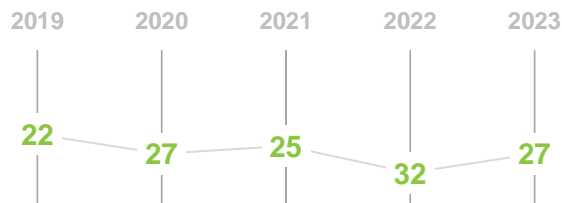


Malaysia

Competitiveness Trends – Overall

OVERALL PERFORMANCE (64 countries)



CHALLENGES IN 2023

- Strengthen talent development through Demand-Driven Labor Market model to ensure industry-ready workforce.
- Embrace a digital-first mindset and enhance digital technology across various sectors.
- Boost productivity and competitiveness through regulatory reforms for ease of doing business at national and sub-national levels.
- Enhance environmentally sustainable development for better quality of life.

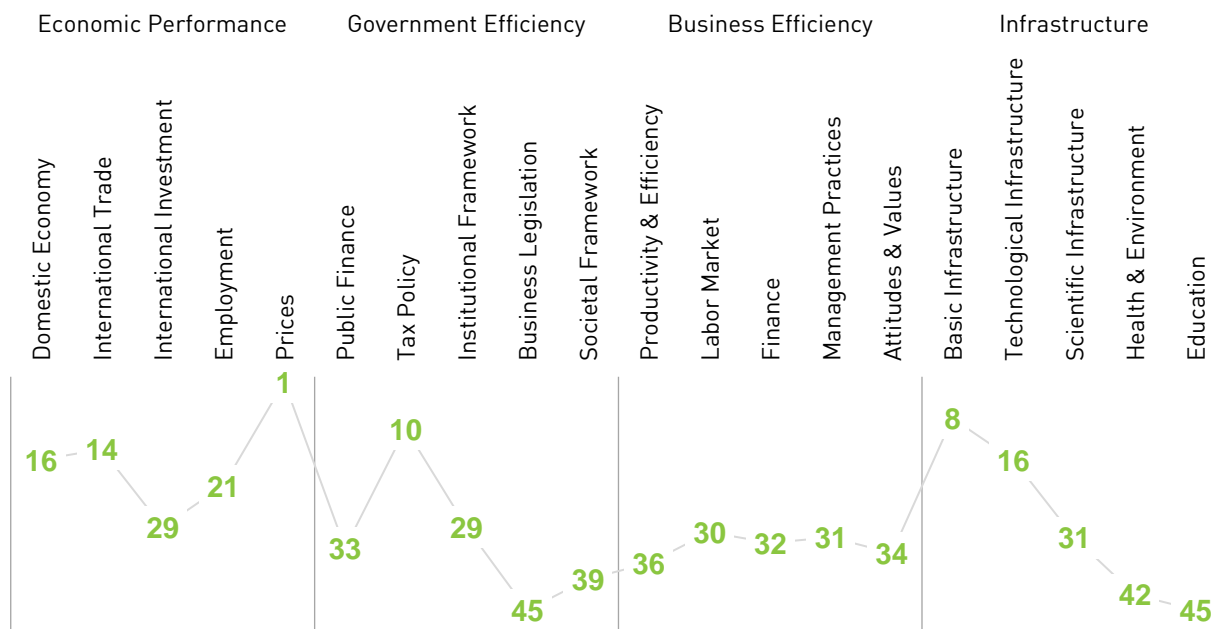
BASIC FACTS

Rank

Capital	Kuala Lumpur	
Land area (square km '000)	330	2022
Exchange rate (per \$)	4,401	2022
Population - market size (millions)	32,70	2022 25
Gross Domestic Product (GDP) (US\$ billions)	406,3	2022 32
GDP (PPP) per capita (US\$)	33,532	2022 46
Real GDP growth (%)	8,7	2022 03
Consumer price inflation (%)	3,38	2022 07
Unemployment rate (%)	3,90	2022 18
Labor force (millions)	15,80	2021 23
Current account balance (% of GDP)	11,62	2022 10
Direct investment stocks inward (\$bn)	187,4	2021 32
Direct investment flows inward (% of GDP)	4,99	2021 13

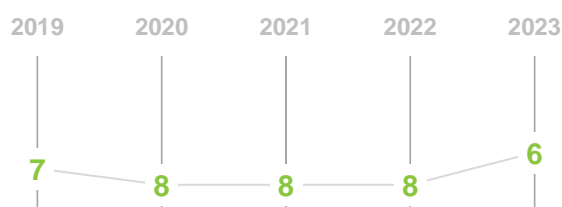
PROVIDED BY: Malaysia Productivity Corporation (MPC),
Petaling Jaya, Selangor

COMPETITIVENESS LANDSCAPE

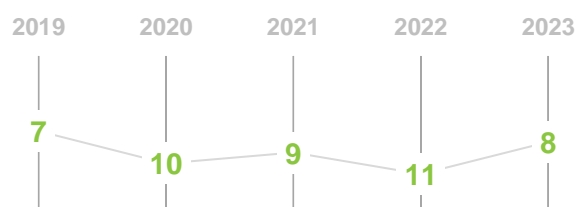


PEER GROUPS RANKINGS

ASIA - PACIFIC (14 countries)



POPULATIONS > 20 MILLION (27 countries)



Malaysia

Competitiveness Evolution & Attractiveness Indicators

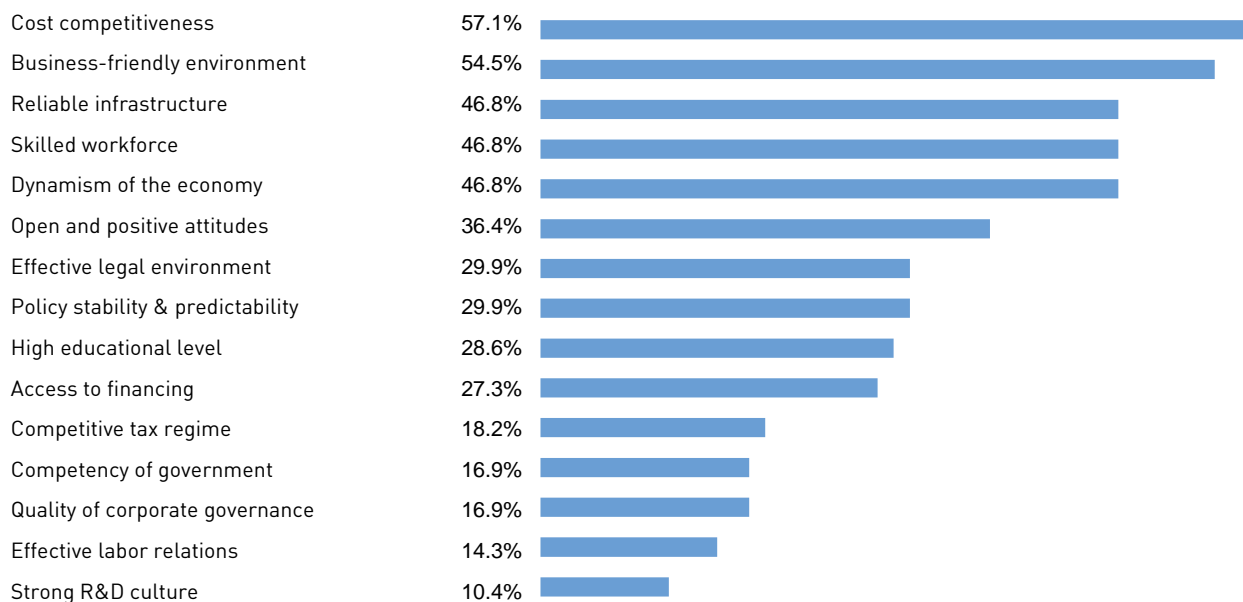
COMPETITIVENESS EVOLUTION

The criteria below highlight the 15 biggest Improvements and the 15 biggest Declines in the overall performance of the economy. They are determined by the largest percentage changes in the value of each criterion from one yearbook to the next.

