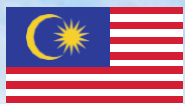


COMPETITIVENESS PROFILE

MALAYSIA



IMD World Competitiveness
Yearbook 2026

IMD / World Competitiveness
Center

Malaysia

Competitiveness Trends – Overall

OVERALL PERFORMANCE (70 countries)

20222023202420252026

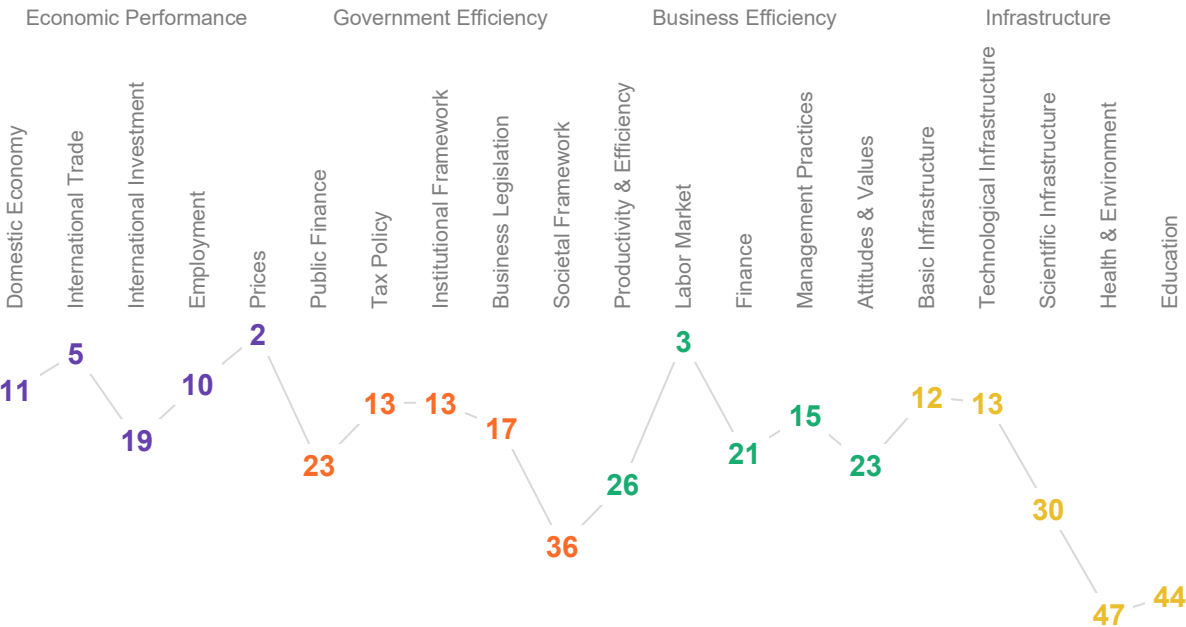


BASIC FACTS

Rank

Capital	Kuala Lumpur	
Land area (square km '000)	330	2025
Exchange rate (per \$)	4.284	2025
Population - market size (millions)	34.23	2025 29
Gross Domestic Product (GDP) (US\$ billions)	472.2	2025 33
GDP (PPP) per capita (US\$)	43,629	2025 47
Real GDP growth (%)	5.2	2025 09
Consumer price inflation (%)	1.38	2025 12
Unemployment rate (%)	2.90	2025 11
Labor force (millions)	17.62	2025 26
Current account balance (% of GDP)	1.57	2025 29
Direct investment stocks inward (\$bn)	222.7	2024 30
Direct investment flows inward (% of GDP)	2.67	2024 25

COMPETITIVENESS LANDSCAPE



PEER GROUPS RANKINGS

ASIA - PACIFIC (15 countries)

20222023202420252026



POPULATIONS > 20 MILLION (32 countries)

20222023202420252026



Malaysia

Competitiveness Evolution & Attractiveness Indicators

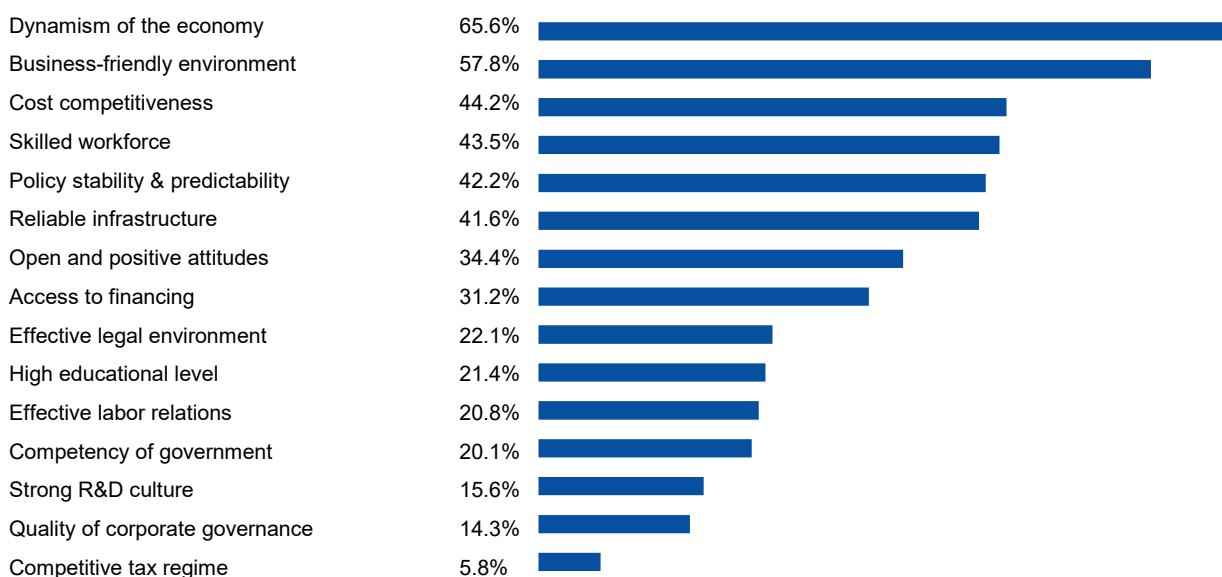
COMPETITIVENESS EVOLUTION

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	2025 WCY	2026 WCY	DECLINES	2025 WCY	2026 WCY
1.4.04 Employment - long-term growth	1.85	7.87	4.1.07 Population - growth	2.10	0.53
3.2.15 Labor force - long-term growth	2.23	6.25	2.3.08 Exchange rate stability	0.033	0.050
4.3.10 Researchers in R&D per capita	0.7	1.3	4.1.20 Electricity costs for industrial clients	0.090	0.133
1.1.15 Real GDP growth per capita	2.96	4.62	4.5.08 Women with degrees	49.6	34.1
2.4.07 Government subsidies	3.03	1.47	4.4.19 Forest area growth	-1.3	-1.6
1.4.08 Long-term unemployment	0.20	0.10	1.1.18 Gross fixed capital formation - real growth	12.04	9.61
1.2.25 Tourism receipts	3.91	5.82	4.4.17 Exposure to particle pollution	16.29	19.40
3.2.22 Brain drain	4.37	5.62	2.5.13 Unemployment rate - gender ratio	1.06	1.22
3.5.02 Image abroad or branding	6.12	7.70	1.5.06 Gasoline prices	0.45	0.51
1.5.01 Consumer price inflation	1.83	1.38	2.2.02 Collected personal income tax	2.07	2.25
2.4.09 State ownership of enterprises	5.25	6.43	4.4.25 Environmental agreements	90.46	82.79
4.3.19 AI-related patent publications	9	11	4.2.05 Secure internet servers	8,083	7,475
2.3.11 Transparency	5.48	6.69	3.2.01 Compensation levels	4.39	4.71
2.3.12 Bureaucracy	4.93	6.00	1.2.02 Current account balance	1.69	1.57
3.4.05 Corporate boards	6.22	7.55	4.3.05 Business expenditure on R&D (%)	0.51	0.48

