

Doing Business 2011

Singapore

**Making
a Difference for
Entrepreneurs**

COMPARING BUSINESS REGULATION IN 183 ECONOMIES



© 2010 The International Bank for Reconstruction and Development / The World Bank
1818 H Street NW
Washington, DC 20433
Telephone 202-473-1000
Internet www.worldbank.org

All rights reserved.
1 2 3 4 08 07 06 05

A copublication of The World Bank and the International Finance Corporation.

This volume is a product of the staff of the World Bank Group. The findings, interpretations and conclusions expressed in this volume do not necessarily reflect the views of the Executive Directors of the World Bank or the governments they represent. The World Bank does not guarantee the accuracy of the data included in this work.

Rights and Permissions

The material in this publication is copyrighted. Copying and/or transmitting portions or all of this work without permission may be a violation of applicable law. The World Bank encourages dissemination of its work and will normally grant permission to reproduce portions of the work promptly.

For permission to photocopy or reprint any part of this work, please send a request with complete information to the Copyright Clearance Center, Inc., 222 Rosewood Drive, Danvers, MA 01923, USA; telephone 978-750-8400; fax 978-750-4470; Internet www.copyright.com.

All other queries on rights and licenses, including subsidiary rights, should be addressed to the Office of the Publisher, The World Bank, 1818 H Street NW, Washington, DC 20433, USA; fax 202-522-2422; e-mail pubrights@worldbank.org.

Additional copies of *Doing Business 2011: Making a Difference for Entrepreneurs*, *Doing Business 2010: Reforming through Difficult Times*, *Doing Business 2009*, *Doing Business 2008*, *Doing Business 2007: How to Reform*, *Doing Business in 2006: Creating Jobs*, *Doing Business in 2005: Removing Obstacles to Growth* and *Doing Business in 2004: Understanding Regulations* may be purchased at www.doingbusiness.org.

ISBN: 978-0-8213-7960-8
E-ISBN: 978-0-8213-8630-9
DOI: 10.1596/978-0-8213-7960-8
ISSN: 1729-2638

Library of Congress Cataloging-in-Publication data has been applied for.
Printed in the United States

Current features

News on the *Doing Business* project

<http://www.doingbusiness.org>

Rankings

How economies rank-from 1 to 183

<http://www.doingbusiness.org/rankings/>

Reformers

Short summaries of DB2011 reforms, lists of reformers since DB2004 and a ranking simulation tool

<http://www.doingbusiness.org/reforms/>

Historical data

Customized data sets since DB2004

<http://www.doingbusiness.org/custom-query/>

Methodology and research

The methodologies and research papers underlying *Doing Business*

<http://www.doingbusiness.org/Methodology/>

Download reports

Access to *Doing Business* reports as well as subnational and regional reports, reform case studies and customized country and regional profiles

<http://www.doingbusiness.org/reports/>

Subnational and regional projects

Differences in business regulations at the subnational and regional level

<http://www.doingbusiness.org/subnational-reports/>

Law Library

Online collection of business laws and regulations relating to business and gender issues

<http://www.doingbusiness.org/law-library/>

<http://wbl.worldbank.org/>

Local partners

More than 8,200 specialists in 183 economies who participate in *Doing Business*

<http://www.doingbusiness.org/Local-Partners/Doing-Business/>

Business Planet

Interactive map on the ease of doing business

<http://rru.worldbank.org/businessplanet>

Contents

Introduction
and Aggregate Rankings

5 - Year Measure of
Cumulative Change

Starting a Business

Dealing with
Construction Permits

Registering Property

Getting Credit

Protecting Investors

Paying Taxes

Trading Across Borders

Enforcing Contracts

Closing a Business

Doing Business 2011
Business Reforms

Doing Business 2011: Making a Difference for Entrepreneurs is the eighth in a series of annual reports investigating regulations that enhance business activity and those that constrain it. *Doing Business* presents quantitative indicators on business regulations and the protection of property rights that can be compared across 183 economies, from Afghanistan to Zimbabwe, over time.

A set of regulations affecting 9 stages of a business's life are measured: starting a business, dealing with construction permits, registering property, getting credit, protecting investors, paying taxes, trading across borders, enforcing contracts and closing a business. Data in *Doing Business 2011* are current as of June 1, 2010*. The indicators are used to analyze economic outcomes and identify what reforms have worked, where, and why.

The Doing Business methodology has limitations. Other areas important to business such as an economy's proximity to large markets, the quality of its infrastructure services (other than those related to trading across borders), the security of property from theft and looting, the transparency of government procurement, macroeconomic conditions or the underlying strength of institutions, are not studied directly by Doing Business. To make the data comparable across economies, the indicators refer to a specific type of business, generally a local limited liability company operating in the largest business city. Because standard assumptions are used in the data collection, comparisons and benchmarks are valid across economies. The data not only highlight the extent of obstacles to doing business; they also help identify the source of those obstacles, supporting policymakers in designing reform.

The data set covers 183 economies: 46 in Sub-Saharan Africa, 32 in Latin America and the Caribbean, 25 in Eastern Europe and Central Asia, 24 in East Asia and Pacific, 18 in the Middle East and North Africa and 8 in South Asia, as well as 30 OECD high-income economies.

The following pages present the summary Doing Business indicators for Singapore. The data used for this economy profile come from the Doing Business database and are summarized in graphs. These graphs allow a comparison of the economies in each region not only with one another but also with the "good practice" economy for each indicator.

The good-practice economies are identified by their position in each indicator as well as their overall ranking and by their capacity to provide good examples of business regulation to other countries. These good-practice economies do not necessarily rank number 1 in the topic or indicator, but they are in the top 10.

More information is available in the full report. *Doing Business 2011: Making a Difference for Entrepreneurs* presents the indicators, analyzes their relationship with economic outcomes and recommends reforms. The data, along with information on ordering the report, are available on the Doing Business website (www.doingbusiness.org).

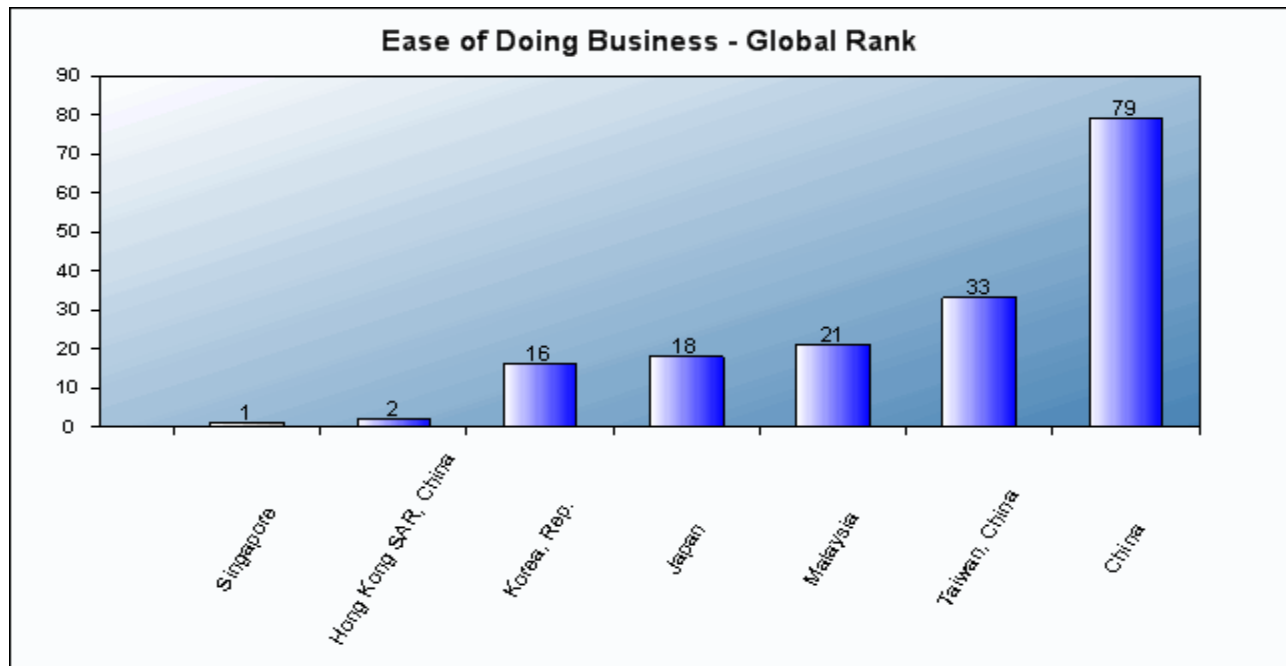
* Except for the Paying Taxes indicator that refers to the period January to December of 2009.

Note: 2008-2010 Doing Business data and rankings have been recalculated to reflect changes to the methodology and the addition of new economies (in the case of the rankings).

Economy Rankings - Ease of Doing Business

Singapore is ranked 1 out of 183 economies.

Singapore - Compared to global good practice economy as well as selected economies:



Singapore's ranking in Doing Business 2011

| Rank | Doing Business 2011 |
|-----------------------------------|---------------------|
| Ease of Doing Business | 1 |
| Starting a Business | 4 |
| Dealing with Construction Permits | 2 |
| Registering Property | 15 |
| Getting Credit | 6 |
| Protecting Investors | 2 |
| Paying Taxes | 4 |
| Trading Across Borders | 1 |
| Enforcing Contracts | 13 |
| Closing a Business | 2 |

Summary of Indicators - Singapore

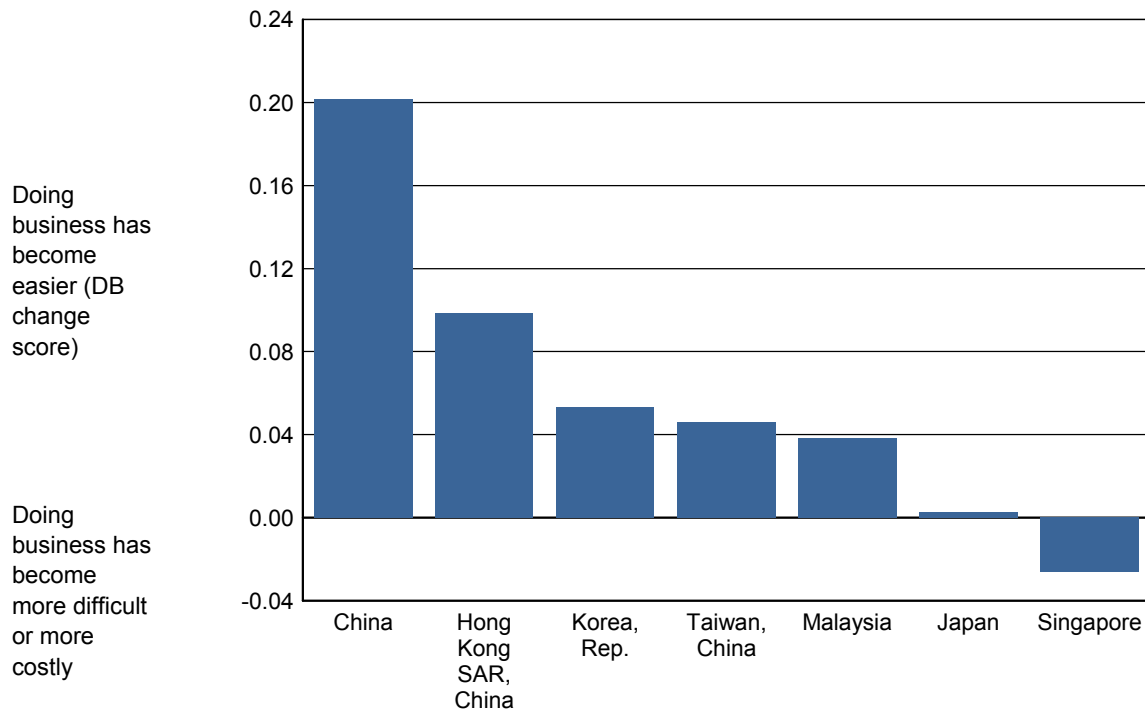
| | | |
|--|--|------|
| Starting a Business | Procedures (number) | 3 |
| | Time (days) | 3 |
| | Cost (% of income per capita) | 0.7 |
| | Min. capital (% of income per capita) | 0.0 |
| Dealing with Construction Permits | Procedures (number) | 11 |
| | Time (days) | 25 |
| | Cost (% of income per capita) | 19.7 |
| Registering Property | Procedures (number) | 3 |
| | Time (days) | 5 |
| | Cost (% of property value) | 2.8 |
| Getting Credit | Strength of legal rights index (0-10) | 10 |
| | Depth of credit information index (0-6) | 4 |
| | Public registry coverage (% of adults) | 0.0 |
| | Private bureau coverage (% of adults) | 60.8 |
| Protecting Investors | Extent of disclosure index (0-10) | 10 |
| | Extent of director liability index (0-10) | 9 |
| | Ease of shareholder suits index (0-10) | 9 |
| | Strength of investor protection index (0-10) | 9.3 |
| Paying Taxes | Payments (number per year) | 5 |
| | Time (hours per year) | 84 |
| | Profit tax (%) | 7.4 |
| | Labor tax and contributions (%) | 14.9 |
| | Other taxes (%) | 3.1 |
| | Total tax rate (% profit) | 25.4 |
| Trading Across Borders | Documents to export (number) | 4 |
| | Time to export (days) | 5 |
| | Cost to export (US\$ per container) | 456 |
| | Documents to import (number) | 4 |
| | Time to import (days) | 4 |
| | Cost to import (US\$ per container) | 439 |

| | | |
|----------------------------|-------------------------------------|------|
| Enforcing Contracts | Procedures (number) | 21 |
| | Time (days) | 150 |
| | Cost (% of claim) | 25.8 |
| Closing a Business | Recovery rate (cents on the dollar) | 91.3 |
| | Time (years) | 0.8 |
| | Cost (% of estate) | 1 |

The 5 year measure of cumulative change illustrates how the business regulatory environment has changed in 174 economies from *Doing Business 2006* to *Doing Business 2011*. Instead of highlighting which countries currently have the most business friendly environment, this new approach shows the extent to which an economy's regulatory environment for business has changed compared with 5 years ago.

This snapshot reflects all cumulative changes in an economy's business regulation as measured by the Doing Business indicators—such as a reduction in the time to start a business thanks to a one-stop shop or an increase in the strength of investor protection index thanks to new stock exchange rules that tighten disclosure requirements for related-party transactions.

This figure shows the distribution of cumulative change across the 9 indicators and time between *Doing Business 2006* and *Doing Business 2011*



Many economies have undertaken reforms to smooth the starting a business process in stages—and often as part of a larger regulatory reform program. A number of studies have shown that among the benefits of streamlining the process to start a business have been greater firm satisfaction and savings and more registered businesses, financial resources and job opportunities. Economies with higher entry costs are associated with a larger informal sector and a smaller number of legally registered firms.

