



## Economies in East Asia and the Pacific are Undertaking Reforms Benefiting Entrepreneurs, Singapore Continues to Lead the World in Ease of Doing Business

**Washington, D.C., October 29, 2014** — A new World Bank Group report finds that Singapore continues to provide the world's most business-friendly regulatory environment. Also among the top 10 economies in the ease of doing business ranking are New Zealand; Hong Kong SAR, China; the Republic of Korea; and Australia.

Released today, *Doing Business 2015: Going Beyond Efficiency*, finds that budding local entrepreneurs in East Asia and the Pacific continue to see improvements in the business environment, as the region's economies implemented 24 regulatory reforms<sup>1</sup> in the past year alone. Indonesia improved prospects for small enterprises by implementing three regulatory reforms in 2013/14 in areas measured by the report. Across cities, the approval process for business incorporation was streamlined and labor taxes were reduced. In Jakarta, the process for getting an electricity connection was speeded up by eliminating the need to obtain multiple certificates.

The data show that many economies in the region made it easier for businesses to pay taxes in the past year. Vietnam reduced the corporate income tax rate. China enhanced its electronic filing and payment system—while also making business incorporation less expensive. Mongolia introduced a new electronic payment system. Such reforms are saving entrepreneurs valuable time. In Mongolia, for example, local businesses saw the average time for tax compliance fall from 192 hours a year in 2013 to 148 hours—less than in Austria.

In the Philippines, improvements in resolving insolvency, getting electricity, registering property, and paying taxes enhanced the country's ranking from 108 in 2014 to 95 in 2015. Measured against global best practice or distance to frontier in business regulations, the country's performance (62.08) puts the Philippines in the same range as Vietnam (64.42), and Indonesia (59.15).

*"Since 2005, the East Asia and the Pacific region has narrowed the gap with global good practices,"* said Rita Ramalho, *Doing Business* report lead author, World Bank Group.

*"Consistent regulatory reforms have improved the ease of doing business in the region in the past decade, and contributed to more business opportunities for local entrepreneurs."*

This year, for the first time, *Doing Business* collected data for a second city in economies with a population of more than 100 million. In China, the report now analyzes business regulations in Beijing as well as Shanghai—and in Indonesia, in Surabaya as well as Jakarta. Differences between cities are common in indicators measuring the steps, time, and cost to complete regulatory transactions where local agencies play a larger role, the report finds.

The report this year also expands the data for three of the 10 topics covered, and there are plans to do so for five more topics next year. In addition, the ease of doing business ranking is now based on the distance to frontier score. This measure shows how close each economy is to global best practices in business regulation. A higher score indicates a more efficient business environment and stronger legal institutions.

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



### **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 <http://www.doingbusiness.org> and join us on [doingbusiness.org/Facebook](http://doingbusiness.org/Facebook).

### **About the World Bank Group**

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