IMPROVEMENTS	2022 WCY	2023 WCY	DECLINES	2022 WCY	2023 WCY
1.1.18 Gross fixed capital formation - real growth	-0,91	6,75	1.2.25 Tourism receipts	0,88	0,03
1.1.15 Real GDP growth per capita	2,82	8,36	1.5.01 Consumer price inflation	2,48	3,38
1.1.14 Real GDP growth	3,1	8,7	1.4.04 Employment - long-term growth	3,23	2,57
2.3.08 Exchange rate stability	0,031	0,005	1.2.02 Current account balance	14,35	11,62
1.4.08 Long-term unemployment	0,30	0,10	3.3.10 Stock market capitalization (%)	112,03	93,77
2.5.04 Risk of political instability	3,27	5,17	3.2.15 Labor force - long-term growth	4,50	3,85
1.2.12 Exports of commercial services (\$bn)	20,79	31,29	3.2.22 Brain drain	4,87	4,42
4.4.09 Medical assistance	601,58	348,00	4.3.02 Total expenditure on R&D (%)	1,06	0,97
1.2.13 Exports of commercial services (%)	5,58	7,70	4.3.05 Business expenditure on R&D (%)	0,47	0,43
2.2.02 Collected personal income tax	2,75	1,75	2.4.12 New business density	2,3	2,1
2.3.13 Bribery and corruption	2,51	3,38	4.1.20 Electricity costs for industrial clients	0,075	0,080
2.5.01 Justice	5,07	6,65	1.3.13 Relocation threats of business	5,67	5,29
2.4.02 Protectionism	4,10	5,27	2.1.09 Pension funding	5,35	5,00
4.5.17 University education index	6,89	8,53	4.4.14 Water use efficiency	61,18	57,34
2.4.11 Parallel economy	4,12	4,88	1.1.09 Gross fixed capital formation (%)	19,3	18,2

KEY ATTRACTIVENESS INDICATORS

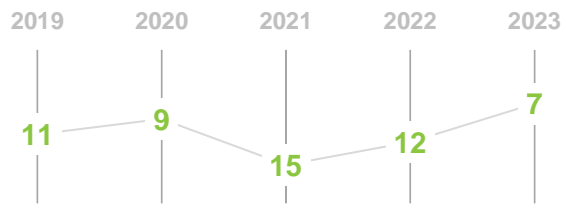
From a list of 15 indicators, respondents of the Executive Opinion Survey were asked to select 5 that they perceived as the key attractiveness factors of their economy. The chart shows the percentage of responses per indicator from the highest number of responses to the lowest.



Malaysia

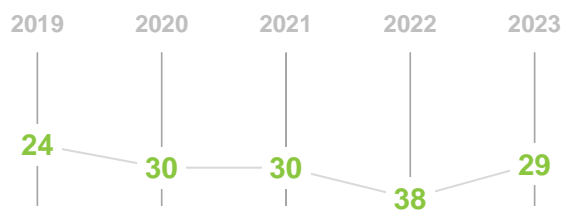
Competitiveness Trends – Factor Breakdown

ECONOMIC PERFORMANCE



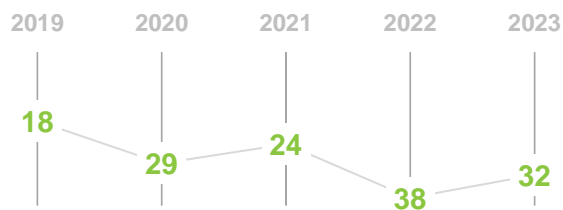
SUB-FACTOR RANKINGS :	2022	2023
Domestic Economy	50	16
International Trade	23	14
International Investment	25	29
Employment	16	21
Prices	04	01

GOVERNMENT EFFICIENCY



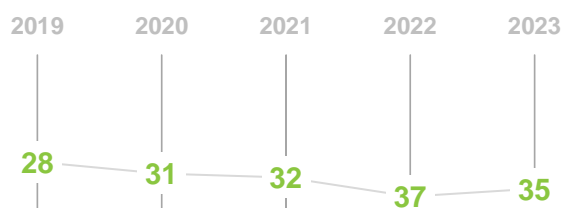
SUB-FACTOR RANKINGS :	2022	2023
Public Finance	35	33
Tax Policy	09	10
Institutional Framework	36	29
Business Legislation	50	45
Societal Framework	45	39

BUSINESS EFFICIENCY



SUB-FACTOR RANKINGS :	2022	2023
Productivity & Efficiency	46	36
Labor Market	22	30
Finance	37	32
Management Practices	35	31
Attitudes & Values	36	34

INFRASTRUCTURE



SUB-FACTOR RANKINGS :	2022	2023
Basic Infrastructure	19	08
Technological Infrastructure	20	16
Scientific Infrastructure	32	31
Health & Environment	44	42
Education	44	45

Malaysia

Balance Sheet – Factor Breakdown

ECONOMIC PERFORMANCE

STRENGTHS	Rank	WEAKNESSES	Rank
1.1.15 Real GDP growth per capita	02	1.2.25 Tourism receipts	63
1.5.06 Gasoline prices	02	1.1.09 Gross fixed capital formation (%)	54
1.1.14 Real GDP growth	03	1.1.20 GDP per capita	49
1.4.08 Long-term unemployment	04	1.5.05 Food costs	48
1.5.04 Office rent	04	1.1.21 GDP (PPP) per capita	46
1.5.02 Cost-of-living index	06	1.2.13 Exports of commercial services (%)	41
1.5.01 Consumer price inflation	07	1.4.02 Employment (%)	39
1.2.09 Exports of goods (%)	08	1.2.12 Exports of commercial services (\$bn)	39
1.2.02 Current account balance	10	1.3.13 Relocation threats of business	33
1.3.06 Direct investment flows inward (% of GDP)	13	1.3.07 Direct investment stocks inward (\$bn)	32

GOVERNMENT EFFICIENCY

STRENGTHS	Rank	WEAKNESSES	Rank
2.3.08 Exchange rate stability	02	2.4.04 Foreign investors	58
2.2.01 Collected total tax revenues	06	2.4.01 Tariff barriers	54
2.2.08 Consumption tax rate	08	2.4.15 Start-up procedures	54
2.4.17 Unemployment legislation	09	2.1.02 Government budget surplus/deficit (%)	54
2.3.02 Cost of capital	10	2.4.03 Public sector contracts	53
2.2.02 Collected personal income tax	11	2.4.19 Redundancy costs	53
2.2.11 Real personal taxes	16	2.4.14 Start-up days	50
2.3.10 Adaptability of government policy	18	2.4.09 State ownership of enterprises	49
2.3.05 Central bank policy	18	2.5.06 Gini coefficient	47
2.5.02 Homicide	21	2.3.15 Sustainable Development Goals	46