Some reform outcomes

In Egypt reductions of the minimum capital requirement in 2007 and 2008 led to an increase of more than 30% in the number of limited liability companies.

In Portugal creation of One-Stop Shop in 2006 and 2007 resulted in a reduction of time to start a business from 54 days to 5. In 2007 and 2008 new business registrations were up by 60% compared with 2006.

In Malaysia reduction of registration fees in 2008 led to an increase in registrations by 16% in 2009.

What does Starting a Business measure?

Procedures to legally start and operate a company (number)

- Preregistration (for example, name verification or reservation, notarization)
- Registration
- Post registration (for example, social security registration, company seal)

Time required to complete each procedure (calendar days)

- Does not include time spent gathering information
- Each procedure starts on a separate day
- Procedure completed once final document is received
- No prior contact with officials

Cost required to complete each procedure (% of income per capita)

- Official costs only, no bribes
- No professional fees unless services required by law

Paid-in minimum capital (% of income per capita)

- Deposited in a bank or with a notary prior to registration begins

Starting a Business: getting a local limited liability company up and running
Rankings are based on 4 subindicators



Case Study Assumptions

- Doing Business records all procedures that are officially required for an entrepreneur to start up and formally operate an industrial or commercial business.
- Any required information is readily available and that all agencies involved in the start-up process function without corruption.

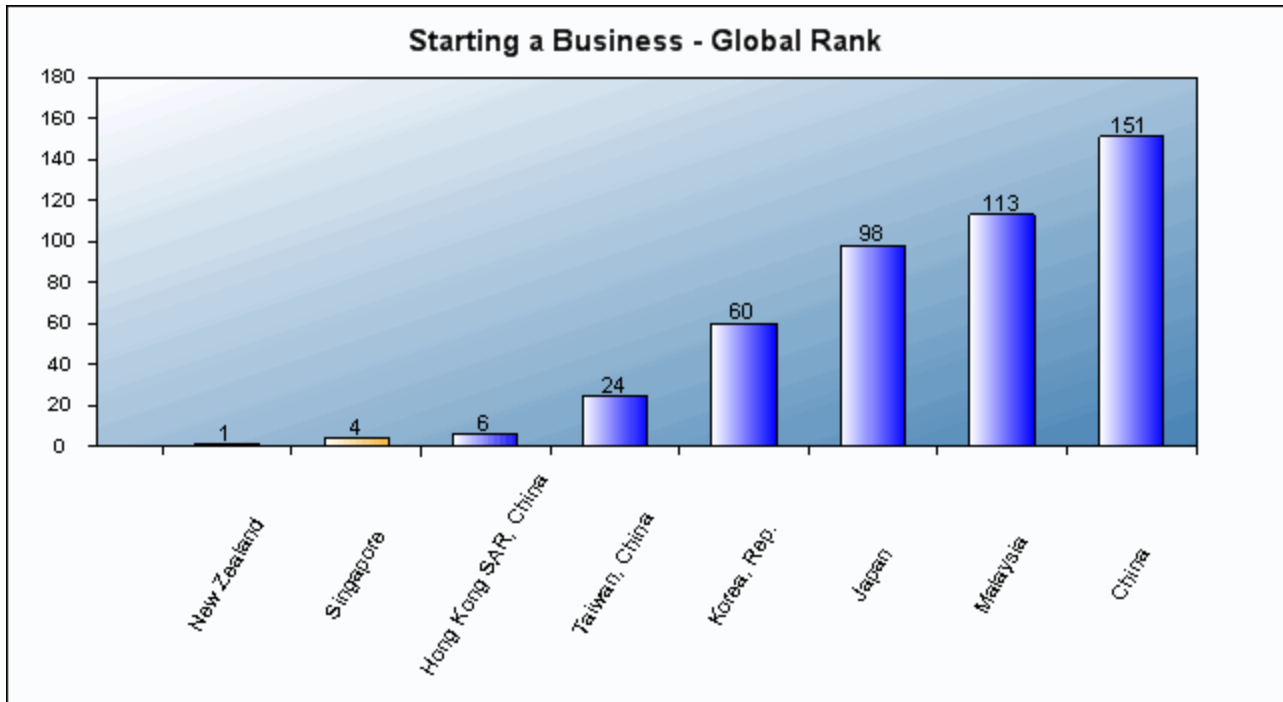
The business:

- is a limited liability company, located in the largest business city
- conducts general commercial activities
- is 100% domestically owned
- has a start-up capital of 10 times income per capita
- has a turnover of at least 100 times income per capita
- has at least 10 and up to 50 employees
- does not qualify for investment incentives or any special benefits
- leases the commercial plant and offices and is not a proprietor of real estate

1. Benchmarking Starting a Business Regulations:

Singapore is ranked 4 overall for Starting a Business.

Ranking of Singapore in Starting a Business - Compared to good practice and selected economies:



The following table shows Starting a Business data for Singapore compared to good practice and comparator economies:

| Good Practice Economies | Procedures (number) | Time (days) | Cost (% of income per capita) | Min. capital (% of income per capita) |
|--------------------------------|----------------------------|--------------------|--------------------------------------|--|
| Denmark* | | | 0.0 | |
| New Zealand* | 1 | 1 | | 0.0 |

| <i>Selected Economy</i> | | | | |
|-------------------------|----------|----------|------------|------------|
| Singapore | 3 | 3 | 0.7 | 0.0 |

| <i>Comparator Economies</i> | | | | |
|-----------------------------|----|----|------|-------|
| China | 14 | 38 | 4.5 | 118.3 |
| Hong Kong SAR, China | 3 | 6 | 2.0 | 0.0 |
| Japan | 8 | 23 | 7.5 | 0.0 |
| Korea, Rep. | 8 | 14 | 14.7 | 0.0 |
| Malaysia | 9 | 17 | 17.5 | 0.0 |
| Taiwan, China | 6 | 15 | 4.1 | 0.0 |

* The following economies are also good practice economies for :

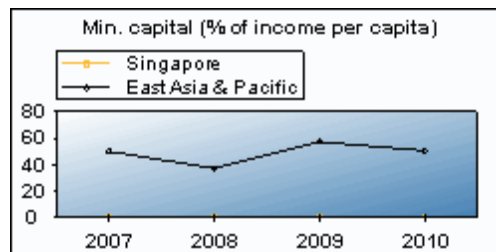
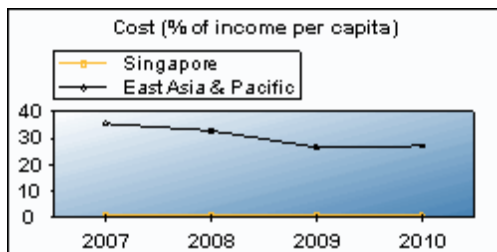
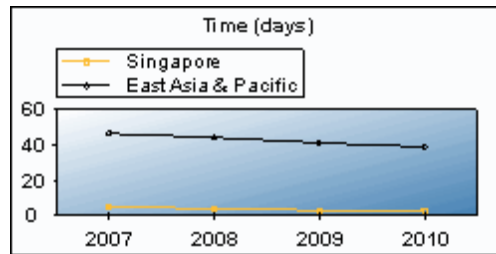
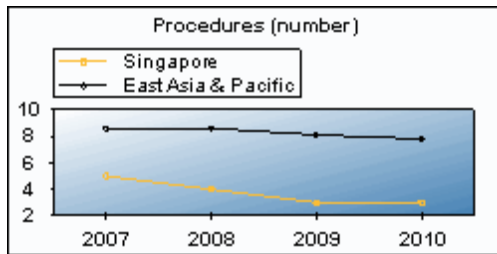
Procedures (number): Canada

Cost (% of income per capita): Slovenia

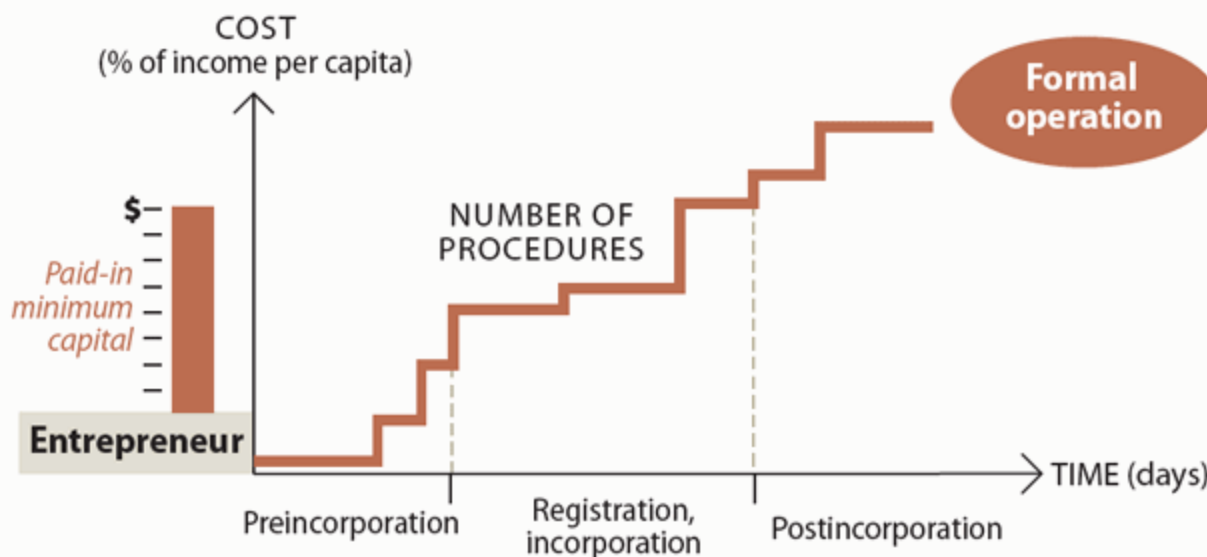
2. Historical data: Starting a Business in Singapore

| Starting a Business data | Doing Business 2008 | Doing Business 2009 | Doing Business 2010 | Doing Business 2011 |
|---------------------------------------|---------------------|---------------------|---------------------|---------------------|
| Rank | .. | .. | 4 | 4 |
| Procedures (number) | 5 | 4 | 3 | 3 |
| Time (days) | 5 | 4 | 3 | 3 |
| Cost (% of income per capita) | 0.8 | 0.7 | 0.7 | 0.7 |
| Min. capital (% of income per capita) | 0.0 | 0.0 | 0.0 | 0.0 |

3. The following graphs illustrate the Starting a Business sub indicators in Singapore over the past 4 years:



What are the time, cost, paid-in minimum capital and number of procedures to get a local, limited liability company up and running?



This table summarizes the procedures and costs associated with setting up a business in Singapore.

STANDARDIZED COMPANY

Legal Form: Private Limited Liability Company

City: Singapore

Registration Requirements:

| No: | Procedure | Time to complete | Cost to complete |
|-----|--|------------------|------------------|
| 1 | Registration on-line with ACRA including company name search and filing the company incorporation and tax number (GST) | 1 | SGD 315 |
| 2 | Make a company seal | 1 | SGD 70 |
| 3 | Sign up for Work Injury Compensation Insurance at an insurance agency | 1 | no charge |

Starting a Business Details - Singapore

Procedure 1 Registration on-line with ACRA including company name search and filing the company incorporation and tax number (GST)

Time to complete: 1

Cost to complete: SGD 315

Comment: From 1st April 2004, the Registry Of Companies and Businesses (RCB) has merged with the Public Accountants Board Singapore (PAB) to form the Accounting and Corporate Regulatory Authority (ACRA). Incorporation is done through Bizfile, an electronic filing system. Since March 2004, any Singapore citizen, permanent resident or valid work pass holder can incorporate a company using his Singpass (i.e. common password to transact with the Government online). An application for the approval and reservation of a company name is to be submitted online via Bizfile. An application fee of S\$15.00 is payable for each approved company name. It can generally be completed within an hour after payment online. Once a name has been approved, it will be reserved for 60 days. A one-time application for the extension of the reservation period by a further 60 days can be made before the expiry date. The application fee for the extension is S\$10.00 per name.

Since April 2007, entrepreneurs registering a new business can purchase the Business Profile on line at the same time of registration, when filling up the incorporation forms. The processing time is about 15 minutes from the time of successful submission of all documents and all information, and the registration fee payable is S\$300.00. The ACRA will issue a notice of incorporation via electronic mail to the law firm or professional firm engaged for the purposes of incorporation upon the successful incorporation of the company together with the registration number of the company. In 2008, the registration with the Inland Revenue Authority of Singapore (IRAS) for the goods and services tax (GST) when (a) its annual taxable turnover exceeds SGD 1 million became possible while incorporating the company using the same online forms.

Procedure 2 Make a company seal

Time to complete: 1

Cost to complete: SGD 70

Comment: The company seal is generally obtained from third-party stationers. Generally a market rate of SGD35 will be charged if the seal is to be collected within 3 days or approximately SGD70 if the seal is to be collected within 1 day

Procedure 3 Sign up for Work Injury Compensation Insurance at an insurance agency

Time to complete: 1

Cost to complete: no charge

Comment: Time and cost may depend on the arrangement between the company and the insurance agency.

In many economies, especially developing ones, complying with building regulations is so costly in time and money that many builders opt out. Builders may pay bribes to pass inspections or simply build illegally, leading to hazardous construction. Where the regulatory burden is large, entrepreneurs may tend to move their activity into the informal economy. There they operate with less concern for safety, leaving everyone worse off. In other economies compliance is simple, straightforward and inexpensive, yielding better results.

Some reform outcomes

In Burkina Faso, a one-stop shop for construction permits, "Centre de Facilitation des Actes de Construire", was opened in May 2008. The new regulation merged 32 procedures into 15, reduced the time required from 226 days to 122 and cut the cost by 40%. From May 2009 to May 2010 611 building permits were granted in Ouagadougou, up from an average of about 150 a year in 2002-06.

Toronto, Canada revamped its construction permitting process in 2005 by introducing time limits for different stages of the process and presenting a unique basic list of requirements for each project. Later it provided for electronic information and risk-based approvals with fast-track procedures. Between 2005 and 2008 the number of commercial building permits increased by 17%, the construction value of new commercial buildings by 84%.

What does the Dealing with Construction Permits indicator measure?

