



IMD World Competitiveness Yearbook 2022

COUNTRY
PROFILE

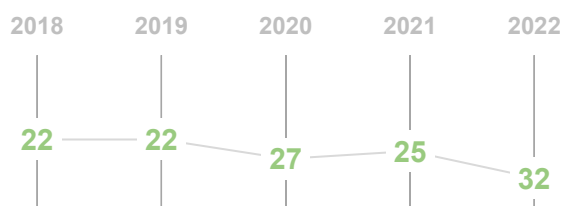
MALAYSIA



Malaysia

Competitiveness Trends – Overall

OVERALL PERFORMANCE (63 countries)



CHALLENGES IN 2022

- Expanding regulatory reforms initiatives to micro levels through public-private collaboration.
- Enhancing technological adoption to increase productivity at firm level.
- Accelerating talent development initiatives to keep up with new and emerging job challenges and nurture a future-ready workforce.
- Strengthening productivity and competitiveness through mindset change and creativity.

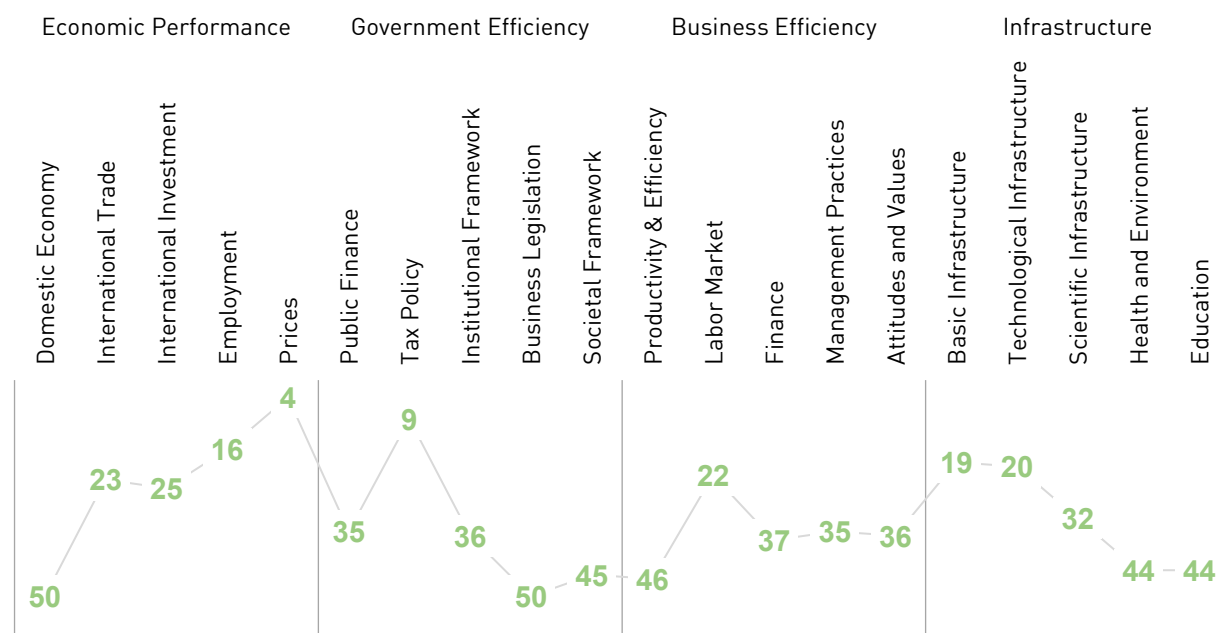
BASIC FACTS

Rank

Capital	Kuala Lumpur	
Land area (square km '000)	330	²⁰²¹
Exchange Rate (per \$)	4.143	²⁰²¹
Population - market size (millions)	32.70	²⁰²¹ 24
Gross Domestic Product (GDP) (US\$ billions)	372.7	²⁰²¹ 35
GDP (PPP) per capita (US\$)	29,686	²⁰²¹ 45
Real GDP growth (%)	3.1	²⁰²¹ 54
Consumer price inflation (%)	2.48	²⁰²¹ 23
Unemployment rate (%)	4.60	²⁰²¹ 19
Labor force (millions)	16.14	²⁰²¹ 23
Current account balance (% of GDP)	14.35	²⁰²¹ 05
Direct investment stocks inward (\$bn)	174.1	²⁰²⁰ 35
Direct investment flows inward (% of GDP)	1.28	²⁰²⁰ 37

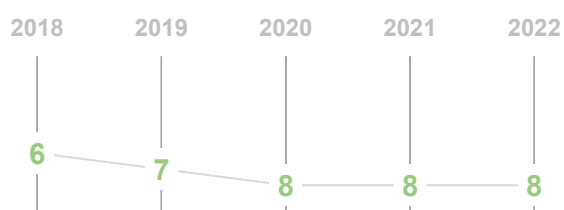
PROVIDED BY: Malaysia Productivity Corporation (MPC),
Petaling Jaya, Selangor

COMPETITIVENESS LANDSCAPE

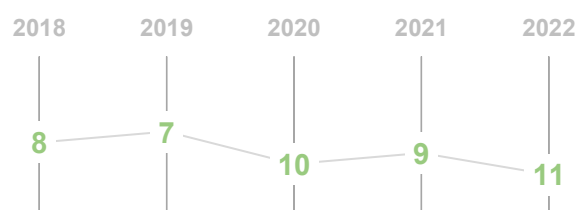


PEER GROUPS RANKINGS

ASIA - PACIFIC (14 countries)



POPULATIONS > 20 MILLION (27 countries)



