



## "BUILDING BUSINESS – GOVERNMENT RELATIONS FOR GROWTH"

DOMESTIC INVESTMENT SEMINAR 26 JUNE 2019 KUCHING, SARAWAK





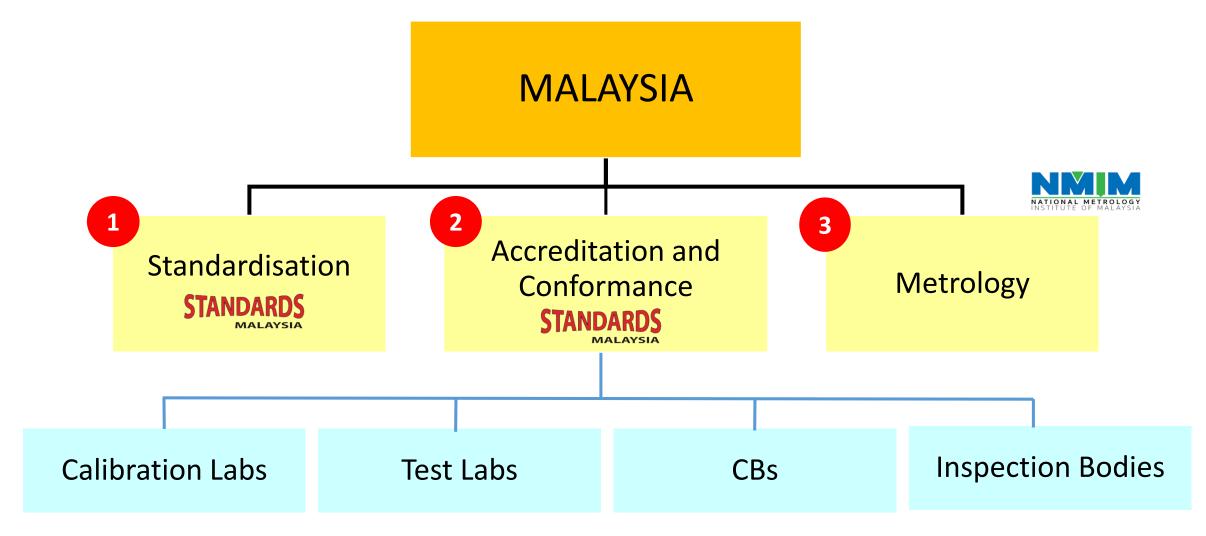
# Department of Standards Malaysia

Who we are & what we do?

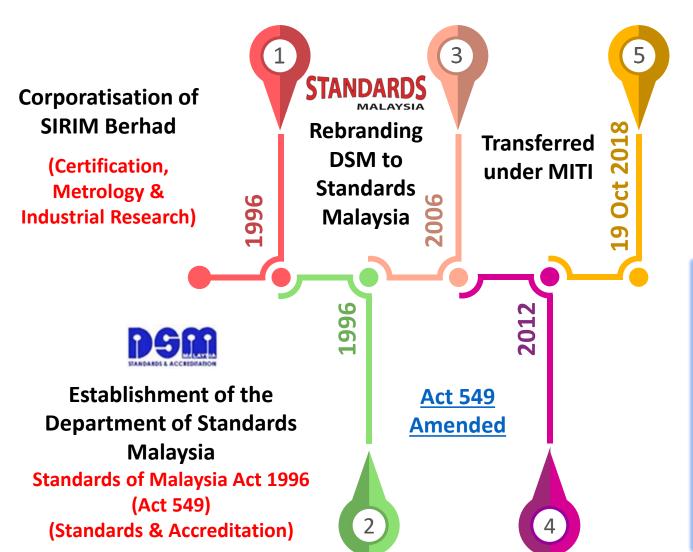
MRS. HANIZAWATI ABDUL SHUKOR
SENIOR ASSISTANT DIRECTOR
DEPARTMENT OF STANDARDS MALAYSIA

