



## **Doing Business 2015 Fact Sheet: East Asia and the Pacific**

- Fifteen of 25 economies in East Asia and the Pacific implemented at least one regulatory reform making it easier to do business in the year from June 1, 2013, to June 1, 2014—24 reforms in total.<sup>1</sup>
- Since 2005, 96 percent of economies in the region have implemented business regulatory reforms in the areas measured by *Doing Business*. Together, the 25 economies recorded 240 reforms making it easier to do business.<sup>2</sup> **Vietnam** implemented the largest number of reforms in the region during this period, with 23, followed by **Indonesia** with 22 and **China** with 20. These countries are among the 50 economies worldwide that have implemented the most reforms making it easier to do business in the past decade.
- **Singapore** has the highest global ranking on the ease of doing business. Also among the top 10 are **New Zealand**; **Hong Kong SAR, China**; the **Republic of Korea**; and **Australia**.
- For the first time this year, *Doing Business* collected data for a second city in the 11 economies with a population of more than 100 million. In **China**, the report analyzes business regulations in Beijing and Shanghai—and in **Indonesia**, in Jakarta and Surabaya.

## **Summary of 2013/14 *Doing Business* Reforms in East Asia and the Pacific<sup>3</sup>**

### **Australia**

DB2015 ease of doing business rank: 10

DB2014 back-calculated ease of doing business rank: 10

DB2015 distance to frontier score: 80.7

DB2014 back-calculated distance to frontier score: 80.7; improvement: 0.0

### **Brunei Darussalam**

Brunei Darussalam made dealing with construction permits easier by consolidating final inspections. In addition, it made paying taxes easier for companies by allowing joint filing and payment of supplemental contributory pension and employee provident fund contributions and by introducing an online system for paying these two contributions.

*Areas of business regulatory reform: Dealing with construction permits, Paying taxes*

DB2015 ease of doing business rank: 101

DB2014 back-calculated ease of doing business rank: 98

DB2015 distance to frontier score: 61.3

DB2014 back-calculated distance to frontier score: 61.0; improvement: 0.3

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<sup>1</sup> Excludes Australia, Japan, the Republic of Korea, and New Zealand, which are classified as OECD high-income economies.

<sup>2</sup> Excludes Australia, Japan, the Republic of Korea, and New Zealand, which are classified as OECD high-income economies.

<sup>3</sup> The *DB2014 ease of doing business rank* may differ from the one published in the *Doing Business 2014* report. The rank is adjusted to take into account the recent changes implemented by *Doing Business* in the calculation of the ranking, now based on the distance to frontier score; the inclusion of data for a second city in the 11 economies with a population of more than 100 million; the changes in methodology for different indicator sets; and any revisions in the data due to corrections.

The distance to frontier score shows the distance of each economy to the “frontier”—which represents the best performance observed on each of the *Doing Business* indicators. The measure is normalized to range between 0 and 100, with 100 representing the frontier. The difference between the scores shown for DB2015 (2014) and DB2014 (2013) may differ from the size of the improvement reported because of rounding.

## **Cambodia**

DB2015 ease of doing business rank: 135

DB2014 back-calculated ease of doing business rank: 134

DB2015 distance to frontier score: 55.3

DB2014 back-calculated distance to frontier score: 55.1; improvement: 0.3

## **China**

China made starting a business easier by eliminating both the minimum capital requirement and the requirement to obtain a capital verification report from an auditing firm, a reform applying to both Beijing and Shanghai. In addition, China made paying taxes easier for companies by enhancing the electronic system for filing and paying taxes and adopting new communication channels within its taxpayer service, changes applying to both Beijing and Shanghai. China also made paying taxes less costly for companies in Shanghai by reducing the social security contribution rate.