Malaysia

Competitiveness Evolution & Attractiveness Indicators

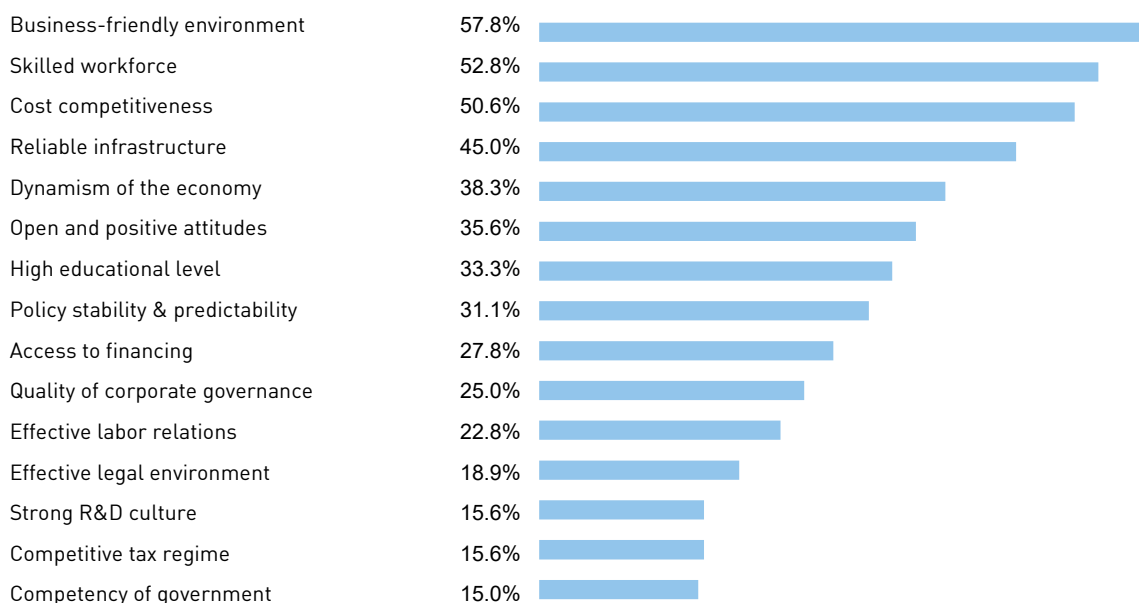
COMPETITIVENESS EVOLUTION

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	WCY 2021	WCY 2022	DECLINES	WCY 2021	WCY 2022
1.1.14 Real GDP growth	-5.6	3.1	1.5.01 Consumer price inflation	-1.14	2.48
1.1.15 Real GDP growth per capita	-6.17	2.82	1.2.25 Tourism receipts	5.44	0.88
1.1.18 Gross fixed capital formation - real growth	-14.52	-0.91	4.1.07 Population - growth	0.62	0.31
1.4.04 Employment - long-term growth	2.05	3.23	4.5.03 Total public exp. on education per student	3,188	1,963
3.2.14 Labor force - long-term growth	3.22	4.50	2.3.08 Exchange rate stability	0.025	0.031
1.5.04 Office rent	325	229	1.2.02 Current account balance	18.45	14.35
1.2.08 Exports of goods (\$bn)	234.13	299.03	4.5.09 Student mobility inbound	3.15	2.52
4.4.13 Safely treated waste water	71.5	87.8	2.5.16 Freedom of the Press	33.12	39.47
2.4.07 Government subsidies	1.40	1.08	4.4.28 Quality of life	6.59	5.62
4.3.18 Number of patents in force	23.6	27.8	1.2.13 Exports of commercial services (%)	6.47	5.58
1.2.09 Exports of goods (%)	69.54	80.23	2.3.13 Bribery and corruption	2.87	2.51
4.2.06 Internet users	802	893	3.5.04 Flexibility and adaptability	7.06	6.30
1.1.20 GDP per capita	10,296	11,398	2.4.02 Protectionism	4.57	4.10
2.4.11 Parallel economy	3.76	4.12	3.4.06 Auditing and accounting practices	7.39	6.66
3.3.01 Banking sector assets	162.66	178.54	3.4.04 Credibility of managers	6.37	5.75

KEY ATTRACTIVENESS INDICATORS

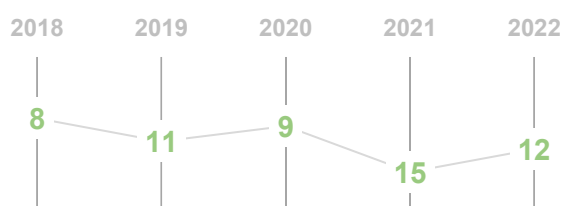
From a list of 15 indicators, respondents of the Executive Opinion Survey were asked to select 5 that they perceived as the key attractiveness factors of their economy. The chart shows the percentage of responses per indicator from the highest number of responses to the lowest.



Malaysia

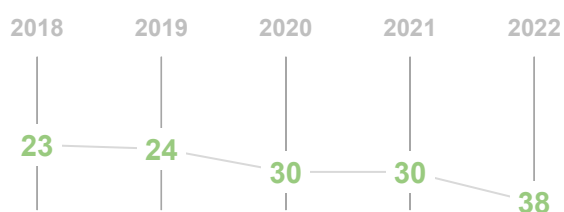
Competitiveness Trends – Factor Breakdown

ECONOMIC PERFORMANCE



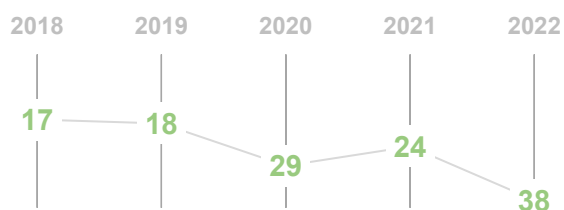
SUB-FACTOR RANKINGS :	2021	2022
Domestic Economy	43	50
International Trade	12	23
International Investment	25	25
Employment	14	16
Prices	04	04

GOVERNMENT EFFICIENCY



SUB-FACTOR RANKINGS :	2021	2022
Public Finance	31	35
Tax Policy	10	09
Institutional Framework	29	36
Business Legislation	47	50
Societal Framework	44	45

BUSINESS EFFICIENCY



SUB-FACTOR RANKINGS :	2021	2022
Productivity & Efficiency	33	46
Labor Market	19	22
Finance	29	37
Management Practices	24	35
Attitudes and Values	26	36

INFRASTRUCTURE



SUB-FACTOR RANKINGS :	2021	2022
Basic Infrastructure	13	19
Technological Infrastructure	20	20
Scientific Infrastructure	30	32
Health and Environment	42	44
Education	39	44

Malaysia

Balance Sheet – Factor Breakdown

ECONOMIC PERFORMANCE

STRENGTHS		Rank	WEAKNESSES		Rank
1.5.06	Gasoline prices	01	1.1.14	Real GDP growth	54
1.5.04	Office rent	04	1.1.15	Real GDP growth per capita	54
1.2.02	Current account balance	05	1.1.18	Gross fixed capital formation - real growth	53
1.4.08	Long-term unemployment	06	1.1.09	Gross fixed capital formation (%)	50
1.2.09	Exports of goods (%)	08	1.5.05	Food costs	48
1.5.02	Cost-of-living index	14	1.1.20	GDP per capita	47
1.4.04	Employment - long-term growth	14	1.1.21	GDP (PPP) per capita	45
1.2.23	Trade to GDP ratio	15	1.2.13	Exports of commercial services (%)	42
1.4.07	Unemployment rate	19	1.2.12	Exports of commercial services (\$bn)	39
1.3.13	Relocation threats of business	19	1.3.06	Direct investment flows inward (% of GDP)	37

