

**Doing  
Business  
2010**

# Doing Business: East Asia and Pacific

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Reforming through Difficult Times

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THE WORLD BANK



**IFC** International  
Finance Corporation  
World Bank Group

[www.doingbusiness.org](http://www.doingbusiness.org)

## What does Doing Business measure?

### Doing Business indicators:

- ✓ Focus on regulations relevant to the life cycle of a small and medium-size domestic business.
- ✓ Are built on standardized case scenarios.
- ✓ Are measured for the most populous city in each country.
- ✓ Are focused on the formal sector.
- ✓ **DO NOT** measure all aspects of the business environment such as macroeconomic stability, corruption, level of labor skills, proximity to markets, regulation specific to foreign investment or financial markets.

# What's new in Doing Business 2010?

2007 175 economies	2008 178 economies	2009 181 economies	2010 183 economies
<ul style="list-style-type: none"> <li>• Starting a business</li> <li>• Dealing with construction permits</li> </ul>	<ul style="list-style-type: none"> <li>• Update of 2007</li> <li>• Add 3 countries</li> <li>• Reformer's Club, and 16 case studies</li> </ul>	<ul style="list-style-type: none"> <li>• New "About DB" chapter</li> <li>• Trends analysis DB04-DB09</li> </ul>	<ul style="list-style-type: none"> <li>• Business regulation and reform in the context of the global crisis</li> <li>• EWI and social protection</li> <li>• Researching ILO core labor standards</li> <li>• Piloting a new infrastructure indicator</li> <li>• New insights on gender</li> <li>• Add Cyprus, Kosovo</li> </ul>
<ul style="list-style-type: none"> <li>• Employing workers</li> <li>• Registering property</li> <li>• Getting credit</li> <li>• Protecting investors</li> <li>• Paying taxes</li> <li>• Trading across borders</li> <li>• Enforcing contracts</li> <li>• Closing a business</li> </ul>		<ul style="list-style-type: none"> <li>• Most popular reforms</li> <li>• Most effective reforms</li> <li>• Lessons learned</li> <li>• Add 3 new countries (Bahamas, Bahrain, Qatar)</li> <li>• Methodology change in Getting Credit (Legal Rights)</li> </ul>	

# Top 30 on the ease of Doing Business 2010

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	<b>1. Singapore</b>		16. Finland
	2. New Zealand		17. Mauritius
	<b>3. Hong Kong, China</b>		18. Sweden
	4. United States		19. Korea, Rep.
	5. United Kingdom		20. Bahrain
	6. Denmark		21. Switzerland
	7. Ireland		22. Belgium
	8. Canada		<b>23. Malaysia</b>
	9. Australia		24. Estonia
	10. Norway		25. Germany
	11. Georgia		26. Lithuania
	<b>12. Thailand</b>		27. Latvia
	13. Saudi Arabia		28. Austria
	14. Iceland		29. Israel
	15. Japan		30. Netherlands

## Key findings in this year's report

- ✓ **Against backdrop of global financial and economic crisis, record number of reforms recorded:** 287 reforms in 131 countries; 20% more than in the year before.
- ✓ **Focus on SMEs for job creation.** Regulatory ease of starting, operating and closing a business influences how well firms can cope and adjust.
- ✓ **Reforms more likely in developing economies:** Two-thirds of reforms in low- and lower-middle-income economies.
- ✓ **In East Asia and the Pacific 17 of 24 economies made reforms:** Indonesia is the most active reformer.
- ✓ **Singapore**, a consistent reformer, is the top-ranked economy on the ease of doing business for the fourth year in a row, with **New Zealand** as runner-up.

## Key Findings – East Asia and Pacific

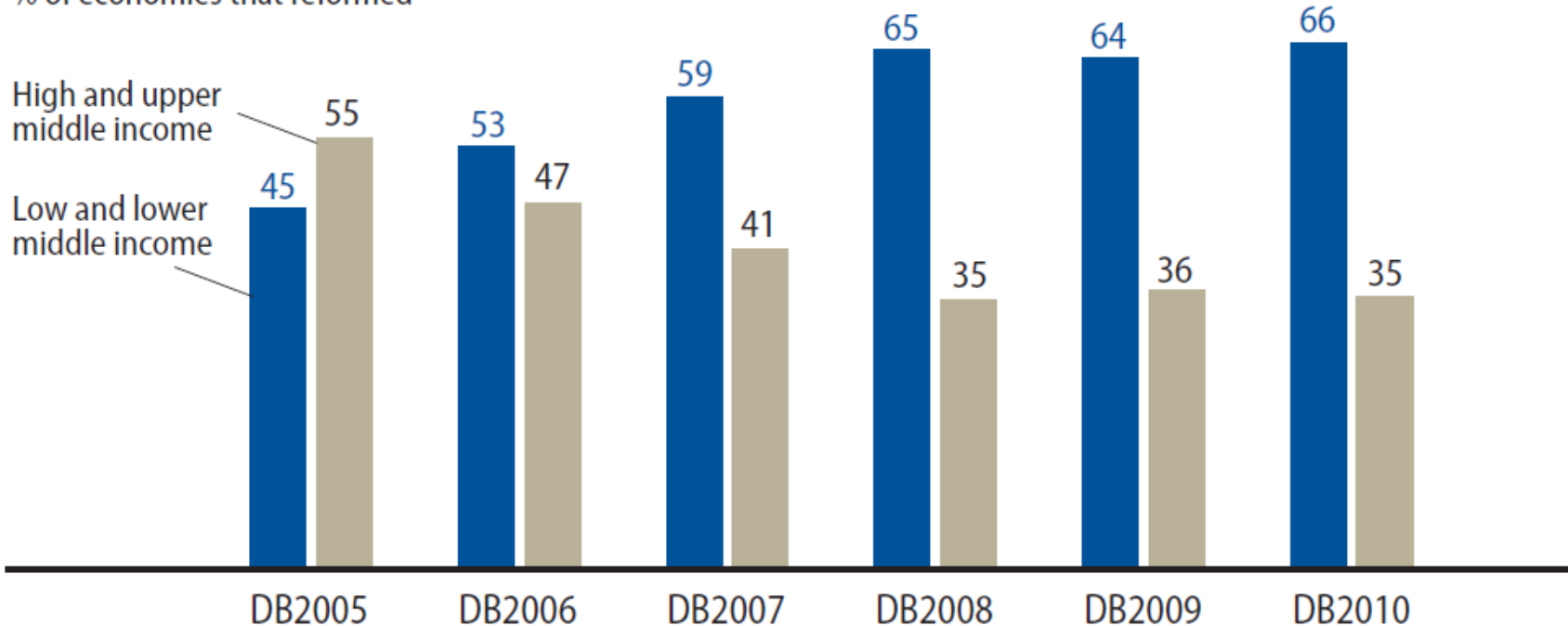
- ✓ **For the fourth year running Singapore leads the rankings**
- ✓ **Globally, East Asia and Pacific is the third easiest region to do business:** after OECD and ECA.
- ✓ **Indonesia is the region's top reformer,** moving up 7 places, from 129 to 122.
- ✓ **East Asia and Pacific is the region where employing workers is easiest.**
- ✓ **Total number of reforms in the region is highest ever recorded:** it is the region with the third most reforms, after ECA and MENA.
- ✓ **Paying Taxes and Starting a Business** were the most popular reforms in the region.