BUSINESS EFFICIENCY

STRENGTHS	Rank	WEAKNESSES	Rank
3.4.14 Total early-stage Entrepreneurial Activity	03	3.2.17 Female labor force	55
3.2.15 Labor force - long-term growth	11	3.2.21 Attracting and retaining talents	52
3.2.07 Working hours	12	3.1.03 Labor productivity (PPP)	51
3.3.01 Banking sector assets	16	3.4.11 Women in management	50
3.2.01 Compensation levels	17	3.1.01 Overall productivity (PPP)	47
3.2.04 Statutory minimum wage	17	3.4.10 Social responsibility	43
3.3.10 Stock market capitalization (%)	20	3.2.13 Labor force (%)	43
3.2.05 Remuneration of management	20	3.5.04 Flexibility and adaptability	42
3.3.06 Banking and financial services	21	3.1.09 Small and medium-size enterprises	41
3.2.25 Competent senior managers	22	3.4.06 Auditing and accounting practices	40

INFRASTRUCTURE

STRENGTHS	Rank	WEAKNESSES	Rank
4.3.11 Graduates in Sciences	02	4.4.01 Total health expenditure	60
4.5.08 Women with degrees	04	4.5.06 Secondary school enrollment	59
4.2.15 High-tech exports (%)	05	4.4.19 Forest area growth	58
4.1.09 Dependency ratio	07	4.4.12 Energy intensity	57
4.4.24 Environmental agreements	10	4.2.07 Broadband subscribers	54
4.1.20 Electricity costs for industrial clients	16	4.4.18 Renewable energies (%)	53
4.2.16 ICT service exports	16	4.4.09 Medical assistance	50
4.1.05 Management of cities	16	4.4.11 Human development index	49
4.4.27 Environmental laws	18	4.5.03 Total public exp. on education per student	48
4.5.04 Pupil-teacher ratio (primary education)	19	4.3.16 Patent applications per capita	46

Malaysia

Extended Country Profile

1 · ECONOMIC PERFORMANCE

1.1 · Domestic Economy

	Value	Average	Rank	Year
1.1.00 · Exchange rate	4,401	190,190		2022
National currency per US\$ [average]				
1.1.01 · Gross Domestic Product (GDP)	406,3	1.427,2	32	2022
US\$ billions				
1.1.02 · GDP (PPP)	1.096,5	2.165,1	24	2022
Estimates ; US\$ billions at purchasing power parity				
1.1.03 · World GDP contribution	0,43	1,43	31	2022
Percentage share of world GDP in market prices				
1.1.04 · Household consumption expenditure (\$bn)	234,0	790,7	32	2022
US\$ billions				
1.1.05 · Household consumption expenditure (%)	57,6	52,8	24	2022
Percentage of GDP				
1.1.06 · Government consumption expenditure (\$bn)	47,1	240,4	40	2022
US\$ billions				
1.1.07 · Government consumption expenditure (%)	11,6	17,9	56	2022
Percentage of GDP				
1.1.08 · Gross fixed capital formation (\$bn)	74,1	380,4	38	2022
US\$ billions				
1.1.09 · Gross fixed capital formation (%)	18,2	23,2	54	2022
Percentage of GDP				
1.1.10 · Gross domestic savings (\$bn)	125,2	414,2	34	2022
US\$ billions				
1.1.11 · Gross domestic savings (%)	30,8	29,4	23	2022
Percentage of GDP				
1.1.12 · Economic sectors				2022
Breakdown of the economic sectors, percentage of GDP				
Economic sectors / Agriculture	6,6	3,6		2022
Economic sectors / Industry	36,8	30,3		2022
Economic sectors / Services	55,5	66,0		2022
1.1.13 · Economic complexity index	1,02	0,78	26	2020
Measures knowledge intensity, by considering exports				
1.1.14 · Real GDP growth	8,7	4,2	3	2022
Percentage change, based on national currency in constant prices				
1.1.15 · Real GDP growth per capita	8,36	3,31	2	2022
Percentage change, based on national currency in constant prices				
1.1.16 · Household consumption expenditure - real growth	11,31	6,08	7	2022
Percentage change, based on constant prices				
1.1.17 · Government consumption expenditure - real growth	3,94	1,64	15	2022
Percentage change, based on constant prices				
1.1.18 · Gross fixed capital formation - real growth	6,75	4,89	19	2022
Percentage change, based on constant prices				
1.1.19 · Resilience of the economy	6,68	6,02	22	2023
Resilience of the economy to economic cycles is strong				
1.1.20 · GDP per capita	12.425	35.282	49	2022
US\$ per capita				
1.1.21 · GDP (PPP) per capita	33.532	49.086	46	2022
Estimates; US\$ per capita at purchasing power parity				
1.1.22 · Forecast: Real GDP growth	4,5	2,1	7	2023
Percentage change, based on national currency in constant prices				
1.1.23 · Forecast: Inflation	3,3	10,3	15	2023
Percentage change				
1.1.24 · Forecast: Unemployment	3,5	6,2	14	2023
Percentage of total labor force				
1.1.25 · Forecast: Current account balance	3,0	1,6	22	2023
Percentage of GDP				

1.2 · International Trade

Value Average Rank Year

1.2.01 · Current account balance (\$bn)	47,2	2,8	15	2022
US\$ billions (minus sign = deficit)				
1.2.02 · Current account balance	11,62	1,56	10	2022
Percentage of GDP				
1.2.03 · Balance of trade (\$bn)	58,1	-11,6	11	2022
US\$ billions (minus sign = deficit)				
1.2.04 · Balance of trade (%)	14,29	-0,40	9	2022
Percentage of GDP				
1.2.05 · Balance of commercial services (\$bn)	-10,25	9,12	49	2022
US\$ billions (minus sign = deficit)				
1.2.06 · Balance of commercial services (%)	-2,52	2,26	54	2022
Percentage of GDP				
1.2.07 · World exports contribution	1,20	1,42	24	2022
Percentage share of world exports (goods and commercial services)				
1.2.08 · Exports of goods (\$bn)	352,50	353,20	23	2022
US\$ billions				
1.2.09 · Exports of goods (%)	86,76	45,61	8	2022
Percentage of GDP				
1.2.10 · Exports of goods per capita	10.780	17.009	32	2022
US\$ per capita				
1.2.11 · Exports of goods - growth	17,73	16,08	20	2022
Percentage change, based on US\$ values				
1.2.12 · Exports of commercial services (\$bn)	31,29	102,23	39	2022
US\$ billions				
1.2.13 · Exports of commercial services (%)	7,70	17,06	41	2022
Percentage of GDP				
1.2.14 · Exports of commercial services - growth	50,08	29,25	10	2022
Percentage change, based on US\$ values				
1.2.15 · Exports of goods & commercial services	383,80	453,06	24	2022
US\$ billions				
1.2.16 · Exports breakdown by economic sector				2021
Percentage of total exports				
Exports breakdown by economic sector / Agriculture	11,4	11,1		2021
Exports breakdown by economic sector / Industry	82,1	65,5		2021
Exports breakdown by economic sector / Services	6,5	23,5		2021
1.2.17 · Export concentration by partner	53,2	55,9	31	2021
Exports to top 5 countries, percentage of total exports				
1.2.18 · Export concentration by product	54,0	56,0	35	2021
Top 5 products, percentage of total exports				
1.2.19 · Imports of goods & commercial services (\$bn)	336,0	456,7	39	2022
US\$ billions				
1.2.20 · Imports of goods & commercial services (%)	82,7	60,7	49	2022
Percentage of GDP				
1.2.21 · Imports of goods & commerc. services growth	22,83	17,04	48	2022
Percentage change, based on US\$ values				
1.2.22 · Imports breakdown by economic sector				2021
Percentage of total imports				
Imports breakdown by economic sector / Agriculture	9,9	8,4		2021
Imports breakdown by economic sector / Industry	77,2	68,8		2021
Imports breakdown by economic sector / Services	12,9	22,9		2021
1.2.23 · Trade to GDP ratio	159,21	112,21	15	2021
(Exports + Imports) / GDP				
1.2.24 · Terms of trade index	104,9	105,6	18	2021
Unit value of exports over unit value of imports				
1.2.25 · Tourism receipts	0,03	1,92	63	2021
International tourism receipts as a percentage of GDP				

