

FACTORY BUSINESS LICENSE APPLICATION

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Introduction

Before you legally start your business in Malaysia, it is a mandatory requirement for you to apply and possess some form of business license. Foreigners who have an intention to set up a private company need to know and understand various types of business licenses in Malaysia according to their business activities. If you intend to operate an industry, the type of business license you need to apply for is factory business license. Generally, both foreigners and local Malaysians share the same procedures and requirements in applying for Malaysia factory business licenses. You can only apply for the factory business license after obtaining the CCC (Certificate of Completion and Compliance).

What are the departments involved?

Typically, the application of factory business licenses involves **Local Authority Licensing Department** and **three external departments** which are **Department of Occupational Safety and Health (DOSH)**, **Department of Environment (DOE)** and **Fire and Rescue Department (BOMBA)**. You have to get successful approval from these three external departments first before proceeding to Local Authority Licensing Department.

1. Department of Occupational Safety and Health (DOSH)

The submissions are in both hardcopy and softcopy. You can make online submission directly via MyKKP website. Documents to be submitted are as followed:

- Key plan, site plan and location plan
- Architectural plan with location of machinery and equipment shown
- Paid-up capital and annual sales turnover
- Workers detail
- Complete list of machinery and equipment with details including ID, model, type, manufacture year, manufacturing location, machine dimensions, power consumption and round per minute
- Main materials to be used
- Types of wasted materials (crumbs, slabs and so on) whether, solid, liquid or gas (if any)
- Brief description of waste handling and waste disposal

2. Department of Environment (DOE)

Documents to be submitted are as followed:

- Key plan, site plan and location plan
- Architectural plan with location of machinery and equipment shown
- Complete list of machinery and equipment with details including ID, model, type, power consumption and machine dimensions

- Filled AS PAT form (Preliminary Site Assessment for Development Project) which include:^[1]
 - Type of application
 - Land use in accordance to Planning Zone
 - Conceptual plan (if applicable)
 - Raw materials used and product
 - Schedule of operation
 - Production process with relevant diagram attached
 - Fuel supply, energy and process water usage information
 - Pollution information with pollutant types stated and point of emission/discharged indicated in process flow diagrams
 - Waste disposal process

3. Fire and Rescue Department (BOMBA)

Documents to be submitted are as followed:

- Key plan, site plan and location plan
- Complete architectural plan
- Occupant load calculation
- Fire appliances access indicated
- Location of fire hydrant shown
- Architectural plan of change/addition of structure
- Active and passive fire safety installation

4. Local Authority Licensing Department

The submission requirements for factory business license application may vary depending on different Local Authorities but all Local Authorities require supporting letters from DOSH, DOE and BOMBA.

How long does it take for application to be approved?

It takes approximately 3 months for the application to get approved by Local Authority. Sometimes, it might take more than 3 months for successful approval. The delay may due to certain reasons such as the change of in-charge person and cancellation of meeting.

How much is the payment for factory business license application?

Local Authority Licensing Department will decide the amount of fee. However, the payment may vary according to different local authorities.

Conclusion

In a nutshell, it is compulsory for both foreign and local investors to apply for factory business license before operating the business legally. The application involves both external and internal departments which are DOSH, DOE, BOMBA and Local

Authority Licensing Department. Different departments may have their own submission requirements and you may pre-consult with the departments to better understand the submission requirements.

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Reference:

[1] Retrieved on 13rd August 2019 from: http://www.pbtpengarang.gov.my/sites/default/files/lampiran_d_-_as-pat-jas.pdf