



BUSINESS READY

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World Bank

No country has been able to develop
without sustained economic growth



5%

Annual growth needed
to escape the “middle-
income trap”



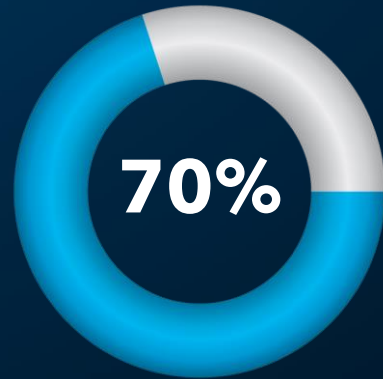
2.9%

Average annual growth in
ASEAN countries over the
last decade

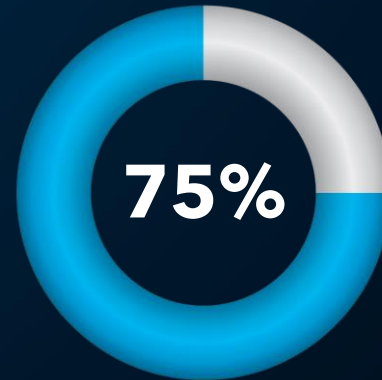
The private sector: an economic giant



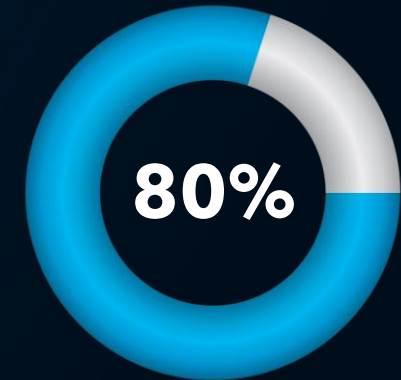
Jobs



Output

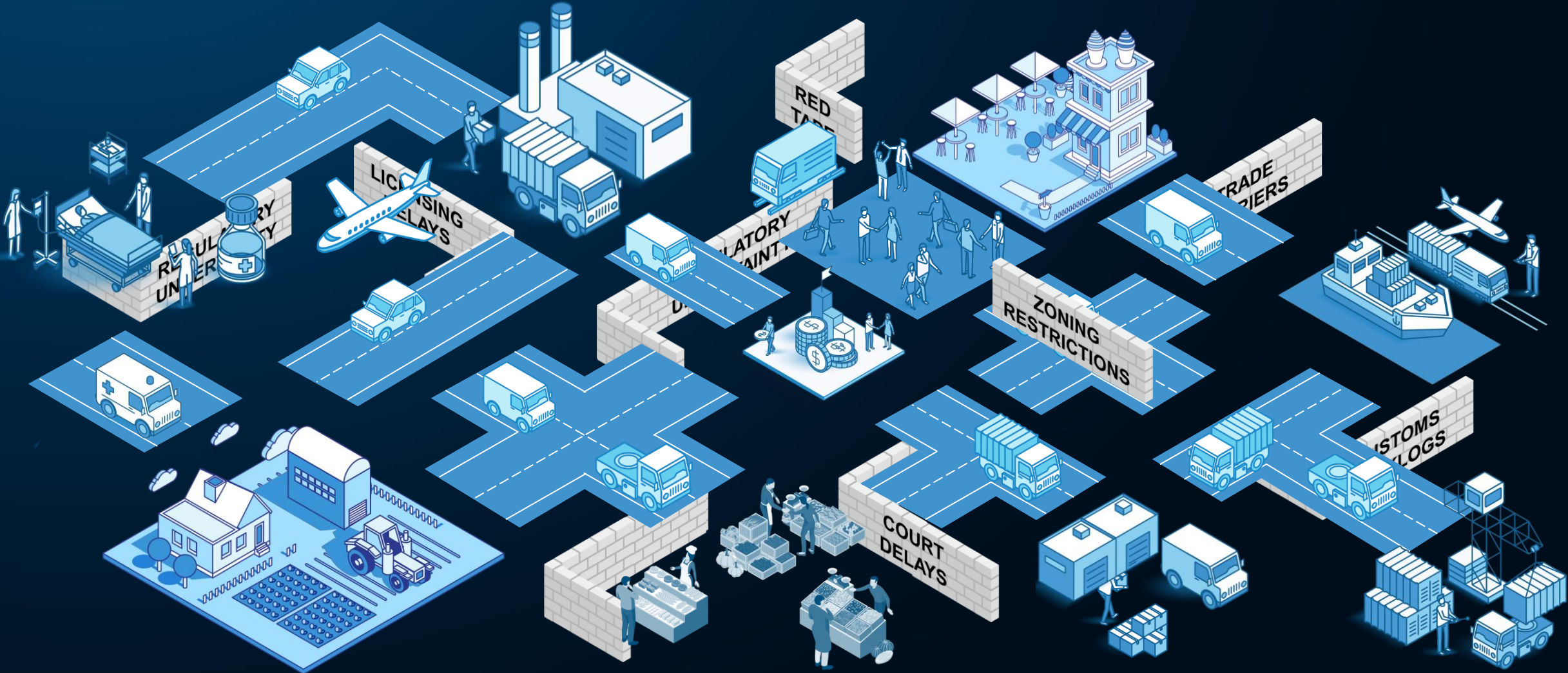


Investment



**Government
Revenue**

The private sector can be an engine of growth if the business environment is favorable