1.3 · International Investment

Value Average Rank Year

1.3.01 · Direct investment flows abroad (\$bn)	11,76	31,16	27	2021
US\$ billions				
1.3.02 · Direct investment flows abroad (% of GDP)	3,15	-0,89	21	2021
Percentage of GDP				
1.3.03 · Direct investment stocks abroad (\$bn)	134,6	642,4	33	2021
US\$ billions				
1.3.04 · Direct investment stocks abroad (% of GDP)	36,09	98,21	27	2021
Percentage of GDP				
1.3.05 · Direct investment flows inward (\$bn)	18,60	27,77	27	2021
US\$ billions				
1.3.06 · Direct investment flows inward (% of GDP)	4,99	-1,62	13	2021
Percentage of GDP				
1.3.07 · Direct investment stocks inward (\$bn)	187,4	665,5	32	2021
US\$ billions				
1.3.08 · Direct investment stocks inward (% of GDP)	50,24	109,33	30	2021
Percentage of GDP				
1.3.09 · Balance of direct investment flows (\$bn)	-6,84	3,39	44	2021
US\$ billions (flows abroad minus flows inward)				
1.3.10 · Balance of direct investment flows (%)	-1,83	0,73	43	2021
Percentage of GDP (flows abroad minus flows inward)				
1.3.11 · Net position in direct investment stocks (\$bn)	-52,8	-23,1	37	2021
US\$ billions (stocks abroad minus stocks inward)				
1.3.12 · Net position in direct investment stocks (%)	-14,15	-11,12	33	2021
Percentage of GDP (stocks abroad minus stocks inward)				
1.3.13 · Relocation threats of business	5,29	5,34	33	2023
Relocation of business is not a threat to the future of your economy				
1.3.14 · Portfolio investment assets	8,69	53,00	31	2021
US\$ billions				
1.3.15 · Portfolio investment liabilities	13,24	48,31	20	2021
US\$ billions				

1.4 · Employment

Value Average Rank Year

1.4.01 · Employment	15,06	38,14	23	2021
Total employment in millions				
1.4.02 · Employment (%)	46,21	48,17	39	2021
Percentage of population				
1.4.03 · Employment - growth	0,72	2,79	54	2021
Estimates: percentage change				
1.4.04 · Employment - long-term growth	2,57	0,31	22	2021
Estimates: five year percentage change				
1.4.05 · Employment by sector				2021
Percentage of total employment				
Employment by sector / Agriculture	10,3	7,4		2021
Employment by sector / Industry	25,9	23,3		2021
Employment by sector / Services	63,8	69,3		2021
1.4.06 · Employment in the public sector	11,20	17,74	18	2020
Percentage of total employment				
1.4.07 · Unemployment rate	3,90	6,33	18	2022
Percentage of labor force				
1.4.08 · Long-term unemployment	0,10	2,17	4	2021
Percentage of labor force				
1.4.09 · Youth unemployment	11,30	15,54	29	2021
Percentage of youth labor force (under the age of 25)				
1.4.10 · Youth exclusion	13,6	14,1	37	2020
Share of youth population (15-24) not in education, employment or training				

1.5 · Prices

Value Average Rank Year

1.5.01 · Consumer price inflation	3,38	13,63	7	2022
Average annual rate				
1.5.02 · Cost-of-living index	56,99	73,99	6	2022
Index of a basket of goods & services in the main city, including housing (New York City = 100)				
1.5.03 · Apartment rent	447	1.530	5	2018
3-room apartment monthly rent in major cities, US\$				
1.5.04 · Office rent	229	654	4	2021
Total occupation cost in the main city (US\$/Sq.M. per year)				
1.5.05 · Food costs	24,23	17,54	48	2022
Percentage of household final consumption expenditures				
1.5.06 · Gasoline prices	0,48	1,25	2	2021
Premium unleaded gasoline (95 Ron) US\$ per litre				

Malaysia

Extended Country Profile

2 · GOVERNMENT EFFICIENCY

2.1 · Public Finance

	Value	Average	Rank	Year
2.1.01 · Government budget surplus/deficit (\$bn) US\$ billions	-22,60	-73,19	46	2022
2.1.02 · Government budget surplus/deficit (%) Percentage of GDP	-5,56	-2,54	54	2022
2.1.03 · Total general government debt (\$bn) US\$ billions	267,04	1.367,78	36	2022
2.1.04 · Total general government debt (%) Percentage of GDP	65,72	65,12	37	2022
2.1.05 · Total general government debt-real growth Percentage change, based on national currency in constant prices	6,59	-1,34	55	2022
2.1.06 · Interest payment (%) Percentage of current revenue	14,02	5,91	55	2022
2.1.07 · Public finances Public finances are being efficiently managed	5,66	4,92	23	2023
2.1.08 · Tax evasion Tax evasion is not a threat to your economy	5,19	5,15	30	2023
2.1.09 · Pension funding Pension funding is adequately addressed for the future	5,00	4,78	27	2023
2.1.10 · General government expenditure Percentage of GDP	22,1	36,1	14	2022

2.2 · Tax Policy

	Value	Average	Rank	Year
2.2.01 · Collected total tax revenues Percentage of GDP	11,24	27,21	6	2021
2.2.02 · Collected personal income tax On profits, income and capital gains, as a percentage of GDP	1,75	6,04	11	2021
2.2.03 · Collected corporate taxes On profits, income and capital gains, as a percentage of GDP	5,17	3,29	57	2021
2.2.04 · Collected indirect tax revenues Taxes on goods and services as a percentage of GDP	2,82	9,36	7	2021
2.2.05 · Collected capital and property taxes Percentage of GDP	0,12	1,49	8	2021
2.2.06 · Collected social security contribution Compulsory contribution of employees and employers as a percentage of GDP	5,09	6,84	27	2021
2.2.07 · Corporate tax rate on profit Maximum tax rate, calculated on profit before tax	24,00	22,23	37	2021
2.2.08 · Consumption tax rate Standard rate of VAT/GST	6,00	16,11	8	2022
2.2.09 · Employer social security tax rate %	12,0	15,9	26	2021
2.2.10 · Employee social security tax rate %	9,0	10,4	28	2021
2.2.11 · Real personal taxes Real personal taxes do not discourage people from working or seeking advancement	6,34	5,25	16	2023