GOVERNMENT EFFICIENCY

STRENGTHS		Rank	WEAKNESSES		Rank
2.2.01	Collected total tax revenues	04	2.4.04	Foreign investors	58
2.2.08	Consumption tax rate	07	2.4.03	Public sector contracts	54
2.1.09	Pension funding	17	2.4.02	Protectionism	53
2.4.07	Government subsidies	19	2.4.01	Tariff barriers	53
2.2.02	Collected personal income tax	20	2.4.09	State ownership of enterprises	53
2.5.02	Homicide	21	2.4.15	Start-up procedures	53
2.2.11	Real personal taxes	22	2.5.04	Risk of political instability	52
2.2.09	Employer social security tax rate	25	2.3.13	Bribery and corruption	52
2.4.17	Unemployment legislation	26	2.4.19	Redundancy costs	52
2.3.10	Adaptability of government policy	27	2.4.14	Start-up days	50

BUSINESS EFFICIENCY

STRENGTHS		Rank	WEAKNESSES		Rank
3.2.14	Labor force - long-term growth	02	3.2.16	Female labor force	53
3.4.14	Total early-stage Entrepreneurial Activity	03	3.1.03	Labor productivity (PPP)	50
3.2.06	Working hours	06	3.4.11	Women in management	49
3.2.01	Compensation levels	16	3.3.14	Shareholders' rights	47
3.3.01	Banking sector assets	16	3.1.01	Overall productivity (PPP)	46
3.2.03	Remuneration in services professions	18	3.4.06	Auditing and accounting practices	46
3.3.10	Stock market capitalization (%)	20	3.2.20	Attracting and retaining talents	46
3.2.04	Remuneration of management	20	3.3.07	Regulatory compliance (banking laws)	45
3.5.06	Digital transformation in companies	27	3.3.05	Access to financial services - gender ratio	44
3.2.18	Skilled labor	29	3.3.19	Corporate debt	43

INFRASTRUCTURE

STRENGTHS		Rank	WEAKNESSES		Rank
4.3.11	Graduates in Sciences	02	4.5.06	Secondary school enrollment	60
4.5.08	Women with degrees	04	4.4.12	Energy intensity	59
4.2.15	High-tech exports (%)	05	4.4.01	Total health expenditure	57
4.1.09	Dependency ratio	11	4.4.19	Forest area growth	57
4.1.20	Electricity costs for industrial clients	13	4.4.09	Medical assistance	54
4.5.04	Pupil-teacher ratio (primary education)	14	4.2.07	Broadband subscribers	52
4.4.24	Environmental agreements	17	4.4.18	Renewable energies (%)	52
4.2.11	Public-private partnerships	20	4.5.03	Total public exp. on education per student	49
4.2.03	Mobile Telephone costs	21	4.4.11	Human development index	49
4.5.05	Pupil-teacher ratio (secondary education)	21	4.2.04	Communications technology	49

MALAYSIA

Extended Country Profile

1 - Economic Performance

1.1 - Domestic Economy

	Value	Average	Rank	Year
1.1.00 - Exchange Rate National currency per US\$ (average)	4.143	21,532.090		2021
1.1.01 - Gross Domestic Product (GDP) US\$ billions	372.7	1,394.4	35	2021
1.1.02 - GDP (PPP) Estimates ; US\$ billions at purchasing power parity	970.7	1,981.9	24	2021
1.1.03 - World GDP contribution Percentage share of world GDP in market prices	0.39	1.44	35	2021
1.1.04 - Household consumption expenditure (\$bn) US\$ billions	215.5	735.2	32	2021
1.1.05 - Household consumption expenditure (%) Percentage of GDP	57.8	53.4	21	2021
1.1.06 - Government consumption expenditure (\$bn) US\$ billions	47.7	232.9	40	2021
1.1.07 - Government consumption expenditure (%) Percentage of GDP	12.8	18.3	53	2021
1.1.08 - Gross fixed capital formation (\$bn) US\$ billions	71.9	351.9	36	2021
1.1.09 - Gross fixed capital formation (%) Percentage of GDP	19.3	22.7	50	2021
1.1.10 - Gross domestic savings (\$bn) US\$ billions	109.6	379.1	34	2021
1.1.11 - Gross domestic savings (%) Percentage of GDP	29.4	28.3	26	2021
1.1.12 - Economic sectors Breakdown of the economic sectors, percentage of GDP				2021
Economic sectors / Agriculture	7.2	3.7		2021
Economic sectors / Industry	37.5	29.1		2021
Economic sectors / Services	54.2	67.0		2021
1.1.13 - Economic complexity index Measures knowledge intensity, by considering exports	1.07	0.86	26	2019
1.1.14 - Real GDP growth Percentage change, based on national currency in constant prices	3.1	5.6	54	2021
1.1.15 - Real GDP growth per capita Percentage change, based on national currency in constant prices	2.82	5.35	54	2021
1.1.16 - Household consumption expenditure - real growth Percentage change, based on constant prices	1.86	4.78	48	2021
1.1.17 - Government consumption expenditure - real growth Percentage change, based on constant prices	6.63	4.01	14	2021
1.1.18 - Gross fixed capital formation - real growth Percentage change, based on constant prices	-0.91	6.32	53	2021
1.1.19 - Resilience of the economy Resilience of the economy to economic cycles is strong	6.08	5.88	30	2022
1.1.20 - GDP per capita US\$ per capita	11,398	34,279	47	2021
1.1.21 - GDP (PPP) per capita Estimates; US\$ per capita at purchasing power parity	29,686	44,580	45	2021
1.1.22 - Forecast: Real GDP growth Percentage change, based on national currency in constant prices	5.8	3.7	6	2022
1.1.23 - Forecast: Inflation Percentage change	2.7	38.4	10	2022
1.1.24 - Forecast: Unemployment Percentage of total labor force	4.0	6.3	20	2022
1.1.25 - Forecast: Current account balance Percentage of GDP	4.5	1.7	16	2022