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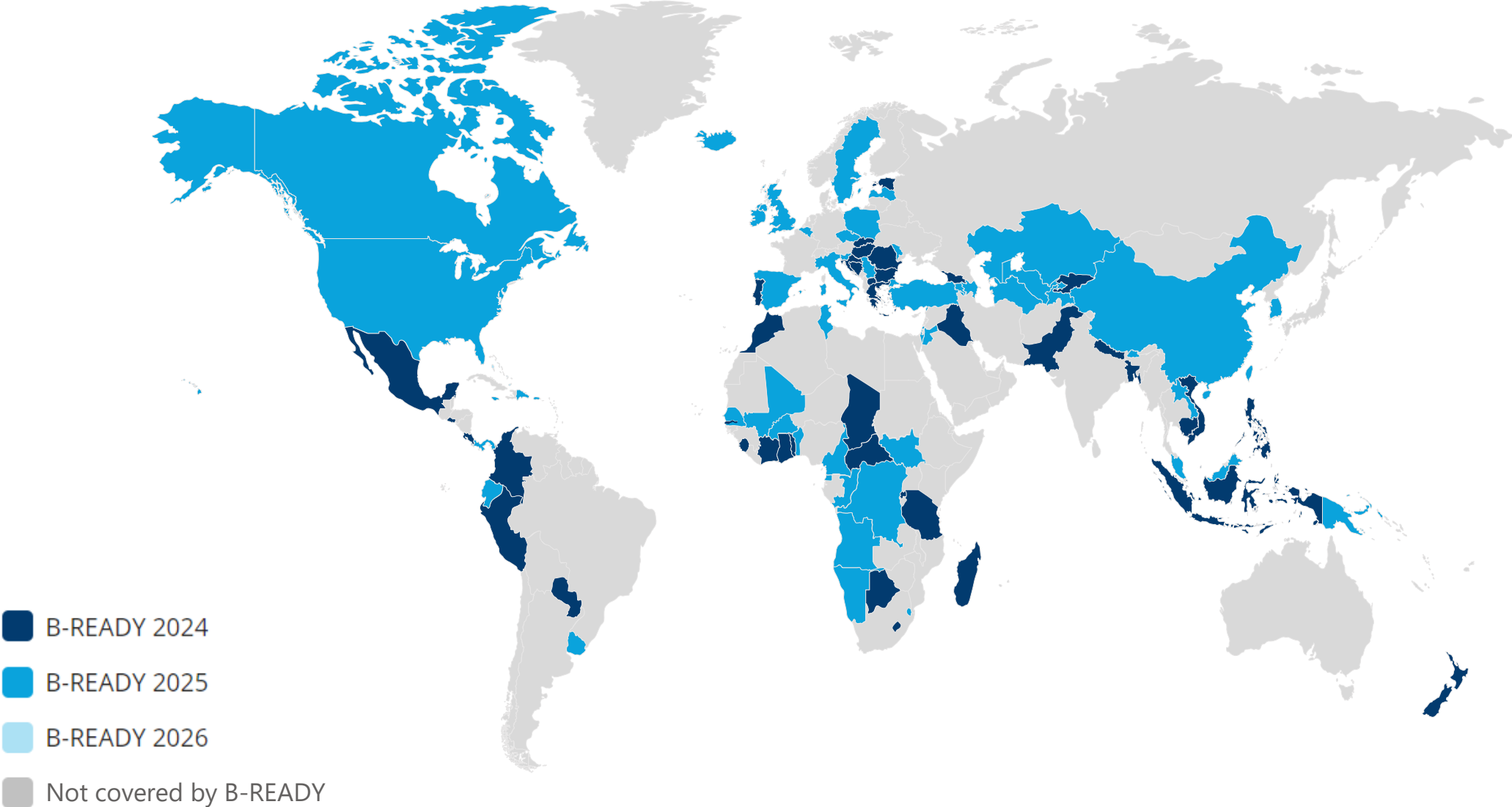
Development Economics • Global Indicators

B-READY:

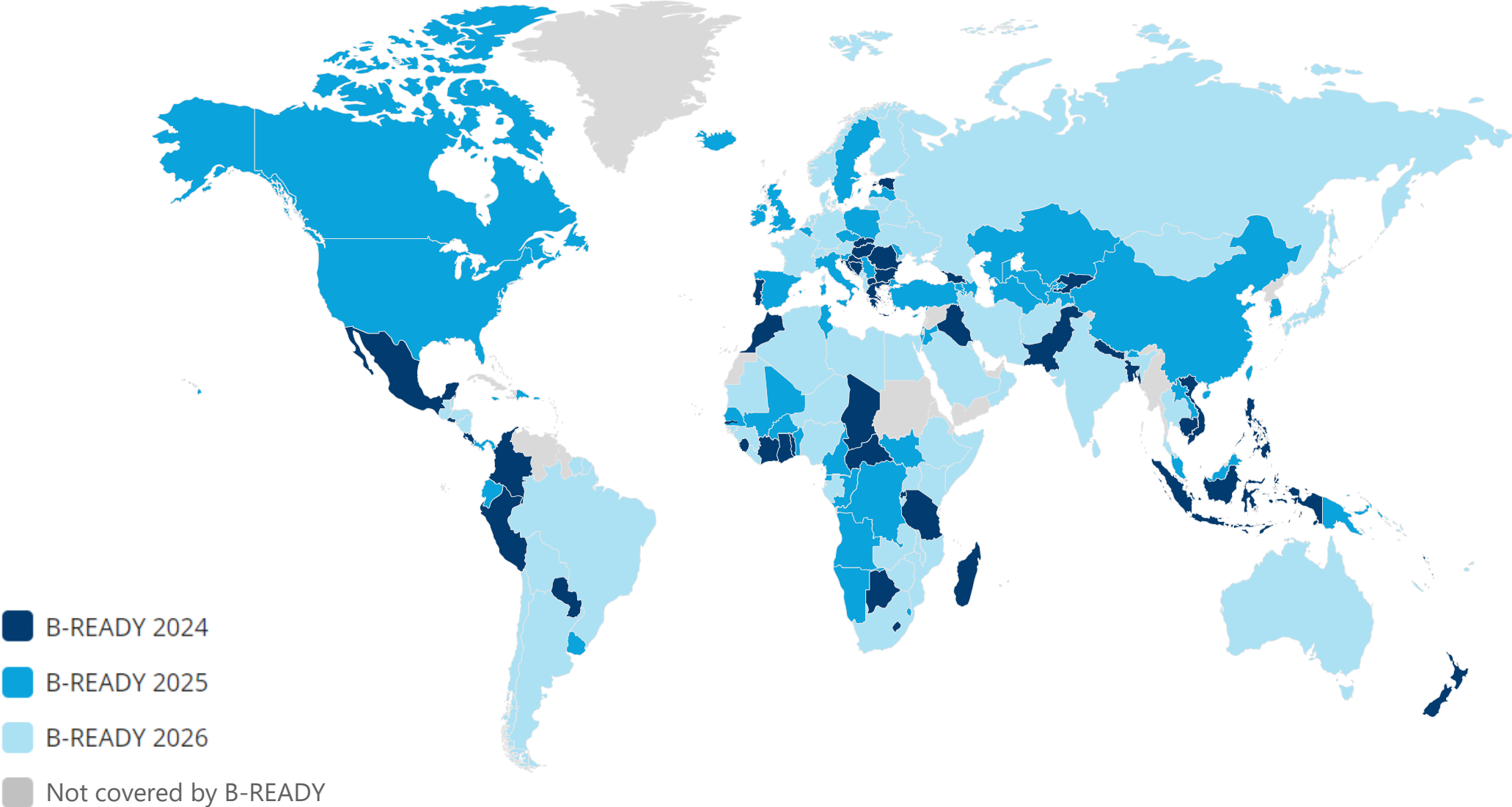
- ✓ Assessing the business environment
- ✓ Reform guide for private sector development