2.3 · Institutional Framework

Value Average Rank Year

2.3.01 · Real short-term interest rate	-1,58	-4,33	43	2022
Real discount / bank rate				
2.3.02 · Cost of capital	6,57	5,26	10	2023
Cost of capital encourages business development				
2.3.03 · Interest rate spread	3,38	3,64	40	2022
Lending rate minus deposit rate				
2.3.04 · Country credit rating	40,7	43,3	39	2022
Index [0-60] of three country credit ratings: Fitch, Moody's and S&P				
2.3.05 · Central bank policy	6,87	6,11	18	2023
Central bank policy has a positive impact on the economy				
2.3.06 · Foreign currency reserves	114,65	202,22	23	2022
US\$ billions				
2.3.07 · Foreign currency reserves per capita	3.506	8.240	28	2022
US\$ per capita				
2.3.08 · Exchange rate stability	0,005	0,067	2	2022
Parity change from national currency to SDR, 2022 / 2020				
2.3.09 · Legal and regulatory framework	6,27	5,34	23	2023
The legal and regulatory framework encourages the competitiveness of enterprises				
2.3.10 · Adaptability of government policy	5,74	4,79	18	2023
Adaptability of government policy to changes in the economy is high				
2.3.11 · Transparency	5,03	4,85	31	2023
Transparency of government policy is satisfactory				
2.3.12 · Bureaucracy	4,05	3,78	28	2023
Bureaucracy does not hinder business activity				
2.3.13 · Bribery and corruption	3,38	4,83	46	2023
Bribery and corruption do not exist				
2.3.14 · Rule of law	70,19	71,84	37	2021
Rule of Law Index				
2.3.15 · Sustainable Development Goals	70,4	74,9	46	2022
Country performance on the 17 SDGs				
2.3.16 · Democracy Index	7,30	6,98	35	2022
EIU Overall Democracy Index, © The Economist Intelligence Unit Limited 2022				

2.4 · Business Legislation

Value Average Rank Year

2.4.01 · Tariff barriers	3,60	2,33	54	2020
Tariffs on imports: Applied weighted mean tariff rate for all products				
2.4.02 · Protectionism	5,27	5,77	42	2023
Protectionism of your government does not impair the conduct of your business				
2.4.03 · Public sector contracts	4,75	6,03	53	2023
Public sector contracts are sufficiently open to foreign bidders				
2.4.04 · Foreign investors	5,43	6,82	58	2023
Foreign investors are free to acquire control in domestic companies				
2.4.05 · Capital markets	6,52	6,55	37	2023
Capital markets (foreign and domestic) are easily accessible				
2.4.06 · Investment incentives	6,53	5,92	24	2023
Investment incentives are attractive to foreign investors				
2.4.07 · Government subsidies	1,08	1,73	21	2021
To private and public companies as a percentage of GDP				
2.4.08 · Subsidies	5,30	5,54	40	2023
Subsidies do not distort fair competition and economic development				
2.4.09 · State ownership of enterprises	5,27	6,02	49	2023
State ownership of enterprises is not a threat to business activities				
2.4.10 · Competition legislation	5,95	5,90	33	2023
Competition legislation is efficient in preventing unfair competition				
2.4.11 · Parallel economy	4,88	5,19	34	2023
Parallel (black-market, unrecorded) economy does not impair economic development				
2.4.12 · New business density	2,1	5,8	45	2020
Registered new businesses per 1'000 people aged 15-64				
2.4.13 · Creation of firms	7,40	6,67	22	2023
Creation of firms is supported by legislation				
2.4.14 · Start-up days	17,5	15,1	50	2019
Number of days to start a business				
2.4.15 · Start-up procedures	8,5	6,0	54	2019
Number of procedures to start a business				
2.4.16 · Labor regulations	6,16	5,58	24	2023
Labor regulations (hiring/firing practices, minimum wages, etc.) do not hinder business activities				
2.4.17 · Unemployment legislation	6,37	5,05	9	2023
Unemployment legislation provides an incentive to look for work				
2.4.18 · Immigration laws	5,82	5,84	33	2023
Immigration laws do not prevent your company from employing foreign labor				
2.4.19 · Redundancy costs	17,2	9,5	53	2019
Number of weeks of salary				

2.5 · Societal Framework

Value Average Rank Year

2.5.01 · Justice	6,65	5,84	26	2023
Justice is fairly administered				
2.5.02 · Homicide	0,74	4,28	21	2020
Intentional homicide, rate per 100'000 population				
2.5.03 · Ageing of population	7,6	14,9	13	2022
Population over 65, percentage of total population				
2.5.04 · Risk of political instability	5,17	5,90	42	2023
The risk of political instability is very low				
2.5.05 · Social cohesion	6,00	5,64	30	2023
Social cohesion is high				
2.5.06 · Gini coefficient	41,10	35,19	47	2021
Equal distribution of income scale: 0 (absolute equality) to 100 (absolute inequality)				
2.5.07 · Income distribution - lowest 10%	2,30	2,82		2019
Percentage of household incomes going to lowest 10% of households				
2.5.08 · Income distribution - highest 10%	30,70	26,42		2019
Percentage of household incomes going to highest 10% of households				
2.5.09 · Income distribution - lowest 40%	16,00	19,36	42	2019
Percentile going to the lowest 40% of households				
2.5.10 · Income distribution - lowest 40% growth	-	0,16		
Percentile going to the lowest 40% of households - growth				
2.5.11 · Equal opportunity	5,87	6,20	43	2023
Equal opportunity legislation in your economy encourages economic development				
2.5.12 · Females in parliament	13,57	29,30	59	2022
Percentage of total seats in Parliament				
2.5.13 · Unemployment rate - gender ratio	1,07	1,31	29	2021
Ratio of the female and male unemployment rates				
2.5.14 · Gender inequality	0,228	0,174	46	2021
Gender Inequality Index (UNDP)				
2.5.15 · Disposable income	75,7	70,8	33	2022
Female / male ratio				
2.5.16 · Freedom of the press	62,83	65,94	40	2023
Reporters Without Borders: World Press Freedom Score				
2.5.17 · Inequality in life expectancy	0,79	0,84	45	2021
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3 · BUSINESS EFFICIENCY