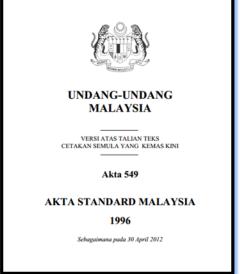
26 June 2019

## National Quality Infrastructure (NQI)



## **Evolution of Malaysia's NQI**







- Established on 28 August 1996
- Governed by Standards of Malaysia Act 1996 [Act 549]
- Act 549 amended in 2012



## National Standards Body DEVELOP MS AND PROMOTE USE OF STANDARDS

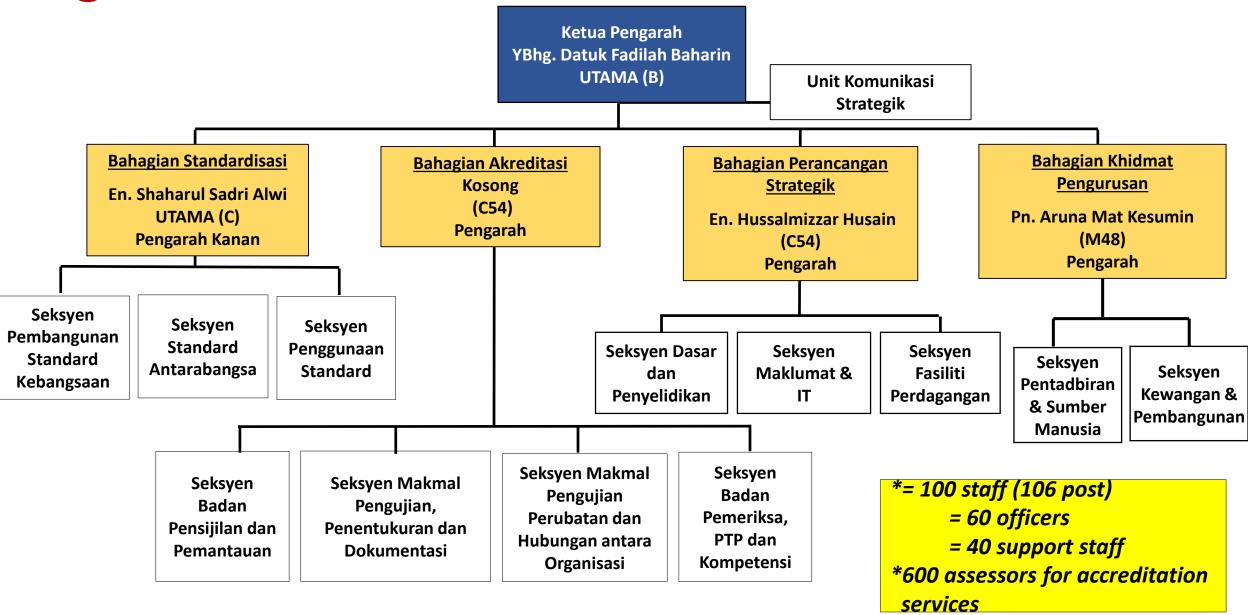
Principles for MS development are based on Annex 3 to WTO/TBT Agreement (ie ISO/IEC Guide 59 & ISO/IEC Guide 21)



## National Accreditation Body ACCREDIT CONFORMITY ASSESSMENT BODIES

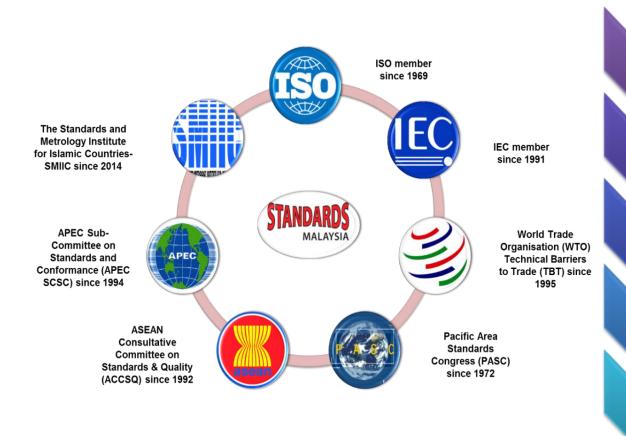
Testing & calibration labs, inspection bodies and certification bodies