Procedures to legally build a warehouse (number)

- Submitting all relevant documents and obtaining all necessary clearances, licenses, permits and certificates
- Completing all required notifications and receiving all necessary inspections
- Obtaining utility connections for electricity, water, sewerage and a land telephone line
- Registering the warehouse after its completion (if required for use as collateral or for transfer of warehouse)

Time required to complete each procedure (calendar days)

- Does not include time spent gathering information
- Each procedure starts on a separate day
- Procedure completed once final document is received
- No prior contact with officials

Cost required to complete each procedure (% of income per capita)

- Official costs only, no bribes

Case Study Assumptions

The business:

- is a small to medium-size limited liability company in the construction industry, located in the economy's largest business city
- is 100% domestically and privately owned and operated
- has 60 builders and other employees
- has at least one employee who is a licensed architect and registered with the local association of architects

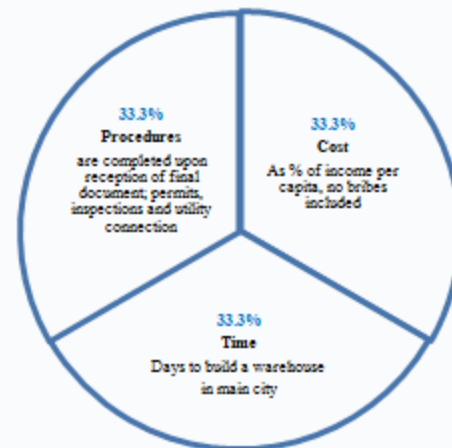
The warehouse:

- is a new construction (there was no previous construction on the land)
- has 2 stories, both above ground, with a total surface of approximately 1,300.6 sq. meters (14,000 sq. feet)
- has complete architectural and technical plans prepared by a licensed architect
- will be connected to electricity, water, sewerage (sewage system, septic tank or their equivalent) and a land telephone line
- will be used for general storage of non-hazardous goods, such as books
- will take 30 weeks to construct (excluding all delays due to administrative and regulatory requirements)

Dealing with Construction Permits:

Building a warehouse

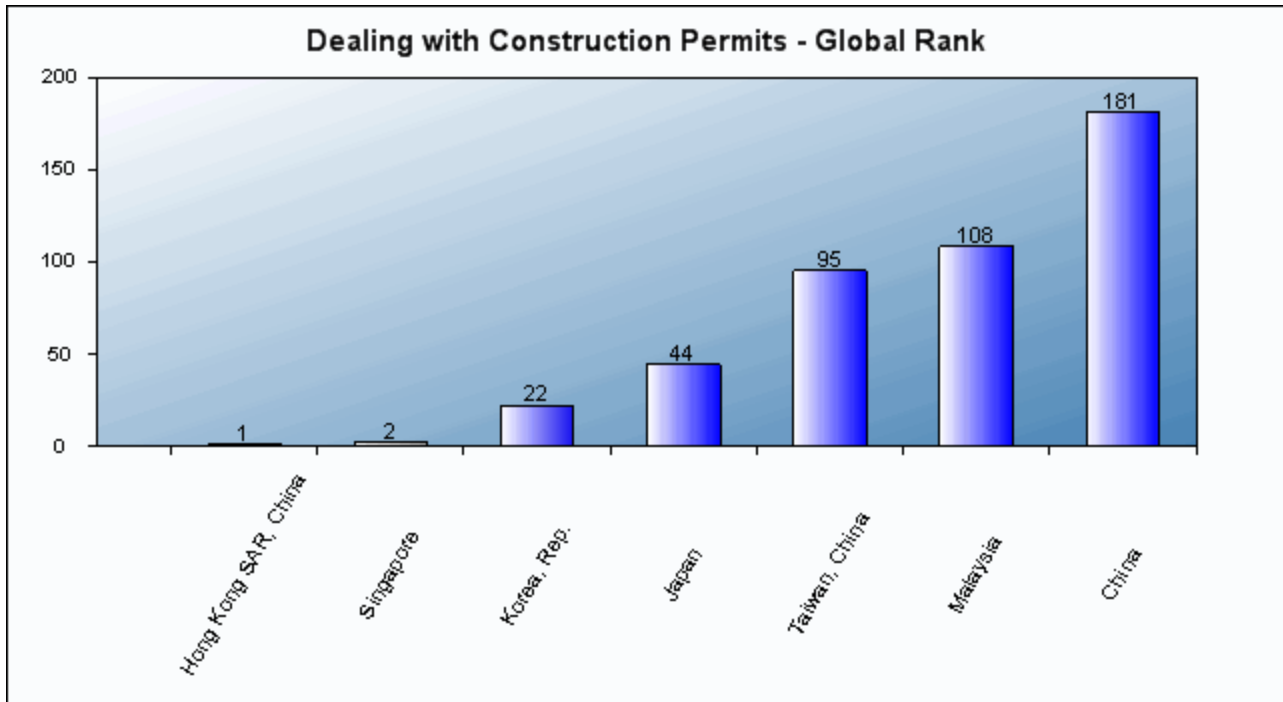
Rankings are based on 3 subindicators



1. Benchmarking Dealing with Construction Permits Regulations:

Singapore is ranked 2 overall for Dealing with Construction Permits.

Ranking of Singapore in Dealing with Construction Permits - Compared to good practice and selected economies:



The following table shows Dealing with Construction Permits data for Singapore compared to good practice and comparator economies:

| Good Practice Economies | Procedures (number) | Time (days) | Cost (% of income per capita) |
|--------------------------------|----------------------------|--------------------|--------------------------------------|
| Denmark | 6 | | |
| Qatar | | | 0.8 |
| Singapore | | 25 | |

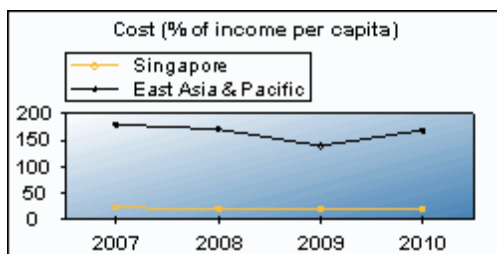
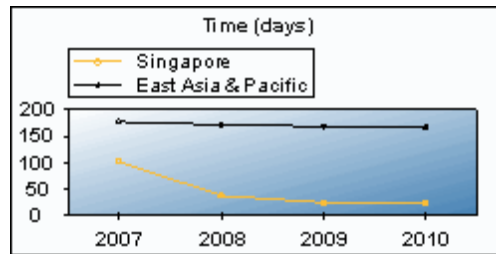
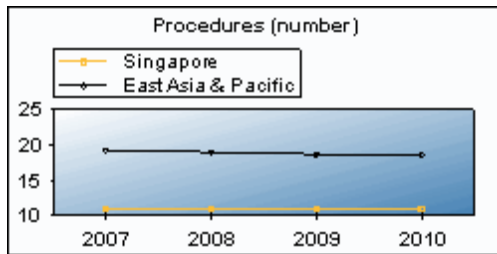
| <i>Selected Economy</i> | | | |
|-------------------------|-----------|-----------|-------------|
| Singapore | 11 | 25 | 19.7 |

| <i>Comparator Economies</i> | | | |
|-----------------------------|----|-----|-------|
| China | 37 | 336 | 523.4 |
| Hong Kong SAR, China | 7 | 67 | 19.4 |
| Japan | 15 | 187 | 20.8 |
| Korea, Rep. | 13 | 34 | 131.2 |
| Malaysia | 25 | 261 | 7.9 |
| Taiwan, China | 28 | 142 | 100.9 |

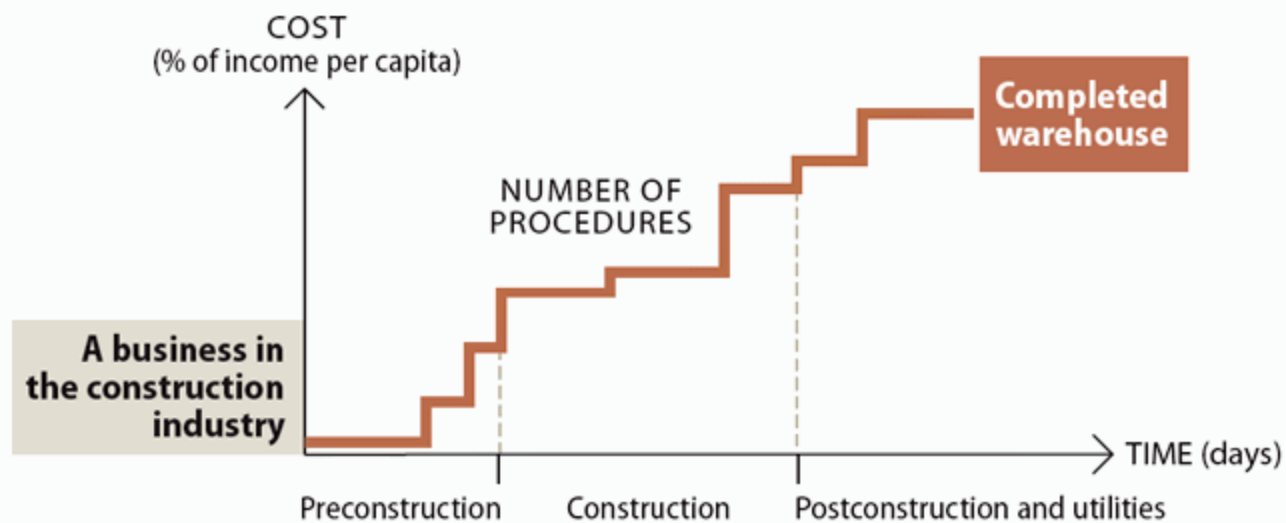
2. Historical data: Dealing with Construction Permits in Singapore

| Dealing with Construction Permits data | Doing Business 2008 | Doing Business 2009 | Doing Business 2010 | Doing Business 2011 |
|--|---------------------|---------------------|---------------------|---------------------|
| Rank | .. | .. | 2 | 2 |
| Procedures (number) | 11 | 11 | 11 | 11 |
| Time (days) | 102 | 38 | 25 | 25 |
| Cost (% of income per capita) | 22.9 | 21.2 | 19.9 | 19.7 |

3. The following graphs illustrate the Dealing with Construction Permits sub indicators in Singapore over the past 4 years:



What are the time, cost and number of procedures to comply with formalities to build a warehouse?



The table below summarizes the procedures, time, and costs to build a warehouse in Singapore.

BUILDING A WAREHOUSE

City: Singapore

Registration Requirements:

| No: | Procedure | Time to complete | Cost to complete |
|-----|--|------------------|------------------|
| 1 | Obtain written permission from the Urban Redevelopment Authority (URA) | 14 days | SGD 2,868 |
| 2 * | Obtain structural plan approval and building commencement permit | 14 days | SGD 3,900 |
| 3 * | Obtain technical clearance from the Fire Safety and Shelter Department (FSSD) of the Singapore Civil Defense Force | 10 days | SGD 1,950 |
| 4 * | Technical consultation with the Central Building Plans Unit of the Ministry of the Environment and Water Resources | 1 day | no charge |
| 5 * | Technical consultation with the Land Transport Authority | 1 day | SGD 130 |
| 6 * | Obtain building plan approval | 10 days | no charge |
| 7 * | Obtain factory license from the Ministry of Manpower | 1 day | no charge |
| 8 | Obtain power, water, and sewerage connection | 7 days | SGD 1,400 |

| | | | |
|-----|--|---------|-----------|
| 9 * | Obtain phone connection | 1 day | SGD 60 |
| 10 | Receive final inspection | 1 day | no charge |
| 11 | Obtain certificate of statutory completion | 10 days | no charge |

* Takes place simultaneously with another procedure.

Dealing with Construction Permits Details - Singapore

Procedure 1 Obtain written permission from the Urban Redevelopment Authority (URA)

Time to complete: 14 days

Cost to complete: SGD 2,868

Agency: Urban Redevelopment Authority (URA)

Comment: This application for permission from the Urban Redevelopment Authority (URA) can be done electronically by a Qualified Professional (QP) through the Electronic Development Applications. The company must submit a form, along with the following:

- Proposal and sketch plans,
- Survey plans for sloping or undulating sites.

Companies can apply to URA via two schemes: normal and Plan Lodgement Scheme. Launched in 1995, the Plan Lodgment Scheme allows for projects that fulfill the qualifying criteria (see http://www.ura.gov.sg/dc/lodgment/dc-lodgment-hdb_jtc.htm) to be submitted and approved online immediately. The application is made either through JTC system or through URA's EDA system. The fees for a plan lodgment are SGD 800 plus 7% GST. The Plan Lodgment Scheme is applicable to industrial and warehouse development on land owned by JTC and the HDB, which forms about 90% of industrial land in Singapore. All Qualified Persons (i.e. Architects or Engineers) are allowed to submit their development proposals under the Plan Lodgment Scheme. There is no restriction on the size or type of the industrial developments or the QP's firms. In 2007, nearly 70% (562 out of 830) of the industrial and warehouse development proposals are eligible for approval under the Plan Lodgment Scheme. However, if the land is not under either JTC or Housing and Development Board (HDB is for residential developments) scheme, and under freehold ownership the application would go through a normal clearance process.

Although the application submitted under the normal scheme itself takes a day, it takes on average about 14 days for the URA to process it and grant permission. URA does not have a time-limit, but rather operates under a targeted threshold. According to that target 90% of cases must be cleared in 4 weeks. The written permission is valid for 2 years, during which time the work must be completed.

The application fee for normal process is SGD 2,500 for the first 1,000 sq. m. and SGD 60 for each additional 100 sq. m. (plus 7% general service tax).

The case considered here assumes a commercial warehouse for storing books, which would be classified as a Group 3 land-intensive development.

A fee schedule is available at <http://www.ura.gov.sg/forms/doc/dc-fee2007.pdf>.

Procedure 2 Obtain structural plan approval and building commencement permit

Time to complete: 14 days

Cost to complete: SGD 3,900

Agency: Building & Construction Authority (BCA)

Comment: Qualified Professionals submit the structural plans through CORENET system operated by the Building and Construction Authority (BCA). The permit will not be issued without the written or provisional permission from the Urban Redevelopment Authority (URA) and payment of any development charges, if applicable. Most of companies submit their

application to URA and BCA for structural approval at the same time. They can time it in a way that the structural approval is granted a day after the URA issues planning permission. Construction work must commence within 24 months from the approval date.

The structural plan approval can be granted along with building commencement permit that gives the right to physically begin the construction.

Since 2008 the BCA runs a data management module in its application processing system to monitor its performance standard. It also introduced mobile phone short message & e-mail notification to inform the applicants on their applications status in an instantaneous manner.

Since September 1, 2005, the fee schedule is as follows:

- SGD 300 per 100 sq. m. for the first 2,500 sq. m. of standard gross floor area (SGFA).
- SGD 200 for each subsequent 100 sq. m. of SGFA.

Hence, in this case, the total fee charged for 1,300 sq. m. is $13 \times \text{SGD } 300 = \text{SGD } 3,900$.

