpur, Petaling Jaya, Shah Alam and other parts of the Klang Valley.
17. A passenger ferry terminal to Pulau Ketam and an international terminal to Tanjung Balai and Dumai in Indonesia are also located in the area. The old ferry terminal used to serve regular passenger boats to Pulau Lumut and Telok Gongjeng terminal until the completion of Northport Bridge link.

### **6:30 – 9:30 pm - Debriefing Session and Fellowship Dinner**

The INVEST Chief of Party, Ms. Ofie Templo, gave an overview of the activity. She ran through the objectives of the Exposure Trip and grouped the agencies visited based on the two thematic areas of concern for the trip, i.e., business registration streamlining, investment planning and promotion.

She noted the accomplishments of the three partner cities in terms of streamlining their business registration processes, especially for renewals. She showed relevant statistics in 2012 and 2013 to demonstrate the reforms instituted and the impact that were generated through these reforms.

Mr. Nick Agustin then proceeded to facilitate the sharing and discussion of learnings and insights from the participants. For the participants from Batangas City, they shared their “aha” moments, stressing the need for the following: (a) urban planning which involves integrated planning and engineering; (b) infrastructure preparedness of the city so that it can link with other areas, thereby increasing its level of competitiveness; (c) more proactive revenue generation activities; and (d) skills development for the city’s human resources to ensure adequate labor supply for the industry drivers of the city.

For Iloilo City, the following needs were noted: (a) integrated transport planning; (b) protection against ground water extraction; and (c) proactive investment promotion.

For Cagayan de Oro, the insights shared include: (a) the value of IT for process reforms; (b) the necessity of starting with a “vision;” (c) the need for a focused leadership in doing things and in improving the competitiveness ranking of the city; and (d) the need to determine and define the city competitiveness level.

National government agency partners shared the following insights and “aha” moments: (a) agencies visited are at “war” – we are running, they are leap frogging; (b) they are focused on 3 areas – starting a business, getting credit, and protecting investors; and (c) the need for consistency in the level of performance, from setting a vision to implementation and seeing the realization of the vision.

Mr. Nick Agustin also facilitated the presentation of reform areas or possible actions which the cities could implement based on their learning on the exposure trip and then administered the post-activity evaluation.

Mr. John Avila provided the closing message. He thanked the participants for their active participation during the agency discussions and visits. Specifically, he pointed the need to pursue the areas for reform and possible actions that the cities could implement for the remaining months of the INVEST Project. He expressed his support even beyond the life time of the Project through other initiatives of the USAID such as the CDI.

**PROPOSED REFORMS AND  
POSSIBLE ACTIONS  
OF PARTNER CITIES**

**Reform Title: Revisiting the Master Plan**  
**City: Batangas City**

Reform Champion:	Engr. Sonny Godoy, the CPDO
Impact Groups:	
Specific actions needed to facilitate the implementation of reform:	<ul style="list-style-type: none"> <li>➤ Create a new business hub</li> <li>➤ Review &amp; strengthen the Local Investment Incentives Code, the Land Use Plan, and Investment Planning</li> <li>➤ Market the city by encouraging neighboring municipalities</li> <li>➤ Land acquisition</li> <li>➤ Send representative/s to URA for five (5) days</li> </ul>
Timetable for the implementation of specific actions:	For discussion
Person or unit at the local government responsible & accountable in making things happen	<ul style="list-style-type: none"> <li>➤ City Environment and natural Resources Officer (ENRO)</li> <li>➤ City Engineer's Office</li> <li>➤ City Disaster &amp; Risk Reduction Management Office</li> </ul>

**Reform Title: Infrastructure Improvement**  
**City: Batangas City**

Reform Champion:	Engr. Adela Hernandez, City Engineer
Impact Groups:	For discussion
Specific actions needed to facilitate the implementation of reform:	<ul style="list-style-type: none"> <li>➤ Have alternative routes</li> <li>➤ Acquire &amp; construct properties that can be sold to private sector</li> <li>➤ Finance the infrastructure project/s through bond quotation</li> </ul>
Timetable for the implementation of specific actions:	
Person or unit at the local government responsible & accountable in making things happen	<ul style="list-style-type: none"> <li>➤ City ENRO</li> <li>➤ City Planning and Development Office</li> <li>➤ Local Economic and Investment Promotion Office (LEIPO)</li> </ul>

**Reform Title: Revenue Generation****City: Batangas City**

Reform Champion:	Ms. Tess Geron, City Treasurer
Impact Groups:	
Specific actions needed to facilitate the implementation of reform:	<ul style="list-style-type: none"> <li>➤ Review, amend and revise, as well as implement the assessment of real property tax</li> <li>➤ Finance the infrastructure project/s through bond floatation</li> </ul>
Timetable for the implementation of specific actions:	For discussion
Person or unit at the local government responsible & accountable in making things happen	<ul style="list-style-type: none"> <li>➤ City Assessor's Office</li> <li>➤ Business Permits and Licenses Office (BPLO)</li> <li>➤ LEIPO</li> <li>➤ Local Finance Committee</li> </ul>

**Reform Title: Education & Labor****City: Batangas City**

Reform Champion:	To be determined
Impact Groups:	
Specific actions needed to facilitate the implementation of reform:	Lining up education through our labor skills
Timetable for the implementation of specific actions:	For discussion
Person or unit at the local government responsible & accountable in making things happen:	To be determined

**Reform Title: Preparation for Full BPL System Automation**  
**City: Iloilo City**

Reform Champion:	City Mayor
Message:	Automate BPL
Impact Groups:	Business Permit Applicants
Specific actions needed to facilitate the implementation of reform:	<ul style="list-style-type: none"> <li>➤ Advocate need to automate</li> <li>➤ Design system and work structure</li> <li>➤ Identify financing schemes</li> </ul>
Timetable for the implementation of specific actions:	Feb 21 – Aug 31
Person or unit at the local government responsible & accountable in making things happen:	<ul style="list-style-type: none"> <li>➤ LEIPO</li> <li>➤ BPLO</li> </ul>