*Areas of business regulatory reform: Starting a business, Paying taxes*

DB2015 ease of doing business rank: 90

DB2014 back-calculated ease of doing business rank: 93

DB2015 distance to frontier score: 62.6

DB2014 back-calculated distance to frontier score: 61.3; improvement: 1.3

## **Fiji**

DB2015 ease of doing business rank: 81

DB2014 back-calculated ease of doing business rank: 73

DB2015 distance to frontier score: 63.9

DB2014 back-calculated distance to frontier score: 63.8; improvement: 0.1

## **Hong Kong SAR, China**

Hong Kong SAR, China, strengthened minority investor protections by introducing requirements for directors to provide more detailed disclosure of conflicts of interest to the other board members. On the other hand, Hong Kong SAR, China, made starting a business more difficult by increasing the registration fee.

*Areas of business regulatory reform: Protecting minority investors, Starting a business (making it more difficult)*

DB2015 ease of doing business rank: 3

DB2014 back-calculated ease of doing business rank: 3

DB2015 distance to frontier score: 85.0

DB2014 back-calculated distance to frontier score: 84.5; improvement: 0.5

## **Indonesia**

Indonesia made starting a business easier by allowing the Ministry of Law and Human Rights to electronically issue the approval letter for the deed of establishment, a reform applying to both Jakarta and Surabaya. In addition, Indonesia made paying taxes less costly for companies by reducing employers' health insurance contribution rate, another reform applying to both Jakarta and Surabaya. In Jakarta, the electricity company made getting electricity easier by eliminating the need for electrical contractors to obtain multiple certificates guaranteeing the safety of internal installations—though it also increased the cost by introducing a security deposit for new connections. In both Jakarta and Surabaya, trading across borders became more difficult because of insufficient infrastructure at the Tanjung Priok Port Jakarta.

*Areas of business regulatory reform: Starting a business, Getting electricity, Paying taxes, Trading across borders (making it more difficult)*

DB2015 ease of doing business rank: 114

DB2014 back-calculated ease of doing business rank: 117

DB2015 distance to frontier score: 59.2

DB2014 back-calculated distance to frontier score: 58.1; improvement: 1.1

## **Japan**

DB2015 ease of doing business rank: 29

DB2014 back-calculated ease of doing business rank: 27

DB2015 distance to frontier score: 74.8

DB2014 back-calculated distance to frontier score: 74.9; improvement: -0.1

## **Kiribati**

Kiribati made paying taxes more complicated for companies by introducing value added tax.

*Areas of business regulatory reform: Paying taxes (making it more difficult)*

DB2015 ease of doing business rank: 134

DB2014 back-calculated ease of doing business rank: 133

DB2015 distance to frontier score: 55.5

DB2014 back-calculated distance to frontier score: 55.2; improvement: 0.3

## **Korea, Rep.**

The Republic of Korea made transferring property easier by reducing the time needed to buy housing bonds and to register the property transfer. And Korea strengthened minority investor protections by increasing the level of transparency expected from companies on managerial compensation.

*Areas of business regulatory reform: Registering property, Protecting minority investors*

DB2015 ease of doing business rank: 5

DB2014 back-calculated ease of doing business rank: 5

DB2015 distance to frontier score: 83.4

DB2014 back-calculated distance to frontier score: 83.2; improvement: 0.2

## **Lao PDR**

The Lao People's Democratic Republic improved access to credit by implementing a modern, unified, notice-based collateral registry. In addition, Lao PDR strengthened minority investor protections by introducing requirements for directors to disclose in detail their conflicts of interest to the other board members and for companies to promptly disclose related-party transactions to the Securities Commission and to include the information in their annual reports.