## **Organisational Chart**



## Malaysian Standardisation Landscape

### **STANDARDS**



 Implement policies and strategies for national standardisation;

Develop Malaysian Standards

Promote the usage of Malaysian and international standards

 Represent Malaysia in regional and international standardisation activities; and

 Promote co-operation in standardisation activities within the country as well as with regional and international organisations

### 1. Standardisation



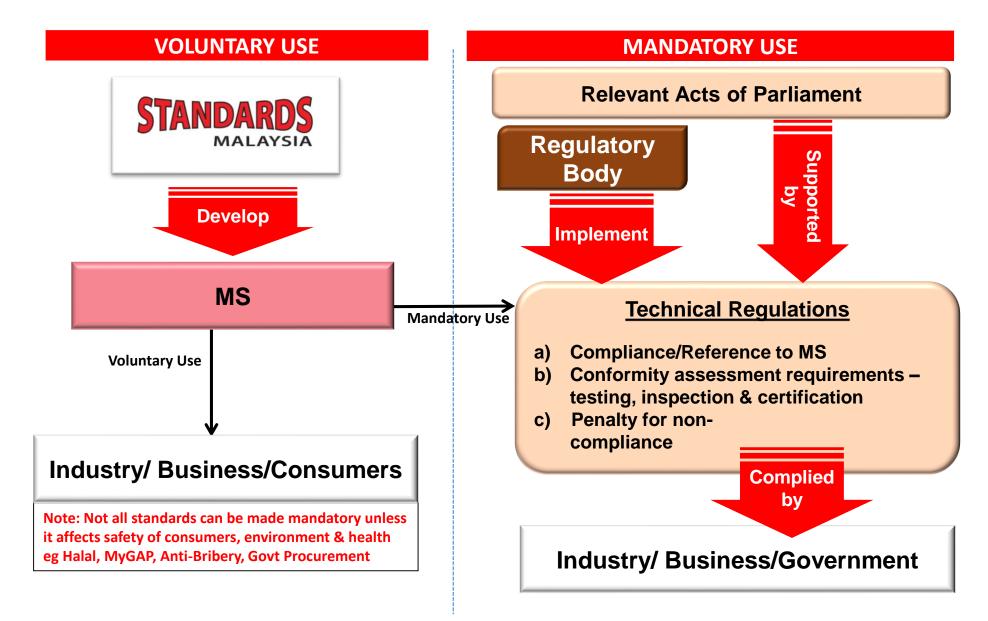
National Standards Body (NSB)

- Member of the International Organization for Standardization (ISO)
- Member of the International Electrotechnical Commission (IEC)
- Member of the Standards and Metrology Institute for Islamic Countries (SMIIC)
- Abide to the principles of Annex 3 to the WTO/TBT
   Agreement Code of good practice for the preparation,
   adoption and application of standards

#### **Opportunities for Investors**

- Availability of more than 5000 Malaysian Standards (MS) in 25 sectors that are easily accessible
- Participation in national and international standards development work
   Influent national and international standards
- Tax incentive for participating in international standards development process
- Better market access 60% of the national standards are aligned with international