KEY ATTRACTIVENESS INDICATORS

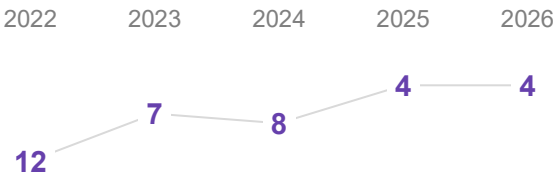
From a list of 15 indicators, respondents of the Executive Opinion Survey were asked to select 5 that they perceived as the key attractiveness factors of their economy. The chart shows the percentage of responses per indicator from the highest number of responses to the lowest.



Malaysia

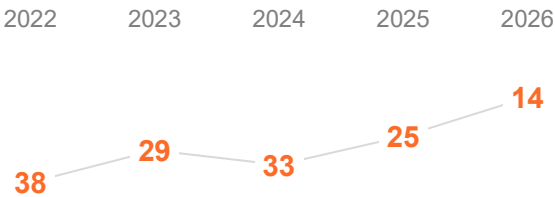
Competitiveness Trends – Factor Breakdown

ECONOMIC PERFORMANCE



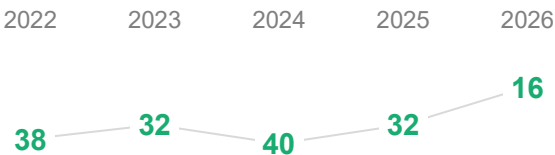
SUB-FACTOR RANKINGS :	2025	2026
Domestic Economy	15	11
International Trade	06	05
International Investment	26	19
Employment	10	10
Prices	01	02

GOVERNMENT EFFICIENCY



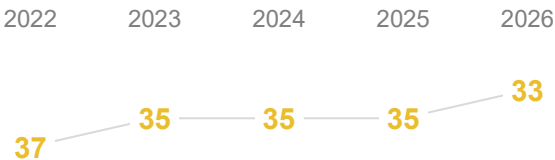
SUB-FACTOR RANKINGS :	2025	2026
Public Finance	27	23
Tax Policy	11	13
Institutional Framework	20	13
Business Legislation	46	17
Societal Framework	38	36

BUSINESS EFFICIENCY



SUB-FACTOR RANKINGS :	2025	2026
Productivity & Efficiency	34	26
Labor Market	23	03
Finance	26	21
Management Practices	42	15
Attitudes & Values	39	23

INFRASTRUCTURE



SUB-FACTOR RANKINGS :	2025	2026
Basic Infrastructure	13	12
Technological Infrastructure	25	13
Scientific Infrastructure	35	30
Health & Environment	50	47
Education	44	44

Malaysia

Balance Sheet – Factor Breakdown

ECONOMIC PERFORMANCE

STRENGTHS	Rank	WEAKNESSES	Rank
1.5.06 Gasoline prices	03	1.1.20 GDP per capita	53
1.3.13 Relocation threats of business	03	1.5.05 Food costs	53
1.4.08 Long-term unemployment	05	1.1.21 GDP (PPP) per capita	47
1.5.02 Cost-of-living index	06	1.1.09 Gross fixed capital formation (%)	43
1.2.09 Exports of goods (%)	07	1.3.15 Portfolio investment liabilities	39
1.1.18 Gross fixed capital formation - real growth	09	1.3.01 Direct investment flows abroad (\$bn)	30
1.1.15 Real GDP growth per capita	10	1.2.02 Current account balance	29
1.5.03 Apartment rent	10	1.3.05 Direct investment flows inward (\$bn)	27
1.1.19 Resilience of the economy	11		
1.2.23 Trade to GDP ratio	11		

GOVERNMENT EFFICIENCY

STRENGTHS	Rank	WEAKNESSES	Rank
2.3.18 Passport freedom	01	2.5.17 Media bias	55
2.3.12 Bureaucracy	06	2.5.13 Unemployment rate - gender ratio	53
2.2.11 Real personal taxes	06	2.5.06 Gini coefficient	52
2.3.02 Cost of capital	06	2.3.15 Sustainable Development Goals	50
2.3.09 Legal and regulatory framework	08	2.3.17 Freely Elected Government	50
2.4.06 Investment incentives (e.g., grants, tax credits) f	08	2.4.12 New business density	49
2.1.09 Pension funding	09	2.1.04 Total general government debt (%)	47
2.3.05 Central bank policy	09	2.5.16 Freedom of the press	47
2.3.10 Adaptability of government policy	10	2.5.09 Income distribution - lowest 40%	46
2.4.16 Labor regulations	10	2.5.15 Disposable income	46

BUSINESS EFFICIENCY

STRENGTHS	Rank	WEAKNESSES	Rank
3.4.05 Corporate boards	03	3.2.17 Female labor force	60
3.2.24 International experience	05	3.4.11 Women in management	51
3.3.17 Venture capital	05	3.5.06 Citizen trust in AI	42
3.2.25 Competent senior managers	07	3.2.18 Foreign labor force - migrant stock	36
3.2.08 Worker motivation	08		
3.3.06 Banking and financial services	08		
3.2.11 Employee training	09		
3.2.10 Apprenticeships	10		
3.4.02 Changing market conditions	11		
3.3.08 Stock markets	12		

INFRASTRUCTURE

STRENGTHS	Rank	WEAKNESSES	Rank
4.3.11 Graduates in Sciences	02	4.4.23 Food waste	68
4.4.29 Environmental laws	02	4.4.19 Forest area growth	63
4.2.15 High-tech exports (%)	06	4.4.01 Total health expenditure	62
4.4.27 Sustainable development	06	4.4.16 CO2 emissions intensity	61
4.1.09 Dependency ratio	07	4.4.12 Energy intensity	61
4.2.09 AI skills	09	4.4.18 Renewable energies (%)	58
4.2.02 Mobile broadband subscribers	09	4.4.26 Environmental Performance Index	57
4.2.06 Internet users	10	4.2.07 Broadband subscribers	54
4.2.11 Public-private partnerships	15	4.4.09 Medical assistance	53
4.2.04 Society's access to AI	15	4.5.06 Secondary school enrollment	53