# Developing Economies Lead in Doing Business Reforms

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## Lower income economies more likely to reform

% of economies that reformed

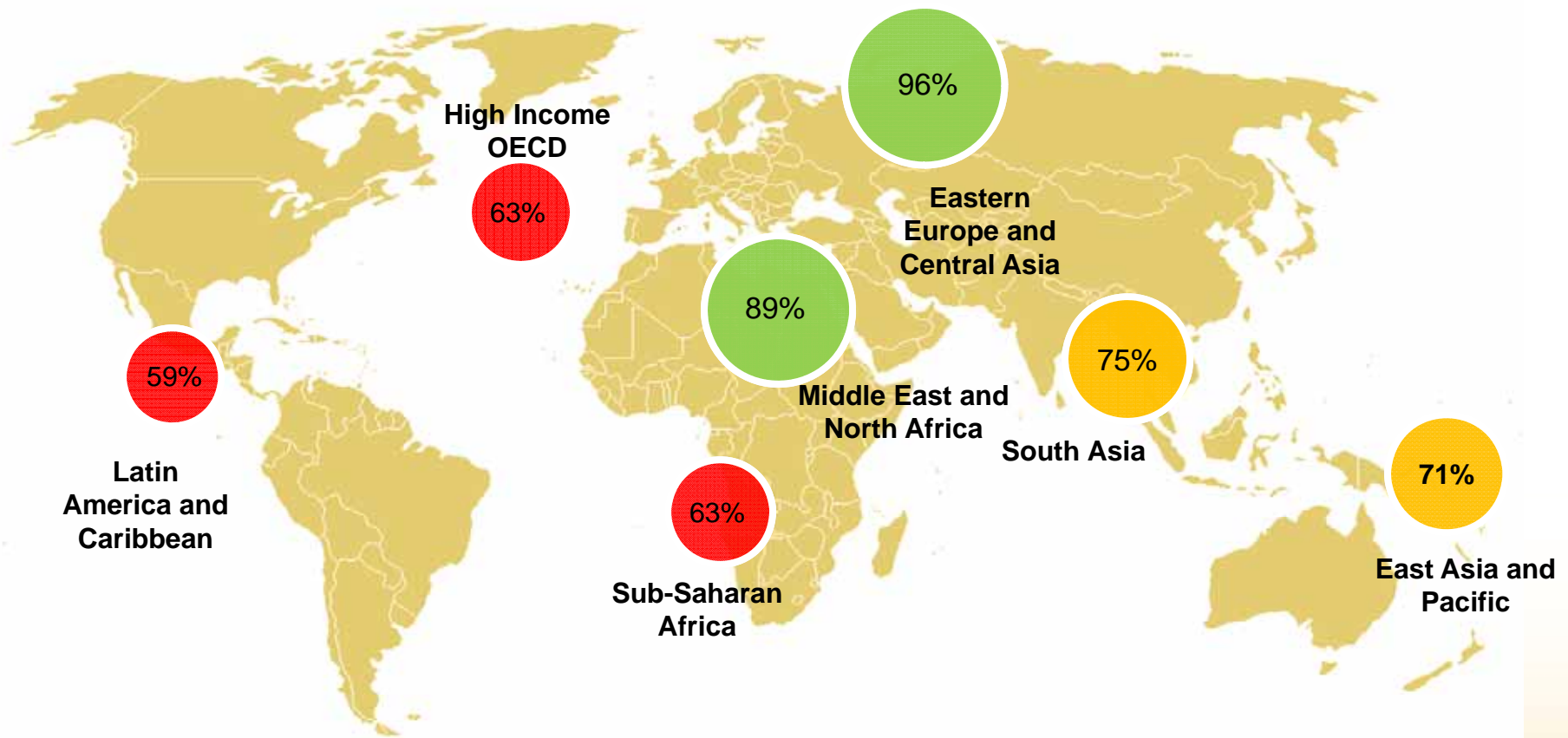


Source: Doing Business database.

# Middle East and North Africa– second region with the most reforms

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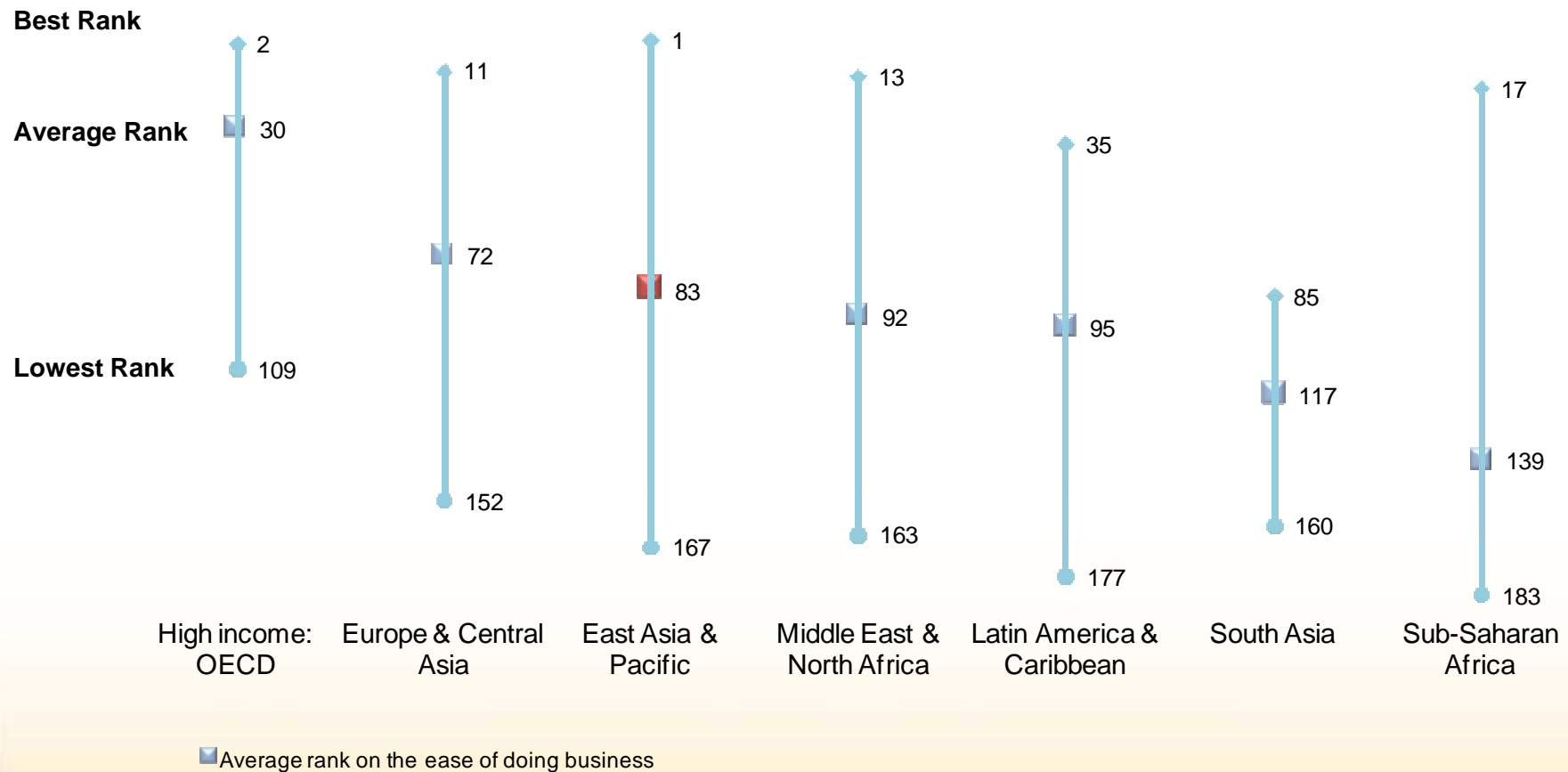
Percentage of countries with at least one positive reform in 2008/09