**Reform Title: Public Transport-Based Urban Transport Plan**  
**City: Iloilo City**

Reform Champion:	City Mayor
Message:	Seamless public transport
Impact Groups:	Motorists and riding public
Specific actions needed to facilitate the implementation of reform:	<ul style="list-style-type: none"> <li>➤ Situational analyses (studies and surveys)</li> <li>➤ Harmonize with DOTC planning</li> <li>➤ Print the plan</li> </ul>
Timetable for the implementation of specific actions:	Feb 21- Oct 25
Person or unit at the local government responsible & accountable in making things happen	<ul style="list-style-type: none"> <li>➤ CPDO</li> </ul>

**Reform Title: Groundwater Resources Management**  
**City: Iloilo City**

Reform Champion:	City Mayor
Message:	Protect the groundwater
Impact Groups:	Residents and visitors of the city
Specific actions needed to facilitate the implementation of reform:	<ul style="list-style-type: none"> <li>➤ Situational analyses (ground-water mapping)</li> <li>➤ Legislate for protection zone</li> <li>➤ Integrate into Environment Code revision</li> </ul>
Timetable for the implementation of specific actions:	Feb 21 – July 15
Person or unit at the local government responsible & accountable in making things happen	<ul style="list-style-type: none"> <li>➤ City ENRO</li> </ul>

**Reform Title: Full Automation of ISSP****City: Cagayan de Oro City**

Reform Champion:	City Administrator Wilma Rugay
Message:	Full automation of ISSP for Ease of Doing Business
Impact Groups:	Investors/Businesses ES/SMEs
Specific actions needed to facilitate the implementation of reform	<ul style="list-style-type: none"> <li>➤ Completion of ISSP</li> <li>➤ Enhancement of City Government Web Page</li> <li>➤ Establishment of IT Office</li> </ul>
Timetable for the implementation of specific actions	September-October 2013
Person or unit at the local government responsible & accountable in making things happen	<ul style="list-style-type: none"> <li>➤ IT Administrator HRMO Norman Bala</li> <li>➤ IT Unit constituted through an Executive Order</li> </ul>

**Reform Title: Metro CDO Master Planning****City: Cagayan de Oro City**

Reform Champion:	Promote CDO Chairman Ruben Vegafria PIA Administrator Leo Tereso Magno
Message	Concept of Metro Cagayan de Oro Master Planning
Impact Groups	CdeO and neighboring LGUs in Misamis Oriental from Jasaan to Laguindingan and Manolo Fortich, Talakag & Baungon in Bukidnon
Specific actions needed to facilitate the implementation of reform	<ul style="list-style-type: none"> <li>➤ Meeting with various stakeholders</li> <li>➤ Drafting and finalization of concept paper</li> <li>➤ Presentation of concept paper to CDI</li> </ul>
Timetable for the implementation of specific actions	April to August 2013
Person or unit at the local government responsible & accountable in making things happen	<ul style="list-style-type: none"> <li>➤ CPDC Engr. Isidro G. Borja</li> <li>➤ LEIPO Estrella F. Sagaral</li> </ul>

**Reform Title: Reforms on Inspection**  
**City: Cagayan de Oro City**

Reform Champion:	City Treasurer Marilyn Legaspi
Message:	Inspection Reforms
Impact Groups:	Investors, Businesses, SMEs
Specific actions needed to facilitate the implementation of reform	<ul style="list-style-type: none"> <li>➤ Meeting with inspection team</li> <li>➤ Agreement on Areas of Reforms <ul style="list-style-type: none"> <li>• Grading</li> <li>• Schedule of inspection</li> </ul> </li> <li>➤ Work on legislative action/s needed</li> </ul>
Timetable for the implementation of specific actions	April to August 2013
Person or unit at the local government responsible & accountable in making things happen	<ul style="list-style-type: none"> <li>➤ City Treasurer Marilyn Legaspi</li> <li>➤ City Health Officer Dr. Jerry Calingasan</li> <li>➤ Engr. Isidro Obligado</li> </ul>

**Reform Title: Investment and Business Climate Advocacy**  
**City: Cagayan de Oro City**

Reform Champion:	Promote CDO Chairman Ruben Vegafria Citizens Commission Reuben R. Canoy
Message:	Investment/Business Climate Reform Advocacy
Impact Groups:	Investors, Businesses, SMEs
Specific actions needed to facilitate the implementation of reform:	<ul style="list-style-type: none"> <li>• Meeting of Citizens Commission with Business Organizations</li> <li>• Identification of action areas</li> <li>• Advocacy on reforms with LGU and NGAs</li> </ul>
Timetable for the implementation of specific actions:	Starting July 2013 and to continue for as long as necessary
Person or unit at the local government responsible & accountable in making things happen:	LEIPO Estrella F. Sagaral

# **EVALUATION RESULTS OF SPECIFIC AGENCY VISITS**

## **Consolidated Agency/Activity/Session Evaluation<sup>1</sup>**

This section of the report merely lists down the responses of the participants to the survey questionnaire en toto, without processing.

### **1. Standards, Productivity and Innovation for Growth (SPRING) Singapore**

No. of evaluation sheets returned: 18

#### **Session Evaluation**

<b>Evaluation Dimension</b>	<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Agree</b>	<b>Strongly Agree</b>
The topics discussed were relevant to the situation of my city		1	3	14
The resource persons were knowledgeable about the topic			5	13
The venue was accessible and appropriate			4	14
The time allotted for the activity was adequate			7	11
The activity provided sufficient information and other relevant information to support reforms in my city			8	10

#### **a. What was the best aspect of the activity (agency visit)? Why?**

- The use of information and technology, integration of services
- The clear delineation of roles and responsibilities among agencies
- The choice of system and technology to be adopted should be based on human resource capability and competence and financial resources
- Demonstration of the OBLS – experience of a future BPLS online process that the city can emulate
- Lessons learned during the development of EnterpriseOne – suggests possible risks that can be avoided or minimized
- This is the most advanced licensing system that started from a manual one in 2004. It is encouraging that cities in the Philippines can start simply but still aim high and follow a similar system.
- Business permit is detached from the licensing aspect; thus, reducing steps in the process
- Online process is very effective but limited by financial resources and data availability at the LGUs
- Question and answer portion where Philippine participants were clarified on certain issues regarding the establishment of the OBLS, its challenges and strengths
- Benchmarking with Singapore's OBLS is a good investment and learning about the strong participation of the business/private sector in the improved

<sup>1</sup> From the responses of participants

business climate of Singapore makes us feel confident about a similarly-set business environment