Malaysia

Extended Country Profile

1 · ECONOMIC PERFORMANCE

1.1 · Domestic Economy

		Value	Avg	Rank	
1.1.00 [B]	Exchange rate National currency per US\$ (average)	4.284	815.950		2025
1.1.01	Gross Domestic Product (GDP) US\$ billions	472.2	1,554.5	33	2025
1.1.02	GDP (PPP) Estimates ; US\$ billions at purchasing power parity	1,493.5	2,604.0	25	2025
1.1.03 [B]	World GDP contribution Percentage share of world GDP based on PPP	0.71	1.24	25	2025
1.1.04 [B]	Household consumption expenditure (\$bn) US\$ billions	291.0	853.9	28	2025
1.1.05 [B]	Household consumption expenditure (%) Percentage of GDP	61.6	54.4	16	2025
1.1.06 [B]	Government consumption expenditure (\$bn) US\$ billions	58.4	260.7	39	2025
1.1.07 [B]	Government consumption expenditure (%) Percentage of GDP	12.4	17.8	55	2025
1.1.08 [B]	Gross fixed capital formation (\$bn) US\$ billions	100.7	395.8	35	2025
1.1.09	Gross fixed capital formation (%) Percentage of GDP	21.3	22.7	43	2025
1.1.10 [B]	Gross domestic savings (\$bn) US\$ billions	122.8	429.3	33	2025
1.1.11 [B]	Gross domestic savings (%) Percentage of GDP	26.0	27.8	33	2025
1.1.12 [B][3]	Economic sectors Breakdown of the economic sectors, percentage of GDP				2025
	Economic sectors / Agriculture	8.2	4.3		2025
	Economic sectors / Industry	35.7	28.6		2025
	Economic sectors / Services	54.8	66.9		2025
1.1.13	Economic complexity index Measures knowledge intensity, by considering exports	1.02	0.61	25	2024
1.1.14	Real GDP growth Percentage change, based on national currency in constant prices	5.2	2.8	9	2025
1.1.15	Real GDP growth per capita Percentage change, based on national currency in constant prices	4.62	1.91	10	2025
1.1.16 [B]	Household consumption expenditure - real growth Percentage change, based on constant prices	5.15	2.70	11	2025
1.1.17 [B]	Government consumption expenditure - real growth Percentage change, based on constant prices	6.57	2.45	8	2025
1.1.18	Gross fixed capital formation - real growth Percentage change, based on constant prices	9.61	2.75	9	2025
1.1.19 [S]	Resilience of the economy Resilience of the economy to economic cycles is strong	7.18	5.83	11	2026
1.1.20	GDP per capita US\$ per capita	13,794	37,912	53	2025
1.1.21	GDP (PPP) per capita Estimates; US\$ per capita at purchasing power parity	43,629	55,152	47	2025
1.1.22 [B]	Forecast: Real GDP growth Percentage change, based on national currency in constant prices	4.7	2.3	8	2026
1.1.23 [B]	Forecast: Inflation Percentage change	1.9	9.7	8	2026
1.1.24 [B]	Forecast: Unemployment Percentage of total labor force	2.9	5.8	8	2026
1.1.25 [B]	Forecast: Current account balance Percentage of GDP	1.4	1.6	27	2026

1.2 · International Trade

Value Avg Rank

1.2.01 [B]	Current account balance (\$bn) US\$ billions (minus sign = deficit)	7.4	10.3	25	2025
1.2.02	Current account balance Percentage of GDP	1.57	1.83	29	2025
1.2.03 [B]	Balance of trade (\$bn) US\$ billions (minus sign = deficit)	35.6	-0.2	16	2025
1.2.04 [B]	Balance of trade (%) Percentage of GDP	7.54	0.13	14	2025
1.2.05 [B]	Balance of commercial services (\$bn) US\$ billions (minus sign = deficit)	0.21	12.48	34	2025
1.2.06 [B]	Balance of commercial services (%) Percentage of GDP	0.04	1.98	34	2025
1.2.07 [B]	World exports contribution Percentage share of world exports (goods and commercial services)	1.23	1.33	23	2025
1.2.08	Exports of goods (\$bn) US\$ billions	376.04	350.42	22	2025
1.2.09	Exports of goods (%) Percentage of GDP	79.64	40.03	7	2025
1.2.10 [B]	Exports of goods per capita US\$ per capita	10,985	16,283	33	2025
1.2.11	Exports of goods - growth Percentage change, based on US\$ values	13.69	7.13	10	2025
1.2.12	Exports of commercial services (\$bn) US\$ billions	64.31	129.13	29	2025
1.2.13	Exports of commercial services (%) Percentage of GDP	13.62	17.44	26	2025
1.2.14	Exports of commercial services - growth Percentage change, based on US\$ values	20.60	8.78	5	2025
1.2.15 [B]	Exports of goods & commercial services US\$ billions	440.35	484.64	23	2025
1.2.16 [B][3]	Exports breakdown by economic sector Percentage of total exports				2024
	Exports breakdown by economic sector / Agriculture	9.8	10.0		2024
	Exports breakdown by economic sector / Industry	76.3	62.2		2024
	Exports breakdown by economic sector / Services	13.9	27.8		2024
1.2.17	Export concentration by partner Exports to top 5 countries, percentage of total exports	52.3	55.4	34	2024
1.2.18	Export concentration by product Top 5 products, percentage of total exports	58.3	58.7	37	2024
1.2.19 [B]	Imports of goods & commercial services (\$bn) US\$ billions	404.5	472.2	44	2025
1.2.20 [B]	Imports of goods & commercial services (%) Percentage of GDP	85.7	55.7	58	2025
1.2.21 [B]	Imports of goods & commerc. services growth Percentage change, based on US\$ values	13.52	8.18	58	2025
1.2.22 [B][3]	Imports breakdown by economic sector Percentage of total imports				2024
	Imports breakdown by economic sector / Agriculture	8.4	8.3		2024
	Imports breakdown by economic sector / Industry	75.8	65.3		2024
	Imports breakdown by economic sector / Services	15.8	26.4		2024
1.2.23	Trade to GDP ratio (Exports + Imports) / GDP	178.93	113.77	11	2025
1.2.24	Terms of trade index Unit value of exports over unit value of imports	116.2	104.3	14	2024
1.2.25	Tourism receipts International tourism receipts as a percentage of GDP	5.82	3.92	13	2024