Procedure 3 Obtain technical clearance from the Fire Safety and Shelter Department (FSSD) of the Singapore Civil Defense Force

Time to complete: 10 days

Cost to complete: SGD 1,950

Agency: Fire Safety & Shelter Department/LTA/MEWR

Comment: Qualified Professional, acting on behalf of BuildCo, submits the relevant parts of application to Fire Safety and Shelter Department (FSSD) of the Singapore Civil Defense Force. The application is made through CORENET system. Simultaneously, the applications can be submitted via CORENET to Ministry of Environment and Water (MEWR) for sewerage, drainage plans, and environmental approval, as well as Land and Transport Authority (LTA) for road plans and parking facility clearance. In other cases, plans must be submitted to the Marine and Port Authority and the National Parks Board.

Although, officially it takes only 2 working days to obtain approval from FSSD, the overall time required for approval from MEWR and LTA would be close to 7 working days.

The technical clearances can be completed while the written permission from URA is still pending.

Procedure 4 Technical consultation with the Central Building Plans Unit of the Ministry of the Environment and Water Resources

Time to complete: 1 day

Cost to complete: no charge

Agency: Ministry of Environment and Water Resources

Comment: See comment on Procedure 2.

Procedure 5 Technical consultation with the Land Transport Authority

Time to complete: 1 day

Cost to complete: SGD 130

Agency: Land Transport Authority

Comment: See comment on Procedure 2. Although no physical inspection is required the Qualified Professional will have to pay SGD 10/100 sqm for clearance of parking proposal. The payment can be made electronically.

Procedure 6 Obtain building plan approval

Time to complete: 10 days

Cost to complete: no charge

Agency: Building & Construction Authority (BCA)

Comment: Qualified Professionals can submit the architectural aspects of application along with structural plans through CORENET in a concurrent manner. The guidelines on this concurrent submission for structural plan approval and building plan application can be found in BCA website (http://www.bca.gov.sg/StructuralPlan/asp_16.html). In 2007, more than 56% of the 3,937 structural plans were submitted in parallel with the building permits.

BCA has a target for building plan approval to be issued in 7 working days. This is in line with the recent effort to provide a faster and more efficient service. The applications are reviewed on random basis and can be cleared through interactions with Qualified Professionals. The system of random inspections is used to high quality of applications and drawings submitted by Qualified Professionals.

Procedure 7 Obtain factory license from the Ministry of Manpower

Time to complete: 1 day

Cost to complete: no charge

Agency: Occupational Safety and Health Division, Ministry of Manpower

Comment: Before November 2008 the Workplace Safety & Health (Registration of Factories) Regulations required all factories to be registered before they can commence operations. Registration was valid for up to two years. A SGD 540 annual fee was payable upon registration and renewal. The system did not differentiate lower risk factories from the rest.

From 1 November 2008, qualifying factories will only be required to do two things prior to the commencement of operations:

Make an online declaration that they have implemented risk management in their factories, and notify the Commissioner for Workplace Safety and Health of their operations via the On-line Business Licensing System (OBLS) at <https://licences.business.gov.sg>.

The new scheme will apply to all factories except construction worksites, shipyards, metalworking companies, wafer fabrication, petrochemical, chemical and pharmaceutical plants. Qualifying factories are factories with lower risks of fatalities and accidents (as the one assumed by Doing Business). They will no longer be required to pay an annual registration fee nor are they required to renew their registration. To strengthen risk management (RM) requirements, these factories will now be required to make a declaration that they have implemented RM at their workplaces before work can commence.

Procedure 8 Obtain power, water, and sewerage connection

| | |
|--------------------------|--|
| Time to complete: | 7 days |
| Cost to complete: | SGD 1,400 |
| Agency: | Singapore Power Services |
| Comment: | <p>All three connections can be applied for through a one-stop service provided by Singapore Power (SP) Services, a privatized utilities operator. The existing infrastructure allows a new connection within one week. The connection is made at the same time when the inspection is made. Application for electrical power is to the Singapore Power; application for both portable and Newater water is to the Singapore Public Utilities Board; application for sewer connection is to the Sewerage Department of the Ministry of Environment & Water Resources.</p> <p>The cost of water connection depends on the consumption, amounts to SGD 3.5 per cubic meter, and should be at least SGD 300.</p> <p>The cost of electricity connection depends on the capacity requested, and ranges from SGD 450 for less than 1.5 kVA to SGD 57,000 for more than 1001 kVA.</p> |

Procedure 9 Obtain phone connection

| | |
|--------------------------|--|
| Time to complete: | 1 day |
| Cost to complete: | SGD 60 |
| Agency: | Singtel |
| Comment: | Telephone connection can be acquired in one day. |

Procedure 10 Receive final inspection

| | |
|--------------------------|---|
| Time to complete: | 1 day |
| Cost to complete: | no charge |
| Agency: | Registered inspector, affiliated with BCA and BuildCo/FSSD |
| Comment: | <p>Once the warehouse construction is completed the Qualified Professional files a request for inspection to BCA through CORENET. BuildCo may request the inspection in advance, that is, before construction activities are completed. A registered inspector, hired by both the Building Control Authority (BCA) and BuildCo, inspects the completed warehouse. Independently but concurrently, Qualified Professional can submit a request to the FSSD for fire system approval. There is no physical interaction with the FSSD and the inspection is performed by the Qualified Professional. The Qualified Professional sends the report to FSSD. The approval from FSSD is then sent to BCA electronically through an internal network.</p> |

Procedure 11 Obtain certificate of statutory completion

| | |
|--------------------------|---|
| Time to complete: | 10 days |
| Cost to complete: | no charge |
| Agency: | Building & Construction Authority (BCA) |

Comment: BuildCo does not need to register the newly built warehouse after its completion.

Ensuring formal property rights is fundamental. Effective administration of land is part of that. If formal property transfer is too costly or complicated, formal titles might go informal again. *Doing Business* records the full sequence of procedures necessary for a business to purchase a property from another business and transfer the property title to the buyer's name. In the past 6 years 105 economies undertook 146 reforms making it easier to transfer property. Globally, the time to transfer property fell by 38% and the cost by 10% over this time. The most popular feature of property registration reform in these 6 years, implemented in 52 economies, was lowering transfer taxes and government fees.

Some reform outcomes

Georgia now allows property transfers to be completed through 500 authorized users, notably banks. This saves time for entrepreneurs. A third of people transferring property in 2009 chose authorized users, up from 7% in 2007. Also, Georgia's new electronic registry managed 68,000 sales in 2007, twice as many as in 2003.

Belarus's unified and computerized registry was able to cope with the addition of 1.2 million new units over 3 years. The registry issued 1 million electronic property certificates in 2009.

What does the Registering Property indicator measure?

Registering Property: transfer of property between 2 local companies

Rankings are based on 3 subindicators

Procedures to legally transfer title on immovable property (number)

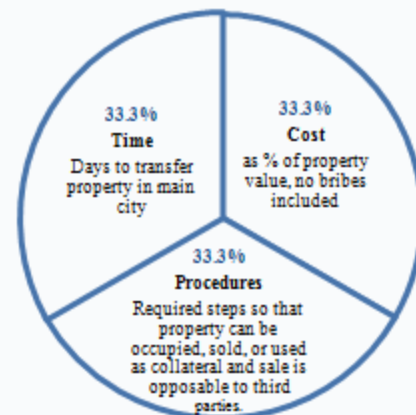
- Preregistration (for example, checking for liens, notarizing sales agreement, paying property transfer taxes)
- Registration in the economy's largest business city
- Post registration (for example, transactions with the local authority, tax authority or cadastre)

Time required to complete each procedure (calendar days)

- Does not include time spent gathering information
- Each procedure starts on a separate day
- Procedure completed once final document is received
- No prior personal contact with officials

Cost required to complete each procedure (% of property value)

- Official costs only, no bribes
- No value added or capital gains taxes included



Case Study Assumptions

The parties (buyer and seller):

- Are limited liability companies, 100% domestically and privately owned.
- Are located in the periurban area of the economy's largest business city.
- Have 50 employees each, all of whom are nationals.
- Perform general commercial activities.

The property (fully owned by the seller):

- Has a value of 50 times income per capita. The sale price equals the value.
- Has no mortgages attached and has been under the same ownership for the past 10 years.
- Is registered in the land registry or cadastre, or both, and is free of title disputes.
- Is located in a periurban commercial zone, and no rezoning is required.
- Consists of a 557.4 square meters (6,000 square feet) land and 10 years old 2-story warehouse of 929 square meters (10,000 square feet) located on the land. The warehouse is in good condition and complies with all safety standards, building codes and legal requirements. The property will be transferred in its entirety.

1. Benchmarking Registering Property Regulations:

Singapore is ranked 15 overall for Registering Property.

Ranking of Singapore in Registering Property - Compared to good practice and selected economies:



The following table shows Registering Property data for Singapore compared to good practice and comparator economies:

| Good Practice Economies | Procedures (number) | Time (days) | Cost (% of property value) |
|--------------------------------|----------------------------|--------------------|-----------------------------------|
| New Zealand* | | 2 | |
| Norway* | 1 | | |
| Saudi Arabia | | | 0.0 |

| <i>Selected Economy</i> | | | |
|-------------------------|----------|----------|------------|
| Singapore | 3 | 5 | 2.8 |

| <i>Comparator Economies</i> | | | |
|-----------------------------|---|----|-----|
| China | 4 | 29 | 3.6 |
| Hong Kong SAR, China | 5 | 36 | 4.2 |
| Japan | 6 | 14 | 5.5 |
| Korea, Rep. | 7 | 11 | 5.1 |
| Malaysia | 5 | 56 | 2.5 |
| Taiwan, China | 3 | 5 | 6.2 |

* The following economies are also good practice economies for :

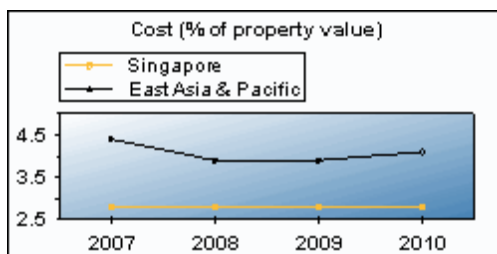
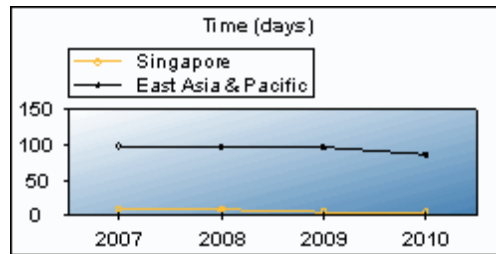
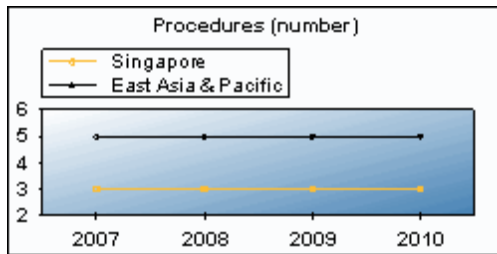
Procedures (number): United Arab Emirates

Time (days): Saudi Arabia, Thailand, United Arab Emirates

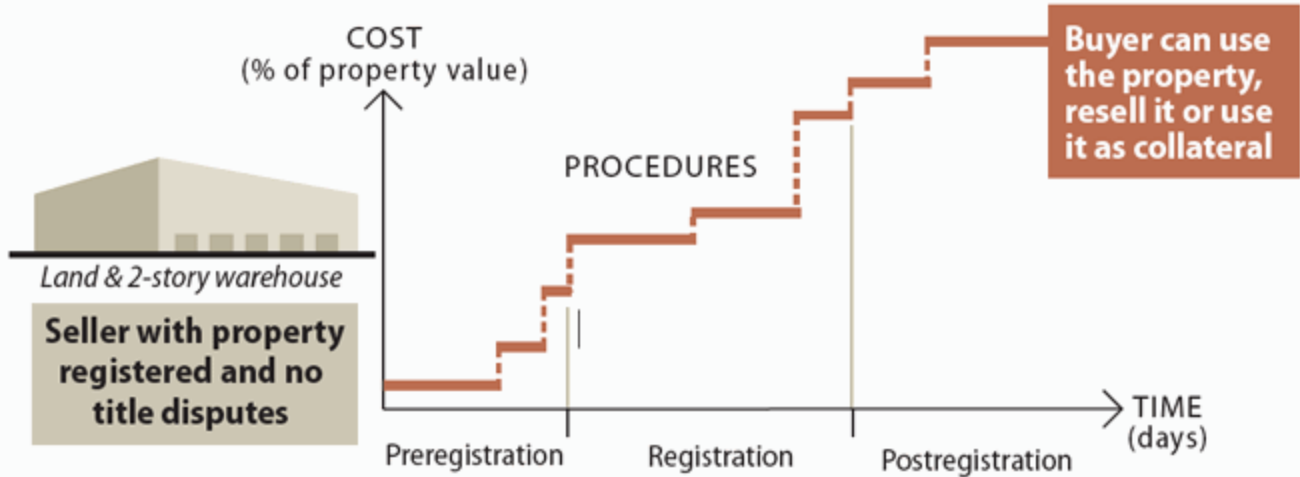
2. Historical data: Registering Property in Singapore

| Registering Property data | Doing Business 2008 | Doing Business 2009 | Doing Business 2010 | Doing Business 2011 |
|----------------------------|---------------------|---------------------|---------------------|---------------------|
| Rank | .. | .. | 16 | 15 |
| Procedures (number) | 3 | 3 | 3 | 3 |
| Time (days) | 9 | 9 | 5 | 5 |
| Cost (% of property value) | 2.8 | 2.8 | 2.8 | 2.8 |

3. The following graphs illustrate the Registering Property sub indicators in Singapore over the past 4 years:



What are the time, cost and number of procedures required to transfer a property between 2 local companies?



This topic examines the steps, time, and cost involved in registering property in Singapore.