1.2 · International Trade

Value Average Rank Year

1.2.01 · Current account balance (\$bn) US\$ billions (minus sign = deficit)	53.5	10.4	13	2021
1.2.02 · Current account balance Percentage of GDP	14.35	1.64	5	2021
1.2.03 · Balance of trade (\$bn) US\$ billions (minus sign = deficit)	61.0	-2.5	10	2021
1.2.04 · Balance of trade (%) Percentage of GDP	16.38	0.27	4	2021
1.2.05 · Balance of commercial services (\$bn) US\$ billions (minus sign = deficit)	-14.52	8.39	56	2021
1.2.06 · Balance of commercial services (%) Percentage of GDP	-3.90	1.84	59	2021
1.2.07 · World exports contribution Percentage share of world exports (goods and commercial services)	1.13	1.45	23	2021
1.2.08 · Exports of goods (\$bn) US\$ billions	299.03	321.20	22	2021
1.2.09 · Exports of goods (%) Percentage of GDP	80.23	41.98	8	2021
1.2.10 · Exports of goods per capita US\$ per capita	9,145	15,049	30	2021
1.2.11 · Exports of goods - growth Percentage change, based on US\$ values	27.72	27.30	27	2021
1.2.12 · Exports of commercial services (\$bn) US\$ billions	20.79	88.34	39	2021
1.2.13 · Exports of commercial services (%) Percentage of GDP	5.58	15.10	42	2021
1.2.14 · Exports of commercial services - growth Percentage change, based on US\$ values	-5.44	17.14	57	2021
1.2.15 · Exports of goods & commercial services US\$ billions	319.82	408.43	23	2021
1.2.16 · Exports breakdown by economic sector Percentage of total exports				2020
Exports breakdown by economic sector / Agriculture	10.6	11.3		2020
Exports breakdown by economic sector / Industry	80.8	64.4		2020
Exports breakdown by economic sector / Services	8.6	24.3		2020
1.2.17 · Export concentration by partner Exports to top 5 countries, percentage of total exports	55.0	55.0	39	2020
1.2.18 · Export concentration by product Top 5 products, percentage of total exports	56.9	57.6	37	2020
1.2.19 · Imports of goods & commercial services (\$bn) US\$ billions	273.3	402.5	37	2021
1.2.20 · Imports of goods & commercial services (%) Percentage of GDP	73.3	54.7	49	2021
1.2.21 · Imports of goods & commerc. services growth Percentage change, based on US\$ values	22.56	24.33	27	2021
1.2.22 · Imports breakdown by economic sector Percentage of total imports				2020
Imports breakdown by economic sector / Agriculture	9.3	9.0		2020
Imports breakdown by economic sector / Industry	75.8	67.7		2020
Imports breakdown by economic sector / Services	14.9	23.3		2020
1.2.23 · Trade to GDP ratio (Exports + Imports) / GDP	142.17	102.61	15	2020
1.2.24 · Terms of trade index Unit value of exports over unit value of imports	99.0	99.4	36	2020
1.2.25 · Tourism receipts International tourism receipts as a percentage of GDP	0.88	1.54	35	2020

1.3 · International Investment

Value Average Rank Year

1.3.01 · Direct investment flows abroad (\$bn) US\$ billions	3.64	14.96	28	2020
1.3.02 · Direct investment flows abroad (% of GDP) Percentage of GDP	1.08	4.62	25	2020
1.3.03 · Direct investment stocks abroad (\$bn) US\$ billions	129.3	612.1	33	2020
1.3.04 · Direct investment stocks abroad (% of GDP) Percentage of GDP	38.36	109.57	28	2020
1.3.05 · Direct investment flows inward (\$bn) US\$ billions	4.31	16.61	34	2020
1.3.06 · Direct investment flows inward (% of GDP) Percentage of GDP	1.28	4.86	37	2020
1.3.07 · Direct investment stocks inward (\$bn) US\$ billions	174.1	613.9	35	2020
1.3.08 · Direct investment stocks inward (% of GDP) Percentage of GDP	51.67	122.21	33	2020
1.3.09 · Balance of direct investment flows (\$bn) US\$ billions (flows abroad minus flows inward)	-0.67	-1.64	25	2020
1.3.10 · Balance of direct investment flows (%) Percentage of GDP (flows abroad minus flows inward)	-0.20	-0.24	24	2020
1.3.11 · Net position in direct investment stocks (\$bn) US\$ billions (stocks abroad minus stocks inward)	-44.8	-1.8	37	2020
1.3.12 · Net position in direct investment stocks (%) Percentage of GDP (stocks abroad minus stocks inward)	-13.30	-12.64	31	2020
1.3.13 · Relocation threats of business Relocation of business is not a threat to the future of your economy	5.67	5.36	19	2022
1.3.14 · Portfolio investment assets US\$ billions	14.23	38.51	29	2020
1.3.15 · Portfolio investment liabilities US\$ billions	2.52	34.92	35	2020

1.4 · Employment

Value Average Rank Year

1.4.01 · Employment Total employment in millions	15.40	38.16	22	2021
1.4.02 · Employment (%) Percentage of population	47.09	47.14	33	2021
1.4.03 · Employment - growth Estimates: percentage change	2.96	1.54	17	2021
1.4.04 · Employment - long-term growth Estimates: five year percentage change	3.23	-0.41	14	2021
1.4.05 · Employment by sector Percentage of total employment				2020
Employment by sector / Agriculture	10.5	7.7		2020
Employment by sector / Industry	26.2	23.5		2020
Employment by sector / Services	63.4	68.8		2020
1.4.06 · Employment in the public sector Percentage of total employment	11.20	17.83	18	2020
1.4.07 · Unemployment rate Percentage of labor force	4.60	8.00	19	2021
1.4.08 · Long-term unemployment Percentage of labor force	0.30	2.81	6	2020
1.4.09 · Youth unemployment Percentage of youth labor force (under the age of 25)	12.00	17.13	23	2020
1.4.10 · Youth exclusion Share of youth population (15-24) not in education, employment or training	13.6	14.6	35	2020

1.5 · Prices

Value Average Rank Year

1.5.01 · Consumer price inflation	2.48	29.25	23	2021
Average annual rate				
1.5.02 · Cost-of-living index	65.00	78.37	14	2021
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	656	4	2021
Total occupation cost in the main city (US\$/Sq.M. per year)				
1.5.05 · Food costs	23.00	17.58	48	2021
Percentage of household final consumption expenditures				
1.5.06 · Gasoline prices	0.48	1.26	1	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	-23.84	-91.93	42	2021
2.1.02 · Government budget surplus/deficit (%) Percentage of GDP	-6.40	-4.00	47	2021
2.1.03 · Total general government debt (\$bn) US\$ billions	257.06	1,436.31	33	2021
2.1.04 · Total general government debt (%) Percentage of GDP	68.97	71.59	37	2021
2.1.05 · Total general government debt-real growth Percentage change, based on national currency in constant prices	8.24	8.58	40	2021
2.1.06 · Interest payment (%) Percentage of current revenue	17.65	5.98	61	2021
2.1.07 · Public finances Public finances are being efficiently managed	4.90	4.92	34	2022
2.1.08 · Tax evasion Tax evasion is not a threat to your economy	4.47	5.05	39	2022
2.1.09 · Pension funding Pension funding is adequately addressed for the future	5.35	4.77	17	2022
2.1.10 · General government expenditure Percentage of GDP	20.8	38.2	6	2021

2.2 · Tax Policy

	Value	Average	Rank	Year
2.2.01 · Collected total tax revenues Percentage of GDP	10.90	27.09	4	2020
2.2.02 · Collected personal income tax On profits, income and capital gains, as a percentage of GDP	2.75	6.00	20	2020
2.2.03 · Collected corporate taxes On profits, income and capital gains, as a percentage of GDP	3.53	2.70	49	2020
2.2.04 · Collected indirect tax revenues Taxes on goods and services as a percentage of GDP	2.96	9.41	4	2020
2.2.05 · Collected capital and property taxes Percentage of GDP	0.12	1.47	8	2020
2.2.06 · Collected social security contribution Compulsory contribution of employees and employers as a percentage of GDP	5.54	7.28	26	2020
2.2.07 · Corporate tax rate on profit Maximum tax rate, calculated on profit before tax	24.00	22.34	36	2021
2.2.08 · Consumption tax rate Standard rate of VAT/GST	6.00	16.37	7	2021
2.2.09 · Employer social security tax rate %	12.0	16.0	25	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	5.88	5.12	22	2022