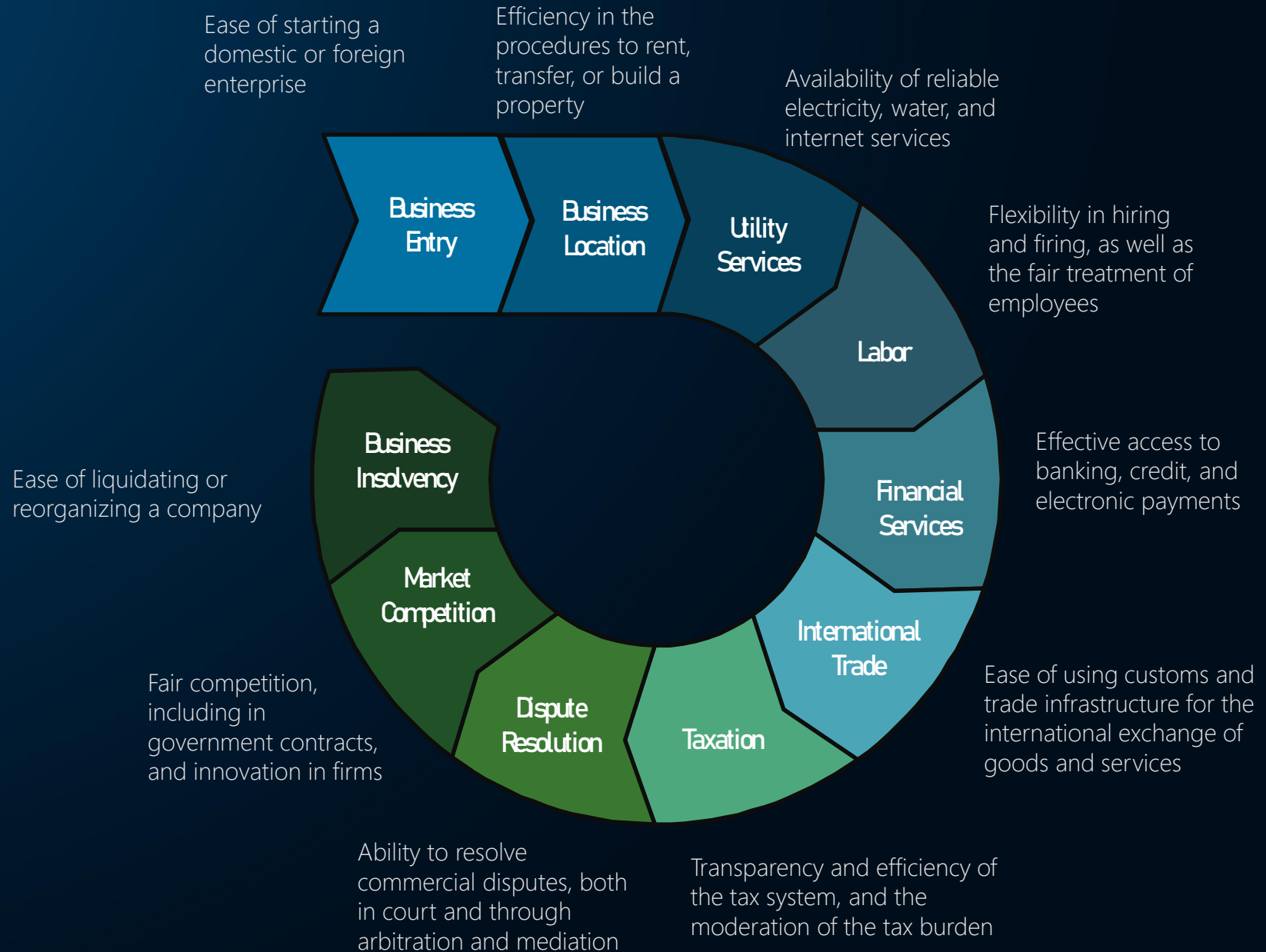
Planned B-READY 2025



Planned B-READY 2026



Topics



Pillars



Regulatory Framework

Ex. Restrictions on the ability of foreign companies to lease or own property

Ex. The existence of a code of ethics for judges



Public Services

Ex. Digital platforms to register a property transfer

Ex. Digital platforms to hold virtual court hearings



Operational Efficiency

Ex. Time to obtain a construction permit

Ex. Time and cost to resolve a commercial dispute

Data sources

Expert Questionnaires

Data from experts



De jure and de facto



Annual cycle



Enterprise Surveys

Data from firms

De facto

Three-year cycle

**1,200 indicators
for each economy**



Scores



Which countries perform well in B-Ready 2024?

Wealthier
countries tend
to be more
business ready

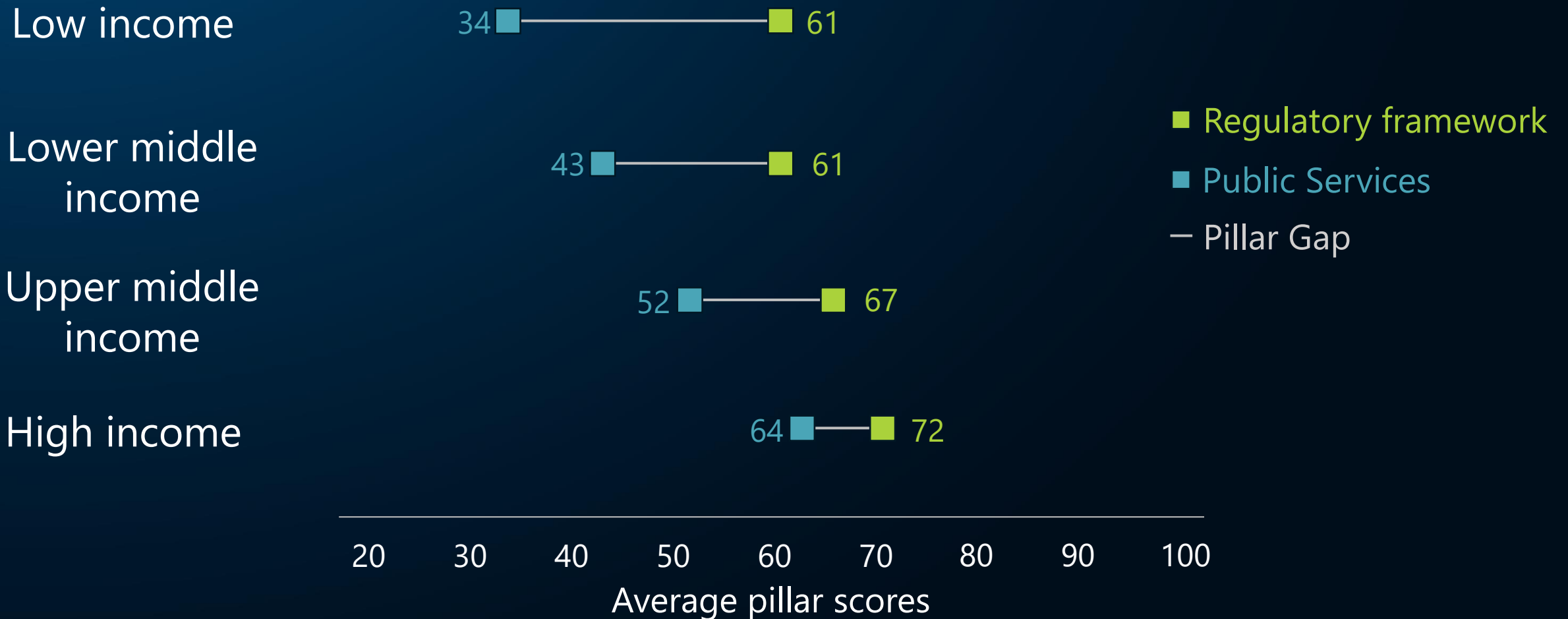


Which countries perform well in B-Ready 2024?