1.3 · International Investment

Value Avg Rank

1.3.01	Direct investment flows abroad (\$bn) US\$ billions	7.40	22.49	30	2024
1.3.02	Direct investment flows abroad (% of GDP) Percentage of GDP	1.75	3.33	23	2024
1.3.03	Direct investment stocks abroad (\$bn) US\$ billions	139.2	617.6	33	2024
1.3.04	Direct investment stocks abroad (% of GDP) Percentage of GDP	32.96	69.97	30	2024
1.3.05	Direct investment flows inward (\$bn) US\$ billions	11.26	18.85	27	2024
1.3.06	Direct investment flows inward (% of GDP) Percentage of GDP	2.67	4.42	25	2024
1.3.07	Direct investment stocks inward (\$bn) US\$ billions	222.7	692.1	30	2024
1.3.08	Direct investment stocks inward (% of GDP) Percentage of GDP	52.75	81.06	28	2024
1.3.09 [B]	Balance of direct investment flows (\$bn) US\$ billions (flows abroad minus flows inward)	-3.86	3.64	48	2024
1.3.10 [B]	Balance of direct investment flows (%) Percentage of GDP (flows abroad minus flows inward)	-0.91	-1.09	39	2024
1.3.11 [B]	Net position in direct investment stocks (\$bn) US\$ billions (stocks abroad minus stocks inward)	-83.5	-73.8	48	2024
1.3.12 [B]	Net position in direct investment stocks (%) Percentage of GDP (stocks abroad minus stocks inward)	-19.78	-10.96	37	2024
1.3.13 [S]	Relocation threats of business Relocation of business is not a threat to the future of your economy	6.43	5.00	3	2026
1.3.14	Portfolio investment assets US\$ billions	23.66	50.70	27	2024
1.3.15	Portfolio investment liabilities US\$ billions	5.26	52.54	39	2024

1.4 · Employment

Value Avg Rank

1.4.01	Employment Total employment in millions	17.10	38.80	26	2025
1.4.02	Employment (%) Percentage of population	49.95	48.10	27	2025
1.4.03	Employment - growth Estimates: percentage change	4.47	1.46	6	2025
1.4.04	Employment - long-term growth Estimates: five year percentage change	7.87	4.47	17	2025
1.4.05 [B][3]	Employment by sector Percentage of total employment				2025
	Employment by sector / Agriculture	11.0	8.3		2025
	Employment by sector / Industry	26.4	23.0		2025
	Employment by sector / Services	62.6	68.7		2025
1.4.06 [B]	Employment in the public sector Percentage of total employment	11.00	15.99	20	2024
1.4.07	Unemployment rate Percentage of labor force	2.90	5.93	11	2025
1.4.08	Long-term unemployment Percentage of labor force	0.10	2.80	5	2025
1.4.09	Youth unemployment Percentage of youth labor force (under the age of 25)	9.80	14.67	20	2025
1.4.10	Youth exclusion Share of youth population (15-24) not in education, employment or training	10.2	13.3	24	2022

1.5 · Prices

Value Avg Rank

1.5.01	Consumer price inflation Average annual rate	1.38	7.84	12	2025
1.5.02	Cost-of-living index Index of a basket of goods & services in the main city. Provided by Mercer	49.25	69.46	6	2024
1.5.03	Apartment rent 3-room apartment monthly rent in major cities, US\$	725	1,463	10	2025
1.5.04	Office rent Total occupation cost in the main city (US\$/Sq.M. per year)	316	566	14	2025
1.5.05	Food costs Percentage of household final consumption expenditures	25.96	19.84	53	2025
1.5.06	Gasoline prices Premium unleaded gasoline (95 Ron) US\$ per litre	0.51	1.39	3	2025

Malaysia

Extended Country Profile

2 · GOVERNMENT EFFICIENCY

2.1 · Public Finance

		Value	Avg	Rank	
2.1.01 [B]	Government budget surplus/deficit (\$bn) US\$ billions	-16.70	-78.20	43	2025
2.1.02	Government budget surplus/deficit (%) Percentage of GDP	-3.54	-2.42	43	2025
2.1.03 [B]	Total general government debt (\$bn) US\$ billions	333.61	1,522.36	43	2025
2.1.04	Total general government debt (%) Percentage of GDP	70.65	67.76	47	2025
2.1.05 [B]	Total general government debt-real growth Percentage change, based on national currency in constant prices	4.47	9.85	42	2025
2.1.06	Interest payment (%) Percentage of current revenue	13.34	7.39	55	2025
2.1.07 [S]	Public finances Public finances are being efficiently managed	6.19	4.81	16	2026
2.1.08 [S]	Tax evasion Tax evasion is not a threat to your economy	5.75	4.93	25	2026
2.1.09 [S]	Pension funding Pension funding is adequately addressed for the future	7.21	4.95	9	2026
2.1.10	General government expenditure Percentage of GDP	23.4	36.4	14	2025

2.2 · Tax Policy

		Value	Avg	Rank	
2.2.01	Collected total tax revenues Percentage of GDP	12.84	21.52	11	2025
2.2.02	Collected personal income tax On profits, income and capital gains, as a percentage of GDP	2.25	5.76	17	2025
2.2.03 [B]	Collected corporate taxes On profits, income and capital gains, as a percentage of GDP	4.84	3.82	52	2025
2.2.04 [B]	Collected indirect tax revenues Taxes on goods and services as a percentage of GDP	3.92	8.80	12	2025
2.2.05 [B]	Collected capital and property taxes Percentage of GDP	0.11	1.14	9	2025
2.2.06 [B]	Collected social security contribution Compulsory contribution of employees and employers as a percentage of GDP	6.10	6.18	37	2024
2.2.07	Corporate tax rate on profit Maximum tax rate, calculated on profit before tax	24.00	22.45	41	2025
2.2.08	Consumption tax rate Standard rate of VAT/GST	8.00	15.89	11	2025
2.2.09	Employer social security tax rate %	13.0	15.2	33	2025
2.2.10	Employee social security tax rate %	11.0	10.2	44	2025
2.2.11 [S]	Real personal taxes Real personal taxes do not discourage people from working or seeking advancement	7.01	5.11	6	2026

2.3 · Institutional Framework

Value Avg Rank

2.3.01 [B]	Real short-term interest rate Real discount / bank rate	1.35	0.13	33	2025
2.3.02 [S]	Cost of capital Cost of capital encourages business development	6.81	5.21	6	2026
2.3.03	Interest rate spread Lending rate minus deposit rate	2.39	4.41	22	2025
2.3.04	Country credit rating Index (0-60) of three country credit ratings: Fitch, Moody's and S&P	41.0	42.1	41	2025
2.3.05 [S]	Central bank policy Central bank policy has a positive impact on the economy	7.61	6.26	9	2026
2.3.06 [B]	Foreign currency reserves US\$ billions	125.53	239.62	25	2025
2.3.07	Foreign currency reserves per capita US\$ per capita	3,667	8,619	32	2025
2.3.08	Exchange rate stability Parity change from national currency to SDR, two-year change	0.050	0.185	49	2025
2.3.09 [S]	Legal and regulatory framework The legal and regulatory framework encourages the competitiveness of enterprises	7.23	5.28	8	2026
2.3.10 [S]	Adaptability of government policy Adaptability of government policy to changes in the economy is high	6.69	4.84	10	2026
2.3.11 [S]	Transparency Transparency of government policy is satisfactory	6.69	4.96	15	2026
2.3.12 [S]	Bureaucracy Bureaucracy does not hinder business activity	6.00	3.84	6	2026
2.3.13 [S]	Bribery and corruption Bribery and corruption do not exist	5.03	4.52	33	2026
2.3.14	Rule of law Rule of Law Index	62.90	67.24	42	2024
2.3.15	Sustainable Development Goals Country performance on the 17 SDGs	69.3	74.4	50	2024
2.3.16	Democracy Index EIU Overall Democracy Index, © The Economist Intelligence Unit Limited	7.11	6.74	39	2024
2.3.17	Freely Elected Government Score (0-4) - Do the freely elected head of government and national legislative representatives determine the government policies?	2	3	50	2024
2.3.18	[2] Passport freedom Score	185	121	1	2025
	Country welcoming	195	99		2025
	Passport mobility	174	144		2025