3.1 · Productivity & Efficiency

	Value	Average	Rank	Year
3.1.01 · Overall productivity (PPP) Estimates: GDP (PPP) per person employed, US\$	65.725	91.004	47	2022
3.1.02 · Overall productivity (PPP) - real growth Estimates: Percentage change of GDP (PPP) per person employed	3,39	1,44	11	2022
3.1.03 · Labor productivity (PPP) Estimates: GDP (PPP) per person employed per hour, US\$	29,01	51,68	51	2022
3.1.04 · Agricultural productivity (PPP) Estimates: Related GDP (PPP) per person employed in agriculture, US\$	44.491	60.869	37	2021
3.1.05 · Productivity in industry (PPP) Estimates: Related GDP (PPP) per person employed in industry, US\$	93.248	118.637	37	2021
3.1.06 · Productivity in services (PPP) Estimates: Related GDP (PPP) per person employed in services, US\$	54.791	91.074	48	2021
3.1.07 · Workforce productivity Workforce productivity is competitive by international standards	6,26	6,10	33	2023
3.1.08 · Large corporations Large corporations are efficient by international standards	7,05	6,75	25	2023
3.1.09 · Small and medium-size enterprises Small and medium-size enterprises are efficient by international standards	5,76	6,11	41	2023
3.1.10 · Use of digital tools and technologies Companies are very good at using digital tools and technologies to improve performance	6,08	6,28	36	2023

3.2 · Labor Market

Value Average Rank Year

3.2.01 · Compensation levels	4,50	14,46	17	2022
Total hourly compensation in manufacturing (wages + supplementary benefits), US\$				
3.2.02 · Unit labor costs for total economy	0,36	1,59	23	2020
Percentage change				
3.2.03 · Remuneration in services professions	13.564	28.619	18	2018
Gross annual income including supplements such as bonuses, US\$				
Remuneration in services professions / Call center agent	8.324	19.099		2018
Remuneration in services professions / Nurse	9.927	30.277		2018
Remuneration in services professions / Primary school	10.938	30.970		2018
Remuneration in services professions / Product Manager	30.650	49.302		2018
Remuneration in services professions / Sales Assistant	12.444	19.165		2018
Remuneration in services professions / Secretary / Personal	9.103	22.903		2018
3.2.04 · Statutory minimum wage	340,83	952,70	17	2022
Statutory gross monthly minimum wage				
3.2.05 · Remuneration of management	117.688	167.160	20	2019
Total base salary plus bonuses and long-term incentives, US\$				
Remuneration of management / CEO	193.322	301.424		2019
Remuneration of management / Director manufacturing	117.053	147.725		2019
Remuneration of management / Engineer	51.396	79.053		2019
Remuneration of management / Human resources director	108.981	140.438		2019
3.2.06 · Remuneration spread	21,51	17,78	41	2018
Ratio of CEO to personal assistant remuneration				
3.2.07 · Working hours	2.265	1.867	12	2022
Average number of working hours per year				
3.2.08 · Worker motivation	5,87	5,95	34	2023
Worker motivation in companies is high				
3.2.09 · Industrial disputes	0,00	12,00	1	2017
Working days lost per 1,000 inhabitants per year (average 2019-2021)				
3.2.10 · Apprenticeships	5,28	5,29	29	2023
Apprenticeships are sufficiently implemented				
3.2.11 · Employee training	5,71	6,11	39	2023
Employee training is a high priority in companies				
3.2.12 · Labor force	15,80	40,36	23	2021
Employed and registered unemployed (millions)				
3.2.13 · Labor force (%)	48,46	50,73	43	2021
Percentage of population				
3.2.14 · Labor force growth	0,83	1,94	47	2021
Percentage change				
3.2.15 · Labor force - long-term growth	3,85	-0,21	11	2021
Estimates: five year percentage change				
3.2.16 · Part-time employment	3,72	14,52	52	2020
Percentage of total employment				
3.2.17 · Female labor force	39,05	42,98	55	2021
Percentage of total labor force				
3.2.18 · Foreign labor force - migrant stock	14,58	17,76	32	2020
Migrant stock, age 20-64, % of population				
3.2.19 · Skilled labor	5,57	5,29	31	2023
Skilled labor is readily available				
3.2.20 · Finance skills	6,29	6,15	31	2023
Finance skills are readily available				
3.2.21 · Attracting and retaining talents	6,00	6,94	52	2023
Attracting and retaining talents is a priority in companies				
3.2.22 · Brain drain	4,42	4,88	39	2023
Brain drain (well-educated and skilled people) does not hinder competitiveness in your economy				
3.2.23 · Foreign highly skilled personnel	5,77	5,39	27	2023
Foreign highly-skilled personnel are attracted to your country's business environment				
3.2.24 · International experience	5,56	5,74	34	2023
International experience of senior managers is generally significant				
3.2.25 · Competent senior managers	6,29	5,53	22	2023

3.3 · Finance

Value Average Rank Year

3.3.01 · Banking sector assets Percentage of GDP	178,30	157,21	16	2021
3.3.02 · Financial cards in circulation Number of cards per capita	2,78	3,52	25	2022
3.3.03 · Financial card transactions US\$ per capita	4.933	11.423	45	2022
3.3.04 · Access to financial services Proportion of adults with a bank account or mobile-money-service provider	88,37	88,03	41	2021
3.3.05 · Access to financial services - gender ratio Ratio of the female and male access to a bank account or mobile-money-service provider	0,98	0,96	39	2021
3.3.06 · Banking and financial services Banking and financial services do support business activities efficiently	6,89	6,22	21	2023
3.3.07 · Regulatory compliance (banking laws) Regulatory compliance is sufficiently developed	7,06	6,95	36	2023
3.3.08 · Stock markets Stock markets provide adequate financing to companies	6,45	5,78	24	2023
3.3.09 · Stock market capitalization (\$bn) US\$ billions	381,0	1.220,9	28	2022
3.3.10 · Stock market capitalization (%) Percentage of GDP	93,77	87,80	20	2022
3.3.11 · Value traded on stock markets US\$ per capita	6.327	28.493	30	2021
3.3.12 · Listed domestic companies Number of listed domestic companies	940	724	12	2021
3.3.13 · Stock market index Percentage change on index in national currency	-3,70	4,18	41	2022
3.3.14 · Shareholders' rights Shareholders' rights are sufficiently implemented	6,86	6,88	34	2023
3.3.15 · Initial Public Offerings By acquiror nation (average 2020-2022) US\$ millions	713,3	4.094,9	29	2022
3.3.16 · Credit Credit is easily available for business	6,08	5,91	35	2023
3.3.17 · Venture capital Venture capital is easily available for business	5,53	5,24	28	2023
3.3.18 · M&A Activity Deals per listed company (average 2019-2021)	0,230	1,267	50	2021
3.3.19 · Corporate debt Corporate debt does not restrain the ability of enterprises to compete	5,61	5,74	38	2023