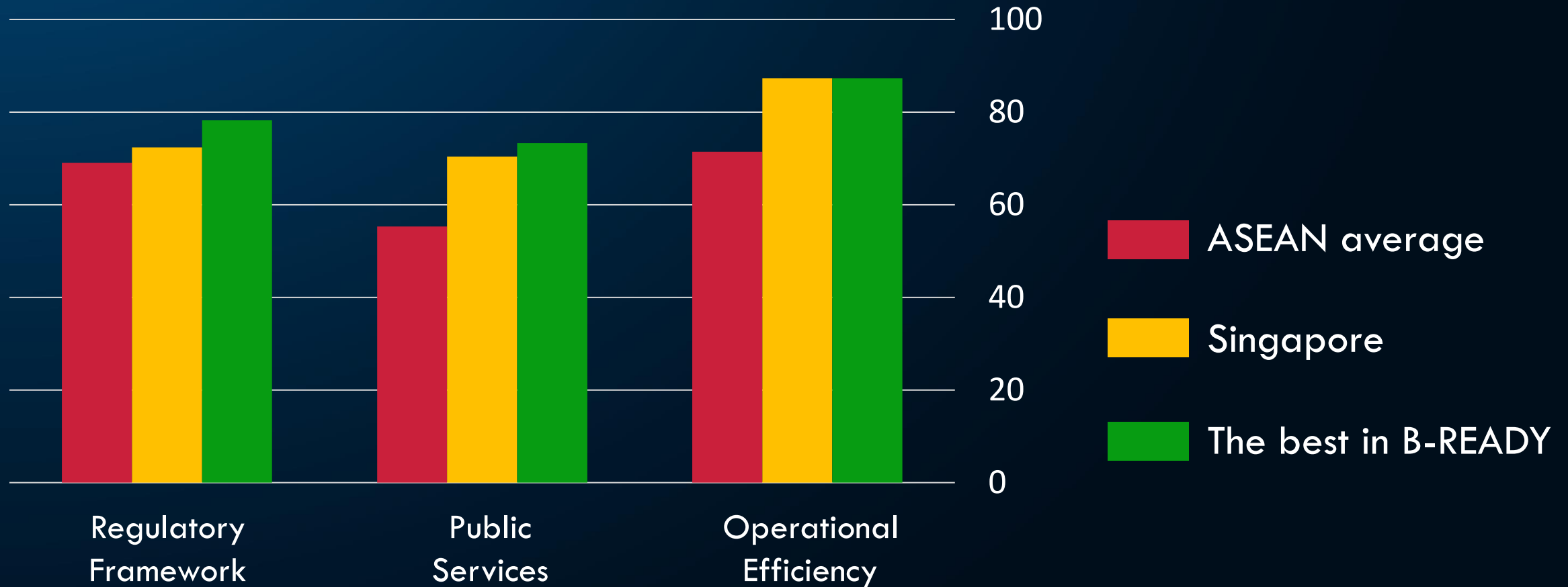
But countries do not
need to be rich to
develop a favorable
business environment