- It has shown that things could be acted upon but still subject to the completeness of documents submitted
- Being able to relate their functions and operations to our city and how we can replicate the good practices and avoid mistakes
- Realization on how to implement the same
- The best aspect of the activity during our visit to SPRING Singapore is that we were able to interact with each other and the Q and A really helped us and gave us ideas on what we could possibly do in our office; the OBLS is now clear – how it works and how it could be done in our city
- When the OBLS was discussed - since our city is on its way and preparing to have online transactions, it is very appropriate and relevant
- The actual applying of licenses at BPLS
- OBLS – easy to apply and access through EnterpriseOne
- Presentation of the OBLS
- The best part of the presentation was about the OBLS – this opened my eyes to the possibilities of a web-based system and the advantages it may bring; it also made me realize though that our city's system really needs an immediate uplift
- Showcasing the registration of businesses online – this is what we are hoping and planning to do in the future as part of the streamlining process
- The presentation on the role of the agency and the interaction between the speakers and the participants to clarify some issues
- Fruitful communication and interaction
- OBLS – very good model for one stop business registration
- EDC – partnership between government and private sector on SME assistance
- Knowing the online system they are implementing and it works

b. What part of the activity (agency visit) needs improvement?

- None
- A visit to other EDCs will greatly help the participants in understanding the extent of partnerships operating under their scheme
- Allocation of more time
- More time with agencies for discussion
- Since the SPRING Singapore is only in-charge of the registration, it is not the whole process – maybe if we were able to meet those who are really involved in business permitting then we could possibly see and compare their process with ours, from registration to payment up to the releasing of permits
- When they were asked about the processing of business permits with regards to the steps and fees, they were not really able to provide answers
- Hope we were all seated together
- Perhaps the time allocated but generally I am impressed with what I have learned about the agency's objectives and functions

c. Other comments:

- Thank you USAID INVEST Project for this Exposure Trip and Study Tour. You guys are the BEST!

## 2. InfoComm Development Authority (IDA)

Number of evaluation sheets returned: 18

### Session Evaluation

Evaluation Dimension	Strongly Disagree	Disagree	Agree	Strongly Agree
The topics discussed were relevant to the situation of my city		2	5	11
The resource persons were knowledgeable about the topic		1	1	16
The venue was accessible and appropriate			4	14
The time allotted for the activity was adequate		1	6	11
The activity provided sufficient information and other relevant information to support reforms in my city		1	8	9

#### a. What was the best aspect of the activity (agency visit)? Why?

- I like the idea of having a champion agency just like the IDA in an organization and for the city; that will help us attain our goal and will lead us in the right direction when it comes to information technology – I think that is exactly what our office and city needs
- The relevance of having a master plan starting from computerization until creation –having a plan, alongside competencies and capabilities, will help determine relevant accountability
- We had a very healthy discussion
- Before doing anything, have a master plan first, then other aspects will follow – being number 1 in ease of doing business for the past five years is not easy to do
- The knowledge, expertise and the motivation of the IDA top officials
- I was able to learn about the importance of e-governance, the presentation reinforces the realization that our processes need a re-assessment
- Showing the importance of an ICT department in every locality as a means of achieving competitiveness and as a tool for making things easier in the different programs and projects being implemented
- The presentation of the topics, the roles and functions, and the Q and A portion enlightened me on some concerns
- Expertise of Singapore bureaucracy
- Realization on the critical need for planning for infocomm development and management
- Need for strong collaboration among all government entities involved
- Careful planning would lead to successful implementation by an out-sourced agency in various IT projects, because these are better off outsourced
- Planning is a very important aspect in a project – before its implementation

- One-on-one discussions with key officers who stressed the importance of the completeness of documents before transactions for overseas investments are made
  - Infocomm is important to business transactions in my city, because applicants and investors are not used to preparing their own corporate and professional portfolio when engaging clients into potential jobs or contracts
  - The value and importance of data and information management if you need a vibrant InfoComm system
  - Emphasis on master planning to provide clear goals and targets for public and private stakeholders
  - The Singapore government being operated like a corporation and having a private sector partner to undertake other activities – this modality can be done by the LGUs as provided in the local government code
- b. What part of the activity (agency visit) needs improvement?
- None
  - Local approach shall be considered
  - I would like to be provided with copies of the presentation; also, the venue of the presentation was rather cramped as there was not enough space for all the participants
  - The allocation of more time for the visit since the topic is interesting and related to present and future global issues; almost all aspects of development all over the world are anchored on the IT industry
  - Allocation of more time for discussions and more literature and reading materials to support the discussions
  - Prior check on exact location of the agency to be visited
  - Get copies of presentation materials
  - A discussion on how the IDA's plan versus the Singapore Master Plan, to see the interdependencies
- c. Other comments:
- Ma'am Ofie, Sir Nick, Sir John, Sir Mon: Sobrang Thank You po sa inyong lahat... Ang dami pong nagawang pagbabago sa Batangas City... =) (*"Thank you for everything, there are so many changes happening in Batangas City"*)

### 3. Urban Development Authority (URA)

Number of evaluation sheets returned: 18

#### Session Evaluation

Evaluation Dimension	Strongly Disagree	Disagree	Agree	Strongly Agree
The topics discussed were relevant to the situation of my city			11	7
The resource persons were knowledgeable about the topic			3	15
The venue was accessible and appropriate			4	14
The time allotted for the activity was adequate		4	6	8
The activity provided sufficient information and other relevant information to support reforms in my city		3	7	8

a. What was the best aspect of the activity (agency visit)? Why?

- Planning processes of Singapore
- Insights into Metro CDO planning
- All the local governments in the Philippines utilize urban planning but not to the extent that it is practiced in Singapore; we admire the long-term focus and attention to detail devoted to the plans
- Concept plan and the Master Plan of the city and the success of its implementation
- Interaction between the agency and the team and sharing what they had done to make it happen
- We were able to visit the library and get some reading materials for enlightenment
- Total discussion of how Singapore started and how it is continually redeveloped – this is also possible in Philippine cities considering areas of informal settlers and what are being done in places where major government projects are intended
- Continuous redevelopment is essential for sustained economic growth and we should consider this strategy of Singapore
- Chance to visit the URA library where I was able to gather some literature and reading materials on heritage conservation, park redevelopment, urban design, among other topics
- Having a master plan and a long-range planning design of what they want Singapore to be; with this, they can project what they need or what should be done in order to make their plan into a reality
- Master planning Singapore experience – how they were able to implement and sustain the momentum
- URA's mission to make Singapore a great city to live, work and play in; it brings jobs closer to homes.
- The presentation of the new Singapore is truly informative and gives a clear picture on how Singapore was re-developed; they make the most effective uses of limited land – Batangas has so many resources so we must turn our

plan of a livable and green environment into a reality by learning from Singapore's good urban design

- The sharing of the expertise was so good
- I think what is most important in the topic is the “distinctive” Singapore and how it will be done
- Long-term planning to include factors affecting the short-term and long-term objectives
- Participation of all stakeholders in the planning process
- Regular review and updating, continuity and adjustment of strategies
- The mission and vision of Singapore were very clear and understood by the stakeholders
- The political will of the leaders was firm and focused on urban transformation and the development agenda of the state
- The vision to make Singapore a “Quality City”

b. What part of the activity (agency visit) needs improvement?

