



13-14 November
The Royale Chulan, Kuala Lumpur



"SECURING CYBERSPACE FOR ECONOMIC GROWTH"

www.csm-ace.my

Does Compliance to Standards Contribute to Your Bottomline?

Douglas Brown
Executive Director, BDO
douglasbrown@bdo.my

Lim Huck Hai
Partner, Head of RAS Asia Pacific, BDO
hlim@bdo.my

13 November 2013



What Happens When Not In Balance...

Compliance



Performance



UBS



BEAR STEARNS

LEHMAN BROTHERS

a division of J.P. Morgan

And From the Wall of (Sh)ame



tyco

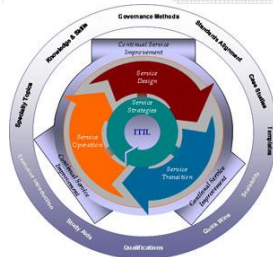
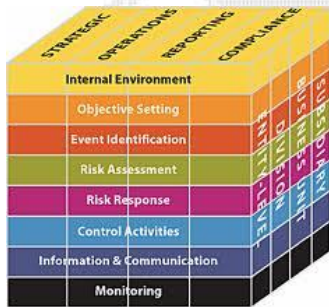


High-performing organisations consistently show
“a capability to reliably achieve objectives
[GOVERNANCE]
while addressing uncertainty
[RISK MANAGEMENT]
and
acting with integrity
[COMPLIANCE].”

*Source: The Open Compliance
and Ethics Group (OCEG)*

The Role of Standards is Two-Fold

- Reduces the *Risk of Uncertainty*
- Increases the Confidence of stakeholders that the organisation is *Acting with Integrity*



Malaysia's Electronic Preferential Certificate of Origin (ePCO)

- Web-based Certificate of Origin (CO) application and approval system
- Single gateway linking manufacturers/exporters to Ministry of International Trade and Industry for cost analysis and CO applications
- Developed to address security and ambiguity of approvals in the manual CO approval process
- Utilises a standards-based approach
- A natural next step in improving trade facilitation
 - ASEAN Economic Community 2015

IMPACT TO KOREAN EXPORTERS

US\$/TEU	Document preparation	Customs clearance and technical control	Ports and terminal handling	Inland transportation and handling	Total
Before e-CO	\$210	\$175	\$284	\$584	\$1,253
After e-CO	\$27	\$84	\$284	\$584	\$979
Improvement in unit trade transaction cost (US\$/TEU)	\$183	\$91	\$0	\$0	\$274
Improvement in unit trade transaction costs by %	87%	52%	0%	0%	22%

IMPACT TO TAIWAN IMPORTERS

US\$/TEU	Document preparation	Customs clearance and technical control	Ports and terminal handling	Inland transportation and handling	Total
Before e-CO	\$210	\$175	\$284	\$584	\$1,253
After e-CO	\$27	\$84	\$284	\$584	\$979
Improvement in unit trade transaction cost (US\$/TEU)	\$183	\$91	\$0	\$0	\$274
Improvement in unit trade transaction costs by %	87%	52%	0%	0%	22%



13-14 November
The Royale Chulan, Kuala Lumpur



"SECURING CYBERSPACE FOR ECONOMIC GROWTH"

www.csm-ace.my

Thank You
and remember
Performance AND Compliance
Drive the Bottomline

Douglas Brown
Executive Director, BDO
douglasbrown@bdo.my

Lim Huck Hai
Partner, Head of RAS Asia Pacific, BDO
hlim@bdo.my



About BDO



BDO in Malaysia is a member firm of BDO International, the world's fifth largest network of professional firms providing audit, advisory and tax services to businesses ranging from established multinational conglomerates to growth-oriented organisations, whether public or private. With 1,204 offices in 138 countries, BDO International employs over 54,933 partners and staff generating a worldwide fee income of US\$ 6.015 billion in 2012.

Visit us at www.bdo.my

Disclaimer

Disclaimer : This publication has been carefully prepared, but it has been written in general terms and should be seen as broad guidance only. The publication cannot be relied upon to cover specific situations and you should not act, or refrain from acting, upon the information contained therein without obtaining specific professional advice. Please contact BDO to discuss these matters in the context of your particular circumstances. BDO, its partners, employees and agents do not accept or assume any liability or duty of care for any loss arising from any action taken or not taken by anyone in reliance on the information in this publication or for any decision based on it.

BDO International is a worldwide network of public accounting firms, called BDO Member Firms. Each BDO Member Firm is an independent legal entity in its own country. The network is coordinated by BDO Global Coordination B.V., incorporated in the Netherlands with its statutory seat in Eindhoven (trade register registration number 33205251) and with an office at Boulevard de la Woluwe 60, 1200 Brussels, Belgium, where the International Executive Office is located.

BDO Consulting Sdn Bhd is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. BDO is the brand name for the BDO network and for each of the BDO Member Firms.