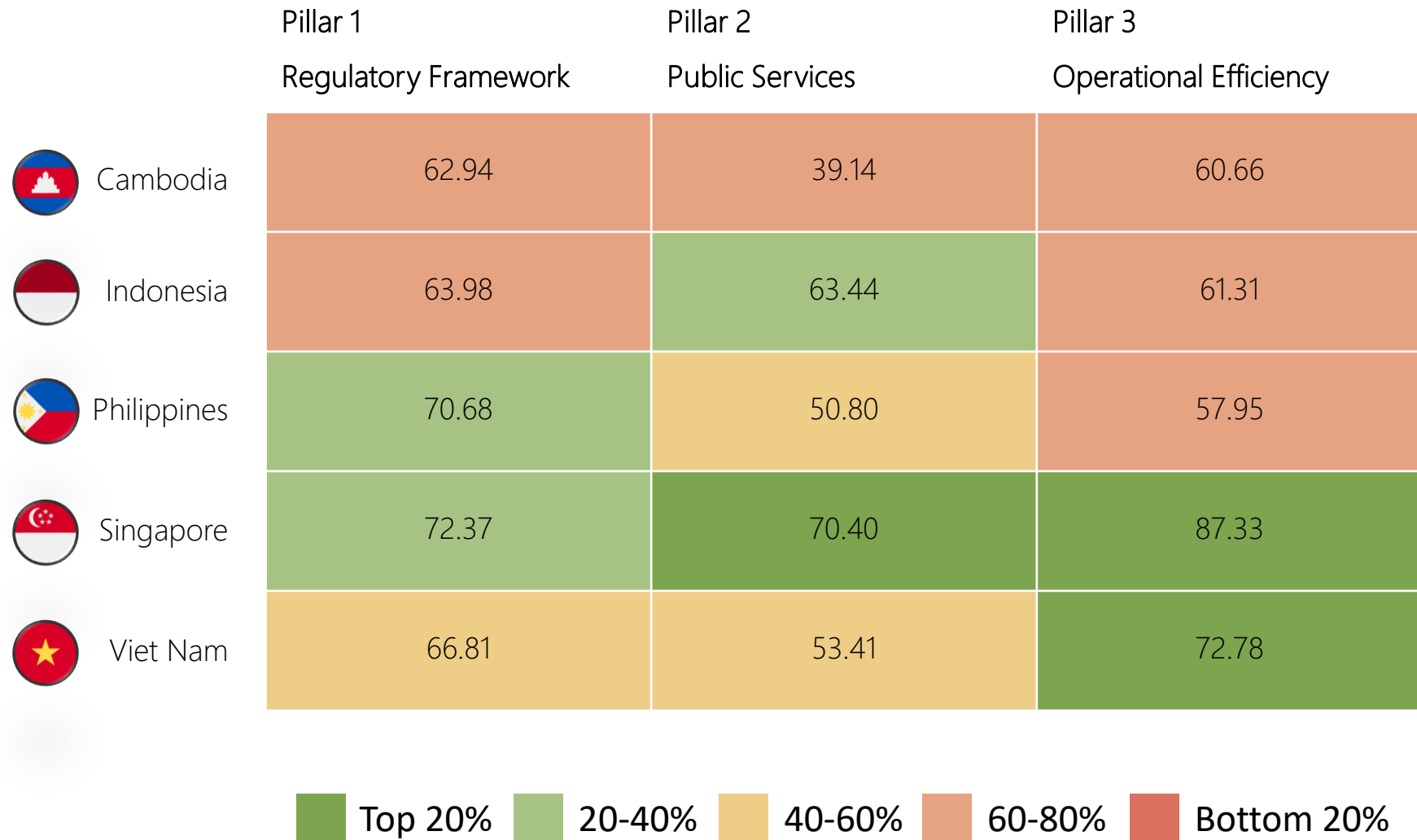
A “public-services” gap



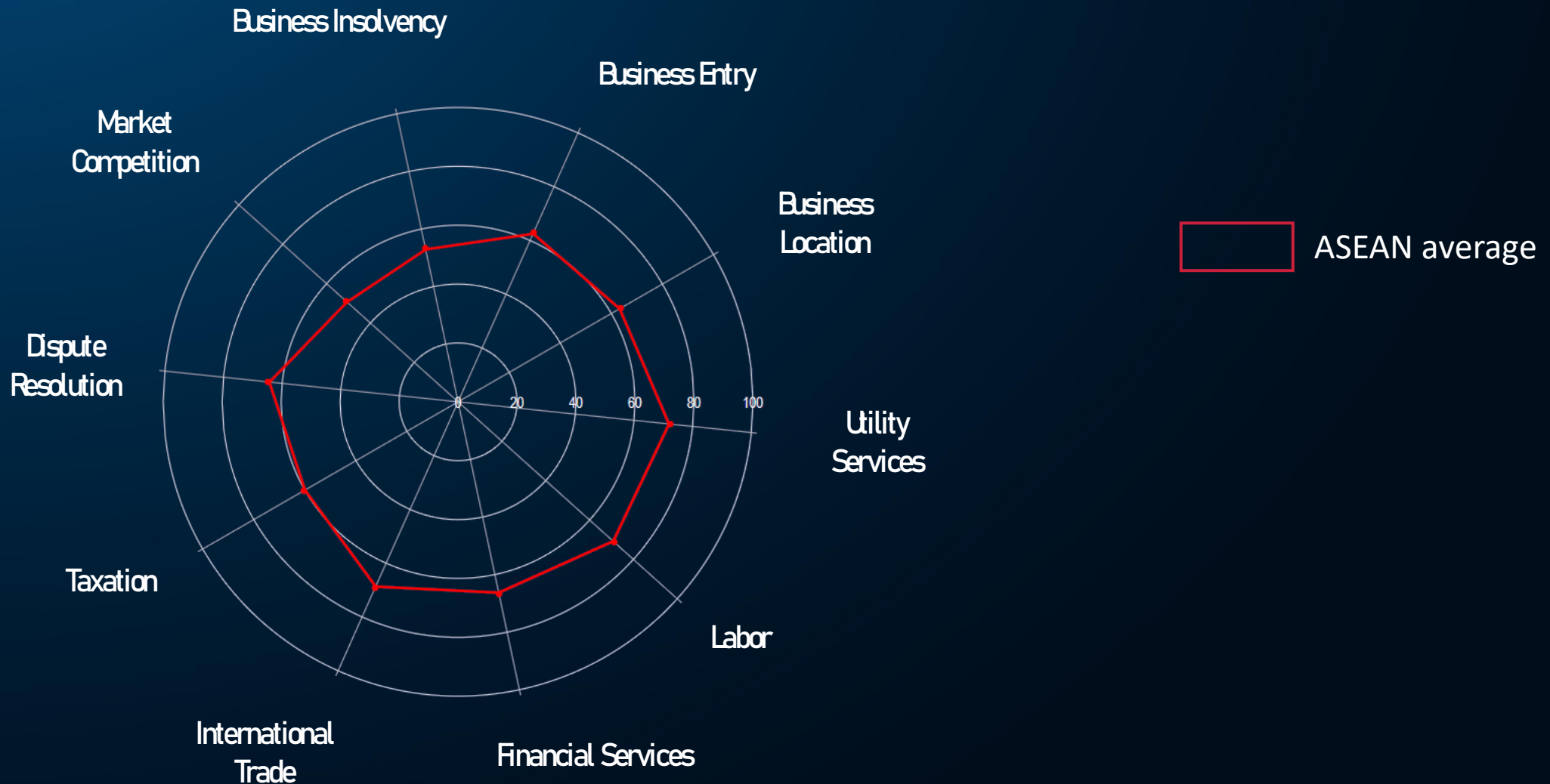
Pillar scores



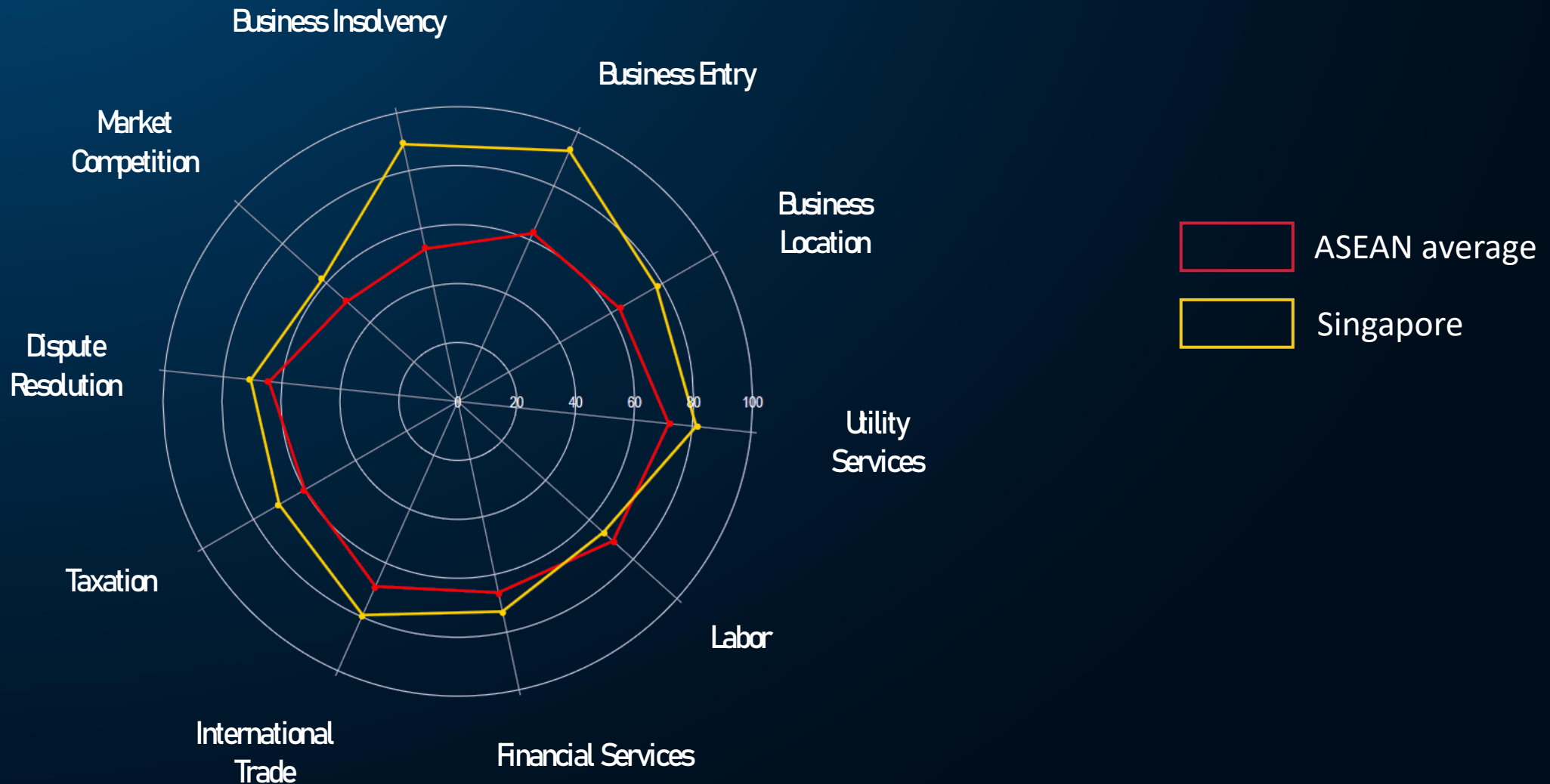
Performance by pillar



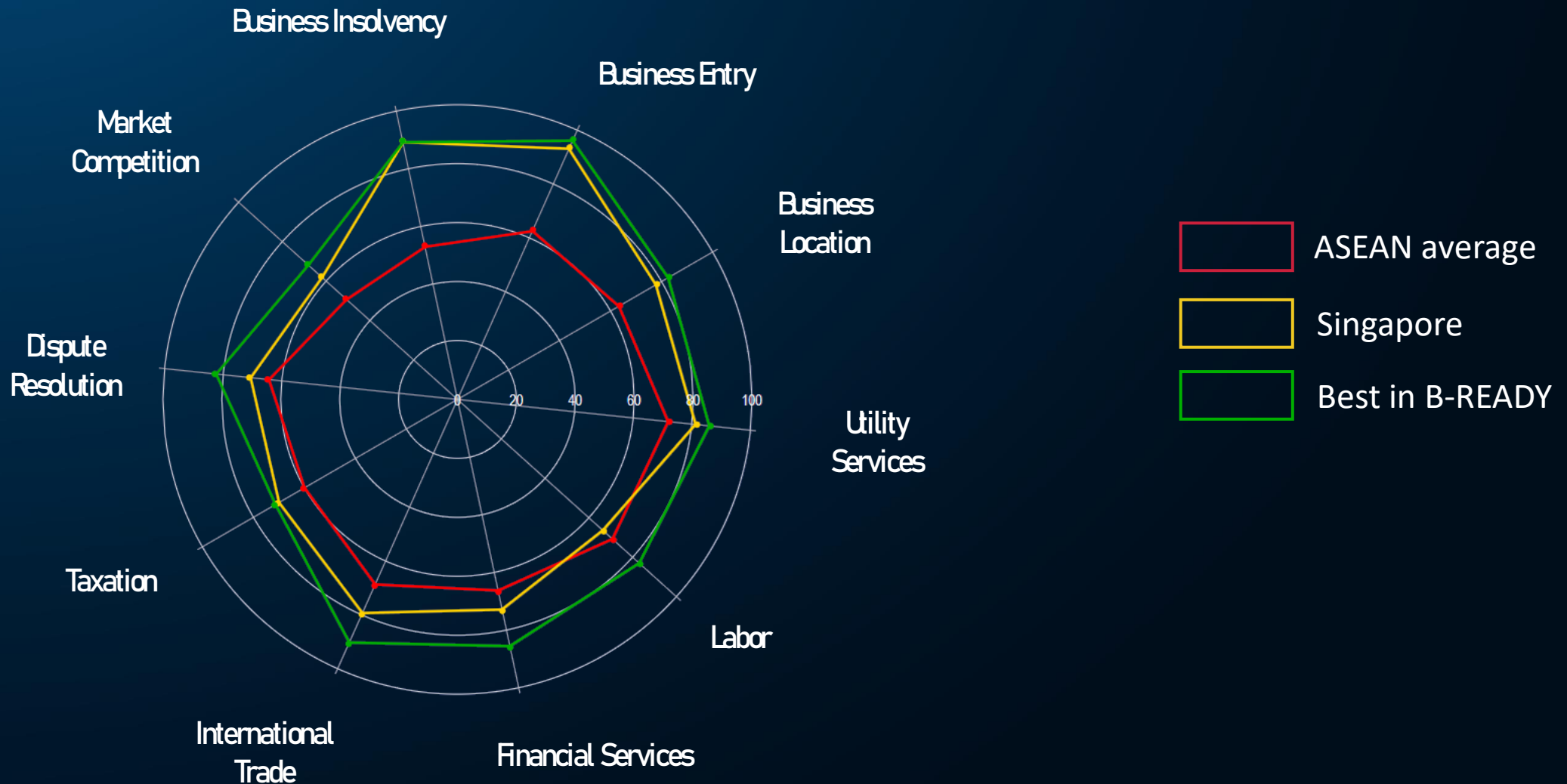
Topic scores








Topic scores



Topic scores

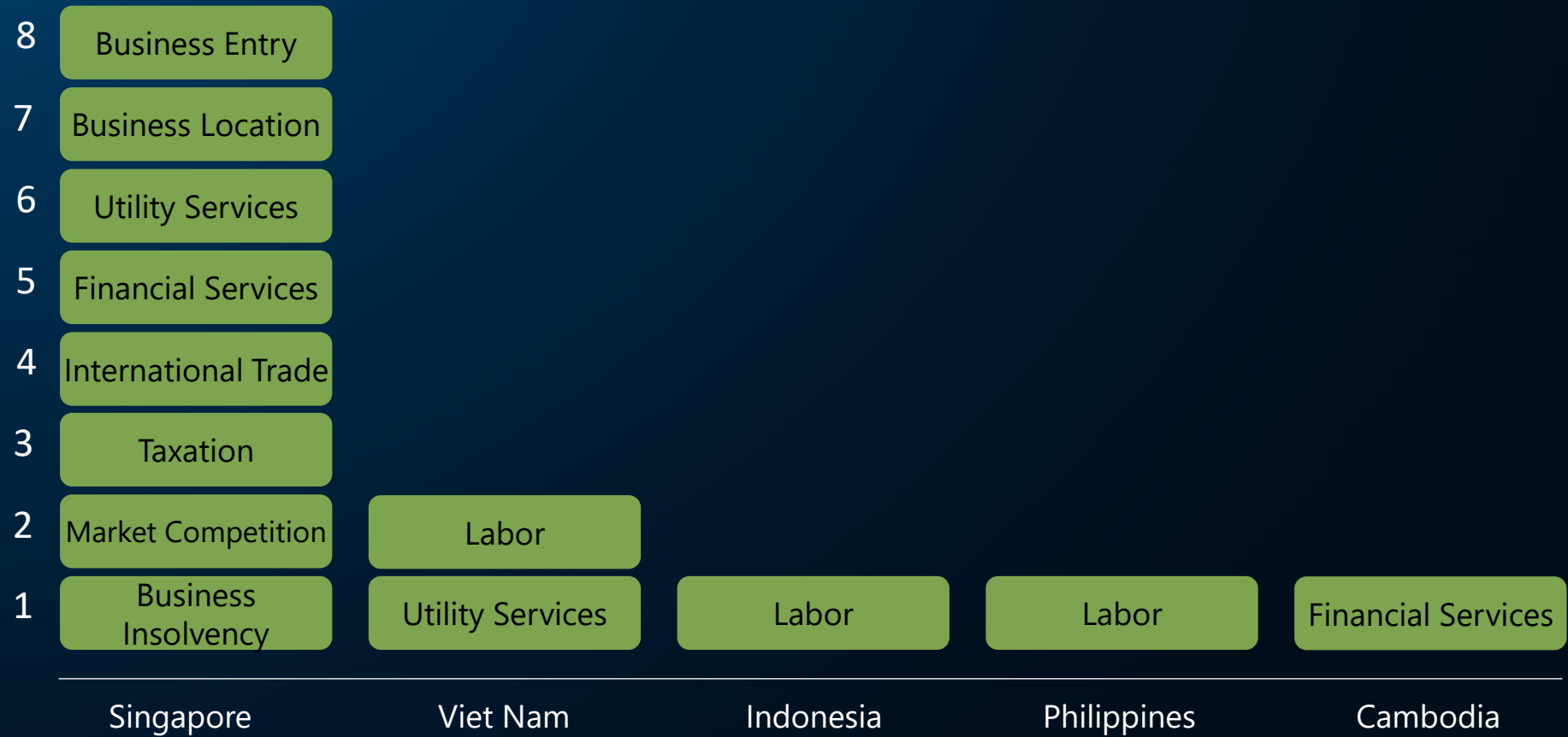


Performance by topic

	Business Entry	Business Location	Utility Services	Labor	Financial Services	International Trade	Taxation	Dispute Resolution	Market Competition	Business Insolvency
 Cambodia	43.80	49.00	64.45	68.44	86.03	57.68	58.60	61.76	33.09	19.63
 Indonesia	63.72	68.09	70.55	72.20	56.51	64.58	59.91	64.24	52.34	56.96
 Philippines	48.49	60.27	66.47	75.54	60.70	71.47	56.66	62.88	50.13	45.51
 Singapore	93.57	78.24	81.76	66.83	73.33	79.83	70.39	71.08	62.29	89.69
 Viet Nam	65.47	62.92	78.73	73.19	57.17	72.39	56.46	64.23	57.67	55.12

Top 20%
 20-40%
 40-60%
 60-80%
 Bottom 20%

Topics in top 20%





Business Entry - Cambodia