## Local Use of Standards (incl import control)



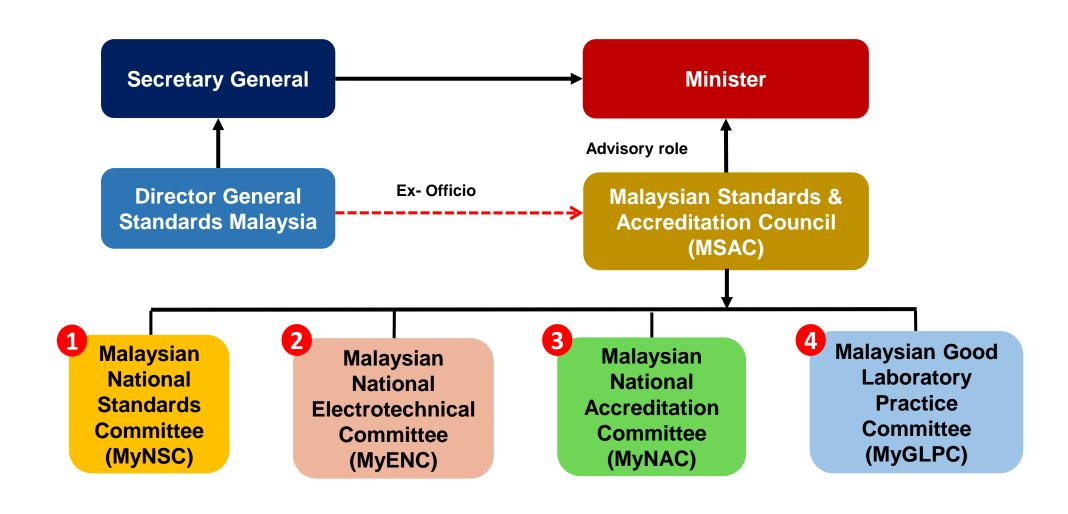
### Standards used by Regulators as of 30 Oct 2018

Sectors	No. of mandatory standards		
Agriculture	54		
Chemicals	28		
Constructions	66		
Power Generation	88		
Mechanical Engineering	17		
Halal	17		
Plastics	34		
Transportation	17		
Fire Safety	48		
Metallic Materials	27		
Rubber	2		
E&E	89		
Food	14		
OSH	1		
Environment	2		
TOTAL	504		

#### **List of regulators:**

- 1. KKM (Food, Medical Devices, Pharmaceuticals)
- 2. MoA (FAMA)
- 3. Energy Commission (ST)
- 4. CIDB
- 5. KPDNHEP
- 6. Malaysian Palm Oil Board (MPOB)
- 7. MCMC
- 8. SPAN
- 9. DoE
- 10. DOSH
- 11. Fire and Rescue Department of Malaysia
- 12. Road Transport Department
- 13. Town and Country Planning Dept of Peninsular Malaysia
- 14. Malaysian Cocoa Board
- 15. Local Authorities

## Current National Standards and Accreditation Governance Structure



## 25 Existing Industry Sector

- 1 Agriculture
- 2 Chemicals and Materials
- Consumer Interests
- 4 Building, Construction and Civil Engineering
- Generation, Transmission & Distribution of Energy
- 6 Mechanical Engineering
- Information Technology, Communication & Multimedia
- Petroleum & Gas
- 9 Halal Standards
- 10 Plastics and Plastic Products
- 11 Packaging and Logistics
- 12 Transport

- 13 Fire Safety and Prevention
- 14 Rubber and Rubber Products
- 15 Organisational Management
- 16 Metallic Materials & Semi-finished Products
- 17 Textiles and Apparels
- 18 Medical Devices and Facilities for Healthcare
- 19 Electrical & Electronics Equipments & Accessories
- Tourism, Exhibition & Hospitality Services
- Food and Food Products
- Timber, Timber Structure & Timber Products
- 23 Occupational Safety & Health
- **24** Quality Management & Quality Assurance
- 25 Environmental Management

## Recognition of Malaysia at International Technical Levels (Standardisation)



ISO/TC 45 – Rubber and rubber products

ISO/TC 45/SC4 – Products (other than hoses)