- None
- The time allotted for the activity was inadequate
- Discussion should have focused on relevant issues like for the promotion and marketing of tourism
- More reading materials should have been provided
- Visit to technical sections of the agency deeply involved in urban planning
- There should have been a more focused discussion on more relevant issues like how promotion and marketing is being undertaken for tourism and its allied sectors
- More literature and reading materials should have been provided
- The time allotted for the visit is limited. It is insufficient for a very important subject like urban development and land use planning but personally, I am impressed and dreaming that my city be transformed into the way Singapore has been
- Longer time
- There should be enough time since the topic is really of great relevance
- More participation from the process

#### 4. Hawker Center Division/National Environment Agency (HCD/NEA)

Number of evaluation sheets returned: 18

##### Session Evaluation

Evaluation Dimension	Strongly Disagree	Disagree	Agree	Strongly Agree
The topics discussed were relevant to the situation of my city		1	6	11
The resource persons were knowledgeable about the topic			6	12
The venue was accessible and appropriate		1	4	13
The time allotted for the activity was adequate		4	6	8
The activity provided sufficient information and other relevant information to support reforms in my city		1	7	10

- a. What was the best aspect of the activity (agency visit)? Why?
- Relocation of hawkers from 1960s to present
  - The solutions employed to solve the hawkers' dilemma are all eye openers – these can and should be done in Batangas City and I am certain that if the Singapore model is followed, it will be successful in other localities
  - Objectives for the development of hawker's centers
  - Potential solutions to the current situation of the city in terms of informal food vendors
  - Use of demerit point system in the licensing process
  - Strict implementation and monitoring of regulations and policies since Singapore has a clear and established sanitation regulation ordinance
  - Use of PDAs in the inspection
  - Inspection fees are uniform regardless of grade and frequency of visits to establishments
  - The PDS grading system
  - Permitting of food establishments
  - There is a critical processing of permits, including inspections, which lasts up to 3 weeks
  - On-the-spot inspections and no-renewal inspections just like Iloilo
  - The presentation of the topic by the speakers and the Q and A portion which further clarified some issues and concerns of the participants
  - The information given that all requirements should be complied with first prior to issuance of licenses because public safety and public health are of utmost important to them – they would not compromise the general welfare of their population
  - Discussion on surveillance and inspection, use of PDA and PDS grading
  - Managing the food hygiene of the markets and hawkers centers in Singapore can be a good example which our cities can implement since in Batangas there are a lot of street vendors and if the government wants to help these vendors and also the customers, the hawkers should be situated in organized places just like here in Singapore – government controls and regulates their operations so that they will be able to meet their targets on the quality they want these operators to achieve
  - Demerit system
  - How they were able to enforce the fines and the point demerit system.
  - Agency interaction!
  - Their relocation program was effective, hawkers were regulated effectively
  - Open discussion on the concept of a government-run hawkers' centre – this is a potential service that my city government can provide to local micro business entrepreneurs and informal business operators
  - Resettlement of street hawkers – this is a timely learning that can help in passing policies and designing plans and programs for the resettlement of our own informal businesses in certain areas in the city
  - NEA develops initiatives and programs through its partnership with people and the public and private sectors; it builds strong networks among them and enhances their pro-environmental mindset
  - Grading system motivates stallholders to improve on their personnel food hygiene practices and to keep their premises clean

b. What part of the activity (agency visit) needs improvement?

- None
- The time devoted to this activity is short
- More time for Q and A
- More chance to participate
- More time for an on-site visit of a government-operated hawkers' center
- Perhaps time management and possibly an actual tour of hawkers areas, both privately owned and government owned
- Actual visit to a hawkers' center
- I think there should be enough time to discuss further the hawker centers in Singapore
- Time should have been effectively allocated, it was not enough
- Interaction with presentors should have also been given ample time
- More reading materials or e-copies regarding the topics presented should have been distributed.

**5. National University of Singapore/Lee Kwan Yew School of Public Policy (NUS/LKY-SPP)**

Number of evaluation sheets returned: 10

**Session Evaluation**

<b>Evaluation Dimension</b>	<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Agree</b>	<b>Strongly Agree</b>
The topics discussed were relevant to the situation of my city		1	1	8
The resource persons were knowledgeable about the topic		1	1	8
The venue was accessible and appropriate		1	1	8
The time allotted for the activity was adequate			4	6
The activity provided sufficient information and other relevant information to support reforms in my city		1	4	5

a. What was the best aspect of the activity (agency visit)? Why?

- The visit to the school and the lecture delivered by the Professor is most helpful as his thesis may have practical applicability in our local setting; but, changes in our local leaders' mindsets must be done first since it is very difficult to remove politics from the equation
- Singapore's civil service personnel, employees and professionals have made the decision to do what is the best for their country
- Information on the scholarship offerings of the center for local government officials – this is very important because many government planners and decision-makers need some enhancement of their stock knowledge on governance, urban planning and economic development which LKY policy

center can better provide because of its international immersion and exposure to the world's varying government systems and economic policies

- The need of LGUs to be globally competitive
- The need of LGUs to know where they excel
- The need of LGUs to be visible by creating a unique branding approach to attract investors
- Strong civil service – the secret of Singapore's success
- The exchange of ideas and views provided important inputs relevant to the topic
- It emphasized the importance of local chief executives to learn the proper way of managing an LGU if they want to be, at least, a little Singapore in their locality
- Economics first, politics next – motto
- Scholarship offerings
- Sharing of the experiences of "A Filipino Faculty in Singapore"
- How the civil service in Singapore is protected by the government

b. What part of the activity (agency visit) needs improvement?