In Cambodia, it takes 68 days to register a new domestic company. In the most efficient economies, it takes 3 days.



Business Location – The Philippines

In the Philippines, it takes companies 90 days to transfer a property. In the most efficient economies, it takes one day.



Utility Services - Cambodia

About 40% of companies in Cambodia suffer internet disruptions in a typical month. In the most efficient economies, only 2%.



Labor - Singapore

24% of Singaporean firms perceive labor regulations to be a major or very severe obstacle. In the most efficient economies, it is less than 1%.



Financial Services - Indonesia

In Indonesia, only 34% of payments by firms to their suppliers are made electronically. In the best performing economies, it is more than 99%.



International Trade - Indonesia

In Indonesia, it costs 66% of an imported good's value and 35% of an exported good's value to comply with import/export requirements. In the most efficient economies, it costs 2%.



Taxation – Viet Nam

In Viet Nam, small companies cannot make use of simplified record keeping methods, such as single-entry bookkeeping.



Dispute Resolution – Viet Nam

In Viet Nam, it costs 39% of the claim value to settle a dispute through courts. In the most efficient economies, the value is below 10%.



Market Competition – The Philippines

In the Philippines, 22% of firms reported that their prices are regulated. In the most competitive economies, it is less than 4%.

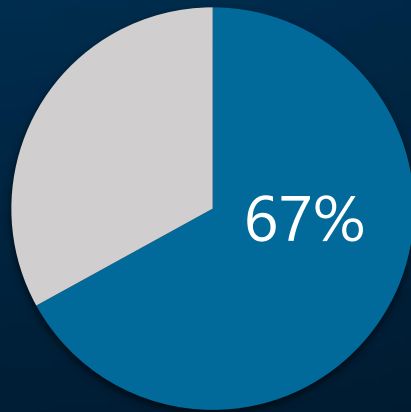


Business Insolvency - Cambodia

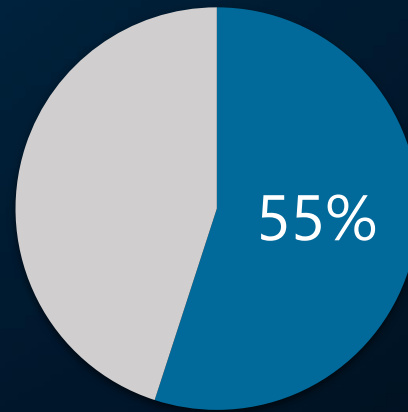
Cambodia has not completed an insolvency case in the last three years, putting under question its ability to address bankruptcy and reorganization cases.

The conclusion of Business Ready 2024

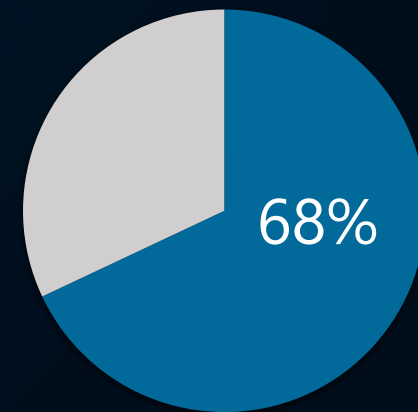
Because of the great need for economic growth and job creation, ASEAN economies must significantly improve their business readiness