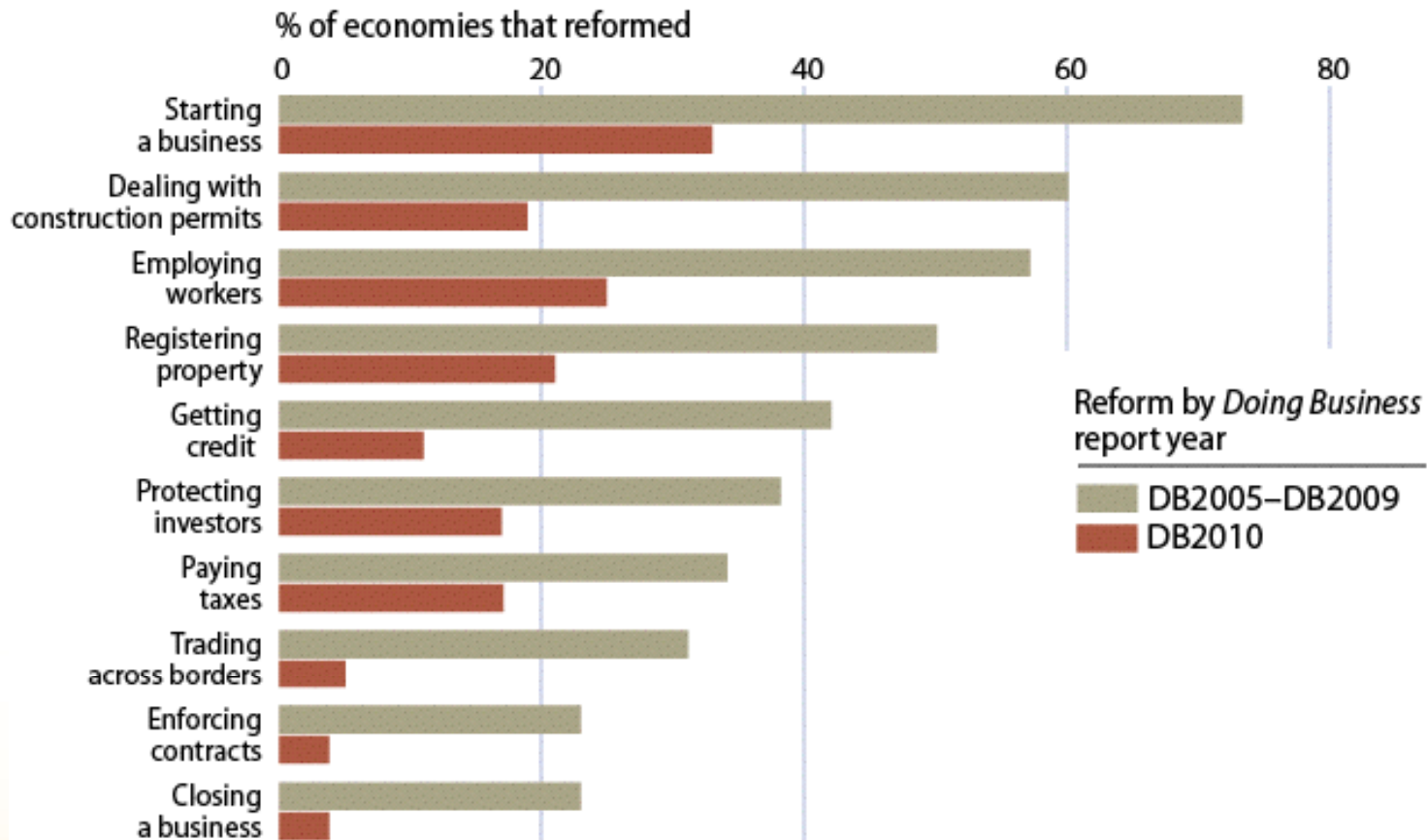
# How are the rankings distributed in every region?

## East Asia and Pacific has an average rank of 83



# 287 reforms in 2008/09 made it easier to do business

## Most reforms in starting a business, paying taxes and trading across borders



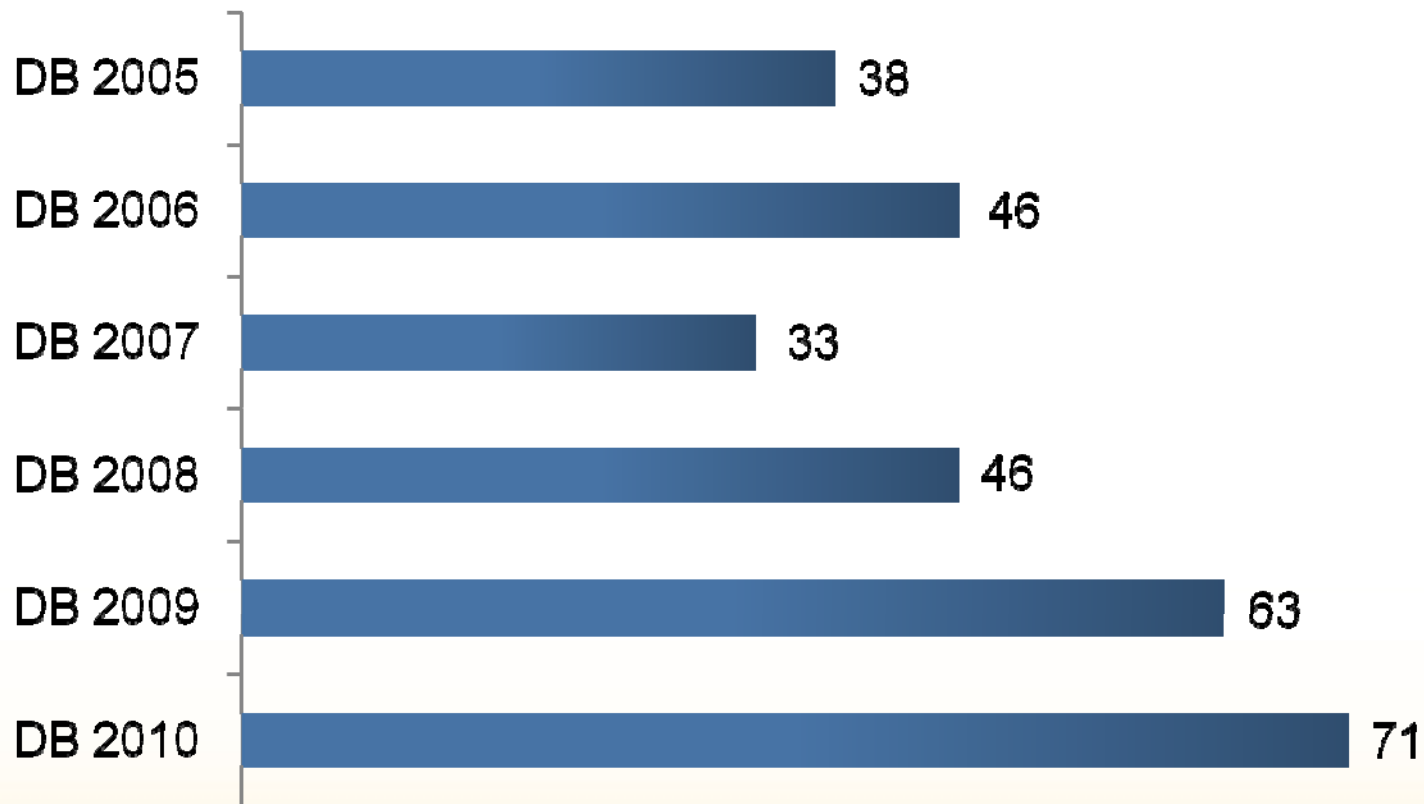
Source: *Doing Business* database.

# The top 10 reformers in 2008/09

Economy	Starting a business	Dealing with construction permits	Employing workers	Registering property	Getting credit	Protecting investors	Paying taxes	Trading across borders	Enforcing contracts	Closing a business
Rwanda	✓		✓	✓	✓	✓		✓		✓
Kyrgyz Republic	✓	✓	✓	✓	✓		✓	✓		
Macedonia FYR	✓	✓	✓	✓	✓	✓	✓			
Belarus	✓	✓	✓	✓			✓	✓		
United Arab Emirates	✓	✓						✓		
Moldova	✓			✓			✓			
Colombia	✓	✓		✓	✓	✓	✓	✓		✓
Tajikistan	✓	✓			✓	✓				✓
Egypt, Arab Rep.	✓	✓			✓				✓	
Liberia	✓	✓						✓		