- None
- The visit to LKY policy center was a good replacement for the previous targeted visit; insights from a Filipino educator who is exposed to Singapore's business environment was a good way of showcasing Singapore and the only improvement needed here is probably an expanded time for interaction
- It was just fine since this activity or visit was not really a part of the itinerary, nevertheless it was successfully completed
- A prepared lecture may have added value to the visit
- More time
- I think there should be a specific topic relative to the reason on why we visited here

c. Other comments:

- Congratulations and thanks a lot to the Project INVEST/USAID People

## 6. PEMUDAH

Number of evaluation sheets returned: 20

### Session Evaluation

Evaluation Dimension	Strongly Disagree	Disagree	Agree	Strongly Agree
The topics discussed were relevant to the situation of my city		2	7	11
The resource persons were knowledgeable about the topic		1	3	16
The venue was accessible and appropriate		1	4	14
The time allotted for the activity was adequate		1	11	8
The activity provided sufficient information and other relevant information to support reforms in my city		2	9	9

- a. What was the best aspect of the activity (agency visit)? Why?
- PEMUDAH structure – government leadership through the Chief Secretary and strong private sector involvement, especially foreign investors, which suggests a way for city to move forward with reforms
  - Local governments or states have their own PEMUDAH
  - The readiness and support of the government to accept and adopt the advocacy of PEMUDAH
  - The unique role of PEMUDAH in helping business development
  - The strength of PEMUDAH to survive and surmount political affiliations and pressures
  - A very clear mandate and the distinct role of PEMUDAH contributed to its effectiveness in the areas of transparency, accountability, and good governance
  - Their structure is also like that of Philippines' SEC and DTI at the national level
  - Interaction with key officials – good source of reliable information
  - Distribution of related material and literature – good information materials that can be used for future reference
  - I like the idea of having a chamber both for the government and private sector just like PEMUDAH because it is important to have private-public collaboration to better improve the business climate of Batangas City; it is important to hear what the private sector says so that both will work hand in hand to achieve a common goal
  - Efficiency issues – making government delivery easy and among the best in the world
  - Social issues – for safety and security of the civil servants
  - Knowing that the partnership between the public and private sectors is being given importance and letting the private sector help in the different programs or projects that would be implemented – this is really a partnership and not the private sector expecting that everything should be done for them and always asking for assistance from the government, like the local scenario in LGUs
  - The open forum since it provided me more insights as to how Malaysia got a high rank in doing business reports
  - Gave me the impression that they are really dead serious in doing their business survey
  - How such PPP is carried out to push new legislation that would enable a zero corruption in business operations
  - Very open discussion
  - Mandate given to a single agency - clear and with proper authority
  - Value of re-engineering and regular review
  - Vertical and horizontal coordination
  - Comprehensiveness of business indicators
  - Public and private collaboration is very important in nation building; I have come to realize that putting up the Iloilo City trade and investment board is the right decision

- We have seen the seriousness of the private sector at PEMUDAH; it has given me a big chance to work harder to achieve the agenda of the investment board
  - We have to restructure the organizational set-up of our investment board so that it becomes more like that of PEMUDAH, in order to be more effective in the delivery of services to the people
  - What really proved to be interesting is their reliance on new technology to improve their efficiency; the increased use of computer-based applications and automation should be looked into by all government units
  - The presentation of the topic particularly the role of PEMUDAH, which further made me understand how it functions as business facilitator
  - Public-private sector collaboration, presence of the head of the secretariat
  - PEMUDAH structure and organization – maybe replicated at city level
  - Promoting the environment for business
  - How to involve the private sector in business planning
- b. What part of the activity (agency visit) needs improvement?
- None
  - PEMUDAH and SSM complementation is quite complicated
  - Their presentation does not mention small and medium enterprises
  - The agency visit went well
  - Process of bringing these to the local government units
  - Visits should have longer days
  - Well, the activity was satisfactorily and efficiently carried out
- c. Other comments:
- Congratulations to INVEST people.

**7. Suruhanjaya Syarikat Malaysia (SSM)**

Number of evaluation sheets returned: 19

**Session Evaluation**

<b>Evaluation Dimension</b>	<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Agree</b>	<b>Strongly Agree</b>
The topics discussed were relevant to the situation of my city		2	7	10
The resource persons were knowledgeable about the topic		1	1	17
The venue was accessible and appropriate		1		18
The time allotted for the activity was adequate		2	7	10
The activity provided sufficient information and other relevant information to support reforms in my city		1	6	12

a. What was the best aspect of the activity (agency visit)? Why?

- The interaction and open discussion with the presenter
- Strategies and approaches that we can use as models were discussed
- The SSM is not just concerned with the ranking of Malaysia in doing business surveys but is also really trying to make Malaysia be the best that it can be, not just in ranking but in reality; since SSM regulates the companies and businesses by ensuring their compliance to sustain positive developments, I think the use of e-services, particularly the myCoID, will be helpful to Batangas City
- Registration, service provider efficiencies and service delivery in the ease of doing business – they ranked number 12 in WB and have just three steps for the entire business registration process
- They acknowledged that there are still more improvements that have to be done in order to facilitate the ease of doing business in Malaysia – this gives the Philippines a small chance to implement some measures to improve its own ranking
- Open forum
- Lunch hosted by SSM
- The SSM group seemed to be very organized and very warm, too – plus the tokens they gave were highly appreciated
- Powerpoint presentation and interaction with key officers – these gave the participants clearer view of SSM's programs and services
- Additional handouts and literature – provided participants a more comprehensive view of the SSM
- Able to know how the SSM managed such huge business enterprises; the discussion on the limited liability partnership, which is a new paradigm in business re-entry, can be looked into within the Philippine context
- To know that they have an agency that looks over business development, which is a way to ensure growth and sustainability of businesses in Malaysia and also results in high success rates among businesses and in overall economic growth
- SSM works like the SEC and DTI combined
- All business registration processes lodged in one agency; relevant data (such as social security and inland revenue) pushed to other agencies; use of one business ID number with barcodes
- The difference between SSM of Malaysia and SEC of the Philippines
- SSM prescribes authorized capital start-ups with specific rates, it does not require paid up capital in the registration
- Mandatory requirement of all companies and businesses to register with SSM as a single entity and first step agency, hence, government knows in an instant the total number of businesses registered, including the individual business profile, location and size
- The web-based system of the SSM may find some useful applications in local governments
- The effective presentation of the topic by highly knowledgeable resource persons
- The information given and the accommodation and hospitality of the SSM

- Better consolidation of business and company registration processes through a very convenient and efficient one government entity
- Exposure of the 3 cities to SSM – a key driver in promoting Malaysia as a preferred business destination and the importance of “ease of doing business” in attracting businesses

b. What part of the activity (agency visit) needs improvement?