ISO/TC 157 — Non-systemic contraceptives and STI barrier prophylactic

ISO/TC 207/SC 7 – Greenhouse gas management and related activities

ISO/TC 207/SC 1 – Environmental management systems

ISO/PC 303 – Guidelines on consumer warranties and quarantees

TC10-Halal Supply Chain



#### Convenor

ISO/TC 45/SC 3/WG 4 – Natural rubber

ISO/TC 45/SC 4/WG 5 – Gloves and other latex products

ISO/TC 45/SC 4/WG 14 – Elastomeric bridge bearings

ISO/TC 61/SC 2/WG 2 – Hardness and surface properties

ISO/TC 61/SC 9/WG 6 – Polyolefins
ISO/TC 207/SC 7/WG 5 – Quantification,
monitoring and reporting of greenhouse
gas emission
ISO/TC 218/WG 4 – Test methods

ISO/TC 241/WG 5 – ISO 39002 - Good practices for commuting safety systems



#### **Secretary**





ISO/TC 45 – Rubber and rubber products



ISO/TC 45/SC 4 – Products (other than hoses)



ISO/TC 157 – Non-systemic contraceptives and STI barrier prophylactics



ISO/PC 303 – Guidelines on consumer warranties and guarantees



TC10-Halal Supply Chain

## **Malaysian Accreditation Landscape**



Assurance Levels Peer evaluation process to assess the competency of

Accreditation Bodies

Assess Competence Ac

Accreditation process to assess competency of Conformity Assessment Bodies

Assess Compliance

Peer

**Evaluation** 

Conformity assessment process on testing, certification and inspection to assess product/services compliying to standards

Product/Services to consumer/end users

## **STANDARDS**MALAYSIA

 Accredit organisations engaged in conformity assessment activities: testing, calibration, inspection and certification of products and systems;

 Maintain a register of accredited organisations and their marks of conformity;

 Represent Malaysia in international and regional accreditation activities; and

 Facilitate international and regional recognition of accredited organisations and certificates.

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### 2. Accreditation and Conformance

## **STANDARDS**MALAYSIA

National Accreditation Body (NSB)

- Signatory to;
  - i. Asia Pacific Laboratory Accreditation Cooperation Mutual Recognition Arrangement (APLAC MRA)
  - ii. Pacific Accreditation Cooperation Multilateral Recognition Arrangement (PAC MLA)
  - iii. International Laboratory Accreditation Cooperation Mutual Recognition Arrangement (ILAC MRA)
  - iv. International Accreditation Forum Multilateral Recognition Arrangement (IAF MLA)
- Recognised by the US Federal Communications Commission (US FCC) as a designated accreditation body under the Malaysia-US Telecommunications MRA
- Full Adherence Status of Mutual Acceptance of Data under OECD Good Laboratory Practice (GLP)
- Malaysia is a party to ASEAN MRAs (E&E, Pharmaceuticals, Food)

#### **Opportunities for Investors**

- Availability of the accredited testing facilities, certification bodies and OECD GLP compliant test facilities
- Recognition of the test reports, certifications, inspections, safety data –
   "Tested once, accepted everywhere"
- Tax incentive (double deduction) in getting certification from accredited certification bodies

## Latest Figure On Accreditation of Certification Bodies (ACB) (as of April 2019)

PROGRAMME	NUMBER OF ACCREDITED CERTIFICATION BODIES		
Quality Management System (QMS)	25		
Environmental Management Systems (EMS)	16		
Product Certification Systems (PCS) including Ecolabel	14		
Occupational Safety and Health Management Systems (OSH)	10		
HACCP Systems (HACCP)	5		
Information Security Management Systems (ISMS)	2		
Forest Management Certification (FMC)	1		
Food Safety Management Systems (FSMS)	8		
Certification of Persons	5		
Energy Management Systems (EnMS)	1		
Good Manufacturing Practice (GMP)	3		
Medical Devices Quality Management System (MDQMS)	4		
Food Safety System Certification (FSSC)	0		
Malaysian Sustainable Palm Oil (MSPO)	14		
Anti Bribery management Systems (ABMS)	0		
TOTAL	108		