2.4 · Business Legislation

Value Avg Rank

2.4.01	Tariff barriers	3.50	4.48	41	2024
	Tariffs on imports: Trade-weighted MFN applied tariff average - all products				
2.4.02 [S]	Protectionism	6.27	5.49	24	2026
	Protectionism of your government does not impair the conduct of your business				
2.4.03 [S]	Public sector contracts	6.47	5.90	27	2026
	Public sector contracts are sufficiently open to foreign bidders				
2.4.04 [S]	Foreign investors	6.34	6.63	42	2026
	Foreign investors are free to acquire control in domestic companies				
2.4.05 [S]	Capital markets	7.19	6.26	18	2026
	Capital markets (foreign and domestic) are easily accessible				
2.4.06 [S]	Investment incentives (e.g., grants, tax credits) for AI	5.37	3.96	8	2026
	Investment incentives (e.g., grants, tax credits) for AI are adequate				
2.4.07	Government subsidies	1.47	1.37	41	2025
	To private and public companies as a percentage of GDP				
2.4.08 [S]	Subsidies	5.83	5.51	28	2026
	Subsidies do not distort fair competition and economic development				
2.4.09 [S]	State ownership of enterprises	6.43	5.91	27	2026
	State ownership of enterprises is not a threat to business activities				
2.4.10 [S]	Competition legislation	6.86	5.73	13	2026
	Competition legislation is efficient in preventing unfair competition				
2.4.11 [S]	Parallel economy	4.90	4.88	35	2026
	Parallel (black-market, unrecorded) economy does not impair economic development				
2.4.12	New business density	2.2	6.0	49	2022
	Registered new businesses per 1'000 people aged 15-64				
2.4.13 [S]	Creation of firms	7.66	6.34	16	2026
	Creation of firms is supported by legislation				
2.4.14	Start-up days	13.3	28.6	15	2024
	World Bank Enterprise Survey: Average days to obtain an operating license				
2.4.15	Regulatory burden	4.0	7.8	11	2024
	World Bank Enterprise Survey: Average senior management time spent dealing with the requirements of government regulation (%)				
2.4.16 [S]	Labor regulations	6.79	5.35	10	2026
	Labor regulations (hiring/firing practices, minimum wages, etc.) do not hinder business activities				
2.4.17 [S]	Unemployment legislation	6.26	5.05	16	2026
	Unemployment legislation provides an incentive to look for work				
2.4.18 [S]	Immigration laws	6.53	5.82	16	2026
	Immigration laws do not prevent your company from employing foreign labor				
2.4.19	Redundancy costs	2.5	4.1	21	2024
	World Bank Enterprise Survey: Average weeks paid in severance				

2.5 · Societal Framework

Value Avg Rank

2.5.01 [S]	Justice Justice is fairly administered	6.77	5.70	23	2026
2.5.02	Homicide Intentional homicide, rate per 100'000 population	0.73	3.97	24	2023
2.5.03	Ageing of population Population over 65, percentage of total population	8.2	14.9	19	2025
2.5.04 [S]	Risk of political instability The risk of political instability is very low	6.14	5.65	29	2026
2.5.05 [S]	Social cohesion Social cohesion is high	6.51	5.75	22	2026
2.5.06	Gini coefficient Equal distribution of income scale: 0 (absolute equality) to 100 (absolute inequality)	41.20	35.40	52	2022
2.5.07 [B]	Income distribution - lowest 10% Percentage of household incomes going to lowest 10% of households	2.30	3.30		2022
2.5.08 [B]	Income distribution - highest 10% Percentage of household incomes going to highest 10% of households	30.30	26.86		2022
2.5.09	Income distribution - lowest 40% Percentile going to the lowest 40% of households	16.10	19.36	46	2022
2.5.10 [B]	Income distribution - lowest 40% growth Percentile going to the lowest 40% of households - growth	0.00	0.28	23	2022
2.5.11 [S]	Equal opportunity Equal opportunity legislation in your economy encourages economic development	6.30	6.00	30	2026
2.5.12	Females in parliament Percentage of total seats in Parliament	13.51	29.25	65	2025
2.5.13	Unemployment rate - gender ratio Ratio of the female and male unemployment rates	1.22	1.34	53	2025
2.5.14	Gender inequality Gender Inequality Index (UNDP)	0.172	0.181	39	2023
2.5.15	Disposable income Female / male ratio	66.1	70.0	46	2025
2.5.16	Freedom of the press Reporters Without Borders: World Press Freedom Score	56.09	62.44	47	2025
2.5.17	Media bias Whether the print/broadcast media cover parties/candidates impartially and proportionately	0.398	0.994	55	2025
2.5.18	Inequality in life expectancy Index	0.82	0.84	45	2023

Malaysia

Extended Country Profile

3 · BUSINESS EFFICIENCY

3.1 · Productivity & Efficiency

		Value	Avg	Rank	
3.1.01	Overall productivity (PPP) Estimates: GDP (PPP) per person employed, US\$	82,729	96,588	45	2025
3.1.02	Overall productivity (PPP) - real growth Estimates: Percentage change of GDP (PPP) per person employed	1.77	1.57	25	2025
3.1.03	Labor productivity (PPP) Estimates: GDP (PPP) per person employed per hour, US\$	35.74	55.74	49	2025
3.1.04 [B]	Agricultural productivity (PPP) Estimates: Related GDP (PPP) per person employed in agriculture, US\$	65,247	72,272	28	2025
3.1.05 [B]	Productivity in industry (PPP) Estimates: Related GDP (PPP) per person employed in industry, US\$	118,170	147,448	35	2025
3.1.06 [B]	Productivity in services (PPP) Estimates: Related GDP (PPP) per person employed in services, US\$	76,412	110,835	48	2025
3.1.07 [S]	Workforce productivity Workforce productivity is competitive by international standards	6.75	5.88	19	2026
3.1.08 [S]	Large corporations Large corporations are efficient by international standards	7.17	6.56	17	2026
3.1.09 [S]	Small and medium-size enterprises Small and medium-size enterprises are efficient by international standards	6.14	5.85	29	2026
3.1.10 [S]	AI adoption in companies is implemented AI adoption in companies is implemented well	5.91	5.16	15	2026

