KUALA LUMPUR: Malaysia has improved its ranking in the Ease of Doing Business Report 2015 from 20th in 2014 to 18th spot, ahead of economies such as Taiwan, Switzerland, Thailand, the Netherlands and Japan, according to the World Bank. Malaysia is ranked 4th in Asia after Singapore, Hong Kong and South Korea. Its “Distance to Frontier” score improved from 76.84 in 2014 to 78.83 in 2015.

The report said Malaysia made improvements in five of the indicators - starting a business, dealing with construction permits, getting electricity, registering property and resolving insolvency. It said these improvements reflect the initiatives undertaken by the government through the government transformation and economic transformation programmes as well as the work undertaken by the joint public-private sector task force to facilitate business (Pemudah).

Lead author of Doing Business 2015 Rita Ramalho said the report has introduced a number of methodological refinements this year. The ranking is now based on the “Distance to Frontier” (DTF) score rather than percentile rank, where the DTF score shows the gap between an economy’s performance and the best performance on each indicator.

Rita Ramalho said the World Bank is of the opinion that this methodology provides clarity on the improvements that countries need to make.

“Through an ambitious reform agenda, Malaysia has gradually improved the ease of doing business. This has benefited local entrepreneurs, who now have fewer regulatory hurdles to comply with and more resources to focus on their business,” she said during a teleconference from Washington in the US with Malaysia, Thailand, Laos and the Philippines here yesterday.

Also present were Malaysia Productivity Corp director-general Datuk Mohd Razali Hussain and Pemudah member Datuk Pardip Kumar and World Bank senior economist Fredrico Gil Sander.

Mohd Razali said: “For 2016, the World Bank’s new focus will be on registering property, dealing with construction permits, getting electricity, paying taxes and enforcing contracts. Malaysia will focus on these five areas to improve further and be competitive.”