

MALAYSIA RESERVED

DATE: 27/9/2007

Malaysia ranked 24th most business-friendly economy

Malaysian Reserve - 27/9/2007

Report finds equity returns highest in countries reforming the most as investors look for upside potential, and find it in economies that are moving forward

MALAYSIA is ranked among the 25 most business-friendly economies in the world, according to the latest World Bank's "Doing Business" report released yesterday.

The report, the fifth in an annual series, issued by the World Bank and the International Finance Corporation, ranked Malaysia 24th, out of 178 business-friendly economies.

"The report finds that equity returns are highest in countries that are reforming the most," said Michael Klein, World Bank/IFC vice president for financial and private sector development when announcing the findings in Singapore.

"Investors are looking for upside potential, and they find it in economies that are reforming — regardless of their starting point," he said.

For the second year running, Singapore tops the rankings on the ease of doing



Malaysia's reforming economy and friendly business culture are key factors influencing foreign investments to the country. Filephoto depicts Chinese businessmen at an investment forum in Johor viewing a large model of the Danga Bay area of the Iskandar Development Region in July.

business with New Zealand, the United States and Hong Kong following close behind.

Eastern Europe and Central Asia, as a region, surpassed East Asia this year in the ease of doing business, the bank said.

"Several of the region's countries have passed many economies of Western Europe on this score. Croatia, Macedonia, Georgia, Bulgaria and Hungary are among the region's top reformers," it said.

Estonia, the most business-friendly country of the former socialist bloc, ranks 17th on the ease of doing business, it added. Georgia and Latvia are also in the top 25.

"The results show that as governments ease regulations for doing business, more entrepreneurs go into business," said Simeon Djankov, lead author of the report.

"Eastern Europe has witnessed a boom in new business entry that rivals the rapid growth in East Asia in the

past," he said.

The top 25 rankings on the ease of doing business are: 1. Singapore, 2. New Zealand, 3. United States, 4. Hong Kong, 5. Denmark, 6. United Kingdom, 7. Canada, 8. Ireland, 9. Australia, 10. Iceland, 11. Norway, 12. Japan, 13. Finland, 14. Sweden, 15. Thailand, 16. Switzerland, 17. Estonia, 18. Georgia, 19. Belgium, 20. Germany, 21. Netherlands, 22. Latvia, 23. Saudi Arabia, 24. Malaysia, and 25. Austria. —

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