3.2 · Labor Market

Value Avg Rank

3.2.01	Compensation levels	4.71	15.53	18	2025
	Total hourly compensation in manufacturing (wages + supplementary benefits), US\$				
3.2.02 [B]	Unit labor costs for total economy	7.50	3.43	48	2024
	Percentage change				
3.2.03	[4] Remuneration in medium skilled professions	5,520	22,991	18	2024
	Gross annual income, US\$				
	Remuneration in medium skilled professions / Clerical	6,766	26,061		2024
	Remuneration in medium skilled professions / Craft	5,399	25,160		2024
	Remuneration in medium skilled professions / Service	5,498	20,011		2024
	Remuneration in medium skilled professions / Skilled	4,416	20,733		2024
3.2.04	Statutory minimum wage	327.77	1,050.25	21	2024
	Statutory gross monthly minimum wage US\$				
3.2.05	[3] Remuneration in high skilled professions	14,362	44,317	20	2024
	Gross annual income, US\$				
	Remuneration in high skilled professions / Managers,	18,496	58,299		2024
	Remuneration in high skilled professions /	15,133	41,674		2024
	Remuneration in high skilled professions / Technicians	9,458	32,979		2024
3.2.06 [B]	Remuneration spread	2.73	2.26	55	2024
	Ratio of managers to technicians				
3.2.07	Working hours	2,315	1,857	8	2025
	Average number of working hours per year				
3.2.08 [S]	Worker motivation	7.27	5.84	8	2026
	Worker motivation in companies is high				
3.2.09 [B]	Industrial disputes	0.00	12.38	1	2022
	Working days lost per 1,000 inhabitants per year (three-year average)				
3.2.10 [S]	Apprenticeships	6.44	5.34	10	2026
	Apprenticeships are sufficiently implemented				
3.2.11 [S]	Employee training	7.14	6.12	9	2026
	Employee training is a high priority in companies				
3.2.12	Labor force	17.62	40.22	26	2025
	Employed and registered unemployed (millions)				
3.2.13	Labor force (%)	51.47	50.95	34	2025
	Percentage of population				
3.2.14	Labor force growth	4.22	1.30	5	2025
	Percentage change				
3.2.15	Labor force - long-term growth	6.25	3.52	15	2025
	Estimates: five year percentage change				
3.2.16	Part-time employment	9.68	20.20	43	2022
	Less than 35 hours per week. Percentage of total employment				
3.2.17	Female labor force	36.98	43.20	60	2025
	Percentage of total labor force				
3.2.18	Foreign labor force - migrant stock	10.71	16.75	36	2024
	Migrant stock, age 20-64, % of population				
3.2.19 [S]	Skilled labor	6.45	5.69	20	2026
	Skilled labor is readily available				
3.2.20 [S]	Finance skills	6.73	6.23	25	2026
	Finance skills are readily available				
3.2.21 [S]	Attracting and retaining talent	7.14	6.67	20	2026
	Attracting and retaining talent is a priority in companies				
3.2.22 [S]	Brain drain	5.62	4.99	22	2026
	Brain drain does not hinder competitiveness in your economy				
3.2.23 [S]	Foreign highly skilled personnel	6.48	5.66	17	2026
	Foreign highly skilled personnel are attracted to your country's business environment				
3.2.24 [S]	International experience	7.47	5.88	5	2026
	International experience of senior managers is generally significant				
3.2.25 [S]	Competent senior managers	7.13	5.77	7	2026
	Competent senior managers are readily available				

3.3 · Finance

Value Avg Rank

3.3.01	Banking sector assets Percentage of GDP	160.51	145.69	23	2025
3.3.02 [B]	Financial cards in circulation Number of cards per capita	3.12	3.88	21	2025
3.3.03	Financial card transactions US\$ per capita	5,699	12,108	44	2025
3.3.04	Access to financial services Proportion of adults with a bank account or mobile-money-service provider	88.69	86.90	38	2024
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	0.99	0.97	35	2024
3.3.06 [S]	Banking and financial services Banking and financial services do support business activities efficiently	7.57	6.28	8	2026
3.3.07 [S]	Regulatory compliance (banking laws) Regulatory compliance is sufficiently developed	7.71	6.89	14	2026
3.3.08 [S]	Stock markets Stock markets provide adequate financing to companies	6.95	5.66	12	2026
3.3.09 [B]	Stock market capitalization (\$bn) US\$ billions	454.8	1,519.1	29	2025
3.3.10	Stock market capitalization (%) Percentage of GDP	96.32	95.07	23	2025
3.3.11 [B]	Value traded on stock markets US\$ per capita	4,129	25,535	31	2025
3.3.12	Listed domestic companies Number of listed domestic companies	1,072	830	11	2025
3.3.13	Stock market index Percentage change on index in national currency	-1.30	14.66	56	2025
3.3.14 [S]	Shareholders' rights Shareholders' rights are sufficiently implemented	7.38	6.83	21	2026
3.3.15	Initial Public Offerings By acquiror nation (three-year average) US\$ millions	1,256.3	1,742.4	17	2025
3.3.16 [S]	Credit Credit is easily available for business	7.11	5.85	12	2026
3.3.17 [S]	Venture capital Venture capital is easily available for business	6.70	5.10	5	2026
3.3.18	M&A Activity Deals per listed company (three-year average)	0.251	1.204	47	2025
3.3.19 [S]	Corporate debt Corporate debt does not restrain the ability of enterprises to compete	6.42	5.77	24	2026

3.4 · Management Practices

Value Avg Rank

3.4.01 [S]	Agility of companies Companies are agile	6.65	6.26	22	2026
3.4.02 [S]	Changing market conditions Companies are generally extremely aware of changing market conditions	7.51	6.74	11	2026
3.4.03 [S]	Opportunities and threats Companies are very good at responding quickly to opportunities and threats	6.92	6.25	13	2026
3.4.04 [S]	Credibility of managers Credibility of managers in society is strong	6.84	6.22	19	2026
3.4.05 [S]	Corporate boards Corporate boards do supervise the management of companies effectively	7.55	6.22	3	2026
3.4.06 [S]	Auditing and accounting practices Auditing and accounting practices are adequately implemented in business	7.31	7.11	32	2026
3.4.07 [S]	Companies address potential bias in AI algorithms Companies address potential bias in AI algorithms agree	5.49	4.77	19	2026
3.4.08 [S]	Customer satisfaction Customer satisfaction is emphasized in companies	7.73	7.07	15	2026
3.4.09 [S]	Entrepreneurship Entrepreneurship of managers is widespread in business	6.55	6.23	24	2026
3.4.10 [S]	Social responsibility Social responsibility of business leaders is high	7.05	6.25	15	2026
3.4.11	Women in management Female share of senior and middle management (% of management)	27.10	35.09	51	2024
3.4.12	Women on boards Percentage of total director seats held by women analyzed by MSCI	35.10	27.98	22	2025
3.4.13	Entrepreneurial fear of failure % indicating that fear of failure would prevent them from setting up a business	-	46.36		
3.4.14	Total early-stage Entrepreneurial Activity % who are either a nascent entrepreneur or owner-manager of a new business	-	12.63		