- None
- A sample of their e-services and more examples of collaboration on business licensing
- Time management
- Participation of some of the Philippine delegates in the discussion.
- SSM works as Philippine SEC; a municipal approach of business permitting might be considered so as to adopt to the same level of government
- Perhaps, the time allocated for the visit

c. Other comments:

- Kudos SSM! You were very accommodating. We, Filipinos, should follow what they did in terms of welcoming their visitors.
- The agency was generous enough to host the lunch for the participants – impressive.

**8. Malaysian Investment Development Authority (MIDA)**

Number of evaluation sheets returned: 19

**Session Evaluation**

<b>Evaluation Dimension</b>	<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Agree</b>	<b>Strongly Agree</b>
The topics discussed were relevant to the situation of my city		1	6	11
The resource persons were knowledgeable about the topic		1	1	16
The venue was accessible and appropriate		1	2	15
The time allotted for the activity was adequate		1	5	12
The activity provided sufficient information and other relevant information to support reforms in my city		1	8	9

a. What was the best aspect of the activity (agency visit)? Why?

- Interaction with MIDA officials – gave the participants additional insights on MIDA’s services
- Sharing of MIDA’s core functions
- Acts as a one-stop center, including immigration and customs services
- Agency responsible for image building for investment promotion

- One huge department with some functions we can replicate in our LGUs
- It has shown how an agency can be a one-stop shop center, how it makes it easier to conduct business in a government agency, and how good such an approach is for investors
- They showed their strategy of doing trips to foreign lands to convince investors why Malaysia is the best site for their investment, with more of a face-to-face interaction
- Open forum
- Visit to their investment processing office
- MIDA assists companies that intend to invest in the manufacturing and services sectors, as well as facilitates the implementation of their projects, easily attracting investors
- The functions of MIDA would really be applicable to Batangas City, especially now that we have our local economic and investment promotion office (LEIPO); what we have learned and seen physically would better improve the LEIPO and serve as a guide to improve and encourage investors to come and invest to our city – we just need to put into action what we have planned and think of possible ways to improve what we have right now
- The complementation strategy of MIDA to the Local Investment(s) Development Authority
- A fully structured organization supported by government and is globally driven in its pursuit of helping Malaysia move on forward
- 15 to 20 trade missions per year is outstanding!
- More focused specific and targeted missions are done both on foreign and domestic direct investments
- Partners in investment promotion are identified according to business interest, location and core industry profile
- The most important aspect of the trip is to get the best practices that we can get from the visited country and organization
- The investment center in MIDA was well organized and the officers were very knowledgeable with their work that we got some ideas for promoting investments
- We got some ideas on the tools and materials in promoting investment; trade missions are also very important in promoting investments
- The processes and systems discussed will be of great help for our local investment office – if followed, the procedures will help any business person, from the moment an inquiry about opportunities is made to the time of actual operations
- The presentation of the topic enlightened me regarding some concerns and issues in investment planning and promotion, the open forum activity was also informative
- Investment operation activities and coordination with federal offices – primary investment promotion arm of Malaysia – presence in several countries
- Facilitation is a good incentive for investors
- Learning about their business formation activities

b. What part of the activity (agency visit) needs improvement?

- None

- A sample template of the parameters they consider in assessing the readiness of the local area
- Longer discussion and dialogue with the organization that we visit to get an in-depth knowledge on how they operate their organization

c. Other comments:

- Everything went well.
- They are very accommodating! =) (MIDA)
- The activity was satisfactorily undertaken. Thanks again to USAID/INVEST people.

9. **Perbadanan Putrajaya (PPj)**

Number of evaluation sheets returned: 20

**Session Evaluation**

<b>Evaluation Dimension</b>	<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Agree</b>	<b>Strongly Agree</b>
The topics discussed were relevant to the situation of my city			6	14
The resource persons were knowledgeable about the topic			3	17
The venue was accessible and appropriate			2	18
The time allotted for the activity was adequate		1	3	16
The activity provided sufficient information and other relevant information to support reforms in my city			8	12

a. What was the best aspect of the activity (agency visit)? Why?

- The good presentation of the topics by the senior official – reliable information that also surfaced out of the speaker’s personal insights
- Powerpoint presentation on development plan using maps and images was a more interesting way of showing the participants the long term and short term plans to establish Putrajaya as the next capital city
- As an environment officer, the greening initiatives of Putrajaya is the best part of the discussion
- Open discussion during the presentation
- Open forum
- Total development with holistic approach including the environment
- Streamlining the construction permitting system is a significant change
- The area was totally developed under one contractor, so it wasn’t hard to have it done uniformly. There were also a lot of greenery in the area, making it environment-friendly.

- We have seen the well-planned government administrative city of Malaysia and we plan to put up a small one like this in Iloilo City.
- We are very pleased with the processing of the construction permits in Putrajaya and plan to review our own process and make some improvements.
- We got some forms and materials from the construction permit officers and plan to copy some the forms to improve our services.
- Being able to see Putrajaya was truly an “aha” moment for me; it does tell us the importance of Urban Planning, political will and revenue generation.
- Batangas City should first analyze its capability and think of laying the foundation now so that opportunities will follow... and something huge will happen to the City! =)
- The tour of Putrajaya was nice; the place was a showcase of the vision of it becoming the capital city of Malaysia in 2020 and serves as their driving force to improve their services.
- The lecture complete with tour
- The presentation of the development of the Putrajaya Administrative Center was really impressive and informative, especially the guided tour around the complex.
- The Garden City has developed parks, lakes and wetlands, government offices, commercial and residential areas.
- The competitive advantage of Putrajaya is the financial support of Putrajaya Holdings, Inc. and the construction of government offices, commercial areas, residential premises and main infrastructure.
- A well-studied master plan was in place before any development was made; hence, the city is well designed with uncluttered urban areas, with lots of green, open spaces, parks and lakes. – 40% of the whole area is reserved for natural green.
- The Putrajaya presentation highlighted the need for master planning – what could be put to actual use in our local government is the “building control” function of master planning.
- Deliberate effort to create an ideal center for government business
- The whole place is amazing – the experience of being able to see Putrajaya and know how it was developed is the best.
- Learning about concept planning and the importance of master planning and enforcing the plan

b. What part of the activity (agency visit) needs improvement?