# Reforms increase in East Asia and Pacific

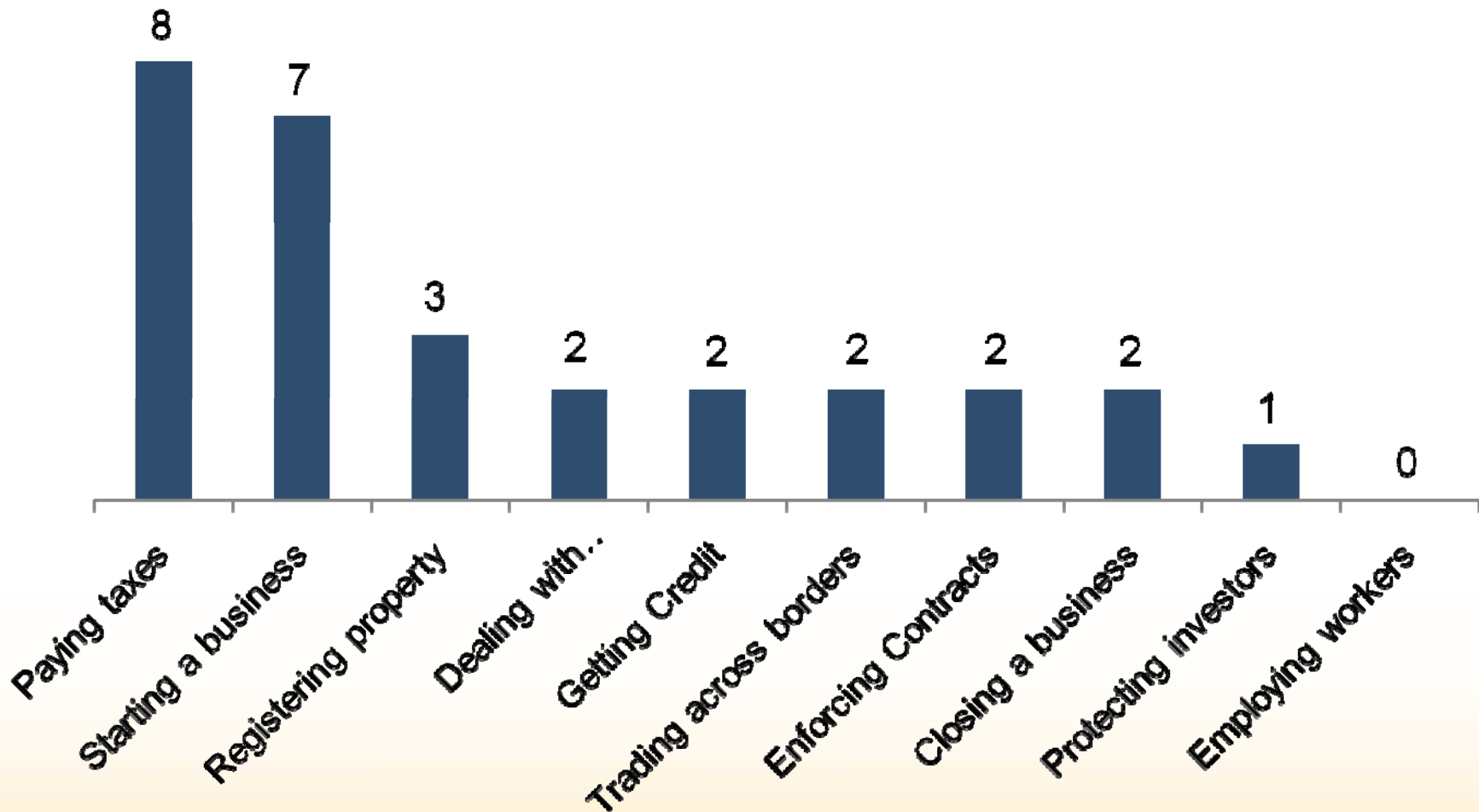
Share of economies with at least 1 reform making it easier to do business in the past 6 years (%)



## East Asia and Pacific recorded a total of 29 positive reforms in all areas in 2008/09

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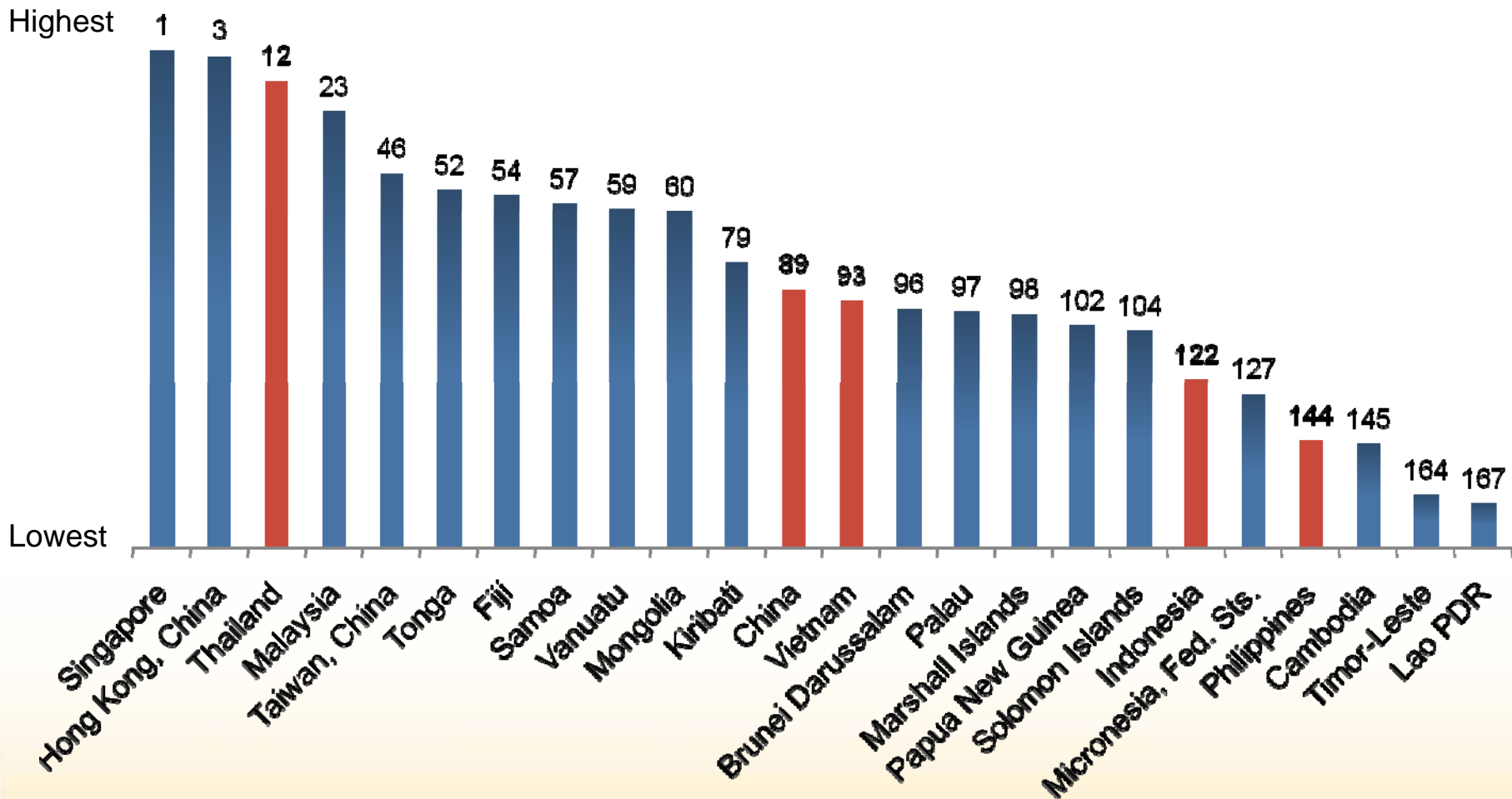
Paying Taxes was lead area of reforms in East Asia and Pacific



# East Asia and Pacific on Doing Business – Singapore leads the way, followed by Hong Kong, China

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Overall ranking on ease of doing business 2008/09



***I checked the top ten in every indicator and we just asked them “What did you do”?*** - Dr Mahmoud Mohieldin, Egypt’s Minister of Investment