2.3 · Institutional Framework

Value Average Rank Year

2.3.01 · Real short-term interest rate Real discount / bank rate	-0.71	-3.07	48	2021
2.3.02 · Cost of capital Cost of capital encourages business development	5.75	5.63	35	2022
2.3.03 · Interest rate spread Lending rate minus deposit rate	2.90	3.49	36	2021
2.3.04 · Country credit rating Index (0-60) of three country credit ratings: Fitch, Moody's and S&P	40.7	43.0	38	2021
2.3.05 · Central bank policy Central bank policy has a positive impact on the economy	6.30	6.31	39	2022
2.3.06 · Foreign currency reserves US\$ billions	116.89	216.77	23	2021
2.3.07 · Foreign currency reserves per capita US\$ per capita	3,575	9,199	27	2021
2.3.08 · Exchange rate stability Parity change from national currency to SDR, 2021 / 2019	0.031	0.072	36	2021
2.3.09 · Legal and regulatory framework The legal and regulatory framework encourages the competitiveness of enterprises	5.82	5.37	29	2022
2.3.10 · Adaptability of government policy Adaptability of government policy to changes in the economy is high	5.32	4.83	27	2022
2.3.11 · Transparency Transparency of government policy is satisfactory	4.44	4.87	39	2022
2.3.12 · Bureaucracy Bureaucracy does not hinder business activity	3.64	3.72	33	2022
2.3.13 · Bribery and corruption Bribery and corruption do not exist	2.51	4.77	52	2022
2.3.14 · Rule of law Rule of Law Index	73.08	72.47	36	2020
2.3.15 · Sustainable Development Goals Country performance on the 17 SDGs	70.9	75.1	45	2021
2.3.16 · Democracy Index EIU Overall Democracy Index, © The Economist Intelligence Unit Limited 2021	7.24	6.97	34	2021

2.4.01 · Tariff barriers	3.60	2.32	53	2020
Tariffs on imports: Applied weighted mean tariff rate for all products				
2.4.02 · Protectionism	4.10	5.74	53	2022
Protectionism of your government does not impair the conduct of your business				
2.4.03 · Public sector contracts	4.60	5.96	54	2022
Public sector contracts are sufficiently open to foreign bidders				
2.4.04 · Foreign investors	5.12	6.82	58	2022
Foreign investors are free to acquire control in domestic companies				
2.4.05 · Capital markets	5.76	6.57	47	2022
Capital markets (foreign and domestic) are easily accessible				
2.4.06 · Investment incentives	5.80	5.93	39	2022
Investment incentives are attractive to foreign investors				
2.4.07 · Government subsidies	1.08	2.02	19	2021
To private and public companies as a percentage of GDP				
2.4.08 · Subsidies	4.88	5.52	50	2022
Subsidies do not distort fair competition and economic development				
2.4.09 · State ownership of enterprises	4.72	6.04	53	2022
State ownership of enterprises is not a threat to business activities				
2.4.10 · Competition legislation	5.35	5.84	43	2022
Competition legislation is efficient in preventing unfair competition				
2.4.11 · Parallel economy	4.12	5.14	44	2022
Parallel (black-market, unrecorded) economy does not impair economic development				
2.4.12 · New business density	2.3	5.8	43	2019
Registered new businesses per 1'000 people aged 15-64				
2.4.13 · Creation of firms	6.68	6.63	37	2022
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	53	2019
Number of procedures to start a business				
2.4.16 · Labor regulations	5.56	5.50	31	2022
Labor regulations (hiring/firing practices, minimum wages, etc.) do not hinder business activities				
2.4.17 · Unemployment legislation	5.54	4.99	26	2022
Unemployment legislation provides an incentive to look for work				
2.4.18 · Immigration laws	5.19	5.83	46	2022
Immigration laws do not prevent your company from employing foreign labor				
2.4.19 · Redundancy costs	17.2	9.4	52	2019
Number of weeks of salary				

2.5 · Societal Framework

Value Average Rank Year

2.5.01 · Justice Justice is fairly administered	5.07	5.72	39	2022
2.5.02 · Homicide Intentional homicide, rate per 100'000 population	0.80	4.28	21	2020
2.5.03 · Ageing of population Population over 65, percentage of total population	7.4	14.8	12	2021
2.5.04 · Risk of political instability The risk of political instability is very low	3.27	5.80	52	2022
2.5.05 · Social cohesion Social cohesion is high	5.26	5.68	40	2022
2.5.06 · Gini coefficient Equal distribution of income scale: 0 (absolute equality) to 100 (absolute inequality)	41.10	35.03	49	2015
2.5.07 · Income distribution - lowest 10% Percentage of household incomes going to lowest 10% of households	2.40	2.75		2019
2.5.08 · Income distribution - highest 10% Percentage of household incomes going to highest 10% of households	30.70	26.98		2019
2.5.09 · Income distribution - lowest 40% Percentile going to the lowest 40% of households	16.00	18.99	42	2019
2.5.10 · Income distribution - lowest 40% growth Percentile going to the lowest 40% of households - growth	-	0.34		
2.5.11 · Equal opportunity Equal opportunity legislation in your economy encourages economic development	5.60	6.17	46	2022
2.5.12 · Females in parliament Percentage of total seats in Parliament	14.86	29.11	56	2021
2.5.13 · Unemployment rate - gender ratio Ratio of the female and male unemployment rates	1.07	1.25	34	2020
2.5.14 · Gender inequality Gender Inequality Index (UNDP)	0.253	0.183	47	2019
2.5.15 · Disposable Income Female / male ratio	75.3	72.2	33	2021
2.5.16 · Freedom of the Press Reporters Without Borders: World Press Freedom Score	39.47	27.85	48	2021

MALAYSIA

Extended Country Profile

3 · Business Efficiency

3.1 · Productivity & Efficiency

	Value	Average	Rank	Year
3.1.01 · Overall productivity (PPP) Estimates: GDP (PPP) per person employed, US\$	60,273	84,576	46	2021
3.1.02 · Overall productivity (PPP) - real growth Estimates: Percentage change of GDP (PPP) per person employed	0.82	2.84	50	2021
3.1.03 · Labor productivity (PPP) Estimates: GDP (PPP) per person employed per hour, US\$	26.15	48.28	50	2021
3.1.04 · Agricultural productivity (PPP) Estimates: Related GDP (PPP) per person employed in agriculture, US\$	42,704	55,834	34	2020
3.1.05 · Productivity in industry (PPP) Estimates: Related GDP (PPP) per person employed in industry, US\$	84,512	107,180	40	2020
3.1.06 · Productivity in services (PPP) Estimates: Related GDP (PPP) per person employed in services, US\$	52,351	86,235	49	2020
3.1.07 · Workforce productivity Workforce productivity is competitive by international standards	5.90	6.15	38	2022
3.1.08 · Large corporations Large corporations are efficient by international standards	6.55	6.67	37	2022
3.1.09 · Small and medium-size enterprises Small and medium-size enterprises are efficient by international standards	5.71	6.12	42	2022
3.1.10 · Use of digital tools and technologies Companies are very good at using digital tools and technologies to improve performance	6.02	6.29	36	2022

