

Doing Business 2018 Fact Sheet: East Asia and Pacific

## What are the ranking trends?

- Two economies in the East Asia and Pacific region rank among the top 10 economies globally in the *Doing Business* rankings. The top-ranked economies are **Singapore** (2), and **Hong Kong SAR, China** (5).
- The region's lowest ranked economies are Myanmar (171) and Timor-Leste (178).
- Other large economies in the region and their rankings are China (78), Indonesia (72), Japan (34), Malaysia (24), the Philippines (113), Thailand (26) and Vietnam (68).
- Economies in the East Asia and Pacific region perform well in the areas of Getting Credit (with an average rank of 75), Dealing with Construction Permits (77) and Getting Electricity (82). For example, in the region, completing all the formalities to build a warehouse takes on average 138 days and costs 2.2% of the warehouse value, compared to 158 days and 5.3% globally.
- Important challenges remain in the areas of Starting a Business (average rank of 103), Trading across Borders (102) and Enforcing Contracts (102), which show a wide variation between economies in the region. Resolving a commercial dispute takes 164 days and costs 25.8% of the value of the claim in Singapore (ranked 2 globally in Enforcing Contracts). On the other hand, it costs 103.4% of the value of the claim in Cambodia (179 in Enforcing Contracts).
- In the past year, seven economies in the East Asia and Pacific region improved in global rankings. Thailand gained 22 positions, and moved from 48 to 26, and Brunei Darussalam gained 20 positions and is now ranked 56 in the global ranking. Other economies that improved in the ranking were Indonesia, Vietnam, Samoa, Mongolia, and Taiwan, China.

### What are the reform trends?<sup>i</sup>

- A total of 45 reforms, making it easier to do business, were implemented by 14 of the region's 25 economies in the past year. For the second consecutive year, the region has more than 40 reforms.
- Brunei Darussalam and Thailand lead the list of global top 10 improvers.
  - With 8 reforms each, Brunei Darussalam and Thailand have the highest number of reforms per economy in *Doing Business 2018*, only matched by India.
  - Brunei Darussalam made dealing with construction permits less cumbersome by streamlining the process of obtaining a building permit, and strengthened access to credit by adopting a new law on secured transactions that establishes a unified legal framework for movable assets and creates a modern, notice-based collateral registry.
  - Thailand made starting a business easier by abolishing the requirement to obtain a company's seal and eliminating the need for approval from the Labor Department of company work regulations. As a result, it now takes 4.5 days to start a business in Bangkok, compared with 27.5 days previously.

## What are the highlights of the past 15 years?

- Since the start of *Doing Business*, the region carried out a total of 371 reforms.
- Indonesia and Vietnam implemented the most reforms in the past 15 years, with 39 reforms each. Followed by China and Brunei Darussalam with 26 reforms each.
- Starting a Business, with 74 reforms, was the leading indicator for regional reforms, followed by Getting Credit and Paying Taxes with 68 and 60 reforms respectively.
  - Fifteen years ago, it took 50 days on average to start a business in the region; now it takes 24 days.

## **Rankings Data for East Asia and Pacific**

# EMBARGOED: Not for newswire transmission, posting on websites, or any other media use until October 31, 2017, 10am EDT (2pm UTC/GMT)

	Rank (1–190)	Distance to frontier score (0–100)		# Reforms	
Economy	DB2018	DB2017	DB2018	DB2017	DB2018
Brunei Darussalam	56	64.77	70.60	6	8
Cambodia	135	54.24	54.47	1	0
China	78	64.89	65.29	2	2
Fiji	101	60.70	60.74	2	0
Hong Kong SAR, China	5	83.15	83.44	2	1
Indonesia	72	64.22	66.47	7	7
Kiribati	157	49.05	48.74	0	0
Lao PDR	141	52.58	53.01	2	0
Malaysia	24	77.47	78.43	2	3
Marshall Islands	149	51.42	51.45	0	0
Micronesia, Fed. Sts.	155	48.98	48.99	0	0
Mongolia	62	67.76	69.03	1	1
Myanmar	171	43.91	44.21	2	2
Palau	130	55.12	55.58	0	1
Papua New Guinea	109	58.87	59.04	2	0
Philippines	113	58.32	58.74	2	2
Samoa	87	61.83	63.89	0	1
Singapore	2	84.53	84.57	3	2
Solomon Islands	116	58.14	58.13	1	0
Taiwan, China	15	79.66	80.07	0	2
Thailand	26	71.76	77.44	3	8
Timor-Leste	178	40.69	40.62	0	0
Tonga	89	62.93	63.43	0	0
Vanuatu	90	63.06	63.08	4	0
Vietnam	68	65.08	67.93	3	5

Source: Doing Business database.

*Note:* The rankings are based on the average of each economy's distance to frontier scores for the 10 topics included in this year's aggregate ranking. 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.

i Reform count regional averages excludes Australia, Japan, the Republic of Korea, and New Zealand, which are classified as OECD high-income economies.