

World Bank Recognises Malaysia As Regional Leader In Corporate Governance
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KUALA LUMPUR, Feb 26 (Bernama) -- Malaysia has received strong ratings from the World Bank in its Corporate Governance Report on Observance of Standards and Codes 2012, said the Securities Commission Malaysia (SC).

In a statement Tuesday, the SC said the bank also reported that Malaysia has been recognised as a regional leader in corporate governance, and has made substantial progress in improving the legal and regulatory framework in relation to corporate governance.

"According to the report, Malaysia's overall scores are higher than the average scores of countries within the Asian region.

"The bank also acknowledges that Malaysia has a large capital market, strong institutions, sophisticated participants and high quality accounting practices," it said.

SC chairman, Datuk Ranjit Ajit Singh, said it was important to have in place a strong corporate governance eco-system in order to sustain active investor interest and growth in the capital market.

"We are highly encouraged by the strong endorsement by the World Bank on the collective efforts by the regulators and the industry in strengthening corporate governance in Malaysia," he said.

The report, which is an independent assessment carried out by the World Bank, examines the country's corporate governance framework benchmarked against the Organisation for Economic Cooperation and Development (OECD) Principles for Corporate Governance.

This is the third time that Malaysia has participated in the assessment.

The first was in 2001, and subsequently in 2006.

Out of the six OECD Principles for Corporate Governance examined in the report, Malaysia scored highest in terms of equitable treatment of stakeholders, enforcement and institutional framework, as well as disclosure and transparency.

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