STANDARDIZED PROPERTY

Property Value: 2,612,303.52

City: Singapore

Registration Requirements:

| No: | Procedure | Time to complete | Cost to complete |
|-----|-----------|------------------|------------------|
|-----|-----------|------------------|------------------|

| | | | |
|---|---|---------------|--|
| 1 | Conduct various online searches and pay the Stamp Duty via electronic transfer online | 3 days | <p>* Legal Requisition Fees [for transaction through the portal www.intereq.gov.sg]</p> <p>- Inland Revenue Authority of Singapore: \$43.93 + \$3.07GST = \$47- Land Transport Authority : \$10.50 +\$0.74 GST = \$11.24- Ministry of Environment : \$17.66 + \$1.24 GST = \$18.90- Public Utilities Board : \$7 + \$0.49 GST =\$ 7.49 - Urban Redevelopment Authority : \$49.07+\$3.43 GST = \$52.50 * Administrative fees (total \$16.90) to use the portal, calculated on the following basis:-</p> <p>Acknowledgement: \$ 0.20 per acknowledgement = \$1.40- Transaction Fee: \$ 1.50 per legal requisition per Government Agency = \$10.50- Transmission Charge S\$ 0.50 per kbyte = approx \$5.00 - Fees for Long-Term Archive: S\$ 400 per retrieval (if needed)*</p> <p>Property Title Information : \$15.75 (using www.inlis.gov.sg)*</p> <p>Property Ownership Information: \$5.25 (using www.inlis.gov.sg)*</p> <p>Property Encumbrances Information: \$11.05 (using www.inlis.gov.sg)*</p> <p>Enhanced Company Search: \$10 (www.questnet.sg)Company/ Winding-Up Search: \$7 (using www.lawnet.com.sg) *</p> <p>Stamp Duty: 1% of first S\$180,000 + 2% of next S\$180,000 + 3% of remainder</p> |
| 2 | Lodge transfer at Singapore Land Authority | 1 (to 4 days) | S\$ 68.30 |
| 3 | File transfer notice with Inland Revenue Authority of Singapore | 1 day | No cost |

Registering Property Details - Singapore

Procedure 1 Conduct various online searches and pay the Stamp Duty via electronic transfer online

Time to complete: 3 days

Cost to complete: * Legal Requisition Fees [for transaction through the portal www.intereq.gov.sg]- Inland Revenue Authority of Singapore: \$43.93 + \$3.07GST = \$47- Land Transport Authority : \$10.50 +\$0.74 GST = \$11.24- Ministry of Environment : \$17.66 + \$1.24 GST = \$18.90- Public Utilities Board : \$7 + \$0.49 GST = \$7.49 - Urban Redevelopment Authority : \$49.07+\$3.43 GST = \$52.50 * Administrative fees (total \$16.90) to use the portal, calculated on the following basis:- Acknowledgement: \$ 0.20 per acknowledgement = \$1.40- Transaction Fee: \$ 1.50 per legal requisition per Government Agency = \$10.50- Transmission Charge S\$ 0.50 per kbyte = approx \$5.00 - Fees for Long-Term Archive: S\$ 400 per retrieval (if needed)* Property Title Information : \$15.75 (using www.inlis.gov.sg) * Property Ownership Information: \$5.25 (using www.inlis.gov.sg) * Property Encumbrances Information: \$11.05 (using www.inlis.gov.sg) * Enhanced Company Search: \$10 (www.questnet.sg) * Company/ Winding-Up Search: \$7 (using www.lawnet.com.sg) * Stamp Duty: 1% of first S\$180,000 + 2% of next S\$180,000 + 3% of remainder

Agency: Portal at www.intereq.com.sg.

Comment: Due diligence checks at several agencies can be done on-line through a one-stop portal called 'Intereq' (www.intereq.com.sg). They include:

- Inland Revenue Authority of Singapore (for Property Tax)
- Land Transport Authority (with respect to Rapid Transit System and Street Works on as to whether property is affected by Public Transport projects)
- National Environment Agency (Environmental Health Department and Pollution Control Department on whether the property is affected by public sewerage or environmental-health related projects)
- Public Utilities Board (on whether the property is affected by public utilities projects)
- Urban Redevelopment Authority (planning regulations).

A land register check at the Singapore Land Authority can be made online too at www.inlis.gov.sg.

A bankruptcy check is conducted online at www.lawnet.com.sg in order to ascertain if the seller is affected by winding up actions.

A company search (for the seller's company) is also conducted online through www.lawnet.com.sg.

Finally, the stamp duty can be paid via online transfer at www.estamp.iras.gov.sg.

Once the necessary legal requisition has established that the title of the property is in order, a deposit for the property is paid. Thereafter, pursuant to Section 117 of the Land Titles Act, Chapter 157, a caveat should be lodged with SLA, once a deposit has been paid. The caveat serves as a precautionary step taken by the caveat or pending completion of his transaction as well as a notice to others that the caveat or has an interest in the property. The caveat can be lodged online via its online registration system called STARS E-Lodgement at www.stars.gov.sg

The cost of lodging this Caveat Prior Completion is S\$ 64.50

Once lodged, a caveat notice will usually be served on the owner of the property.

Procedure 2 Lodge transfer at Singapore Land Authority

Time to complete: 1 (to 4 days)
Cost to complete: S\$ 68.30
Agency: Singapore Land Authority
Comment: Transfer can be lodged online through SLA's Singapore Titles Automated Registration System portal www.stars.gov.sg

Procedure 3 File transfer notice with Inland Revenue Authority of Singapore

Time to complete: 1 day
Cost to complete: No cost
Agency: Inland Revenue Authority
Comment: When a property is sold or transferred, an e-Notice of Transfer has to be filed with the Inland Revenue Authority of Singapore (the "IRAS") within 1 month after the sale or transfer. Party may incur a composition fee if the time limit is not complied with. Notice of transfer can only be filed with Inland Revenue Authority of Singapore (the "IRAS") online.
IRAS has launched an enhanced version of the e-Notice of Transfer (eNT) system on 8 Oct 2008. This enhanced web-based e-NT service allows lawyers to submit Notice of Transfer via IRAS' myTax Portal at no cost. The site can be accessed at www.mytax.iras.gov.sg
myTaxPortal is available every day, except during the daily maintenance period from 2am to 6am(SGT) from Monday to Saturday and from 2am to 8.30am (SGT) on Sunday.
Information required for filing of the notice of transfer includes
* Completion Account
* Sales and Purchase Agreement
* Identification No. and name of the Transferor / Transferee

There are no charges when filing the e-Notice of Transfer via myTaxPortal.

Through two sets of indicators, *Doing Business* assesses the legal rights of borrowers and lenders with respect to secured transactions and the sharing of credit information. The depth of credit information index measures rules and practices affecting the coverage, scope and accessibility of credit information available through either a public credit registry or a private credit bureau. Credit information systems mitigate the ‘information asymmetry’ in lending and enable lenders to view a borrower’s financial history (positive or negative), providing them with valuable information to consider when assessing risk. Credit information systems benefit borrowers as well, allowing good borrowers to establish a reputable credit history which will enable them to access credit more easily. The Legal Rights Index measures the degree to which collateral and bankruptcy laws protect the rights of borrowers and lenders and thus facilitate lending. Sound collateral laws will enable businesses to use their assets, especially movable property, as security to generate capital while having strong creditor’s rights has been associated with higher ratios of private sector credit to GDP.

Some reform outcomes

After Vietnam’s new Civil Code was enacted in 2005, a decree further clarified the provisions governing secured transactions. Since the inclusion of the new provisions, the number of registrations increased from 43,000 (2005) to 120,000 (end of 2008).

In 2008, when Zambia established a private credit bureau, its database initially covered about 25,000 borrowers. Thanks to a strong communication campaign and a central bank directive, coverage has grown 10-fold in the past 2 years, exceeding 200,000 by the beginning of 2010.

What do the Getting Credit indicators measure?

Strength of legal rights index (0–10)

- Protection of rights of borrowers and lenders through collateral laws
- Protection of secured creditors’ rights through bankruptcy laws

Depth of credit information index (0–6)

- Scope and accessibility of credit information distributed by public credit registries and private credit bureaus

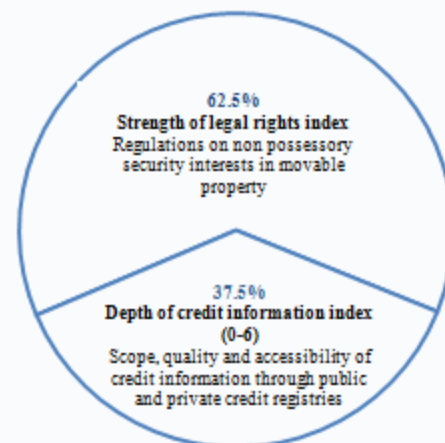
Public credit registry coverage (% of adults)

- Number of individuals and firms listed in public credit registry as percentage of a adult population

Private credit bureau coverage (% of adults)

- Number of individuals and firms listed in largest private credit bureau as percentage of a adult population

Getting Credit: collateral rules and credit information



Note: Private bureau coverage and public credit registry coverage are measured but do not count for the rankings.

Case Study Assumptions (applying to the Legal Rights Index only)

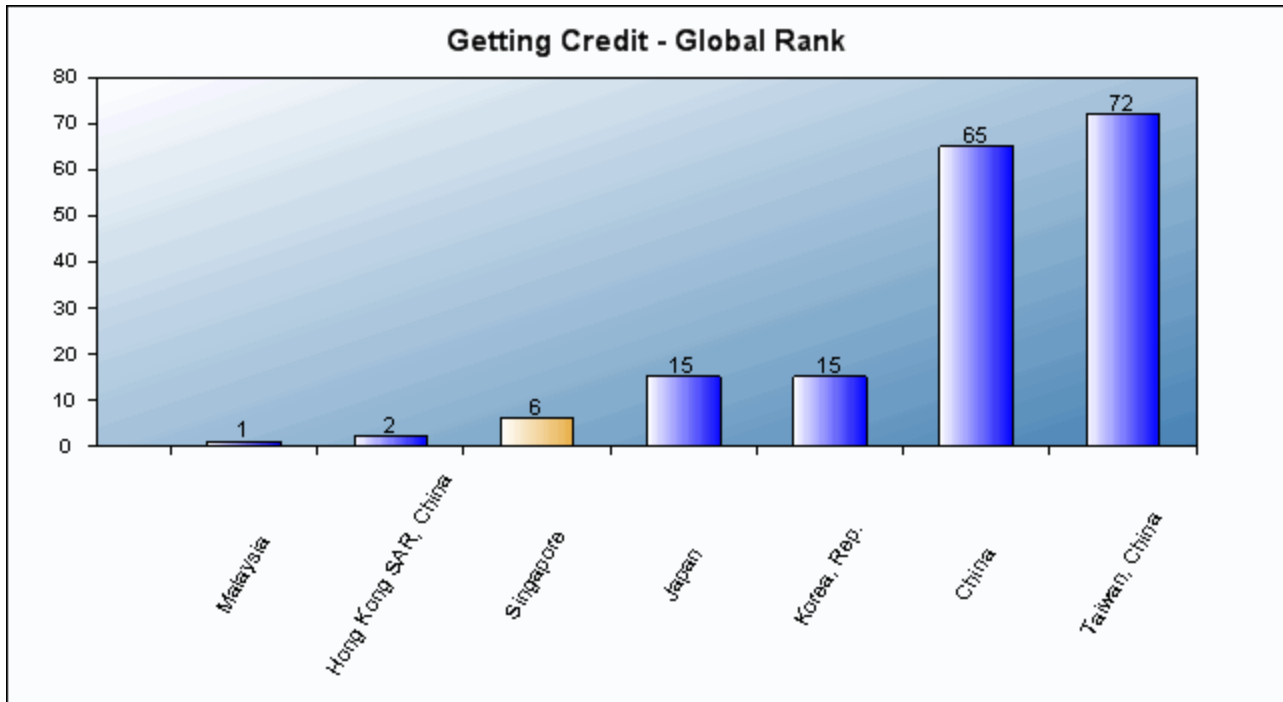
The Debtor

- is a Private Limited Liability Company
- has its Headquarters and only base of operations in the largest business city
- obtains a loan from a local bank (the Creditor) for an amount up to 10 times income (GNI) per capita
- Both creditor and debtor are 100% domestically owned.

1. Benchmarking Getting Credit Regulations:

Singapore is ranked 6 overall for Getting Credit.

Ranking of Singapore in Getting Credit - Compared to good practice and selected economies:



The following table shows Getting Credit data for Singapore compared to good practice and comparator economies:

| Good Practice Economies | Strength of legal rights index (0-10) | Depth of credit information index (0-6) | Public registry coverage (% of adults) | Private bureau coverage (% of adults) |
|--------------------------------|--|--|---|--|
| New Zealand* | | | | 100.0 |
| Portugal | | | 67.1 | |
| Singapore* | 10 | | | |
| United Kingdom | | 6 | | |

| <i>Selected Economy</i> | | | | |
|-------------------------|-----------|----------|------------|-------------|
| Singapore | 10 | 4 | 0.0 | 60.8 |

| <i>Comparator Economies</i> | | | | |
|-----------------------------|----|---|------|-------|
| China | 6 | 4 | 63.9 | 0.0 |
| Hong Kong SAR, China | 10 | 5 | 0.0 | 72.0 |
| Japan | 7 | 6 | 0.0 | 76.1 |
| Korea, Rep. | 7 | 6 | 0.0 | 93.3 |
| Malaysia | 10 | 6 | 62.0 | 100.0 |
| Taiwan, China | 4 | 5 | 0.0 | 90.4 |

* The following economies are also good practice economies for :

Strength of legal rights index (0-10): Hong Kong, China, Kenya, Kyrgyz Republic, Malaysia

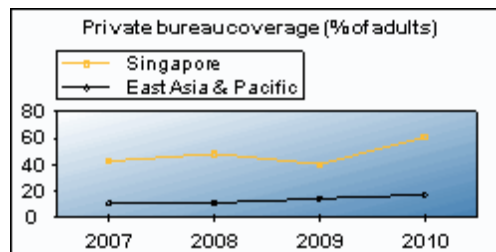
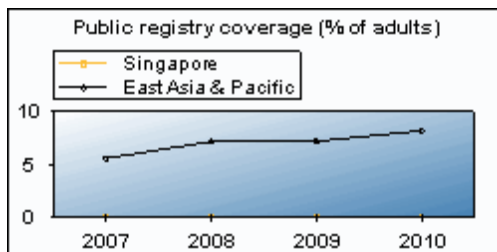
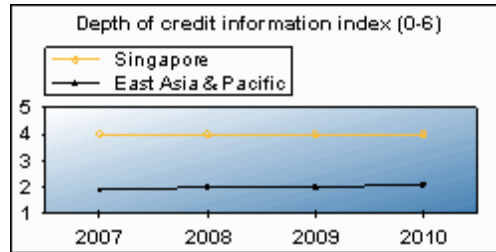
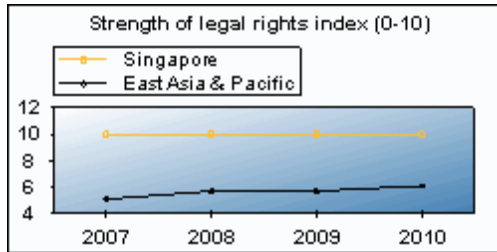
Private bureau coverage (% of adults): Argentina, Australia, Canada, Iceland, Ireland, Norway, Sweden, United Kingdom, United States

27 countries have the highest credit information index.