- None
- Participants should have been encouraged to actively engage in discussions
- The data dealing with their construction permit has a long process; it takes 30 days which is quite long
- Need to have at least 2 colleagues from our investment board
- The time was too brief for lunch

c. Other comments:

- Well, the activity was perfectly done, particularly the coordination and time management. Congratulations and thank you very much once again to the USAID/INVEST people for doing such a great job.

## 10. Port Klang Authority (PKA)

Number of evaluation sheets returned: 20

### Session Evaluation

Evaluation Dimension	Strongly Disagree	Disagree	Agree	Strongly Agree
The topics discussed were relevant to the situation of my city		3	12	5
The resource persons were knowledgeable about the topic		1	10	9
The venue was accessible and appropriate		1	10	9
The time allotted for the activity was adequate		1	11	8
The activity provided sufficient information and other relevant information to support reforms in my city		2	13	15

#### a. What was the best aspect of the activity (agency visit)? Why?

- The video presentation gave participants a more enhanced presentation of Port Klang's background and existing services.
- The situation of Port Klang is very different from the situation of Batanags Port.
- Privatization efforts for port management and services because of costs and competency services requirement
- Gracious host
- Port Klang Development Plan for 2010-2030 – the Master Plan
- It was a sea business of Klang City
- The function of Port Klang which analyzes the trends and forecast to ensure supply driven facility
- Batangas City should find a way to utilize the Port of Batanags because many opportunities knock and we shouldn't let everything slip away - Batangas Port can be progressive as Port Klang.
- The vision of the port to have an efficient and well-developed transport system, being the local center of the activities
- The tour visit of the port
- The informative presentation of the roles, structure and services of Port Klang
- Port Klang Authority showcases the successes of private sector management in government-owned or controlled corporations; their knowhow was utilized to ensure the proper operations of port and terminal facilities.
- The privatization of operations and the creation of free port zones facilitate transactions
- Insights into forward planning for port development; vision and role of port planning in the country's port system

- b. What part of the activity (agency visit) needs improvement?
- None
  - A walk through across the port, as in an actual immersion, would be more informative
  - Why was the program cut short?
  - The discussion should have been managed better – the intention is for us to learn their best practice and issues internal to us should have been discussed in a different venue
  - The traffic was terrible
  - Visit to a local port
- c. Other comments:
- Well, I think it was done and accomplished satisfactorily considering the travel time. The host agency was very accommodating. Well, thanks again to the INVEST Project people who facilitated this activity.

# OVERALL EVALUATION OF THE EXPOSURE TRIP

**EXPOSURE TRIP TO SINGAPORE AND MALAYSIA ON  
BUSINESS PERMIT REFORMS AND  
INVESTMENT PLANNING AND PROMOTION**

February 14 – 19, 2013

***Consolidated Overall Evaluation<sup>2</sup>***

Evaluation Dimension/Aspect	Strongly Disagree	Disagree	Agree	Strongly Agree
<b>V. OBJECTIVES</b>				
• The objectives of the study tour were clear and specific.			2	19
• The study tour objectives were fully achieved.			7	14
<b>VI. EFFECTIVENESS</b>				
• The content of the study tour was relevant to my work.			7	14
• New information, knowledge and practices were gained from the activity.			6	15
• Topics covered in the study tour were relevant to my city.			9	12
• The resource persons were knowledgeable about the topic.			3	18
• The resource persons clearly answered questions from the participants.			5	16
• The provided documents and materials were useful and relevant to our city.			8	13
<b>VII. EFFICIENCY</b>				
• Four days were enough to cover all topics in the study tour.		1	9	11
• The organizers were very helpful and efficient.			4	17
• The logistics of the study tour were well managed.			7	14
• The venues were generally appropriate for the activity.			5	16
• Hotel accommodations were very comfortable.			9	12
• Transportation arrangements were well coordinated.			3	18
• Meals served were of good quality		1	11	9
<b>VIII. LEARNINGS</b>				
<b>On the Business Permit and Licensing System (BPLS), the study tour provided me with new knowledge on:</b>				
• Ways to streamline and meet BPLS standards/benchmarks in my city			7	14
• Institutional partnership to help improve the BPLS in my city			8	13
• Enhancing the efficiency of a Business One-Stop Shop (BOSS)			7	14
• Possible reforms on the Philippine Business Registry (PBR) system		2	11	8
• BPLS automation to significantly improve business permitting			6	15
<b>On Investment Planning and Promotion, the study tour provided me with new knowledge on:</b>				
• Strategies/ideas to promote and market my city as an investment area			8	13
• Enhancing institutional arrangements and policies as a way of improving investment environment in my city			6	15
• Institutional partners to help my city improve investment planning and promotion			8	13
• The benefits/advantages of establishing a local economic investment and promotion office or center			5	16

<sup>2</sup> From the responses of participants

Evaluation Dimension/Aspect	Strongly Disagree	Disagree	Agree	Strongly Agree
• How to set-up and manage an investment center			9	12
• The role and responsibilities of a LEIPO			9	12
• Linkage to the Philippine Business Registry (PBR) to improve investment planning and promotion		1	11	9
• Possible and appropriate investment incentives for my city			8	13