3.4 · Management Practices

Value Average Rank Year

3.4.01 · Agility of companies Companies are agile	5,97	6,15	38	2023
3.4.02 · Changing market conditions Companies are generally extremely aware of changing market conditions	6,61	6,71	40	2023
3.4.03 · Opportunities and threats Companies are very good at responding quickly to opportunities and threats	6,03	6,30	39	2023
3.4.04 · Credibility of managers Credibility of managers in society is strong	6,42	6,18	29	2023
3.4.05 · Corporate boards Corporate boards do supervise the management of companies effectively	6,21	6,17	34	2023
3.4.06 · Auditing and accounting practices Auditing and accounting practices are adequately implemented in business	6,97	7,21	40	2023
3.4.07 · Use of big data and analytics Companies are very good at using big data and analytics to support decision-making	5,43	5,39	32	2023
3.4.08 · Customer satisfaction Customer satisfaction is emphasized in companies	7,27	6,95	26	2023
3.4.09 · Entrepreneurship Entrepreneurship of managers is widespread in business	6,00	6,11	38	2023
3.4.10 · Social responsibility Social responsibility of business leaders is high	5,74	6,21	43	2023
3.4.11 · Women in management Female share of senior and middle management (% of management)	24,05	33,44	50	2021
3.4.12 · Women on boards Boardmembers of all companies analyzed by MSCI	31,60	25,52	21	2022
3.4.13 · Entrepreneurial fear of failure % indicating that fear of failure would prevent them from setting up a business	44,95	42,91	26	2017
3.4.14 · Total early-stage Entrepreneurial Activity	21,60	12,25	3	2017

3.5 · Attitudes & Values

Value Average Rank Year

3.5.01 · Attitudes toward globalization	6,62	6,47	32	2023
Attitudes toward globalization are generally positive in your society				
3.5.02 · Image abroad or branding	6,52	6,45	36	2023
The image abroad of your country encourages business development				
3.5.03 · National culture	6,78	6,88	39	2023
The national culture is open to foreign ideas				
3.5.04 · Flexibility and adaptability	6,57	6,73	42	2023
Flexibility and adaptability of people are high when faced with new challenges				
3.5.05 · Need for economic and social reforms	6,60	5,88	23	2023
The need for economic and social reforms is generally well understood				
3.5.06 · Digital transformation in companies	5,87	5,99	33	2023
Digital transformation in companies is generally well implemented				
3.5.07 · Value system	6,44	6,23	30	2023
The value system in your society supports competitiveness				

Malaysia

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4 · INFRASTRUCTURE

4.1 · Basic Infrastructure

	Value	Average	Rank	Year
4.1.01 · Land area	330	1.189	28	2022
Square kilometers ('000)				
4.1.02 · Arable area	2.557	2.650	23	2020
Square meters per capita				
4.1.03 · Water resources	17.920	17.827	12	2020
Total internal renewable per capita in cubic meters				
4.1.04 · Access to water	8,13	7,72	35	2023
Access to water is adequately ensured and managed				
4.1.05 · Management of cities	7,32	6,50	16	2023
Management of cities supports business development				
4.1.06 · Population - market size	32,70	81,65	25	2022
Estimates in millions				
4.1.07 · Population - growth	0,31	0,84	44	2022
Percentage change				
4.1.08 · Dependent Population	28,8	33,5		2022
Percentage of total population				
Population over 65 years	7,6	14,9		2022
Population under 15 years	21,2	18,6		2022
4.1.09 · Dependency ratio	40,4	51,1	7	2022
Population under 15 and over 64 years old, divided by active population (15 to 64 years)				
4.1.10 · Roads	1,58	1,42	17	2020
Density of the network, km roads/square km land area				
4.1.11 · Railroads	0,005	0,049	46	2021
Density of the network, km per square km				
4.1.12 · Air transportation	4.965	33.022	40	2021
Number of passengers carried by main companies, thousands				
4.1.13 · Quality of air transportation	7,61	6,89	26	2023
Quality of air transportation encourages business development				
4.1.14 · Distribution infrastructure	7,74	7,09	28	2023
The distribution infrastructure of goods and services is generally efficient				
4.1.15 · Energy infrastructure	7,89	6,77	20	2023
Energy infrastructure is adequate and efficient				
4.1.16 · Total indigenous energy production	91,77	164,21	20	2020
Millions MTOE				
4.1.17 · Total indigenous energy production (%)	99,5	106,9	18	2020
Percentage of total requirements in tons of oil equivalent				
4.1.18 · Total final energy consumption	60,55	116,68	44	2020
Millions MTOE				
4.1.19 · Total final energy consumption per capita	1,87	2,37	29	2020
MTOE per capita				
4.1.20 · Electricity costs for industrial clients	0,080	0,108	16	2021
US\$ per kwh				

4.2 · Technological Infrastructure

Value Average Rank Year

4.2.01 · Investment in Telecommunications	0,30	0,37	40	2022
Percentage of GDP				
4.2.02 · Mobile broadband subscribers	86,6	77,8	29	2021
4G & 5G market, % of mobile market				
4.2.03 · Mobile telephone costs	11,0	15,5	23	2021
Monthly Blended Average Revenue per User				
4.2.04 · Communications technology	7,58	7,69	42	2023
Communications technology (voice and data) meets business requirements				
4.2.05 · Secure internet servers	7.494	35.542	41	2020
publicly-trusted TLS/SSL certificates, Netcraft Secure Server Survey.				
4.2.06 · Internet users	893	844	27	2021
Number of internet users per 1000 people				
4.2.07 · Broadband subscribers	201	384	54	2021
Number of subscriptions per 1000 inhabitants				
4.2.08 · Internet bandwidth speed	78,9	90,4	36	2022
Average speed				
4.2.09 · Digital/Technological skills	7,12	6,81	25	2023
Digital/Technological skills are readily available				
4.2.10 · Qualified engineers	6,88	6,33	23	2023
Qualified engineers are available in your labor market				
4.2.11 · Public-private partnerships	6,60	5,97	22	2023
Public and private sector ventures are supporting technological development				
4.2.12 · Development & application of tech.	6,81	6,52	27	2023
Development and application of technology are supported by the legal environment				
4.2.13 · Funding for technological development	6,42	5,98	28	2023
Funding for technological development is readily available				
4.2.14 · High-tech exports (\$)	108.683	54.836	9	2021
US\$ millions				
4.2.15 · High-tech exports (%)	51,68	17,51	5	2021
Percentage of manufactured exports				
4.2.16 · ICT service exports	15,9	14,1	16	2021
Percentage of service exports				
4.2.17 · Cyber security	6,08	5,90	35	2023
Cyber security is being adequately addressed by corporations				