*Areas of business regulatory reform: Getting credit (legal rights), Protecting minority investors*

DB2015 ease of doing business rank: 148

DB2014 back-calculated ease of doing business rank: 155

DB2015 distance to frontier score: 51.5

DB2014 back-calculated distance to frontier score: 49.1; improvement: 2.4

## **Malaysia**

DB2015 ease of doing business rank: 18

DB2014 back-calculated ease of doing business rank: 20

DB2015 distance to frontier score: 78.8

DB2014 back-calculated distance to frontier score: 76.8; improvement: 2.0

## **Marshall Islands**

DB2015 ease of doing business rank: 139

DB2014 back-calculated ease of doing business rank: 136

DB2015 distance to frontier score: 54.7

DB2014 back-calculated distance to frontier score: 54.8; improvement: -0.1

## **Micronesia, Fed. Sts.**

DB2015 ease of doing business rank: 145

DB2014 back-calculated ease of doing business rank: 145

DB2015 distance to frontier score: 53.1

DB2014 back-calculated distance to frontier score: 51.0; improvement: 2.1

## **Mongolia**

Mongolia strengthened minority investor protections by introducing a requirement for public joint stock companies to publicly disclose related-party transactions within two business days. And Mongolia made paying taxes easier for companies by introducing an electronic system for filing corporate income tax, value added tax, and social security contributions.

*Areas of business regulatory reform: Protecting minority investors, Paying taxes*

DB2015 ease of doing business rank: 72

DB2014 back-calculated ease of doing business rank: 70

DB2015 distance to frontier score: 65.0

DB2014 back-calculated distance to frontier score: 64.4; improvement: 0.7

## **Myanmar**

Myanmar made trading across borders easier by reducing the number of documents required for exports and imports.

*Areas of business regulatory reform: Trading across borders*

DB2015 ease of doing business rank: 177

DB2014 back-calculated ease of doing business rank: 178

DB2015 distance to frontier score: 43.6

DB2014 back-calculated distance to frontier score: 42.2; improvement: 1.4

## **New Zealand**

New Zealand improved access to credit information by beginning to distribute both positive and negative credit information.

*Areas of business regulatory reform: Getting credit (credit information)*

DB2015 ease of doing business rank: 2

DB2014 back-calculated ease of doing business rank: 2

DB2015 distance to frontier score: 86.9

DB2014 back-calculated distance to frontier score: 86.4; improvement: 0.5

## **Palau**

Palau made trading across borders easier by improving the system for calculating customs duties and thereby reducing customs clearance time.

*Areas of business regulatory reform: Trading across borders*

DB2015 ease of doing business rank: 113

DB2014 back-calculated ease of doing business rank: 110

DB2015 distance to frontier score: 59.5

DB2014 back-calculated distance to frontier score: 59.5; improvement: 0.0

## **Papua New Guinea**

DB2015 ease of doing business rank: 133

DB2014 back-calculated ease of doing business rank: 131

DB2015 distance to frontier score: 55.8

DB2014 back-calculated distance to frontier score: 55.8; improvement: 0.0

## **Philippines**

In the Philippines trading across borders became more difficult because of a new city ordinance restricting truck traffic in Manila.

*Areas of business regulatory reform: Trading across borders (making it more difficult)*

DB2015 ease of doing business rank: 95

DB2014 back-calculated ease of doing business rank: 86

DB2015 distance to frontier score: 62.1

DB2014 back-calculated distance to frontier score: 62.1; improvement: 0.0

## **Samoa**

Samoa made dealing with construction permits more costly by increasing the building permit fees.

*Areas of business regulatory reform: Dealing with construction permits (making it more difficult)*

DB2015 ease of doing business rank: 67

DB2014 back-calculated ease of doing business rank: 61

DB2015 distance to frontier score: 66.2

DB2014 back-calculated distance to frontier score: 66.2; improvement: -0.1

## **Singapore**

Singapore made enforcing contracts easier by introducing a new electronic litigation system that streamlines litigation proceedings.

*Areas of business regulatory reform: Enforcing contracts*

DB2015 ease of doing business rank: 1

DB2014 back-calculated ease of doing business rank: 1

DB2015 distance to frontier score: 88.3

DB2014 back-calculated distance to frontier score: 88.3; improvement: 0.0

## **Solomon Islands**

The Solomon Islands made getting electricity easier by improving procurement practices for the materials needed to establish new connections.