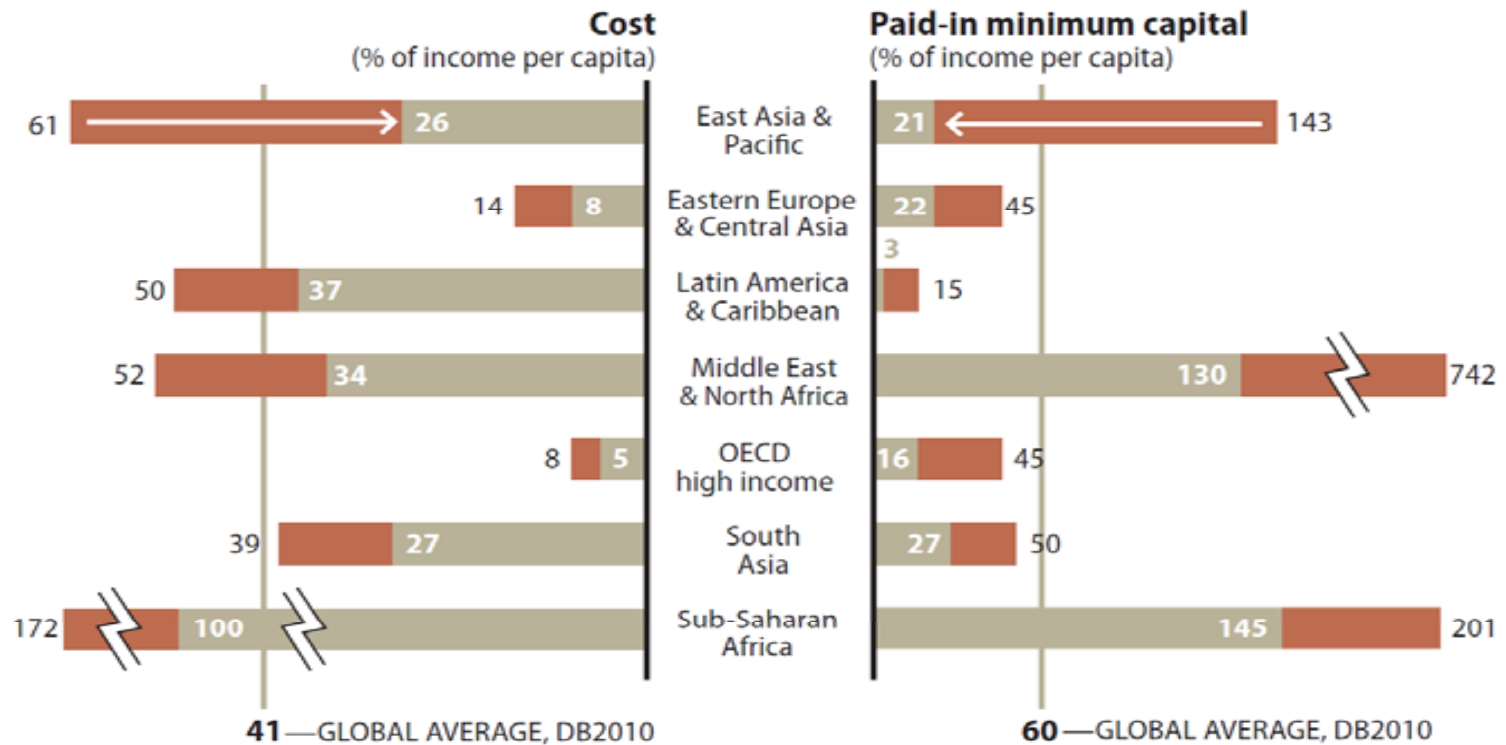


Topic	World’s top ranked 2008/09	East Asia and Pacific top ranked 2008/09
Starting a business	New Zealand	Singapore (4) Hong Kong, China (18)
Dealing with construction permits	Hong Kong, China	Hong Kong, China (1) Singapore (2)
Employing workers	<b>Singapore</b>	Singapore (1) Brunei Darussalam (4)
Registering property	Saudi Arabia	Thailand (6) Singapore (16)
Getting credit	<b>Malaysia</b>	Malaysia (1) Singapore (4)
Protecting investors	New Zealand	Singapore (2) Hong Kong, China (3)
Paying taxes	Maldives	Hong Kong, China (3) Singapore (5)
Trading across borders	<b>Singapore</b>	Singapore (1) Hong Kong, China (2)
Enforcing contracts	Luxembourg	Hong Kong, China (3) Singapore (13)
Closing a business	Japan	Singapore (2) Taiwan, China (11)