4.3 · Scientific Infrastructure

Value Average Rank Year

4.3.01 · Total expenditure on R&D (\$) US\$ millions	3.635	35.459	33	2021
4.3.02 · Total expenditure on R&D (%) Percentage of GDP	0,97	1,66	40	2021
4.3.03 · Total expenditure on R&D per capita (\$) US\$ per capita	111,5	732,7	43	2021
4.3.04 · Business expenditure on R&D (\$) US\$ millions	1.596	26.492	34	2021
4.3.05 · Business expenditure on R&D (%) Percentage of GDP	0,43	1,11	42	2021
4.3.06 · Total R&D personnel Full-time work equivalent (FTE thousands)	83,8	278,3	24	2021
4.3.07 · Total R&D personnel per capita Full-time work equivalent (FTE) per 1000 people	2,57	5,70	43	2021
4.3.08 · Total R&D personnel in business enterprise Full-time work equivalent (FTE thousands)	15,6	181,2	38	2021
4.3.09 · Total R&D personnel in business per capita Full-time work equivalent (FTE) per 1000 people	0,48	3,51	46	2021
4.3.10 · Researchers in R&D per capita Full-time work equivalent (FTE) per 1000 people	2,1	3,7	37	2018
4.3.11 · Graduates in Sciences % of graduates in ICT, Engineering, Math & Natural Sciences	38,90	24,26	2	2020
4.3.12 · Scientific articles Scientific articles published by origin of author	21.280	38.874	20	2019
4.3.13 · Nobel prizes Awarded in physics, chemistry, physiology or medicine and economics since 1950	0	9	29	2022
4.3.14 · Nobel prizes per capita Awarded in physics, chemistry, physiology or medicine and economics since 1950 per million people	0,00	0,21	29	2022
4.3.15 · Patent applications Number of applications filed by applicant's origin	1.863	54.136	36	2021
4.3.16 · Patent applications per capita Number of applications filed by applicant's origin, per 100,000 inhabitants	5,71	81,99	46	2021
4.3.17 · Patent grants Number of patents granted by applicant's origin (average 2019-2021)	1.487	26.637	30	2021
4.3.18 · Number of patents in force by applicant's origin, per 100,000 inhabitants	27,7	489,5	41	2021
4.3.19 · Medium- and high-tech value added Proportion of total manufacturing value added, expressed as a percentage	43,32	38,95	26	2020
4.3.20 · Scientific research legislation Laws relating to scientific research do encourage innovation	6,23	6,01	31	2023
4.3.21 · Intellectual property rights Intellectual property rights are adequately enforced	6,75	6,61	30	2023
4.3.22 · Knowledge transfer Knowledge transfer is highly developed between companies and universities	5,32	5,54	36	2023

4.4 · Health & Environment

Value Average Rank Year

4.4.01 · Total health expenditure	4,1	8,2	60	2020
Percentage of GDP				
4.4.02 · Total health expenditure per capita	429	2.767	53	2020
US\$ per capita				
4.4.03 · Public expenditure on health [%]	52,75	68,64	57	2020
Percentage of total health expenditure				
4.4.04 · Health infrastructure	6,81	5,75	23	2023
Health infrastructure meets the needs of society				
4.4.05 · Universal health coverage index	76	78	39	2019
Coverage index for essential health services (0-100)				
4.4.06 · Life expectancy at birth	74,9	77,7	46	2021
Average estimate				
4.4.07 · Healthy life expectancy	67,0	68,4	41	2022
Average estimate				
4.4.08 · Infant mortality	8,6	8,0	47	2020
Under five mortality rate per 1000 live births				
4.4.09 · Medical assistance	348,00	384,55	50	2022
Number of inhabitants per physician and per nurse				
Medical assistance / Per nurse	284,08	268,97		2022
Medical assistance / Per physician	411,92	500,13		2022
4.4.10 · Urban population	79	78		2022
Percentage of total population				
4.4.11 · Human development index	0,803	0,861	49	2021
Combines economic - social - educational indicators/ Source: Human Development Report				
4.4.12 · Energy intensity	179	108	57	2020
Total energy consumed for each 1000 US\$ of GDP in MTOE				
4.4.13 · Safely treated waste water	87,8	76,8	28	2020
Percentage of waste water				
4.4.14 · Water use efficiency	57,34	93,75	28	2020
US\$ per cubic meter				
4.4.15 · CO2 emissions	229,1	418,8	44	2020
Metric tons of carbon dioxide from fuel combustion				
4.4.16 · CO2 emissions intensity	679,2	341,9	56	2020
CO2 emissions from fuel combustion in metric tons per one million US\$ of GDP				
4.4.17 · Exposure to particle pollution	16,29	18,49	42	2020
Mean population exposure to PM2.5, Micrograms per cubic metre				
4.4.18 · Renewable energies [%]	3,9	18,0	53	2020
Share of renewables in total energy requirements, %				
4.4.19 · Forest area growth	-1,8	0,4	58	2020
Five year percentage change of hectares				
4.4.20 · Total biocapacity	2,16	3,22	31	2018
Global hectares per capita of biologically productive space				
4.4.21 · Ecological footprint	4,3	5,0	23	2018
Global hectares per person				
4.4.22 · Ecological balance (reserve/deficit)	-2,10	-1,83	32	2018
Total biocapacity minus total footprint in global hectares per capita				
4.4.23 · Environment-related technologies	0,08	1,58	32	2019
Development of environment-related technologies, % inventions worldwide				
4.4.24 · Environmental agreements	90,46	80,04	10	2020
Multilateral agreements on hazardous waste, proportion fulfilled				
4.4.25 · Sustainable development	6,16	6,18	32	2023
Sustainable development is a priority in companies				
4.4.26 · Pollution problems	5,63	5,82	38	2023
Pollution problems do not seriously affect your economy				
4.4.27 · Environmental laws	6,61	6,09	18	2023
Environmental laws and compliance do not hinder the competitiveness of businesses				
4.4.28 · Quality of life	6,57	6,71	38	2023
Quality of life is high				

4.5 · Education

Value Average Rank Year

4.5.01 · Total public expenditure on education	4,2	4,8	44	2021
Percentage of GDP				
4.5.02 · Total public expenditure on education per capita	485	1.682	48	2021
US\$ per capita				
4.5.03 · Total public exp. on education per student	2.060	7.451	48	2021
Spending per enrolled pupil/student, all levels				
4.5.04 · Pupil-teacher ratio (primary education)	12,30	15,49	19	2021
Ratio of students to teaching staff				
4.5.05 · Pupil-teacher ratio (secondary education)	11,50	13,29	28	2021
Ratio of students to teaching staff				
4.5.06 · Secondary school enrollment	74,6	92,5	59	2020
Percentage of relevant age group receiving full-time education				
4.5.07 · Higher education achievement	41,0	44,4	37	2021
Percentage of population that has attained at least tertiary education for persons 25-34				
4.5.08 · Women with degrees	58,3	40,3	4	2021
Share of women who have a degree in the population 25-65				
4.5.09 · Student mobility inbound	2,75	4,04	32	2020
Foreign tertiary-level students per 1000 inhabitants				
4.5.10 · Student mobility outbound	1,71	2,63	27	2020
National tertiary-level students studying abroad per 1000 inhabitants				
4.5.11 · Educational assessment - PISA	431	471	43	2018
PISA survey of 15-year olds				
Educational assessment - PISA / Mathematics	440	472		2018
Educational assessment - PISA / Reading	415	468		2018
Educational assessment - PISA / Sciences	438	472		2018
4.5.12 · Students who are not low achievers - PISA	44,9	58,5	40	2018
% of students who are not low achievers in maths, sciences and reading				
4.5.13 · English proficiency - TOEFL	92	92	34	2021
TOEFL scores				
4.5.14 · Primary and secondary education	6,16	6,00	33	2023
Primary and secondary education meets the needs of a competitive economy				
4.5.15 · University education	6,05	6,35	39	2023
University education meets the needs of a competitive economy				
4.5.16 · Management education	6,21	6,36	38	2023
Management education meets the needs of the business community				
4.5.17 · University education index	8,53	13,47	33	2022
Country score calculated from Times Higher Education university ranking				
4.5.18 · Illiteracy	5,0	2,4	57	2019
Adult (over 15 years) illiteracy rate as a percentage of population				
4.5.19 · Language skills	6,68	6,45	32	2023
Language skills are meeting the needs of enterprises				