*Areas of business regulatory reform: Getting electricity*

DB2015 ease of doing business rank: 87

DB2014 back-calculated ease of doing business rank: 97

DB2015 distance to frontier score: 63.1

DB2014 back-calculated distance to frontier score: 61.1; improvement: 2.0

## **Taiwan, China**

Taiwan, China, made getting electricity easier by eliminating site inspections. It improved access to credit information by beginning to include data from utility companies in credit reports. And it made paying taxes easier for companies by introducing an electronic system for paying the vehicle license tax.

*Areas of business regulatory reform: Getting electricity, Getting credit (credit information), Paying taxes*

DB2015 ease of doing business rank: 19

DB2014 back-calculated ease of doing business rank: 18

DB2015 distance to frontier score: 78.7

DB2014 back-calculated distance to frontier score: 77.6; improvement: 1.1

## **Thailand**

Thailand made dealing with construction permits less time-consuming by introducing a fast-track approval process for building permits for smaller buildings.

*Areas of business regulatory reform: Dealing with construction permits*

DB2015 ease of doing business rank: 26

DB2014 back-calculated ease of doing business rank: 28

DB2015 distance to frontier score: 75.3

DB2014 back-calculated distance to frontier score: 74.9; improvement: 0.4

## **Timor-Leste**

Timor-Leste made starting a business easier by creating a one-stop shop.

*Areas of business regulatory reform: Starting a business*

DB2015 ease of doing business rank: 172

DB2014 back-calculated ease of doing business rank: 174

DB2015 distance to frontier score: 46.9

DB2014 back-calculated distance to frontier score: 44.3; improvement: 2.6

## Tonga

DB2015 ease of doing business rank: 69

DB2014 back-calculated ease of doing business rank: 63

DB2015 distance to frontier score: 65.7

DB2014 back-calculated distance to frontier score: 65.7; improvement: 0.0

## Vanuatu

Vanuatu made property transfers faster by digitizing its land registry system and hiring and training new staff.

*Areas of business regulatory reform: Registering property*

DB2015 ease of doing business rank: 76

DB2014 back-calculated ease of doing business rank: 75

DB2015 distance to frontier score: 64.6

DB2014 back-calculated distance to frontier score: 63.6; improvement: 1.0

## Vietnam

Vietnam improved its credit information system by establishing a new credit bureau. And it made paying taxes less costly for companies by reducing the corporate income tax rate.

*Areas of business regulatory reform: Getting credit (credit information), Paying taxes*

DB2015 ease of doing business rank: 78

DB2014 back-calculated ease of doing business rank: 72

DB2015 distance to frontier score: 64.4

DB2014 back-calculated distance to frontier score: 64.1; improvement: 0.3

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## About the Doing Business report series

The annual World Bank Group flagship *Doing Business* report analyzes regulations that apply to an economy's businesses during their life cycle, including start-up and operations, trading across borders, paying taxes, and resolving insolvency. The aggregate ease of doing business rankings are based on the distance to frontier scores for 10 topics and cover 189 economies. *Doing Business* does not measure all aspects of the business environment that matter to firms and investors. For example, it does not measure the quality of fiscal management, other aspects of macroeconomic stability, the level of skills in the labor force, or the resilience of financial systems. Its findings have stimulated policy debates worldwide and enabled a growing body of research on how firm-level regulation relates to economic outcomes across economies. Each year the report team works to improve the methodology and to enhance their data collection, analysis and output. The project has benefited from feedback from many stakeholders over the years. With a key goal to provide an objective basis for understanding and improving the local regulatory environment for business around the world, the project goes through rigorous reviews to ensure its quality and effectiveness. This year's report marks the 12th edition of the global *Doing Business* report series. For more information about the *Doing Business* reports, please visit [doingbusiness.org](http://doingbusiness.org) and join us on [doingbusiness.org/Facebook](https://www.facebook.com/doingbusiness.org).

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