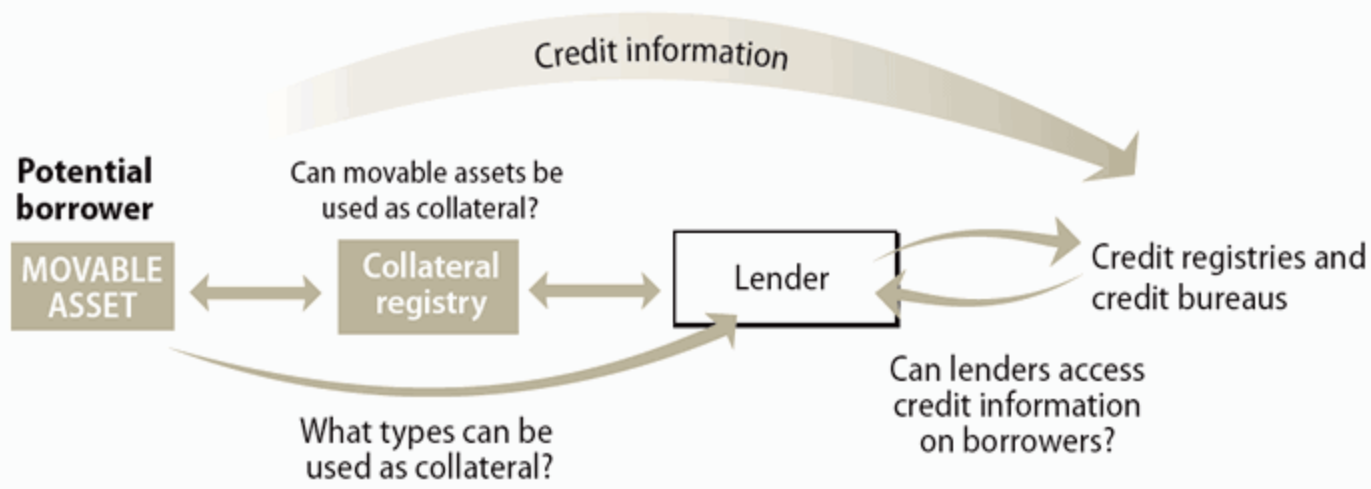
2. Historical data: Getting Credit in Singapore

| Getting Credit data | Doing Business 2008 | Doing Business 2009 | Doing Business 2010 | Doing Business 2011 |
|---|---------------------|---------------------|---------------------|---------------------|
| Rank | .. | .. | 6 | 6 |
| Strength of legal rights index (0-10) | 10 | 10 | 10 | 10 |
| Depth of credit information index (0-6) | 4 | 4 | 4 | 4 |
| Private bureau coverage (% of adults) | 42.7 | 48.3 | 40.3 | 60.8 |
| Public registry coverage (% of adults) | 0.0 | 0.0 | 0.0 | 0.0 |

3. The following graphs illustrate the Getting Credit sub indicators in Singapore over the past 4 years:



**Do lenders have credit information on entrepreneurs seeking credit?
Is the law favorable to borrowers and lenders using movable assets as collateral?**



The following table summarize legal rights of borrowers and lenders, and the availability and legal framework of credit registries in Singapore.

| Getting Credit Indicators (2010) | | | Indicator |
|---|------------------------------|-------------------------------|-----------|
| Private bureau coverage (% of adults) | Private credit bureau | Public credit registry | 4 |
| Are data on both firms and individuals distributed? | Yes | No | 1 |
| Are both positive and negative data distributed? | Yes | No | 1 |
| Does the registry distribute credit information from retailers, trade creditors or utility companies as well as financial institutions? | No | No | 0 |
| Are more than 2 years of historical credit information distributed? | Yes | No | 1 |
| Is data on all loans below 1% of income per capita distributed? | Yes | No | 1 |
| Is it guaranteed by law that borrowers can inspect their data in the largest credit registry? | No | No | 0 |
| Coverage | 60.8 | 0.0 | |
| Number of individuals | | .. | 0 |
| Number of firms | | .. | 0 |

Strength of legal rights index (0-10)**10**

Can any business use movable assets as collateral while keeping possession of the assets; and any financial institution accept such assets as collateral ?

Does the law allow businesses to grant a non possessory security right in a single category of movable assets, without requiring a specific description of collateral?

Does the law allow businesses to grant a non possessory security right in substantially all of its assets, without requiring a specific description of collateral?

May a security right extend to future or after-acquired assets, and may it extend automatically to the products, proceeds or replacements of the original assets ?

Is a general description of debts and obligations permitted in collateral agreements, so that all types of obligations and debts can be secured by stating a maximum amount rather than a specific amount between the parties ?

Is a collateral registry in operation, that is unified geographically and by asset type, as well as indexed by the grantor's name of a security right ?

Do secured creditors have absolute priority to their collateral outside bankruptcy procedures?

Do secured creditors have absolute priority to their collateral in bankruptcy procedures?

During reorganization, are secured creditors' claims exempt from an automatic stay on enforcement?

Does the law authorize parties to agree on out of court enforcement?

Stronger investor protections matter for the ability of companies to raise the capital needed to grow, innovate, diversify and compete. This is all the more crucial in times of financial crisis when entrepreneurs must navigate through defiant environments to finance their activities. Using 3 indices of investor protection, *Doing Business* measures how economies regulate a standard case of self-dealing, use of corporate assets for personal gains. Since 2005, 51 economies have strengthened investor protections as measured by *Doing Business*.

Some reform outcomes

In Indonesia, an economy that consistently improved its laws regulating investor protections, the number of firms listed on the Indonesia Stock Exchange increased from 331 to 396 between 2004 and 2009. Meanwhile, market capitalization grew from 680 trillion rupiah (\$75 billion) to 1,077 trillion rupiah (\$119 billion).

After Thailand amended its laws in 2006 and 2008, more than 85 transactions that failed to comply with the disclosure standards were suspended. Thirteen were deemed prejudicial and were therefore canceled, thus preventing damage to the companies involved and preserving their value. Companies were not deterred either, as more than 30 new companies joined the stock exchange since 2005 bringing the number of listed companies to 523.

What do the Protecting Investors indicators measure?

Extent of disclosure index (0–10)

- Who can approve related-party transactions
- Requirements for external and internal disclosure in case of related-party transactions

Extent of director liability index (0–10)

- Ability of shareholders to hold the interested party and the approving body liable in case of a prejudicial related-party transaction
- Available legal remedies (damages, repayment of profits, fines, imprisonment and rescission of the transaction)
- Ability of shareholders to sue directly or derivatively

Ease of shareholder suits index (0–10)

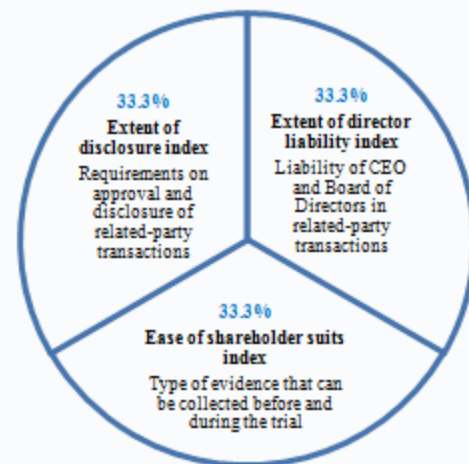
- Documents and information available during trial
- Access to internal corporate documents (directly or through a government inspector)

Strength of investor protection index (0–10)

- Simple average of the extent of disclosure, extent of director liability and ease of shareholder suits indices

Protecting Investors: minority shareholder rights in related-party transactions

Rankings are based on 3 subindicators



Case Study Assumptions

The business (Buyer):

- Is a publicly traded corporation listed on the economy's most important stock exchange (or at least a large private company with multiple shareholders).
- Has a board of directors and a chief executive officer (CEO) who may legally act on behalf of Buyer where permitted, even if this is not specifically required by law.

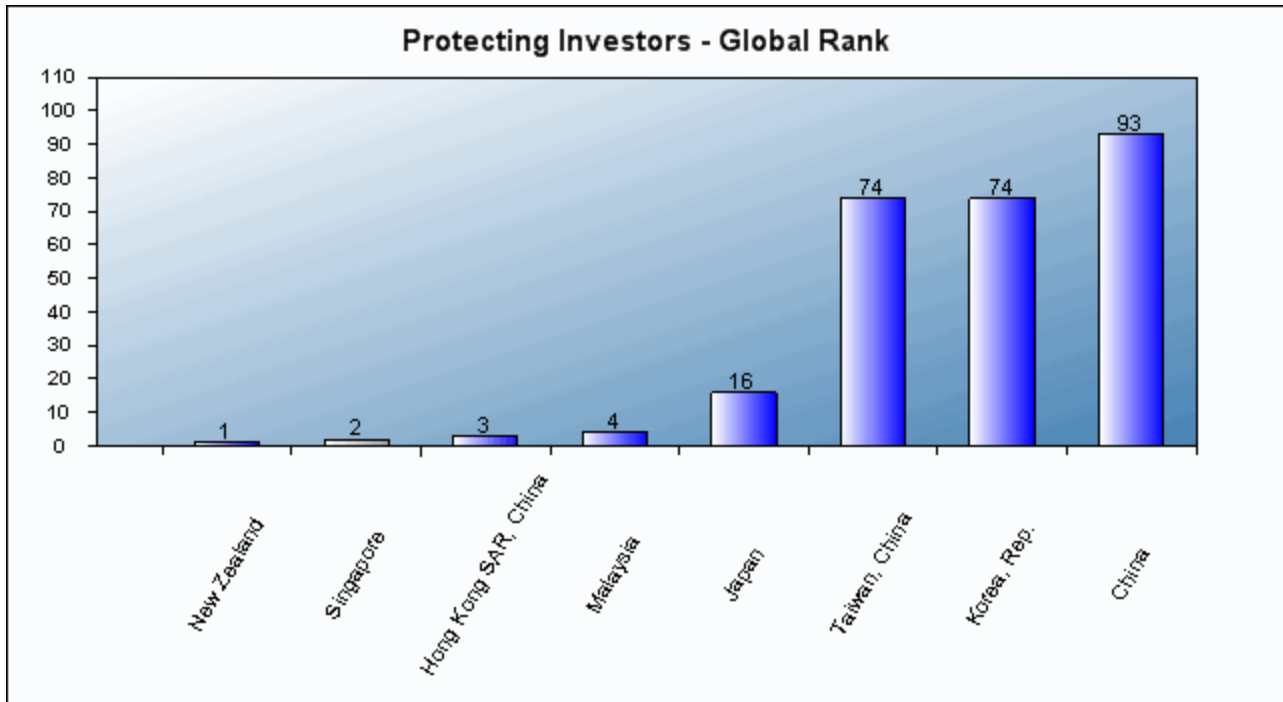
The transaction

- Mr. James, a director and the majority shareholder of the company, proposes that the company purchase used trucks from another company he owns.
- The price is higher than the going price for used trucks, but the transaction goes forward.
- All required approvals are obtained, and all required disclosures made, though the transaction is prejudicial to the purchasing company.
- Shareholders sue the interested parties and the members of the board of directors.

1. Benchmarking Protecting Investors Regulations:

Singapore is ranked 2 overall for Protecting Investors.

Ranking of Singapore in Protecting Investors - Compared to good practice and selected economies:



The following table shows Protecting Investors data for Singapore compared to good practice and comparator economies:

| Good Practice Economies | Strength of investor protection index (0-10) |
|--------------------------------|---|
| New Zealand | 9.7 |

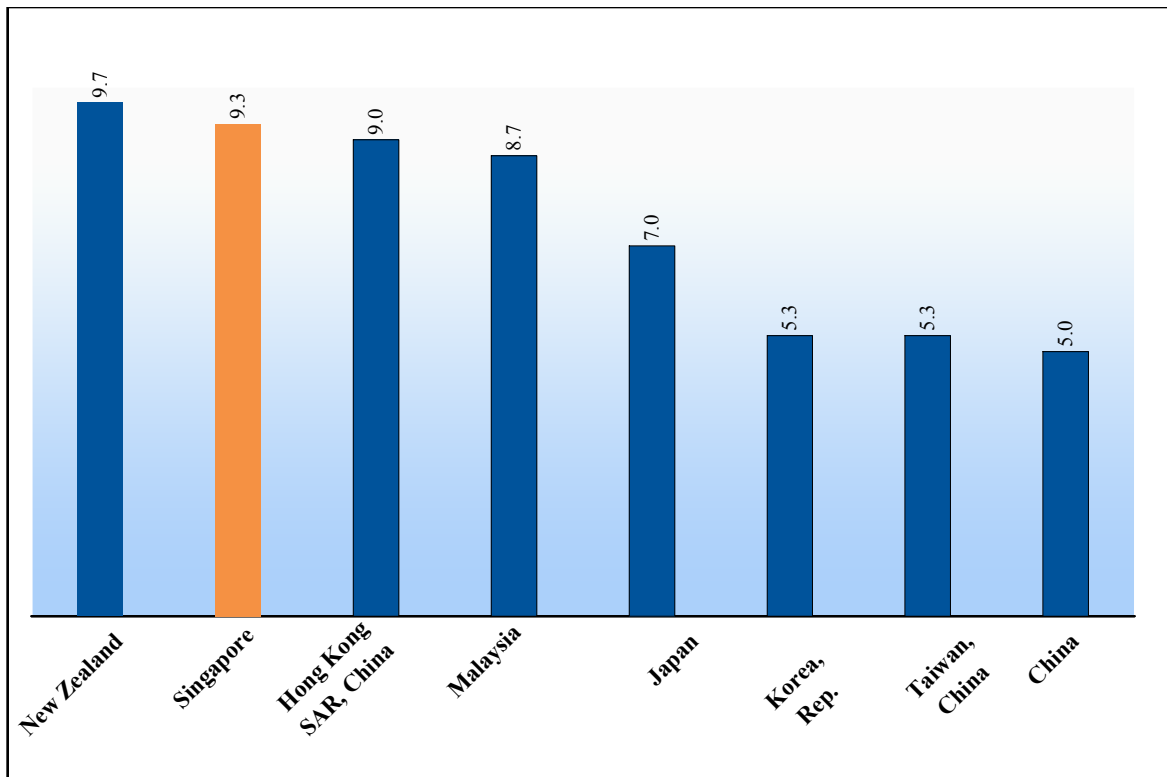
| <i>Selected Economy</i> | |
|-------------------------|------------|
| Singapore | 9.3 |

| <i>Comparator Economies</i> | |
|-----------------------------|-----|
| China | 5.0 |
| Hong Kong SAR, China | 9.0 |
| Japan | 7.0 |
| Korea, Rep. | 5.3 |
| Malaysia | 8.7 |
| Taiwan, China | 5.3 |

2. Historical data: Protecting Investors in Singapore

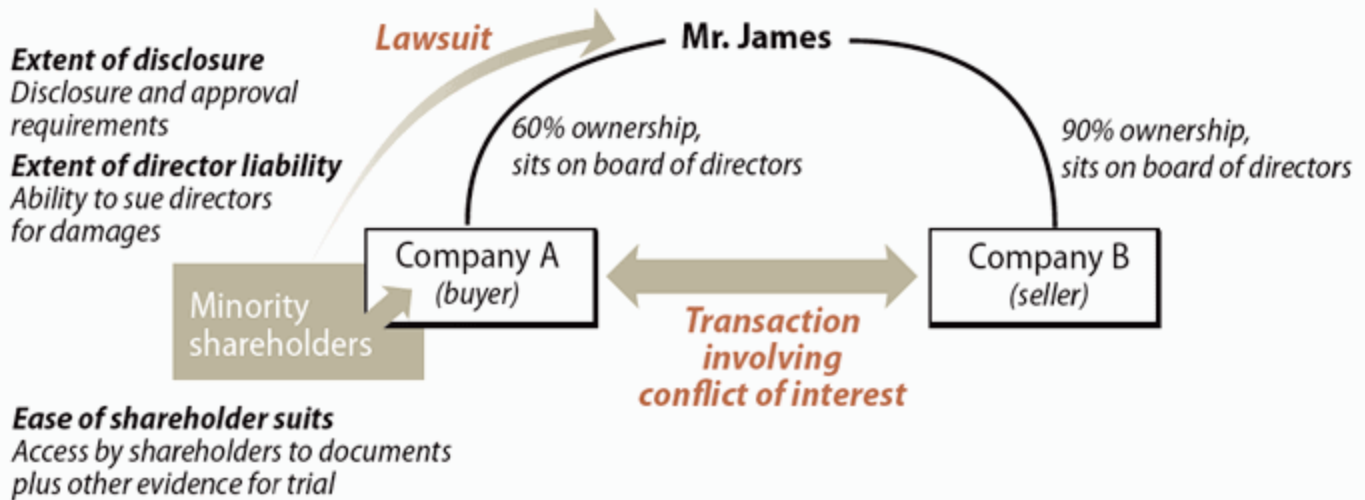
| Protecting Investors data | Doing Business 2008 | Doing Business 2009 | Doing Business 2010 | Doing Business 2011 |
|--|---------------------|---------------------|---------------------|---------------------|
| Rank | .. | .. | 2 | 2 |
| Strength of investor protection index (0-10) | 9.3 | 9.3 | 9.3 | 9.3 |

3. The following graph illustrates the Protecting Investors index in Singapore compared to best practice and selected Economies:



Note: The higher the score, the greater the investor protection.