3.5 · Attitudes & Values

		Value	Avg	Rank	
3.5.01 [S]	Attitudes toward globalization	6.78	6.44	30	2026
	Attitudes toward globalization are generally positive in your society				
3.5.02 [S]	Image abroad or branding	7.70	6.45	15	2026
	The image abroad of your country encourages business development				
3.5.03 [S]	National culture	7.17	6.86	28	2026
	The national culture is open to foreign ideas				
3.5.04 [S]	Flexibility and adaptability	7.01	6.67	27	2026
	Flexibility and adaptability of people are high when faced with new challenges				
3.5.05 [S]	Need for economic and social reforms	6.83	5.96	19	2026
	The need for economic and social reforms is generally well understood				
3.5.06 [S]	Citizen trust in AI	5.88	6.12	42	2026
	Citizen trust in AI supports business application of the technology				
3.5.07 [S]	Value system	7.00	6.19	20	2026
	The value system in your society supports competitiveness				

Malaysia

Extended Country Profile

4 · INFRASTRUCTURE

4.1 · Basic Infrastructure

		Value	Avg	Rank	
4.1.01 [B]	Land area Square kilometers ('000)	330	1,215	32	2025
4.1.02	Arable area Square meters per capita	2,468	2,505	24	2023
4.1.03	Water resources Total internal renewable per capita in cubic meters	16,717	15,539	12	2022
4.1.04 [S]	Access to water Access to water is adequately ensured and managed	8.00	7.49	30	2026
4.1.05 [S]	Management of cities Management of cities supports business development	7.06	6.45	27	2026
4.1.06 [B]	Population - market size Estimates in millions	34.23	82.34	29	2025
4.1.07	Population - growth Percentage change	0.53	0.96	40	2025
4.1.08 [B][2]	Dependent Population Percentage of total population	28.5	33.8		2025
	Population over 65 years	8.2	14.9		2025
	Population under 15 years	20.3	18.9		2025
4.1.09	Dependency ratio Population under 15 and over 64 years old, divided by active population (15 to 64 years)	39.8	51.8	7	2025
4.1.10	Roads Density of the network, km roads/square km land area	1.72	1.38	15	2023
4.1.11	Railroads Density of the network, km per square km	0.005	0.044	51	2024
4.1.12 [B]	Air transportation Number of passengers carried by main companies, thousands	46,698	58,201	24	2023
4.1.13 [S]	Quality of air transportation Quality of air transportation encourages business development	6.96	6.82	37	2026
4.1.14 [S]	Distribution infrastructure The distribution infrastructure of goods and services is generally efficient	7.10	6.88	34	2026
4.1.15 [S]	Energy infrastructure Energy infrastructure is adequate and efficient	7.61	6.56	21	2026
4.1.16 [B]	Total indigenous energy production Millions MTOE	96.61	168.15	20	2022
4.1.17	Total indigenous energy production (%) Percentage of total requirements in tons of oil equivalent	97.1	111.1	22	2022
4.1.18 [B]	Total final energy consumption Millions MTOE	59.48	114.87	49	2022
4.1.19 [B]	Total final energy consumption per capita MTOE per capita	1.82	2.31	33	2022
4.1.20	Electricity costs for industrial clients US\$ per kwh	0.133	0.171	22	2025

4.2 · Technological Infrastructure

Value Avg Rank

4.2.01	Investment in Telecommunications Percentage of GDP	0.26	0.34	45	2025
4.2.02	Mobile broadband subscribers 5G market, % of mobile market	50.5	32.6	9	2025
4.2.03	Mobile telephone costs Monthly Blended Average Revenue per User	10.6	14.2	29	2025
4.2.04 [S]	Society's access to AI Society's access to AI is evenly distributed across groups	5.71	4.77	15	2026
4.2.05	Secure internet servers publicly-trusted TLS/SSL certificates, Netcraft Secure Server Survey.	7,475	45,253	43	2024
4.2.06	Internet users Number of internet users per 1000 people	980	882	10	2024
4.2.07	Broadband subscribers Number of subscriptions per 1000 inhabitants	235	379	54	2024
4.2.08	Internet bandwidth speed Average speed	137.0	147.9	37	2025
4.2.09 [S]	AI skills AI skills meet business requirements	5.75	4.57	9	2026
4.2.10 [S]	Qualified engineers Qualified engineers are available in your labor market	7.18	6.57	20	2026
4.2.11 [S]	Public-private partnerships Public and private sector ventures are supporting technological development	7.00	6.12	15	2026
4.2.12 [S]	Company compliance with relevant AI laws Company compliance with relevant AI laws is adequate	5.62	5.24	29	2026
4.2.13 [S]	Companies investment in AI Companies investment in AI are ahead of foreign-based competitors	5.03	4.29	22	2026
4.2.14	High-tech exports (\$) US\$ millions	134,786	60,359	8	2024
4.2.15	High-tech exports (%) Percentage of manufactured exports	58.63	20.46	6	2024
4.2.16	ICT service exports Percentage of service exports	8.7	12.0	35	2024
4.2.17 [S]	Cyber security Cyber security is being adequately addressed by corporations	6.66	6.18	27	2026

4.3 · Scientific Infrastructure

Value Avg Rank

4.3.01	Total expenditure on R&D (\$) US\$ millions	3,967	40,395	34	2024
4.3.02	Total expenditure on R&D (%) Percentage of GDP	0.94	1.54	41	2024
4.3.03 [B]	Total expenditure on R&D per capita (\$) US\$ per capita	116.5	740.7	45	2024
4.3.04	Business expenditure on R&D (\$) US\$ millions	2,038	32,245	35	2024
4.3.05	Business expenditure on R&D (%) Percentage of GDP	0.48	1.08	38	2024
4.3.06	Total R&D personnel Full-time work equivalent (FTE thousands)	59.1	312.9	30	2024
4.3.07	Total R&D personnel per capita Full-time work equivalent (FTE) per 1000 people	1.74	6.11	46	2024
4.3.08 [B]	Total R&D personnel in business enterprise Full-time work equivalent (FTE thousands)	19.9	229.2	35	2024
4.3.09 [B]	Total R&D personnel in business per capita Full-time work equivalent (FTE) per 1000 people	0.58	3.59	46	2024
4.3.10	Researchers in R&D per capita Full-time work equivalent (FTE) per 1000 people	1.3	3.7	41	2024
4.3.11	Graduates in Sciences STEM graduates, % of all graduates	41.10	24.33	2	2023
4.3.12	Scientific articles Scientific articles published by origin of author	23,691	42,435	20	2023
4.3.13 [B]	Nobel prizes Awarded in physics, chemistry, physiology or medicine and economics since 1950	0	9	30	2025
4.3.14	Nobel prizes per capita Awarded in physics, chemistry, physiology or medicine and economics since 1950 per million people	0.00	0.18	30	2025
4.3.15	Patent applications Number of applications filed by applicant's origin	1,708	52,440	34	2024
4.3.16	Patent applications per capita Number of applications filed by applicant's origin, per 100,000 inhabitants	5.02	63.83	45	2024
4.3.17	Patent grants Number of patents granted by applicant's origin (three-year average)	1,206	28,646	30	2024
4.3.18	Number of patents in force by applicant's origin, per 100,000 inhabitants	26.3	503.1	42	2024
4.3.19	AI-related patent publications Number of patent publications	11	1,029	32	2024
4.3.20	Medium- and high-tech value added Proportion of total manufacturing value added, expressed as a percentage	44.59	37.81	21	2022
4.3.21 [S]	Scientific research legislation Laws relating to scientific research do encourage innovation	6.90	6.09	21	2026
4.3.22 [S]	Intellectual property rights Intellectual property rights are adequately enforced	7.09	6.60	26	2026
4.3.23 [S]	Knowledge transfer Knowledge transfer is highly developed between companies and universities	6.06	5.64	27	2026