Regulatory
Framework

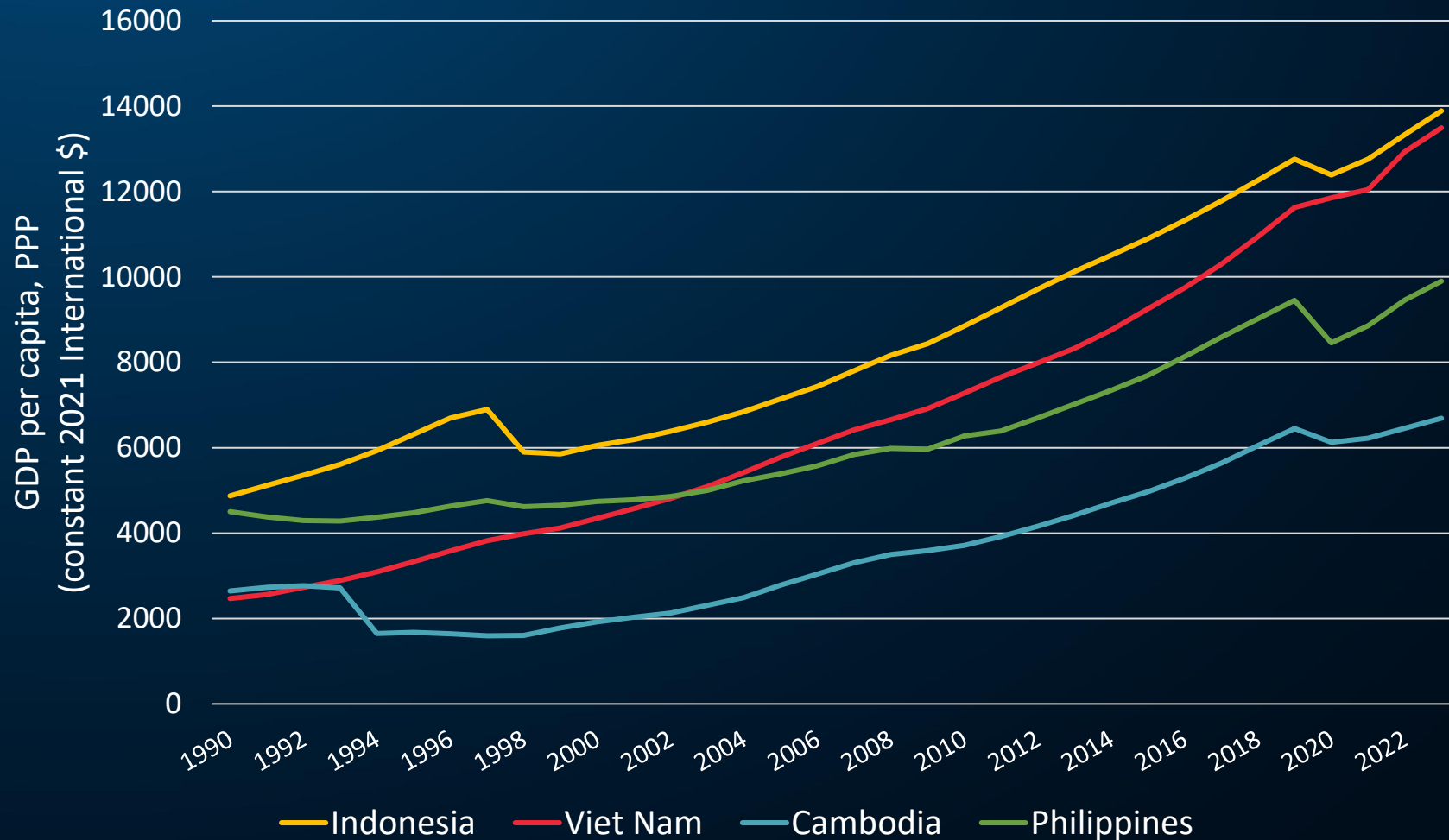


Public
Services



Operational
Efficiency

Growth in ASEAN countries

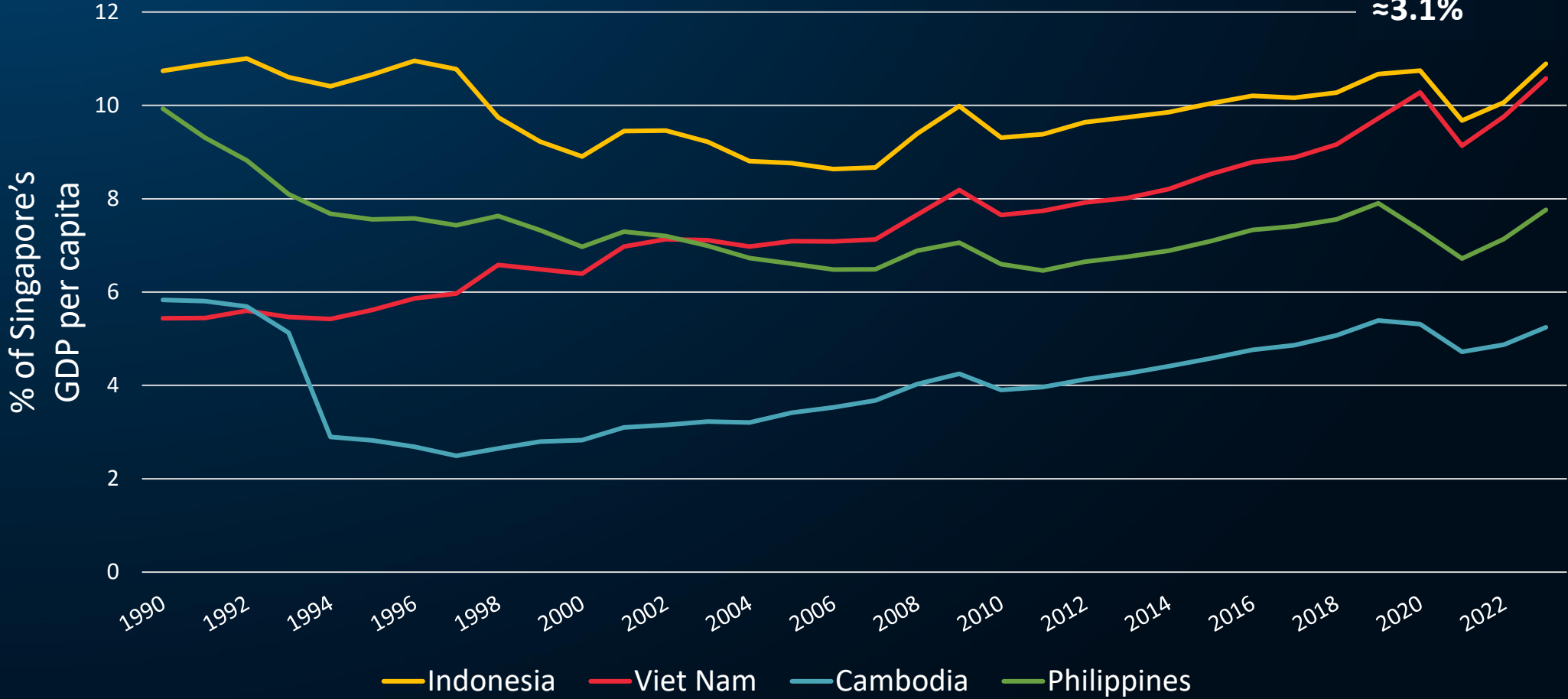


Average growth in GDP pc 1990-2023	
Indonesia	3.2%
Viet Nam	5.1%
Philippines	2.4%
Cambodia	2.8%

ASEAN countries relative to Singapore

GDP per capita as a share of Singapore's GDP per capita

Singapore's average annual growth 1990-2023 ≈3.1%



Stuck in the “middle income trap”...





Key Messages:

It is vital that ASEAN Countries renew their ambition for economic growth

The private sector can be the engine of high and sustained growth

The government can and should support it by creating a favorable business environment for investment, innovation, and competition

- Quality regulations
- Well designed public services
- Put into practice... and not left on paper

**“If you close your eyes
to facts, you will learn
through accidents”**

African Proverb





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B-READY:

- ✓ Assessing the business environment
- ✓ Reform guide for private sector development



Thank you