How well are minority shareholders protected against self-dealing in related-party transactions?



The table below provides a full breakdown of how the disclosure, director liability, and shareholder suits indexes are calculated in Singapore.

| Protecting Investors Data (2010) | Indicator |
|---|-----------|
| Extent of disclosure index (0-10) | 10 |
| What corporate body provides legally sufficient approval for the transaction? | 3 |
| Whether immediate disclosure of the transaction to the public and/or shareholders is required? | 2 |
| Whether disclosure of the transaction in published periodic filings (annual reports) is required? | 2 |
| Whether disclosure of the conflict of interest by Mr. James to the board of directors is required? | 2 |
| Whether an external body must review the terms of the transaction before it takes place? | 1 |
| Extent of director liability index (0-10) | 9 |
| Whether shareholders can hold Mr. James liable for the damage that the Buyer-Seller transaction causes to the company? | 2 |
| Whether shareholders can hold the approving body (the CEO or board of directors) liable for the damage that the Buyer-Seller transaction causes to the company? | 2 |
| Whether a court can void the transaction upon a successful claim by a shareholder plaintiff? | 1 |
| Whether Mr. James pays damages for the harm caused to the company upon a successful claim by the shareholder plaintiff? | 1 |

| | |
|---|------------|
| Whether Mr. James repays profits made from the transaction upon a successful claim by the shareholder plaintiff? | 1 |
| Whether fines and imprisonment can be applied against Mr. James? | 1 |
| Whether shareholders can sue directly or derivatively for the damage that the Buyer-Seller transaction causes to the company? | 1 |
| Ease of shareholder suits index (0-10) | 9 |
| Whether the plaintiff can obtain any documents from the defendant and witnesses during trial? | 4 |
| Whether the plaintiff can directly question the defendant and witnesses during trial? | 2 |
| Whether the plaintiff can request categories of documents from the defendant without identifying specific ones? | 1 |
| Whether shareholders owning 10% or less of Buyer's shares can request an inspector to investigate the transaction? | 1 |
| Whether the level of proof required for civil suits is lower than that of criminal cases? | 1 |
| Whether shareholders owning 10% or less of Buyer's shares can inspect transaction documents before filing suit? | 0 |
| Strength of investor protection index (0-10) | 9.3 |

Taxes are essential to provide public amenities, infrastructure and services which are crucial for a properly functioning economy. *Doing Business* data show that economies where it is more difficult and costly to pay taxes have larger shares of informal sector activity. More than 60% of economies have reformed in the last 6 years and are starting to see concrete results.

Some reform outcomes

Colombia introduced a new electronic system for social security and labor taxes in 2006 and by 2008 the social security contributions collected from small and medium-size companies rose by 42%, to 550 billion pesos.

Mauritius reduced the corporate income tax rate from 25% to 15% and removed exemptions and industry-specific allowances in 2006 and saw their corporate income tax revenue grow by 27% in the following year, and in 2008/09 it increased by 65%.

What do the Paying taxes indicators measure?

Tax payments for a manufacturing company in 2009
(number per year adjusted for electronic or joint filing and payment)

- Total number of taxes and contributions paid, including consumption taxes (value added tax, sales tax or goods and service tax)
- Method and frequency of filing and payment

Time required to comply with 3 major taxes (hours per year)

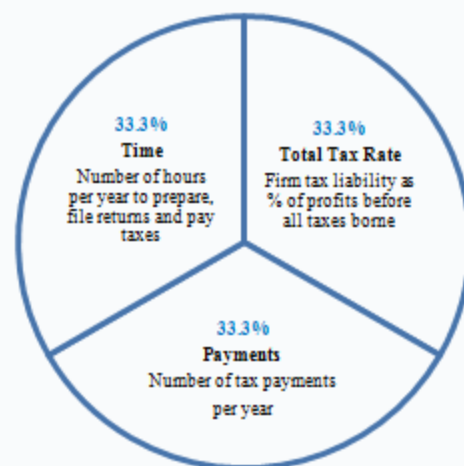
- Collecting information and computing the tax payable
- Completing tax return forms, filing with proper agencies
- Arranging payment or withholding
- Preparing separate tax accounting books, if required

Total tax rate (% of profit)

- Profit or corporate income tax
- Mandatory social contributions and labor taxes paid by the employer
- Property and property transfer taxes
- Dividend, capital gains and financial transactions taxes
- Waste collection, vehicle, road and other taxes

Paying Taxes: tax compliance for a local manufacturing company

Rankings are based on 3 subindicators



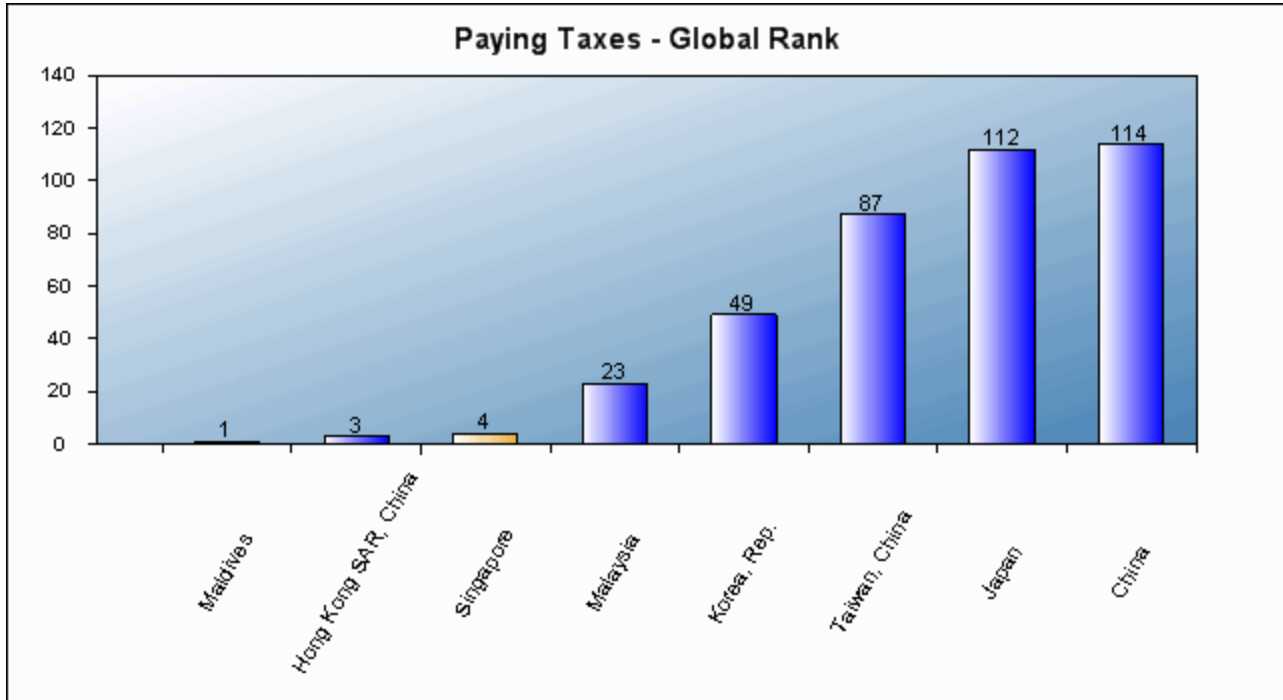
Case Study Assumptions

- TaxpayerCo is a medium-size business that started operations 2 years ago.
- Tax practitioners are asked to review its financial statements, as well as a standard list of transactions that the company completed during the year.
- Respondents are asked how much in taxes and mandatory contributions the business must pay and what the process is for doing so.
- The business starts from the same financial position in each economy. All the taxes and mandatory contributions paid during the second year of operation are recorded.
- Taxes and mandatory contributions are measured at all levels of government
- Taxes and mandatory contributions include corporate income tax, turnover tax, all labor taxes and contributions paid by the company.
- A range of standard deductions and exemptions are also recorded.

1. Benchmarking Paying Taxes Regulations:

Singapore is ranked 4 overall for Paying Taxes.

Ranking of Singapore in Paying Taxes - Compared to good practice and selected economies:



The following table shows Paying Taxes data for Singapore compared to good practice and comparator economies:

| Good Practice Economies | Payments (number per year) | Time (hours per year) | Total tax rate (% profit) |
|--------------------------------|-----------------------------------|------------------------------|----------------------------------|
| Maldives* | 3 | 0 | |
| Timor-Leste | | | 0.2 |

| <i>Selected Economy</i> | | | |
|-------------------------|----------|-----------|-------------|
| Singapore | 5 | 84 | 25.4 |

| <i>Comparator Economies</i> | | | |
|-----------------------------|----|-----|------|
| China | 7 | 398 | 63.5 |
| Hong Kong SAR, China | 3 | 80 | 24.1 |
| Japan | 14 | 355 | 48.6 |
| Korea, Rep. | 14 | 250 | 29.8 |
| Malaysia | 12 | 145 | 33.7 |
| Taiwan, China | 17 | 269 | 41.9 |

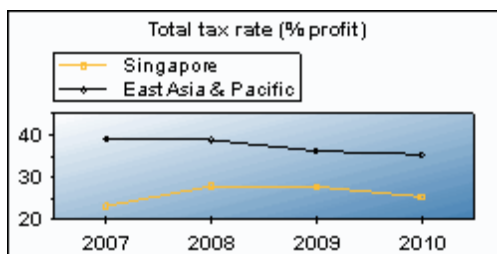
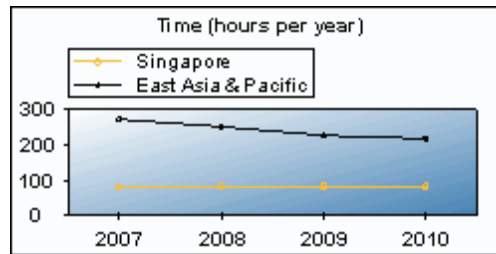
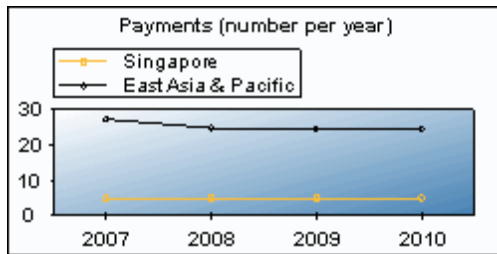
* The following economies are also good practice economies for :

Payments (number per year): Qatar

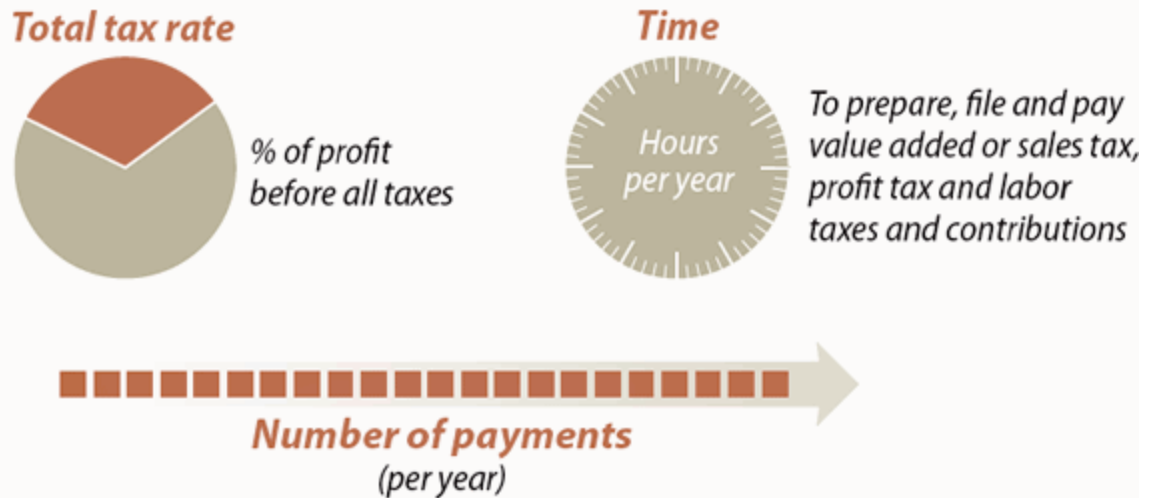
2. Historical data: Paying Taxes in Singapore

| Paying Taxes data | Doing Business 2008 | Doing Business 2009 | Doing Business 2010 | Doing Business 2011 |
|----------------------------|---------------------|---------------------|---------------------|---------------------|
| Rank | .. | .. | 5 | 4 |
| Total tax rate (% profit) | 23.2 | 27.9 | 27.8 | 25.4 |
| Payments (number per year) | 5 | 5 | 5 | 5 |
| Time (hours per year) | 80 | 84 | 84 | 84 |

3. The following graphs illustrate the Paying Taxes sub indicators in Singapore over the past 4 years:



What are the time, total tax rate and number of payments necessary for a local medium-sized company to pay all taxes?