4.4 · Health & Environment

Value Avg Rank

4.4.01	Total health expenditure Percentage of GDP	4.0	7.8	62	2023
4.4.02 [B]	Total health expenditure per capita US\$ per capita	474	3,023	57	2023
4.4.03 [B]	Public expenditure on health (%) Percentage of total health expenditure	50.03	65.62	58	2023
4.4.04 [S]	Health infrastructure Health infrastructure meets the needs of society	7.06	5.81	19	2026
4.4.05	Universal health coverage index Coverage index for essential health services (0-100)	80	79	38	2023
4.4.06	Life expectancy at birth Average estimate	76.7	78.3	50	2023
4.4.07 [B]	Healthy life expectancy Average estimate	67.5	67.9	44	2024
4.4.08 [B]	Infant mortality Under five mortality rate per 1000 live births	8.1	10.9	45	2023
4.4.09	[2] Medical assistance Number of inhabitants per physician and per nurse	341.86	480.37	53	2025
	Medical assistance / Per nurse	285.71	232.40		2025
	Medical assistance / Per physician	398.00	728.34		2025
4.4.10 [B]	Urban population Percentage of total population	77	76		2025
4.4.11	Human development index Combines economic - social - educational indicators/ Source: Human Development Report	0.819	0.863	51	2023
4.4.12	Energy intensity Total energy consumed for each 1000 US\$ of GDP in MTOE	146	97	61	2022
4.4.13	Safely treated waste water Percentage of waste water	90.6	72.6	25	2024
4.4.14	Water use efficiency Value added in US\$ per cubic meter used	63.85	109.34	28	2022
4.4.15 [B]	CO2 emissions Metric tons of carbon dioxide, total	296.0	468.8	54	2024
4.4.16	CO2 emissions intensity CO2 emissions in metric tons per one million US\$ of GDP	700.9	323.8	61	2024
4.4.17	Exposure to particle pollution Mean population exposure to PM2.5, Micrograms per cubic meter	19.40	17.65	46	2021
4.4.18	Renewable energies (%) Share of renewables in total energy requirements, %	4.1	20.6	58	2022
4.4.19	Forest area growth Five year percentage change of hectares	-1.6	2.3	63	2025
4.4.20 [B]	Total biocapacity Global hectares per capita of biologically productive space	1.98	3.25	34	2024
4.4.21 [B]	Ecological footprint Global hectares per person	4.2	5.0	32	2024
4.4.22	Ecological balance (reserve/deficit) Total biocapacity minus total footprint in global hectares per capita	-2.25	-1.75	43	2024
4.4.23	Food waste KG per capita, Including household, service and retail	210.0	120.8	68	2022
4.4.24	Environment-related technologies Development of environment-related technologies, % inventions worldwide	0.04	1.42	33	2022
4.4.25	Environmental agreements Multilateral agreements on hazardous waste, proportion fulfilled	82.79	83.87	44	2025
4.4.26	Environmental Performance Index EPI Score, quantifying the environmental performance of a state's policies	41.0	54.8	57	2024
4.4.27 [S]	Sustainable development Sustainable development is a priority in companies	7.49	6.11	6	2026
4.4.28 [S]	Pollution problems Pollution problems do not seriously affect your economy	6.73	5.86	22	2026
4.4.29 [S]	Environmental laws Environmental laws and compliance do not hinder the competitiveness of businesses	7.71	5.91	2	2026
4.4.30 [S]	Quality of life Quality of life is high	7.03	6.67	33	2026

4.5 · Education

Value Avg Rank

4.5.01	Total public expenditure on education Percentage of GDP	4.2	4.4	43	2024
4.5.02 [B]	Total public expenditure on education per capita US\$ per capita	517	1,662	51	2024
4.5.03	Total public exp. on education per student Spending per enrolled pupil/student, all levels	2,563	8,871	48	2024
4.5.04	Pupil-teacher ratio (primary education) Ratio of students to teaching staff	12.44	16.60	23	2023
4.5.05	Pupil-teacher ratio (secondary education) Ratio of students to teaching staff	11.52	14.35	24	2023
4.5.06	Secondary school enrollment Percentage of relevant age group receiving full-time education	94.9	95.1	53	2024
4.5.07	Higher education achievement Percentage of population that has attained at least tertiary education for persons 25-34	41.0	44.4	39	2024
4.5.08	Women with degrees Share of women who have a degree in the population 25-65	34.1	39.9	42	2024
4.5.09	Student mobility inbound Foreign tertiary-level students per 1000 inhabitants	3.79	4.44	29	2024
4.5.10 [B]	Student mobility outbound National tertiary-level students studying abroad per 1000 inhabitants	1.41	2.33	35	2023
4.5.11	[3] Educational assessment - PISA PISA survey of 15-year olds	404	462	48	2022
	Educational assessment - PISA / Mathematics	409	460		2022
	Educational assessment - PISA / Reading	388	456		2022
	Educational assessment - PISA / Sciences	416	469		2022
4.5.12	Students who are not low achievers - PISA % of students who are not low achievers in maths, sciences or reading	48.0	60.3	44	2022
4.5.13 [B]	English proficiency - TOEFL TOEFL scores	91	90	34	2024
4.5.14 [S]	Primary and secondary education Primary and secondary education meets the needs of a competitive economy	6.94	6.00	20	2026
4.5.15 [S]	University education University education meets the needs of a competitive economy	6.64	6.36	34	2026
4.5.16 [S]	Management education Management education meets the needs of the business community	7.00	6.39	20	2026
4.5.17	University education index Country score calculated from Times Higher Education university ranking	11.83	13.40	29	2025
4.5.18	Illiteracy Adult (over 15 years) illiteracy rate as a percentage of population	4.2	3.3	52	2022
4.5.19 [S]	Language skills Language skills are meeting the needs of enterprises	6.60	6.46	34	2026