



# MALAYSIA

Population: 31,809,660 | GDP: \$933.33 billion | Language: Bahasa Malaysia | Unicorns 2009-2018: 0



## What did Malaysia do right?

Malaysia's government has been hands-off toward regulating short-term rentals and self-driving vehicles, and work has begun on a new National Automotive Policy that will address self-driving vehicles. The country has a low corporate tax rate and does not tax streaming services.



## What can Malaysia do better?

Malaysia could significantly increase its levels of both personal and political freedom—it currently ranks among the worst on the Scorecard. Also, it could ease drone regulations.

## KEY TAKEAWAYS

Malaysia makes its Scorecard debut as an Innovation Leader.

A popular tourist destination, the country welcomes the sharing economy with open arms. Short-term rentals have boomed due a lack of restrictive federal regulations, but as of 2018 the capital city of Kuala Lumpur requires rental hosts to register.

Malaysia is a tax-friendly country with a corporate tax rate of 24 percent and a top individual marginal tax rate of 28 percent.

The country spends an above-average amount on research and development activities—1.3 percent of its gross domestic product—some in support of its goal of becoming an automotive industry powerhouse.

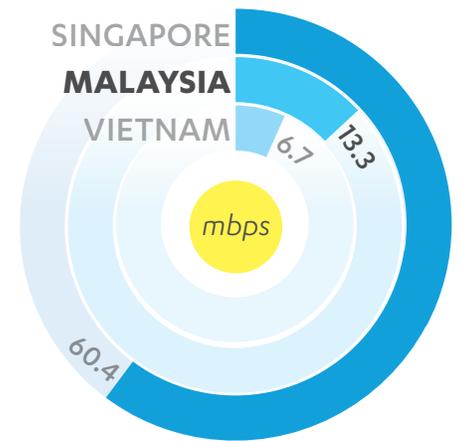
In January 2018, researchers at Universiti Teknologi Malaysia became the first in the country to test a fully self-driving vehicle (SDV) prototype. The development dovetails neatly with Malaysia's push to be part of the Fourth Industrial Revolution, emphasizing the use of SDVs and other emerging technologies.

Sources: (Media Statement) (The Edge Markets) (Ministry of International Trade and Industry) (New Straits Times) (UTM)

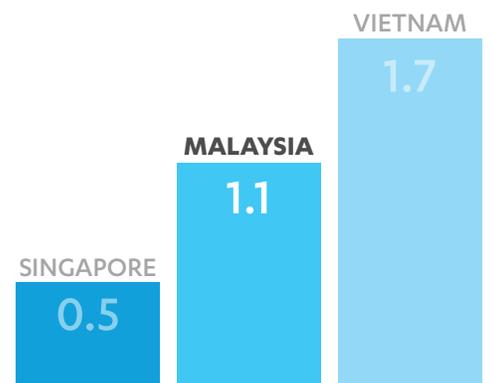


A longtime tourist destination, Kuala Lumpur, like the rest of Malaysia, enjoys a thriving short-term rental market, but the capital city recently enacted new registration requirements.

## Mean Download Speed (Fixed & Mobile)



## Fixed Broadband Cost Per Month



Shown as a percentage of gross monthly income per capita



**R&D Investment**

The country spends 1.3 percent of its GDP on research and development



**Human Capital**

25.5 percent of Malaysia's workers are highly skilled, and the country awarded 43.7 percent of its college degrees in STEM fields.



**Tax Friendliness**

Streaming services are not subject to tax. The corporate tax rate is 24 percent, and the top individual tax rate is 28 percent



**Short-Term Rentals**

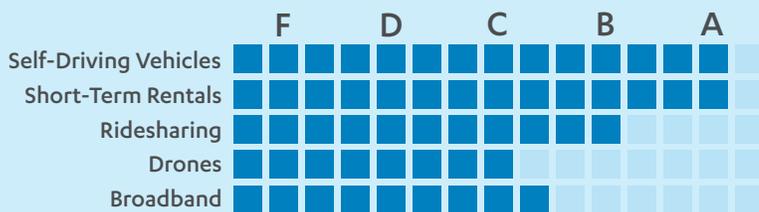
Although there are no federal regulations, the country's capital now requires short-term rental hosts to register with the city.



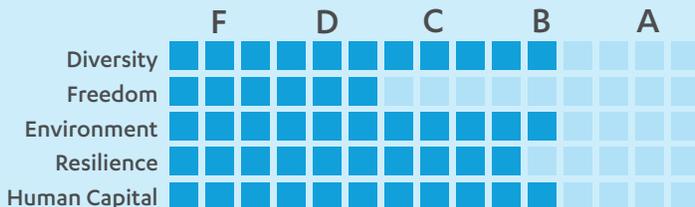
**Self-Driving Vehicles**

Researchers at Malaysia's Universiti Teknologi fielded a prototype of a self-driving vehicle in early 2018.

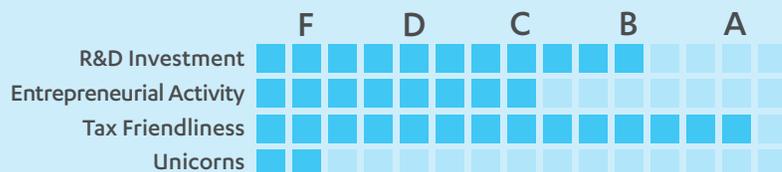
**Technology**



**Society**



**Economy**



**ABOUT THE SCORECARD**

With the 2019 International Innovation Scorecard, the Consumer Technology Association expands the report in breadth and depth, adding 23 new countries and two new categories. In this second edition, we evaluate 61 countries and the European Union across 28 indicators to determine whether they stifle progress or fuel the fires of innovation.

Each country on the Scorecard ranks in one of four tiers: Innovation Champions excel in almost all areas, followed by Innovation Leaders, which earn high scores in most. Behind the Leaders are Innovation Adopters, which promote innovation in some areas but not others. Finally, Modest Innovators may support innovation in one or more areas, but they show the greatest room for improvement.

**ABOUT CTA**

The Consumer Technology Association (CTA)<sup>™</sup> is the preeminent trade organization representing the \$398 billion U.S. consumer technology industry, which supports more than 15 million jobs. CTA serves over 2,200 companies, ranging from the startups and small businesses that make up 80 percent of its membership to some of the world's best-known brands. CTA also owns and produces CES<sup>®</sup>, the world's premier gathering for consumer technology and the innovators who turn today's dreams into tomorrow's realities. Profits from CES are reinvested into CTA's industry services.

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