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NEWS RELEASE

Malaysia ranked 25th for global business complexity

Kuala Lumpur, 24th July 2019 - Malaysia is the ninth simplest place to do business in Asia*, according to a new report by TMF Group, a leading provider of international administrative services.

The [Global Business Complexity Index](#), which compares key administrative and compliance demands, ranked the country 25th most complex overall out of 76 jurisdictions that were analysed worldwide.

Among its regional neighbours, Thailand (73rd), South Korea (61st), Japan (59th), Hong Kong (56th), Taiwan (46th), Singapore (42nd), Vietnam (27th) and India (28th) were all seen as more straightforward environments for international firms to operate in. Malaysia was however, deemed less complex than the Philippines (20th), China (9th), and Indonesia (2nd).

Sharon Yam, TMF Group's Managing Director for Malaysia, said: "There have been efforts from the Malaysian government and the government agencies to make it more conducive for people to do business in Malaysia. From the Companies Act 2016 and Companies Regulations 2017, a single online 'superform' was introduced to replace the multiple forms which were previously required by business individuals who want to incorporate a company in Malaysia. Digitalization reduces the complexity via online submission. However, the country's digital infrastructure is still not as mature yet and further investment is required."

The report was based on a combination of statistically weighted data and qualitative research among local market experts. It focuses on three areas: 1) rules, regulations and penalties; 2) accounting and tax; and 3) hiring, firing and paying employees.

Malaysia is among the minority (30%) of jurisdictions worldwide, who say that the responsibilities of directors and officers of companies have increased over the last three years.

In terms of HR practices, Malaysia was seen to have a strong labour law wherein the services of an employee cannot be terminated unless there is just cause, or good reasons provided objectively and not just from the employer's perspective.

Sharon Yam added: "Malaysia still has plenty of attractive advantages for businesses looking to set up here or get established. It's legal and accounting practices are derived from the British system and familiar to most international companies. In the area of accounting and tax, for example, it scores well for its adherence to IFRS (International Financial Reporting Standards), compared with much of the rest of the region which continues to use a local GAAP (Generally Accepted Accounting Principles) framework."

The report found that The Cayman Islands was the least complex country of all 76 surveyed. Greece tops the index as the world's most complex business environment.

Please visit [Global Business Complexity Index](#) to download the full report.

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Notes to editor:

*Asia is defined here as excluding Australia/Oceania.

The *Global Business Complexity Index* – the full rankings

01 Greece	27 Vietnam	53 Romania
02 Indonesia	28 India	54 Cyprus
03 Brazil	29 Serbia	55 Sweden
04 United Arab Emirates	30 South Africa	56 Hong Kong
05 Bolivia	31 Costa Rica	57 Hungary
06 Slovakia	32 Slovenia	58 Bulgaria
07 Germany	33 Ireland	59 Japan
08 Turkey	34 Norway	60 Guernsey
09 China	35 Honduras	61 Korea
10 Peru	36 Luxembourg	62 Mauritius
11 El Salvador	37 Jamaica	63 Dominican Republic
12 France	38 Uruguay	64 New Zealand
13 Colombia	39 Mexico	65 Australia
14 Ukraine	40 Chile	66 United States
15 Belgium	41 Ecuador	67 Netherlands
16 Portugal	42 Singapore	68 British Virgin Islands
17 Qatar	43 United Kingdom	69 Denmark
18 Argentina	44 Russia	70 Switzerland
19 Spain	45 Austria	71 Israel
20 Philippines	46 Taiwan	72 Paraguay
21 Poland	47 Finland	73 Thailand
22 Kazakhstan	48 Czech Republic	74 Jersey
23 Nicaragua	49 Malta	75 Curacao
24 Italy	50 Venezuela	76 Cayman Islands
25 Malaysia	51 Panama	
26 Canada	52 Guatemala	

About TMF Group

With some 7,800 in-house experts, TMF Group is a leading provider of international business administration services. On the ground in over 80 jurisdictions, we are the only company worldwide to provide the combination of fiduciary, company secretarial, accounting and tax and HR and payroll services essential to the success of businesses investing and operating in multiple jurisdictions. That's why our services are used by over 60% of the Fortune Global 500 and the FTSE 100 companies, as well as nearly half of the top 300 private equity firms worldwide.

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