

Exploring opportunities ... in MALAYSIA

The Country

Located in the tropics of South East Asia, Malaysia is **a country with a population of about 29 million that is marked with immense multi-cultural and multi-ethnic diversity**. Its largest cities include Kuala Lumpur (1.7mln) and Johor Bahru (1.4mln), among ten other cities over 0.5mln.

Malaysia was granted Independence from Britain in 1948. At that time it was largely a mining and agricultural resources economy, focused especially on petroleum, palm oil and rubber. Due to historical bonds, Malaysia's legal system is based on English Common Law. From a geostrategic point of view, **the Straits of Molucca have always been vital for International Trade for China, Japan and the Philippines as the shortest route from East Asia to the Suez Canal and the Mediterranean**.

The Market

Malaysia is considered an **easy access point for doing business in South East Asia**. The country is most developed for **Islamic Finance**. Also, interestingly enough, it has **the highest percentage of women workers in the Islamic World**. Its market is well connected to the **3.6bn market of Asia**. Meanwhile, the country has developed a **ten-year economic plan to modernize the economy** with the central aim of moving away from the traditional resource-based economic model to a modern industrial economy based on high-value manufacturing and services. Currently, the key growth areas are tourism and agricultural by-products.

It seems the plan is going well as...

GNI has grown by 16% between 2009-11

The Reputation

According to the World Bank's "Doing Business 2013" report,¹ which provides an overview of business regulations in 185 economies around the world, **Malaysia was ranked as the 12th most competitive**. In the **Global Competitiveness Report 2012-2013 of the World Economic Forum**² **Malaysia was listed as the 25th most competitive and topped all of the South East European countries**.

In Conclusion – Malaysia ...

- Is at a **'tipping-point' of its accelerated growth**
- Is a country blessed with a **critical mass of well educated young people**
- Is a business environment where **English is used as the main business language**;
- possesses **good 'brands'** such as Petronas, Air Asia, IHH HealthCare, etc.
- is **world leader in certain sectors**, such as Islamic Finance, Oil and Gas services, Palm Oil and related commodities.

¹ The World Bank and The International Finance Corporation, "Doing Business 2013: Smarter Regulations for Small and Medium-Size Enterprises," retrievable at:
<http://www.doingbusiness.org/~media/GIAWB/Doing%20Business/Documents/Annual-Reports/English/DB13-full-report.pdf>

² The World Economic Forum, "The Global Competitiveness Report 2012-2013," retrievable at:
http://www3.weforum.org/docs/WEF_GlobalCompetitivenessReport_2012-13.pdf