# Lower entry barriers thanks to reforms over 5 years

DB2005 → DB2010

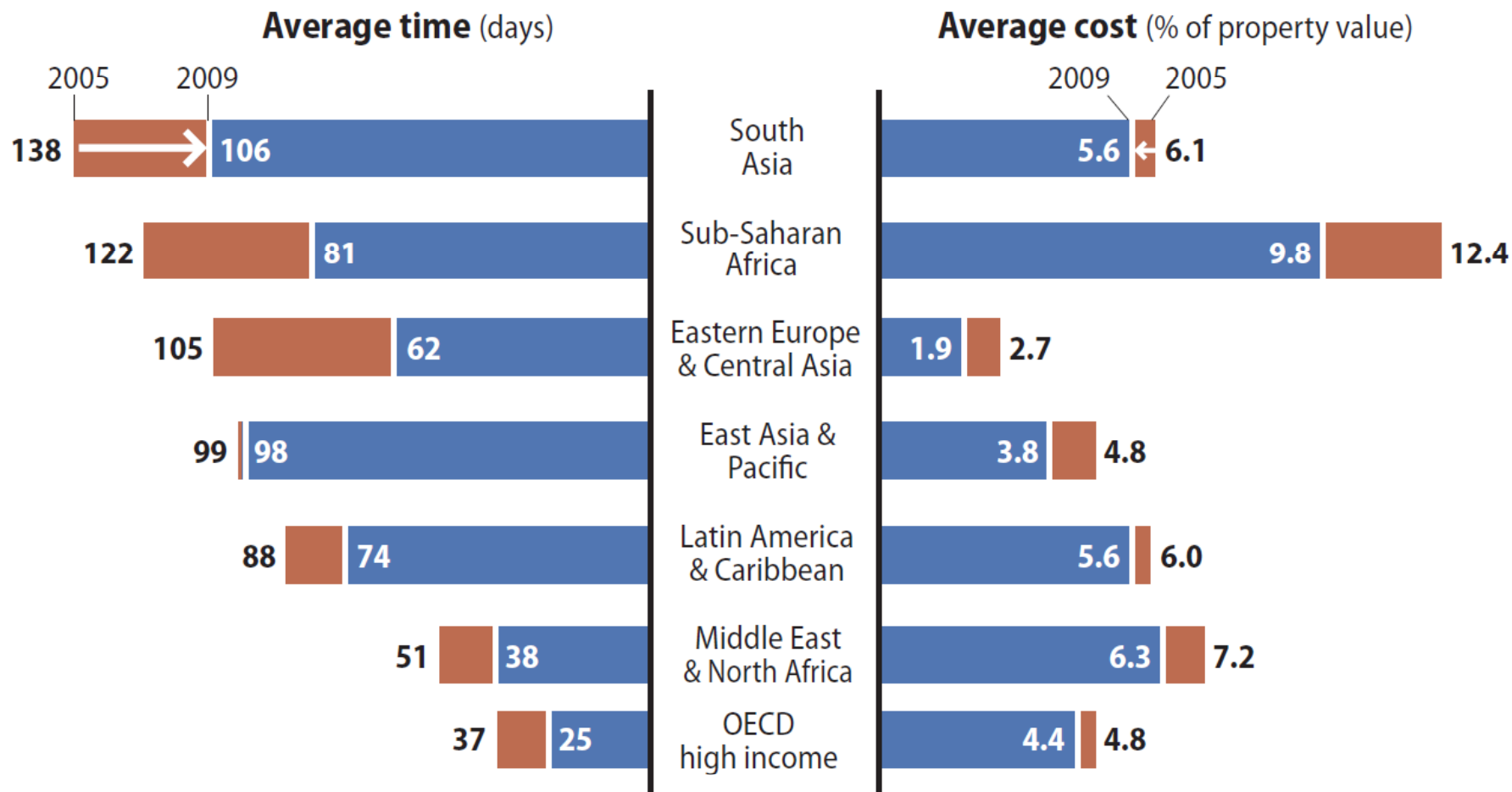
DB2010 ← DB2005





# Less progress in other areas

## Time and cost to register property 2005 and 2009

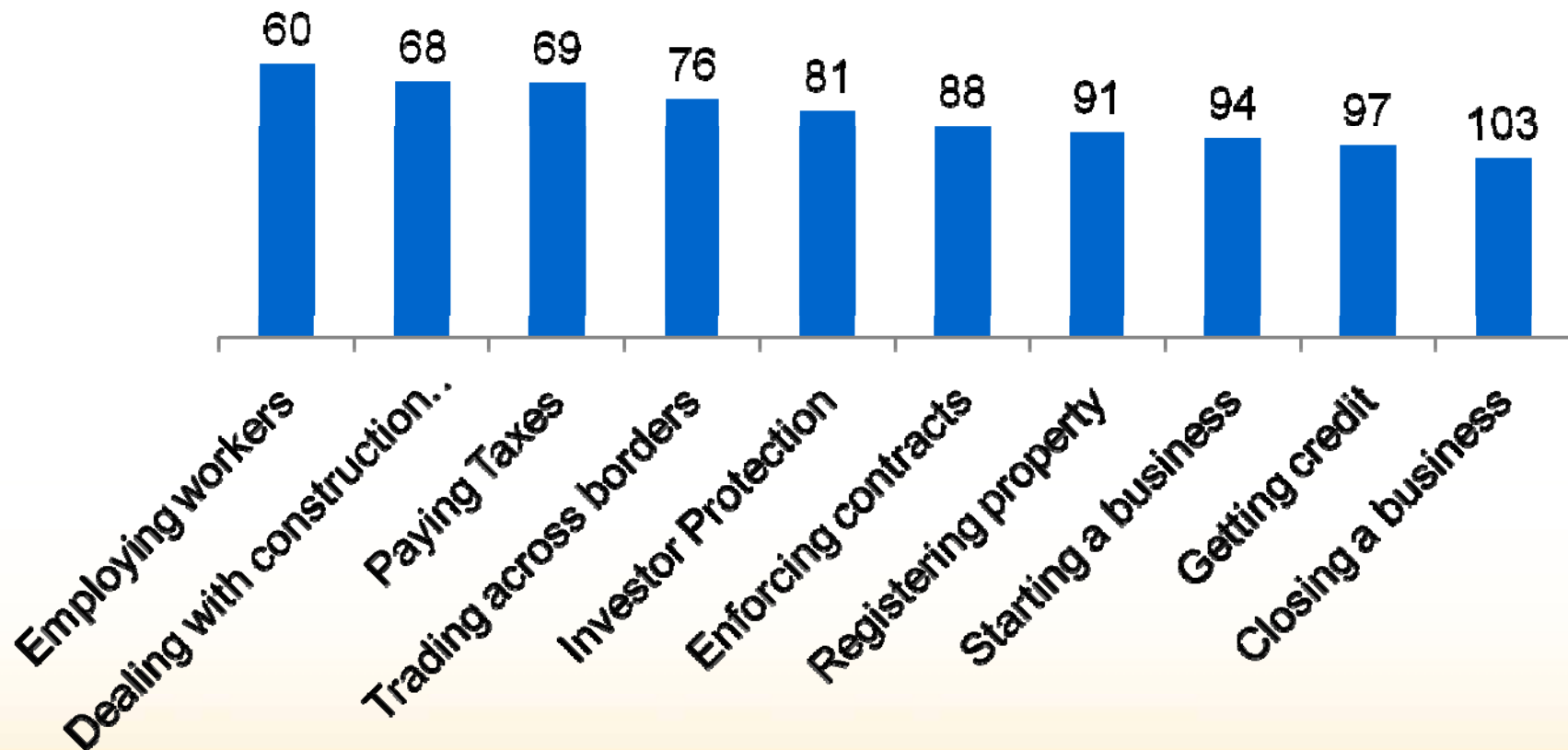


Note: Data refer to economies included in *Doing Business 2005*. Additional economies were added in subsequent years.  
 Source: *Doing Business* database.

# In what topic does East Asia and Pacific perform the best?

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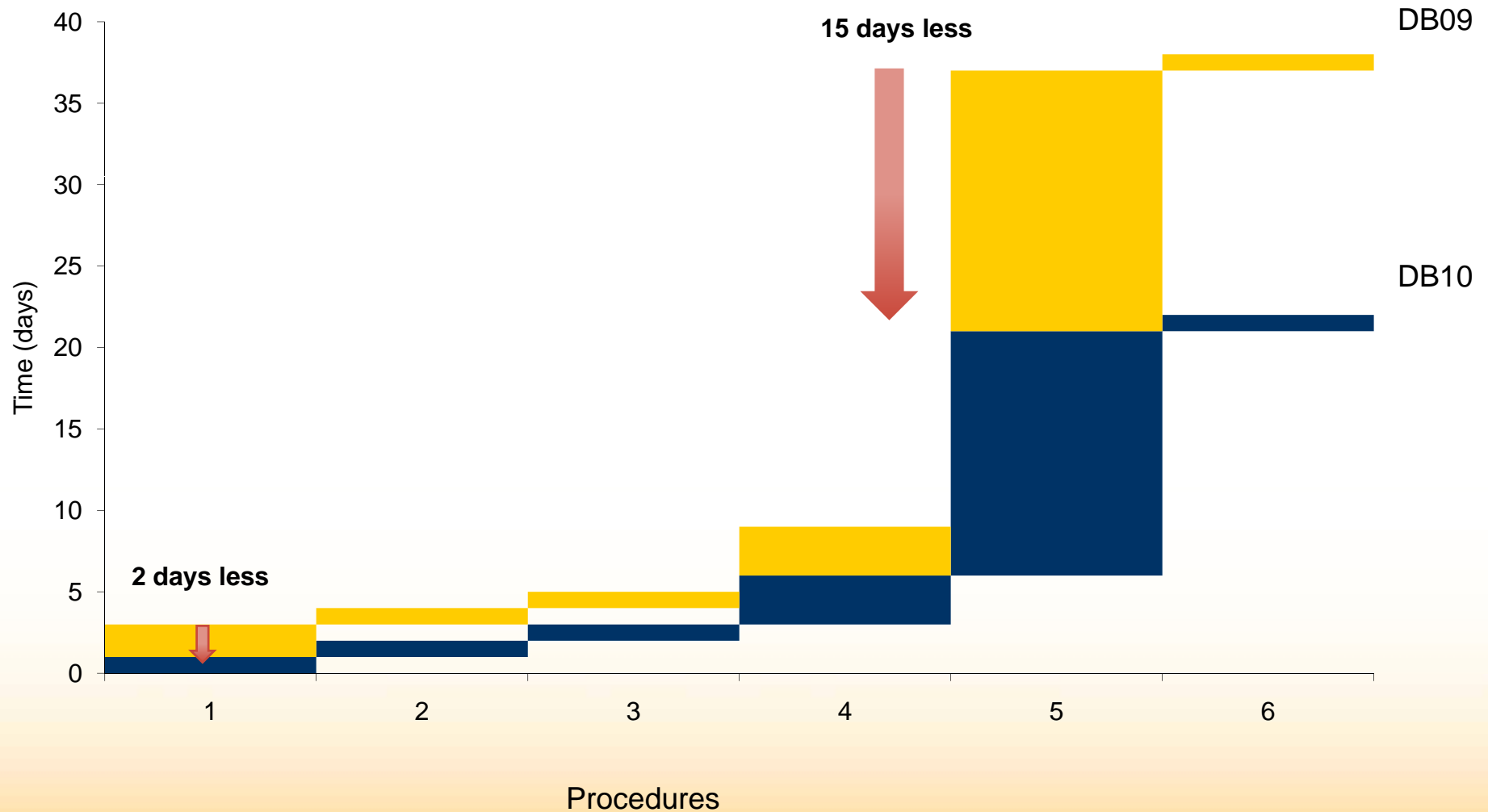
Average ranking per topic 2008/09