1. What do you think are the three most important aspects of the exposure trip in terms of content and program structure?
  - a. Exposure to the OBLS, MyCoID, and E-services (among others) could be very helpful, especially now that the city is thinking of and preparing for BPLS automation
  - b. The visit to URA was a wake-up call for Batangas City to revisit the Plan and pinpointed the need to also review legislation so that we can make the city an investment hub and a port city – and I think we should start now!
  - c. The whole of Putrajaya was truly impressive; honestly, Kuala Lumpur did not impress me that much until I saw Putrajaya. The visit truly gave us an idea that planning is important and putting plans into action would need political will and finances.
  - d. The scheduling and time management of the conduct of each activity
  - e. The relevance of the agencies and offices visited to the goals and objectives of the exposure trip
  - f. The networking and coordination conducted by the organizers and their being flexible enough to adapt to actual situations or changes; also the briefing and debriefing activities which were vital parts of this visit
  - g. Technology could and should be harnessed for modernization
  - h. Plan from the very start and then plan some more
  - i. Governance means that the constituents' welfare should be the primary concern
  - j. Urban planning in URA and Putrajaya
  - k. IDA system in Automation
  - l. MIDA for investment promotion
  - m. Putrajaya – a planned city
  - n. MIDA – promotion and recommendation of development
  - o. SPRING Singapore – agency under MITI for small and medium enterprises development
  - p. The visit to Singapore where we leaned about master planning
  - q. Exposure to the customer relations and one-stop shop office
  - r. Urban planning, master planning and setting a shared policy
  - s. Infrastructure support
  - t. The involvement of national government, the private sector and human resource development
  - u. Incorporating and considering green agenda and practices that would increase business and promote an effective working environment
  - v. Concerns on planning development
  - w. Ideas on how to attract future investors and the role and responsibilities of the LEIPO
  - x. Enhancing policies in improving the investment environment in the city

- y. Streamlining the business permit and licensing system without compromising public safety
- z. Importance of the private sector as partners in the governance of programs and projects – LGUs in the Philippines cannot do it on their own if we want to be at par with either Singapore or Malaysia
- aa. Urban planning sets the direction on what a local government would want to be; this would identify the present status, the deficiencies noted, and the reforms that need to be done
- bb. The hawkers can be regulated and managed effectively and be made to pay their business taxes
- cc. That a one-stop center is an effective way to make processing easy for taxpayers and encourages them to pay their taxes earlier
- dd. That a national ID system for all Filipinos can be very effective
- ee. The emphasis given to the completeness of documents as a requirement to business permit processing
- ff. The importance of a one-stop shop for investments and investors
- gg. The need to balance environment and business for a more sustainable economic development in my locality
- hh. Being able to see the initiatives of other countries in achieving efficiency in their permitting systems
  - ii. Promotions on investments and other initiatives and innovations
- jj. The importance of automation in the different aspects of business registration, permitting advocacy, and investment promotions
- kk. Investment promotion – we need to have more comprehensive plan in marketing and logistics
- ll. An investment promotion center is a must for Iloilo City, to accommodate prospective investors
- mm. Computerization of systems for business permits and construction permits should be pursued, to be more efficient in the delivery of services
- nn. MIDA – marketing strategies for possible investment
- oo. Streamlining of business permits and validation of improvements made compared to World Bank standards as presented by Malaysia
- pp. Strengthening of LEIPO partnership and adoption of the Putrajaya model
- qq. Visit to PEMUDAH/Putrajaya
- rr. Visit to SSM
- ss. Visit to MIDA
- tt. SPRING in Singapore
- uu. OBLS in Singapore
- vv. BLESS in Malaysia
- ww. PEMUDAH – public/private partnership in advocating reforms
- xx. NEA - Grading system for inspection of food-related establishments
- yy. The necessity and effectiveness of ICT (automation) and the OBLS model
- zz. The clear understanding of mission and vision of the agencies – and the focus given to them
- aaa. The absence of political intervention and the political will of the leaders in implementing programs
- bbb. Building institutional network and partners
- ccc. Having other models and an enhanced perspective, such as MyCoID, BLESS and OBLS

- ddd. Interdependency of strategies for tourism and investment, as applied to the planning and permitting processes; linkage of plans and integration to create synergy towards achieving a vision
- eee. Use of appropriate technologies versus the use of latest technology
- fff. Competence build-up to maximize the use of automated systems
- ggg. Continuous development

2. In what specific ways can future exposure trips be improved?

- a. I've attended several seminars but I guess the USAID INVEST Project has mastered everything in terms of having a trip like this. Just keep up the good work. Maraming salamat. Continue helping the three cities and if possible all the cities that need your help! =) You guys are great! Thank you USAID-INVEST Project!
- b. Perhaps other places could be considered with similar administrative and governance systems for possible easy replication. Perhaps also the length of time needed for the trip not include weekends. Thank you for this activity – especially to the INVEST staff who really extended their all-out support for the success of this wonderful and informative exposure trip. Congratulations. More power and God bless!!!
- c. The schedule was hectic. In order for the participants to absorb more, the number of activities per day could be lessened. What could be done then is to increase the number of days allocated for the entire exposure trip.
- d. Possibilities of exposing to the same level of government that have championed business permitting and investment promotion.
- e. Suggestion: avoid including weekends for exposure trips in order to shorten the trip, provided that a 5-day trip would serve in meeting the objectives of the trip. If possible, identify an agency that covers all the steps in BPLS, aside from those special agencies catering to special procedures in streamlining.
- f. Longer preparation time for the learning visit
- g. More exposure on local government initiatives of other countries that have somewhat the same characteristics as ours.
- h. We need longer days and focus only on one country so that we can have an in-depth study on a specific purpose that we need to know.
- i. None – it should be timed a year before the elections so more key players like mayors could take part in the trip.
- j. Encourage participants to maximize participation by actively participating in the open forum.
- k. No comment
- l. Pre-departure preparation and briefing
- m. Give participants assignments to enable us to present our macro (country-level) and city (micro-level) profiles
- n. Present examples or models at the local government level

## Annex 6. Study Tour in Pictures



INVEST Study Tour Delegation

### INVEST Delegation visits government agencies of Singapore



Standards, Productivity and Innovation for Growth (Spring) Singapore



Infocomm Development Authority



National Environment Agency



Urban Redevelopment Authority



INVEST Delegation met with PH Ambassador to Singapore



Dr. Ed Araral of the Lee Kuan Yew School of Public Policy shared his insights in attracting investors

### INVEST goes to Malaysia



INVEST visit to Pemudah to observe Malaysia's efforts to streamline business registration process



The delegation and hosts during the visit to Suruhanjaya Syarikat Malaysia (SSM) – a statutory body that regulates companies and businesses; which also runs the online business registration system of Malaysia



INVEST after the visit to MIDA to discuss foreign investment promotion initiatives of Malaysia



The delegation observes port management and operations of Port Klang Authority (PKA) in Malaysia



INVEST Delegation visited the city of Putrajaya - the model of city planning in Malaysia