## Report On The Number Of Malaysian Laboratories Accredited By Standards Malaysia (as of April 2019)

		Total Number of Accredited Laboratories			
Fields	Government	Private	Insitute of Higher Learning (Public)	Insitute of Higher Learning (Private)	Active
Testing	78	431	36	6	551
Calibration	2	84	3	0	89
Testing & Calibration	3	30	2	0	35
Medical Testing	14	34	7	0	55
Total	97	579	48	6	730

### MIBAS: No. of Inspection Bodies (as of April 2019)

Fields of Inspection	No. of Company
NDT Inspection	8
Welding Inspection	3
Vehicle Inspection	1
Shop Inspection	1
Electrical Products	1
Manufactured Goods	2
Factory Audits	1
Building Inspection	1
Source Inspection	1
In Service Inspection	2
Vibration Analysis	1
Risk Based Inspection	1

### Mutual Recognition of Accreditation



Testing - 16 Jan 2003 Calibration - 19 Nov 2003

Inspection - 2 July 2015



Testing - 14 Nov 2002
Calibration - 13 Nov 2003
Medical Testing - 18 April 2007
Inspection - 17 June 2015



Non-member full adherent to OECD Systems of Mutual Acceptance Data since 29 March 2013



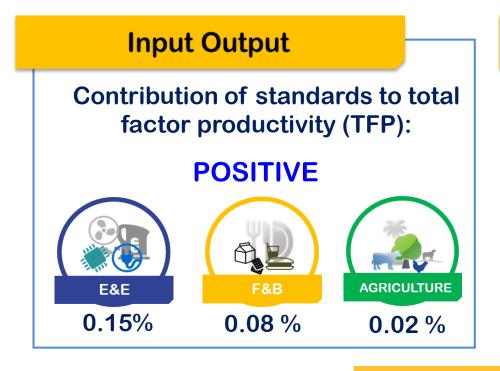
Quality Management System (QMS) - 29 Sept 1999
Environmental Management System (EMS) - 9 Feb 2006
Product Certification (PC) - 9 July 2009
Food Safety Management Systems (FSMS) - 13 July 2017
Information Security Management Systems (ISMS) - 13 July 2017

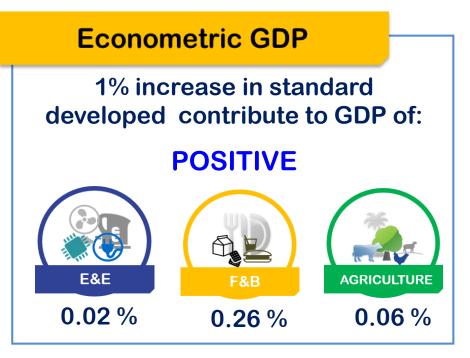


Quality Management System (QMS) - 5 Nov 1998
Environmental Management System (EMS) - 31 Dec 2005
Product Certification (PC) - 16 June 2009
Food Safety Management Systems (FSMS) - 21 June 2017
Information Security Management Systems (ISMS) - 21 June 2017

'Tested once, accepted everywhere'

## **Economic Impact on the Usage of Standards**





#### ECONOMIC IMPACT ON THE USAGE OF STANDARDS

FOR THE ELECTRICAL & ELECTRONIC (E&E), FOOD & BEVERAGE (F&B) AND AGRICULTURE SECTORS

**YEAR: 2016** 



## Positive contribution to TFP

Standards positively contributed to growth in TFP in all 3 sectors

## Positive contribution to GDP

Contribution of standards to GDP over the period of 13 years (2001 to 2013) is positive and statistically significant

## Way Forward (Support Quality Investors)

Promote Malaysia's ready quality infrastructure (k-workers & internayional MRA signatories) to become the preferred destination for investors that need quality control services e.g testing, calibration, inspection and certification



**Attract investors** 



- Explore the need of Sabah and Sarawak for testing facilities
- Introduce new policy to grow local CABs (existing/new) under RMK-12 (Refer Annual Report 2018)
- Explore intl accreditation services to strategic countries (emulate UKAS)
- Halal- Strengthening exports and managing imports to improve trade balance

# Thank You.