3.2 · Labor Market

Value Average Rank Year

3.2.01 · Compensation levels	4.68	15.09	16	2021
Total hourly compensation in manufacturing (wages + supplementary benefits), US\$				
3.2.02 · Unit labor costs for total economy	0.36	1.59	15	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 · Remuneration of management	117,688	169,169	20	2019
Total base salary plus bonuses and long-term incentives, US\$				
Remuneration of management / CEO	193,322	306,535		2019
Remuneration of management / Director manufacturing	117,053	149,356		2019
Remuneration of management / Engineer	51,396	80,327		2019
Remuneration of management / Human resources director	108,981	140,455		2019
3.2.05 · Remuneration spread	21.51	17.99	41	2018
Ratio of CEO to personal assistant remuneration				
3.2.06 · Working hours	2,305	1,843	6	2021
Average number of working hours per year				
3.2.07 · Worker motivation	5.31	5.87	40	2022
Worker motivation in companies is high				
3.2.08 · Industrial disputes	0.00	12.21	1	2017
Working days lost per 1,000 inhabitants per year (average 2018-2020)				
3.2.09 · Apprenticeships	5.21	5.20	33	2022
Apprenticeships are sufficiently implemented				
3.2.10 · Employee training	5.83	6.03	40	2022
Employee training is a high priority in companies				
3.2.11 · Labor force	16.14	40.47	23	2021
Employed and registered unemployed (millions)				
3.2.12 · Labor force (%)	49.37	50.09	35	2021
Percentage of population				
3.2.13 · Labor force growth	3.03	1.18	12	2021
Percentage change				
3.2.14 · Labor force - long-term growth	4.50	-0.67	2	2021
Estimates: five year percentage change				
3.2.15 · Part-time employment	3.72	15.19	53	2020
Percentage of total employment				
3.2.16 · Female labor force	39.02	42.68	53	2020
Percentage of total labor force				
3.2.17 · Foreign labor force - migrant stock	14.58	17.76	32	2020
Migrant stock, age 20-64, % of population				
3.2.18 · Skilled labor	5.74	5.21	29	2022
Skilled labor is readily available				
3.2.19 · Finance skills	5.89	6.07	38	2022
Finance skills are readily available				
3.2.20 · Attracting and retaining talents	6.22	6.82	46	2022
Attracting and retaining talents is a priority in companies				
3.2.21 · Brain drain	4.87	4.93	32	2022
Brain drain (well-educated and skilled people) does not hinder competitiveness in your economy				
3.2.22 · Foreign highly-skilled personnel	5.52	5.39	31	2022
Foreign highly-skilled personnel are attracted to your country's business environment				
3.2.23 · International experience	5.62	5.62	31	2022
International experience of senior managers is generally significant				
3.2.24 · Competent senior managers	5.83	5.45	29	2022
Competent senior managers are readily available				

3.3 · Finance

Value Average Rank Year

3.3.01 · Banking sector assets Percentage of GDP	178.54	157.54	16	2021
3.3.02 · Financial cards in circulation Number of cards per capita	2.78	3.45	25	2021
3.3.03 · Financial card transactions US\$ per capita	4,905	11,334	45	2021
3.3.04 · Access to financial services Proportion of adults with a bank account or mobile-money-service provider	85.34	82.66	37	2017
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	0.94	0.96	44	2017
3.3.06 · Banking and financial services Banking and financial services do support business activities efficiently	6.12	6.24	36	2022
3.3.07 · Regulatory compliance (banking laws) Regulatory compliance is sufficiently developed	6.37	6.92	45	2022
3.3.08 · Stock markets Stock markets provide adequate financing to companies	6.09	5.83	31	2022
3.3.09 · Stock market capitalization (\$bn) US\$ billions	417.5	1,470.4	28	2021
3.3.10 · Stock market capitalization (%) Percentage of GDP	112.03	105.47	20	2021
3.3.11 · Value traded on stock markets US\$ per capita	7,626	23,478	25	2020
3.3.12 · Listed domestic companies Number of listed domestic companies	927	718	13	2020
3.3.13 · Stock market index Percentage change on index in national currency	3.30	26.39	61	2021
3.3.14 · Shareholders' rights Shareholders' rights are sufficiently implemented	6.19	6.91	47	2022
3.3.15 · Initial Public Offerings By acquiror nation (average 2019-2021) US\$ millions	574.0	4,258.5	30	2021
3.3.16 · Credit Credit is easily available for business	5.87	6.05	42	2022
3.3.17 · Venture capital Venture capital is easily available for business	5.49	5.34	33	2022
3.3.18 · M&A Activity Deals per listed company (average 2018-2020)	0.283	1.193	43	2020
3.3.19 · Corporate debt Corporate debt does not restrain the ability of enterprises to compete	5.17	5.83	43	2022

3.4 · Management Practices	Value	Average	Rank	Year
3.4.01 · Agility of companies Companies are agile	5.62	6.08	42	2022
3.4.02 · Changing market conditions Companies are generally extremely aware of changing market conditions	6.44	6.69	42	2022
3.4.03 · Opportunities and threats Companies are very good at responding quickly to opportunities and threats	6.08	6.29	40	2022
3.4.04 · Credibility of managers Credibility of managers in society is strong	5.75	6.15	43	2022
3.4.05 · Corporate boards Corporate boards do supervise the management of companies effectively	6.12	6.17	32	2022
3.4.06 · Auditing and accounting practices Auditing and accounting practices are adequately implemented in business	6.66	7.25	46	2022
3.4.07 · Use of big data and analytics Companies are very good at using big data and analytics to support decision-making	5.39	5.33	29	2022
3.4.08 · Customer satisfaction Customer satisfaction is emphasized in companies	6.92	6.95	32	2022
3.4.09 · Entrepreneurship Entrepreneurship of managers is widespread in business	6.02	6.07	37	2022
3.4.10 · Social responsibility Social responsibility of business leaders is high	5.99	6.16	33	2022
3.4.11 · Women in management Female share of senior and middle management (% of management)	20.41	31.46	49	2016
3.4.12 · Women on boards Boardmembers of all companies analyzed by MSCI	27.80	24.22	26	2021
3.4.13 · Entrepreneurial fear of failure % indicating that fear of failure would prevent them from setting up a business	44.95	42.81	26	2017
3.4.14 · Total early-stage Entrepreneurial Activity % who are either a nascent entrepreneur or owner-manager of a new business	21.60	12.11	3	2017