# Indonesia – most active reformer in the region – made registering property faster

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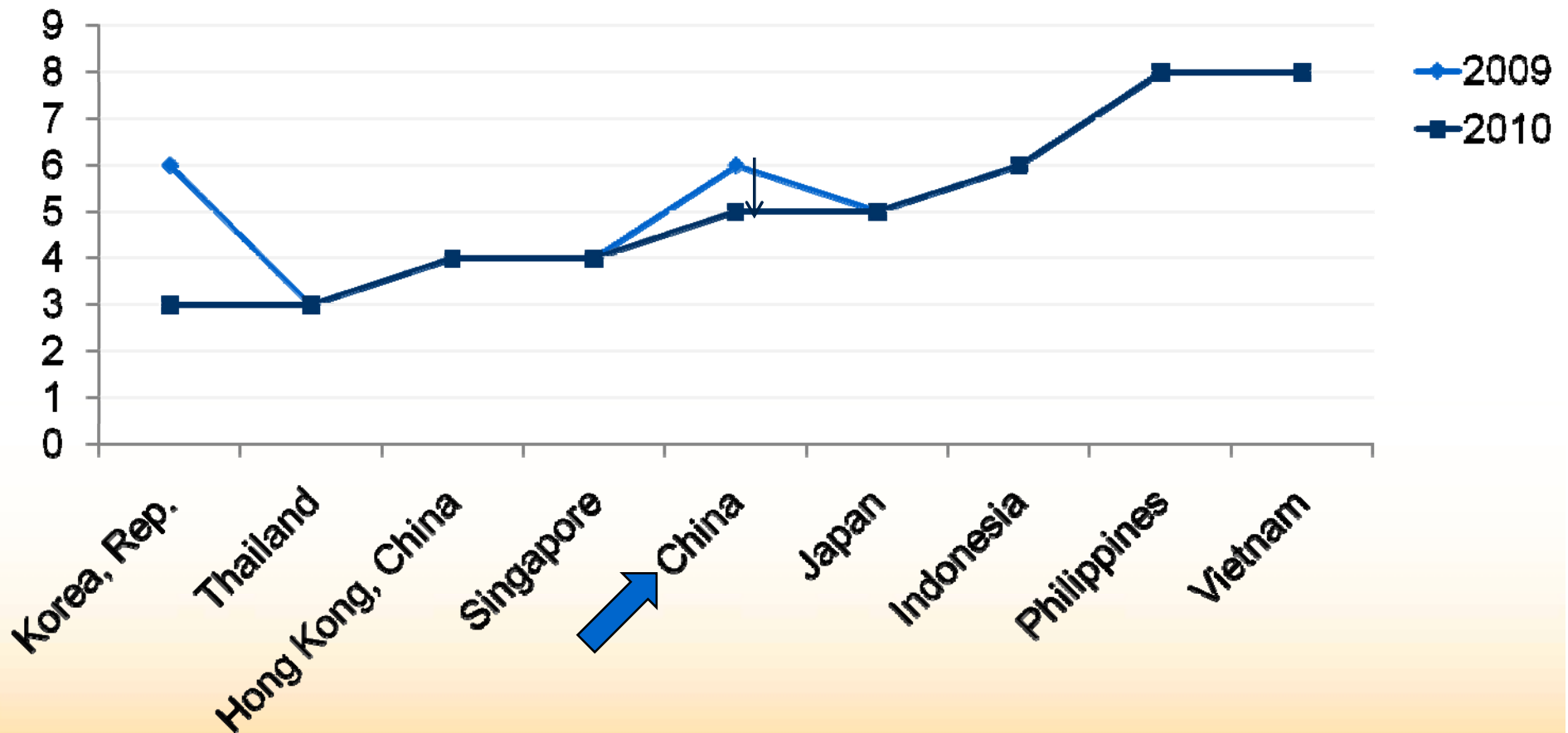
- ✓ 3 positive reforms
- ✓ Introduction of time limits at the Land Registry



## China made trading across borders easier

- ✓ Easing trade by abolishing foreign exchange authorization for imports
- ✓ Rank for ease of trading across borders went up from 49 to 44

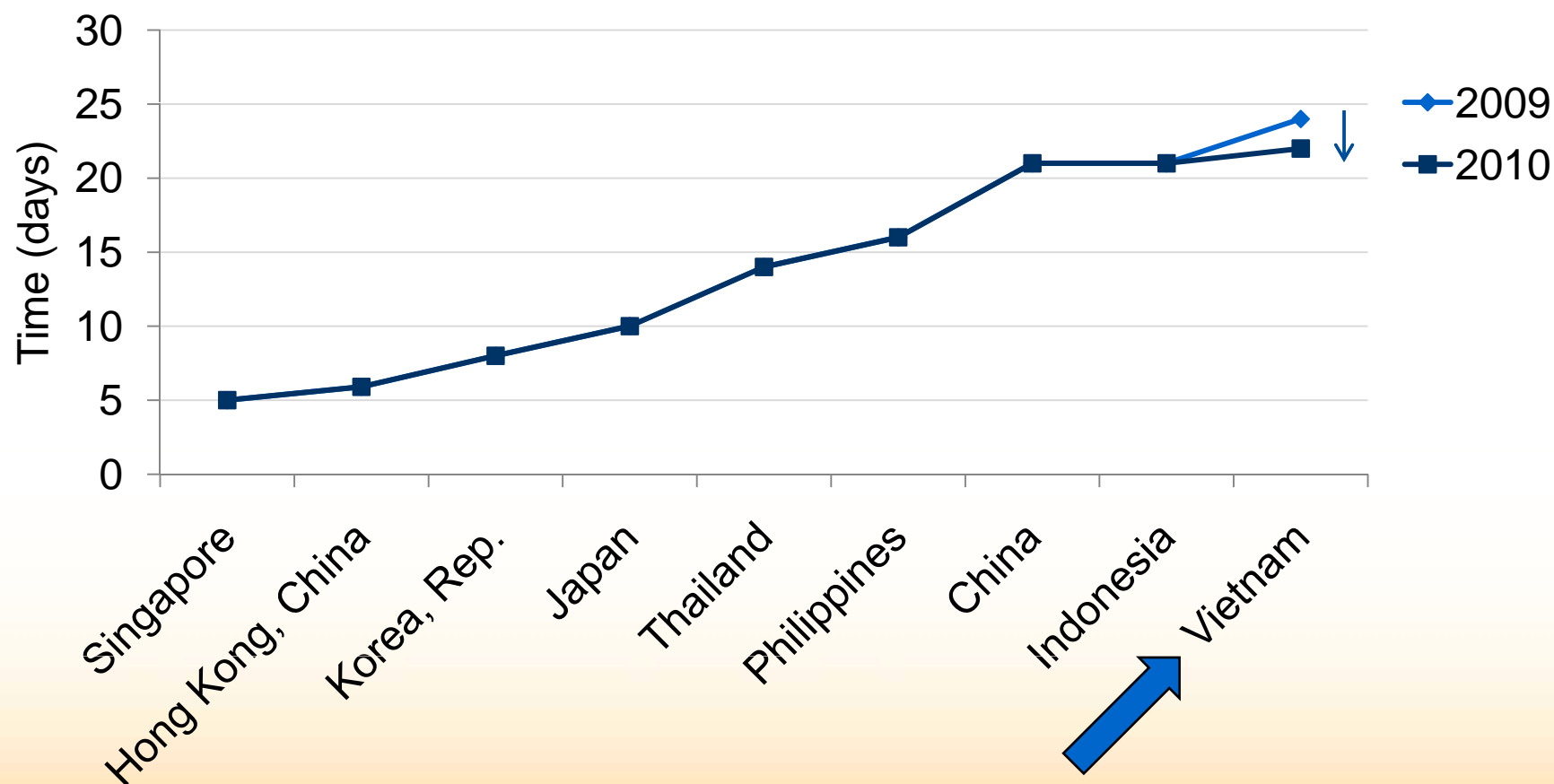
Number of documents required for import in 2009/08