3.5 · Attitudes and Values	Value	Average	Rank	Year
3.5.01 · Attitudes toward globalization Attitudes toward globalization are generally positive in your society	6.39	6.47	37	2022
3.5.02 · Image abroad or branding The image abroad of your country encourages business development	6.08	6.44	42	2022
3.5.03 · National culture The national culture is open to foreign ideas	6.35	6.82	43	2022
3.5.04 · Flexibility and adaptability Flexibility and adaptability of people are high when faced with new challenges	6.30	6.63	42	2022
3.5.05 · Need for economic and social reforms The need for economic and social reforms is generally well understood	6.02	5.88	30	2022
3.5.06 · Digital transformation in companies Digital transformation in companies is generally well implemented	6.06	5.95	27	2022
3.5.07 · Value system The value system in your society supports competitiveness	6.16	6.23	37	2022

MALAYSIA

Extended Country Profile

4 · Infrastructure

4.1 · Basic Infrastructure

	Value	Average	Rank	Year
4.1.01 · Land area Square kilometers ('000)	330	1,207	28	2021
4.1.02 · Arable area Square meters per capita	2,550	2,704	23	2019
4.1.03 · Water resources Total internal renewable per capita in cubic meters	18,396	18,375	12	2018
4.1.04 · Access to water Access to water is adequately ensured and managed	7.55	7.90	42	2022
4.1.05 · Management of cities Management of cities supports business development	6.78	6.61	33	2022
4.1.06 · Population - market size Estimates in millions	32.70	81.51	24	2021
4.1.07 · Population - growth Percentage change	0.31	0.30	33	2021
4.1.08 · Dependent Population Percentage of total population	30.4	33.6		2021
Population over 65 years	7.4	14.8		2021
Population under 15 years	23.0	18.7		2021
4.1.09 · Dependency ratio Population under 15 and over 64 years old, divided by active population (15 to 64 years)	43.7	51.2	11	2021
4.1.10 · Roads Density of the network, km roads/square km land area	1.24	1.39	22	2019
4.1.11 · Railroads Density of the network, km per square km	0.005	0.049	47	2020
4.1.12 · Air transportation Number of passengers carried by main companies, thousands	15,894	27,297	24	2020
4.1.13 · Quality of air transportation Quality of air transportation encourages business development	7.28	7.07	34	2022
4.1.14 · Distribution infrastructure The distribution infrastructure of goods and services is generally efficient	6.88	7.12	41	2022
4.1.15 · Energy infrastructure Energy infrastructure is adequate and efficient	7.18	6.81	28	2022
4.1.16 · Total indigenous energy production Millions MTOE	97.91	169.14	19	2019
4.1.17 · Total indigenous energy production (%) Percentage of total requirements in tons of oil equivalent	106.5	106.4	15	2019
4.1.18 · Total final energy consumption Millions MTOE	65.04	122.04	42	2019
4.1.19 · Total final energy consumption per capita MTOE per capita	2.00	2.46	30	2019
4.1.20 · Electricity costs for industrial clients US\$ per kwh	0.075	0.107	13	2020

4.2 · Technological Infrastructure

Value Average Rank Year

4.2.01 · Investment in Telecommunications Percentage of GDP	0.43	0.42	27	2021
4.2.02 · Mobile Broadband subscribers 4G & 5G market, % of mobile market	79.4	71.5	27	2020
4.2.03 · Mobile Telephone costs Monthly Blended Average Revenue per User	9.0	15.7	21	2020
4.2.04 · Communications technology Communications technology (voice and data) meets business requirements	6.83	7.67	49	2022
4.2.05 · Secure internet servers publicly-trusted TLS/SSL certificates, Netcraft Secure Server Survey.	7,494	36,109	41	2020
4.2.06 · Internet users Number of internet users per 1000 people	893	839	27	2021
4.2.07 · Broadband subscribers Number of subscriptions per 1000 inhabitants	166	381	52	2020
4.2.08 · Internet bandwidth speed Average speed	89.7	93.5	35	2021
4.2.09 · Digital/Technological skills Digital/Technological skills are readily available	6.72	6.79	37	2022
4.2.10 · Qualified engineers Qualified engineers are available in your labor market	6.83	6.35	24	2022
4.2.11 · Public-private partnerships Public and private sector ventures are supporting technological development	6.65	6.08	20	2022
4.2.12 · Development & application of tech. Development and application of technology are supported by the legal environment	6.57	6.46	31	2022
4.2.13 · Funding for technological development Funding for technological development is readily available	6.21	5.98	31	2022
4.2.14 · High-tech exports (\$) US\$ millions	92,108	47,160	9	2020
4.2.15 · High-tech exports (%) Percentage of manufactured exports	53.81	18.12	5	2020
4.2.16 · ICT service exports Percentage of service exports	7.0	9.7	32	2018
4.2.17 · Cyber security Cyber security is being adequately addressed by corporations	5.94	5.89	33	2022

4.3 · Scientific Infrastructure

Value Average Rank Year

4.3.01 · Total expenditure on R&D (\$) US\$ millions	3,583	31,953	33	2020
4.3.02 · Total expenditure on R&D (%) Percentage of GDP	1.06	1.63	40	2020
4.3.03 · Total expenditure on R&D per capita (\$) US\$ per capita	109.9	647.1	42	2020
4.3.04 · Business expenditure on R&D (\$) US\$ millions	1,573	24,238	34	2020
4.3.05 · Business expenditure on R&D (%) Percentage of GDP	0.47	1.11	42	2020
4.3.06 · Total R&D personnel Full-time work equivalent (FTE thousands)	83.8	233.3	20	2020
4.3.07 · Total R&D personnel per capita Full-time work equivalent (FTE) per 1000 people	2.57	5.37	38	2020
4.3.08 · Total R&D personnel in business enterprise Full-time work equivalent (FTE thousands)	15.6	183.3	37	2020
4.3.09 · Total R&D personnel in business per capita Full-time work equivalent (FTE) per 1000 people	0.48	3.31	46	2020
4.3.10 · Researchers in R&D per capita Full-time work equivalent (FTE) per 1000 people	2.1	3.6	38	2018
4.3.11 · Graduates in Sciences % of graduates in ICT, Engineering, Math & Natural Sciences	39.17	24.75	2	2019
4.3.12 · Scientific articles Scientific articles published by origin of author	21,280	39,473	20	2019
4.3.13 · Nobel prizes Awarded in physics, chemistry, physiology or medicine and economics since 1950	0	9	28	2021
4.3.14 · Nobel prizes per capita Awarded in physics, chemistry, physiology or medicine and economics since 1950 per million people	0.00	0.19	28	2021
4.3.15 · Patent applications Number of applications filed by applicant's origin	1,923	52,962	34	2020
4.3.16 · Patent applications per capita Number of applications filed by applicant's origin, per 100,000 inhabitants	5.90	80.01	47	2020
4.3.17 · Patent grants Number of patents granted by applicant's origin (average 2018-2020)	1,288	25,007	32	2020
4.3.18 · Number of patents in force by applicant's origin, per 100,000 inhabitants	27.8	491.7	39	2020
4.3.19 · Medium- and high-tech value added Proportion of total manufacturing value added, expressed as a percentage	44.01	38.63	24	2019
4.3.20 · Scientific research legislation Laws relating to scientific research do encourage innovation	5.96	5.97	34	2022
4.3.21 · Intellectual property rights Intellectual property rights are adequately enforced	5.98	6.59	44	2022
4.3.22 · Knowledge transfer Knowledge transfer is highly developed between companies and universities	5.58	5.52	27	2022

4.4 · Health and Environment

Value Average Rank Year

4.4.01 · Total health expenditure Percentage of GDP	3.8	7.5	57	2019
4.4.02 · Total health expenditure per capita US\$ per capita	430	2,614	52	2019
4.4.03 · Public expenditure on health (%) Percentage of total health expenditure	52.20	65.44	51	2019
4.4.04 · Health infrastructure Health infrastructure meets the needs of society	6.71	5.97	28	2022
4.4.05 · Universal health coverage index Coverage index for essential health services (0-100)	76	78	39	2019
4.4.06 · Life expectancy at birth Average estimate	76.3	78.4	46	2020
4.4.07 · Healthy life expectancy Average estimate	66.9	68.3	44	2021
4.4.08 · Infant mortality Under five mortality rate per 1000 live births	8.6	7.9	47	2020
4.4.09 · Medical assistance Number of inhabitants per physician and per nurse			54	2021
Medical assistance / Per nurse	573.97	302.83		2021
Medical assistance / Per physician	629.18	533.91		2021
4.4.10 · Urban population Percentage of total population	78	77		2021
4.4.11 · Human development index Combines economic - social - educational indicators/ Source: Human Development Report	0.810	0.862	49	2019
4.4.12 · Energy intensity Total energy consumed for each 1000 US\$ of GDP in MTOE	174	102	59	2018
4.4.13 · Safely treated waste water Percentage of waste water	87.8	76.7	28	2020
4.4.14 · Water use efficiency US\$ per cubic meter	61.18	97.67	27	2019
4.4.15 · CO2 emissions Metric tons of carbon dioxide from fuel combustion	236.6	420.2	43	2019
4.4.16 · CO2 emissions intensity CO2 emissions from fuel combustion in metric tons per one million US\$ of GDP	647.7	354.2	56	2019
4.4.17 · Exposure to particle pollution Mean population exposure to PM2.5, Micrograms per cubic metre	16.55	20.45	32	2019
4.4.18 · Renewable energies (%) Share of renewables in total energy requirements, %	3.5	16.8	52	2019
4.4.19 · Forest area growth Five year percentage change of hectares	-1.8	0.4	57	2020
4.4.20 · Total biocapacity Global hectares per capita of biologically productive space	2.16	3.26	31	2018
4.4.21 · Ecological footprint Global hectares per person	4.3	5.0	23	2018
4.4.22 · Ecological balance (reserve/deficit) Total biocapacity minus total footprint in global hectares per capita	-2.10	-1.73	32	2018
4.4.23 · Environment-related technologies Development of environment-related technologies, % inventions worldwide	0.08	1.60	32	2019
4.4.24 · Environmental agreements Multilateral agreements on hazardous waste, proportion fulfilled	91.67	83.34	17	2015
4.4.25 · Sustainable development Sustainable development is a priority in companies	6.25	6.21	30	2022
4.4.26 · Pollution problems Pollution problems do not seriously affect your economy	4.75	5.71	46	2022
4.4.27 · Environmental laws Environmental laws and compliance do not hinder the competitiveness of businesses	5.91	6.17	41	2022
4.4.28 · Quality of life Quality of life is high	5.62	6.76	44	2022

4.5 · Education

Value Average Rank Year

4.5.01 · Total public expenditure on education Percentage of GDP	4.5	5.0	41	2020
4.5.02 · Total public expenditure on education per capita US\$ per capita	462	1,562	50	2020
4.5.03 · Total public exp. on education per student Spending per enrolled pupil/student, all levels	1,963	6,944	49	2019
4.5.04 · Pupil-teacher ratio (primary education) Ratio of students to teaching staff	12.03	15.95	14	2020
4.5.05 · Pupil-teacher ratio (secondary education) Ratio of students to teaching staff	11.04	13.74	21	2020
4.5.06 · Secondary school enrollment Percentage of relevant age group receiving full-time education	76.0	92.7	60	2019
4.5.07 · Higher education achievement Percentage of population that has attained at least tertiary education for persons 25-34	38.4	44.2	40	2020
4.5.08 · Women with degrees Share of women who have a degree in the population 25-65	57.8	39.7	4	2020
4.5.09 · Student mobility inbound Foreign tertiary-level students per 1000 inhabitants	2.52	4.01	33	2019
4.5.10 · Student mobility outbound National tertiary-level students studying abroad per 1000 inhabitants	1.82	2.62	27	2019
4.5.11 · Educational assessment - PISA PISA survey of 15-year olds	431	471	43	2018
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 % of students who are not low achievers in maths, sciences and reading	44.9	58.5	40	2018
4.5.13 · English proficiency - TOEFL TOEFL scores	94	92	22	2020
4.5.14 · Primary and secondary education Primary and secondary education meets the needs of a competitive economy	5.67	6.10	42	2022
4.5.15 · University education University education meets the needs of a competitive economy	5.88	6.40	40	2022
4.5.16 · Management education Management education meets the needs of the business community	5.87	6.34	43	2022
4.5.17 · University education index Country score calculated from Times Higher Education university ranking	6.89	14.07	36	2021
4.5.18 · Illiteracy Adult (over 15 years) illiteracy rate as a percentage of population	5.0	2.4	56	2019
4.5.19 · Language skills Language skills are meeting the needs of enterprises	6.27	6.41	35	2022

About the International Institute for Management Development (IMD)

IMD is an independent academic institution with Swiss roots and global reach, founded 75 years ago by business leaders for business leaders. Since its creation, IMD has been a pioneering force in developing leaders who transform organizations and contribute to society.

Based in Lausanne and Singapore, IMD has been ranked for more than 15 consecutive years in the top 5 of the FT's Executive Education Global Ranking and #1 in the world for open enrolment programs for nine consecutive years.

This consistency at the forefront of its industry is grounded in IMD's unique approach to creating "Real Learning. Real Impact". Led by an expert and diverse faculty, IMD strives to be the trusted learning partner of choice for ambitious individuals and organizations worldwide. *Challenging what is and inspiring what could be.*

www.imd.org