# Vietnam made trading across borders faster

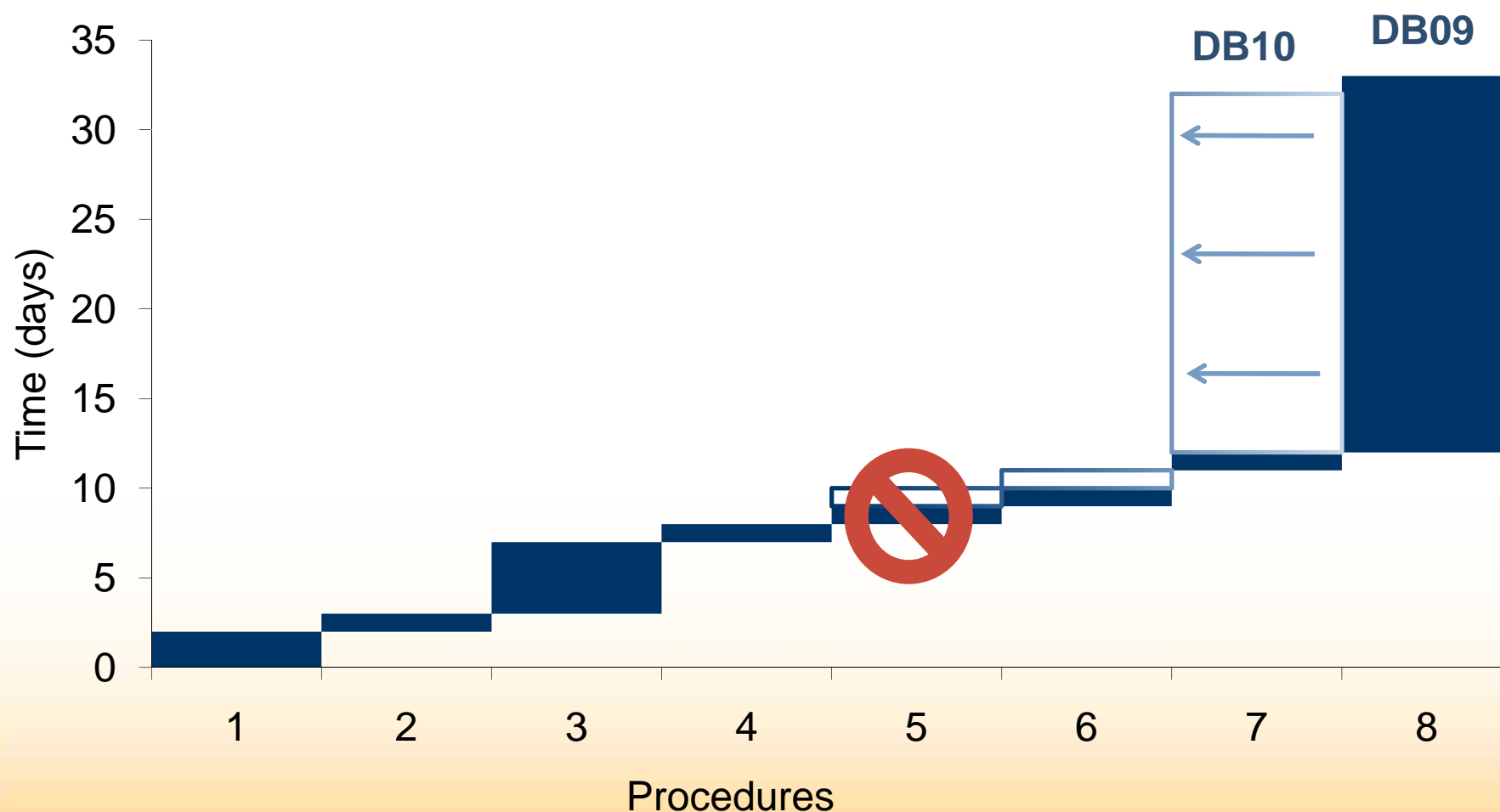
- ✓ 2 reforms, including in Trade across borders
- ✓ Time for import and export went down by two days

Time to export a container in 2008/09



# Thailand made starting a business faster

- ✓ Reform in Starting a business
- ✓ Merging registration of memorandum and application for registration of company => 1 procedure and 1 day

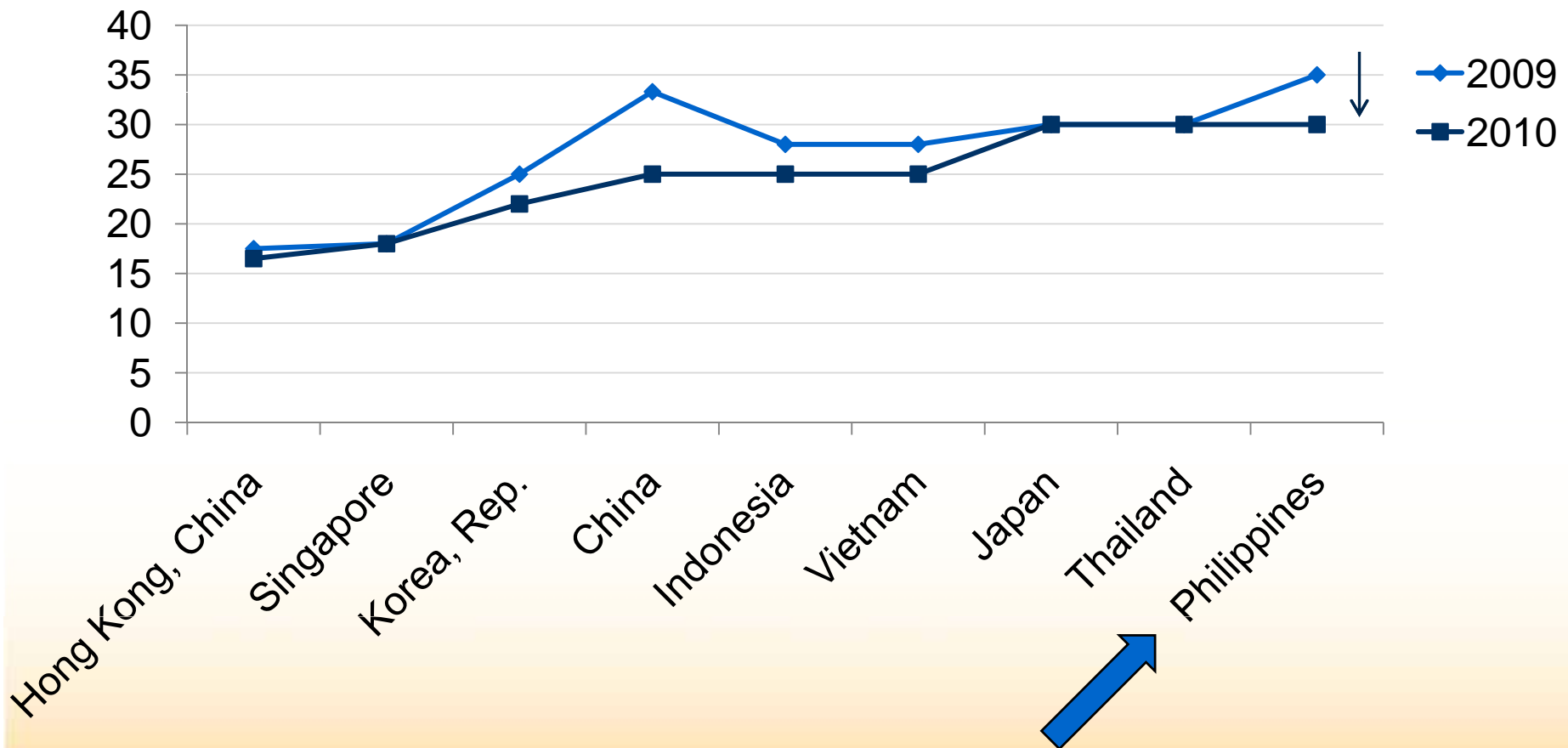


# Philippines made paying taxes easier for businesses in 2008/09

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- ✓ 3 reforms, including Paying Taxes
- ✓ Reduction of Corporate Income Tax from 35% to 30%,

### Corporate Income Tax (Top rate)



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The Doing Business project... provides objective measures of business regulations and their enforcement across 181 economies and selected cities at the subnational and regional level. Learn more...

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### Current Features



**Doing Business 2009: Five years of reforms:** More regulatory reforms were recorded worldwide between June 2007 and June 2008 than in any previous year, according to *Doing Business 2009*. For the fifth year in a row, Eastern Europe and Central Asia led the world in Doing Business reforms. Once again, Singapore tops the rankings, followed by New Zealand, the United States, and Hong Kong, China.

- ▶ Learn more about reform trends
- ▶ Download report overview (PDF, 339KB)



**Azerbaijan: This year's top reformer:** Azerbaijan led the world as the top reformer in 2007/08, with improvements on seven out of 10 indicators of regulatory reform, according to *Doing Business 2009*. Extensive reforms moved it far up the ranks, from 97 to 33 in the overall ease of doing business. Learn more about reforms in Azerbaijan and the other top 10 reformers.



**Doing Business Profiles:** *Doing Business 2009* profiles of 13 regions are available for download! Each profile summarizes Doing Business indicators for that region of the world. Regional data appear in graphs that allow for comparison across economies. Good-practice economies are also identified by indicator and overall ranking.

Doing Business 2009 regional profiles

- ▶ Presentation: World Bank official highlights the findings of *Doing Business 2009* report (PPT, 1.9 MB)
- ▶ Countries added: *Doing Business 2009* expands coverage to the Bahamas, Bahrain, and Qatar
- ▶ Regional data & report: First regional and subnational Doing Business report on S.E. Europe covers 22 cities
- ▶ Celebrating reformers: Sixteen Doing Business reform case studies available for download

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**Simulate reforms:** See the impact of reforms by using the ranking simulator (Excel, 420KB) to change indicator values