The table below addresses the taxes and mandatory contributions that a medium-size company must pay or withhold in a given year in Singapore, as well as measures of administrative burden in paying taxes.

| Tax or mandatory contribution | Payments (number) | Notes on Payments | Time (hours) | Statutory tax rate | Tax base | Total tax rate (% profit) | Notes on TTR |
|-------------------------------|-------------------|-------------------|--------------|--------------------|----------------|---------------------------|--------------|
| Value added tax (GST) | 1 | online filing | 40 | 7.0% | value added | | |
| Road tax | 1 | | | fixed fee | engine size | 0.00 | |
| Property tax | 1 | | | 10% (40% rebate) | property value | 3.10 | |
| Corporate income tax | 1 | online filing | 34 | 17.0% | taxable profit | 7.40 | |
| Social Security Contributions | 1 | online filing | 10 | 14.5% | gross salaries | 14.90 | |
| Totals | 5 | | 84 | | | 25.4 | |

Making trade between countries easier is increasingly important for business in today's globalized world. Excessive document requirements, burdensome customs procedures, inefficient port operations and inadequate infrastructure all lead to extra costs and delays for exporters and importers, stifling trade potential. Trade facilitation tools such as electronic data interchange systems, risk-based inspections, and single windows help improve an economy's trading environment and boost firms' international competitiveness. *Doing Business* trade indicators take into account documents, cost and time associated with every procedure for trading a standard shipment of goods by ocean transport. Research indicates that exporters in developing countries have much more to gain by a 10% drop in their trading costs than from a similar decrease of the tariffs applied to their products in global markets.

Some reform outcomes

In Georgia, reducing customs clearance time by a day has led to operational savings of an estimated \$288 per truck, or an annual \$133 million for the country's whole trading community given the growing amount of cross-border trade in recent years.

In Korea, predictable cargo processing times and rapid turnover by ports and warehouses provide a benefit to the Korean economy of some \$2 billion annually.

What do the Trading Across Borders indicators measure?

Trading Across Borders: exporting and importing by ocean transport

Rankings are based on 3 subindicators

Documents required to export and import (number)

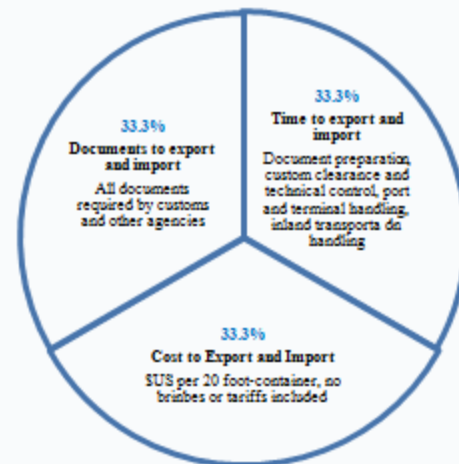
- Bank documents
- Customs clearance documents
- Port and terminal handling documents
- Transport documents

Time required to export and import (days)

- Obtaining all the documents
- Inland transport and handling
- Customs clearance and inspections
- Port and terminal handling
- Does not include ocean transport time

Cost required to export and import (US\$ per container)

- All documentation
- Inland transport and handling
- Customs clearance and inspections
- Port and terminal handling
- Official costs only, no bribes



Case Study Assumptions

The Business

- Has at least 60 employees and is located in the economy's largest business city
- Is a private, limited liability company, which exports more than 10% of its sales. It is fully domestically owned and does not operate in an export processing zone or an industrial estate with special export or import privileges

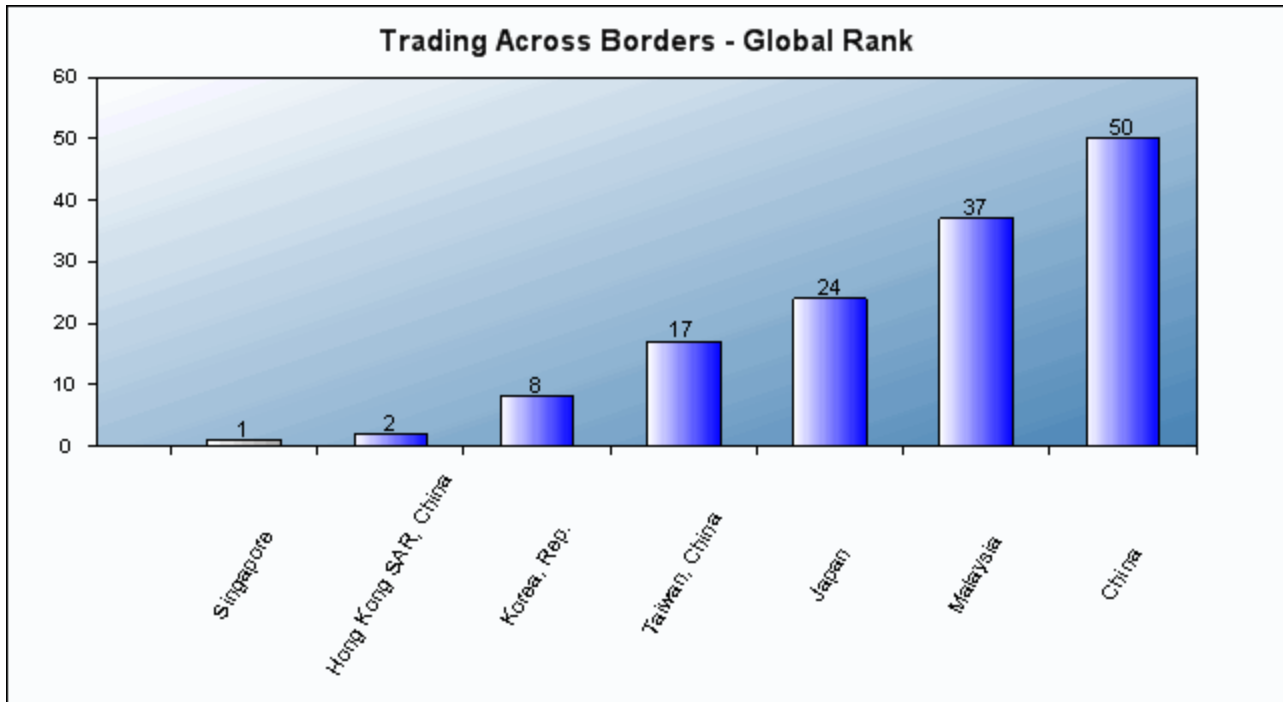
The traded product

- Is transported in a dry-cargo, 20-foot full container load; weighs 10 tons and is valued at \$20,000
- Is not hazardous or include military items; it does not require special phytosanitary or environmental safety standards, refrigeration or any other special environment
- Is one of the economy's leading export or import products

1. Benchmarking Trading Across Borders Regulations:

Singapore is ranked 1 overall for Trading Across Borders.

Ranking of Singapore in Trading Across Borders - Compared to good practice and selected economies:



The following table shows Trading Across Borders data for Singapore compared to good practice and comparator economies:

| Good Practice Economies | Documents to export (number) | Time to export (days) | Cost to export (US\$ per container) | Documents to import (number) | Time to import (days) | Cost to import (US\$ per container) |
|--------------------------------|-------------------------------------|------------------------------|--|-------------------------------------|------------------------------|--|
| Denmark* | | 5 | | | | |
| France | 2 | | | 2 | | |
| Malaysia | | | 450 | | | |
| Singapore | | | | | 4 | 439 |

| <i>Selected Economy</i> | | | | | | |
|-------------------------|----------|----------|------------|----------|----------|------------|
| Singapore | 4 | 5 | 456 | 4 | 4 | 439 |

| <i>Comparator Economies</i> | | | | | | |
|-----------------------------|---|----|------|---|----|------|
| China | 7 | 21 | 500 | 5 | 24 | 545 |
| Hong Kong SAR, China | 4 | 6 | 625 | 4 | 5 | 600 |
| Japan | 4 | 10 | 1010 | 5 | 11 | 1060 |
| Korea, Rep. | 3 | 8 | 790 | 3 | 7 | 790 |
| Malaysia | 7 | 18 | 450 | 7 | 14 | 450 |
| Taiwan, China | 5 | 12 | 645 | 6 | 12 | 700 |

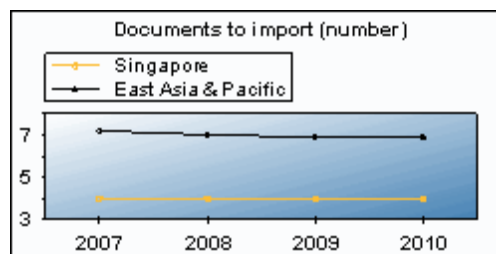
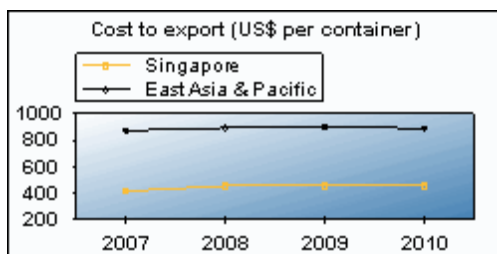
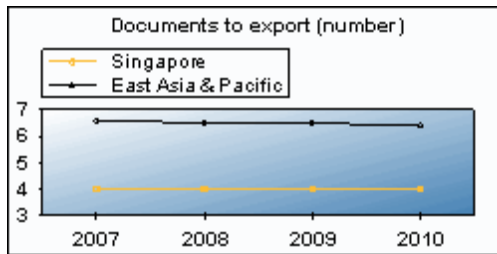
* The following economies are also good practice economies for :

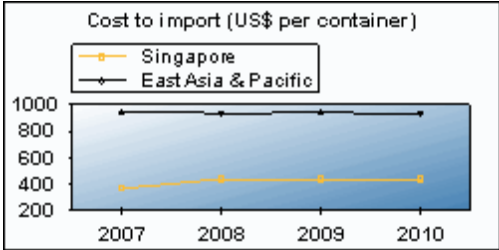
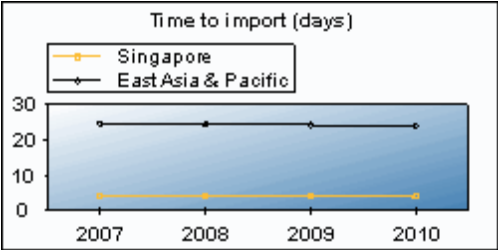
Time to export (days): Estonia

2. Historical data: Trading Across Borders in Singapore

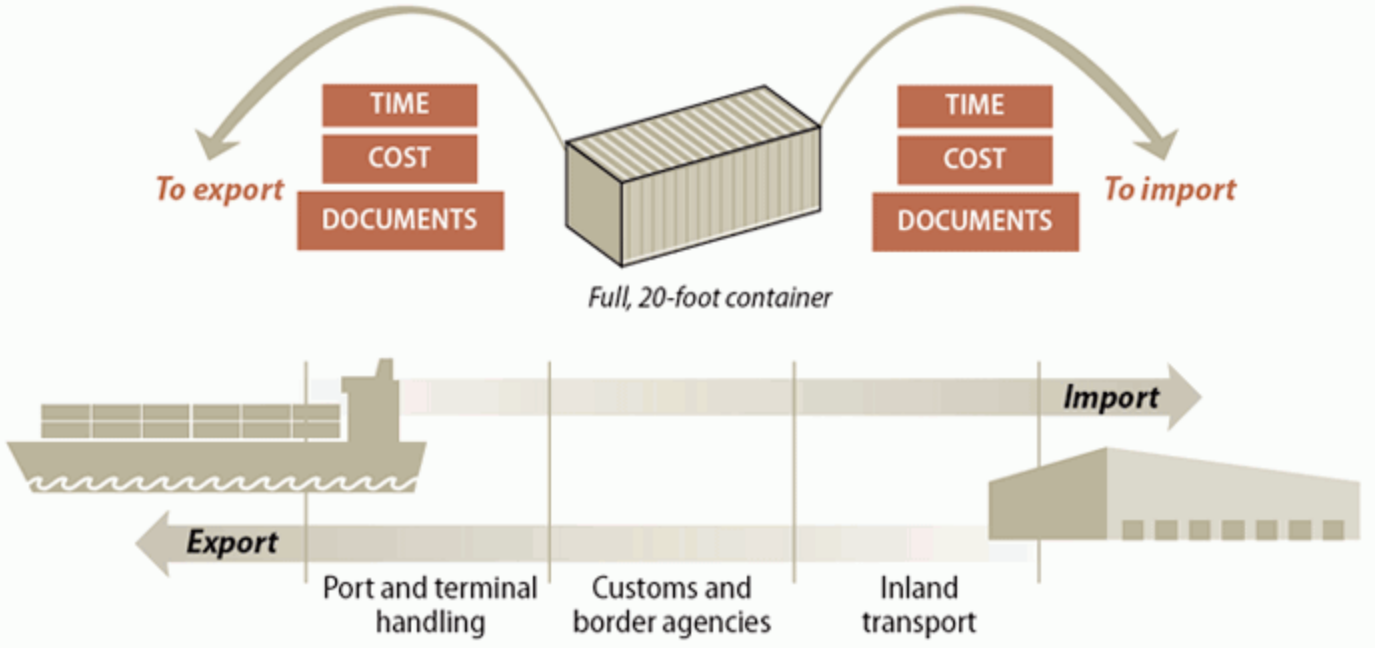
| Trading Across Borders data | Doing Business 2008 | Doing Business 2009 | Doing Business 2010 | Doing Business 2011 |
|-------------------------------------|---------------------|---------------------|---------------------|---------------------|
| Rank | .. | .. | 1 | 1 |
| Cost to export (US\$ per container) | 416 | 456 | 456 | 456 |
| Cost to import (US\$ per container) | 367 | 439 | 439 | 439 |
| Documents to export (number) | 4 | 4 | 4 | 4 |
| Documents to import (number) | 4 | 4 | 4 | 4 |
| Time to export (days) | 5 | 5 | 5 | 5 |
| Time to import (days) | 4 | 4 | 4 | 4 |

3. The following graphs illustrate the Trading Across Borders sub indicators in Singapore over the past 4 years:





How much time, how many documents and what cost to export and import across borders by ocean transport?



These tables list the procedures necessary to import and export a standardized cargo of goods in Singapore. The documents required to export and import the goods are also shown.

| Nature of Export Procedures (2010) | Duration (days) | US\$ Cost |
|---|-----------------|-----------|
| Documents preparation | 1 | 105 |
| Customs clearance and technical control | 1 | 31 |
| Ports and terminal handling | 1 | 180 |
| Inland transportation and handling | 2 | 140 |
| Totals | 5 | 456 |

| Nature of Import Procedures (2010) | Duration (days) | US\$ Cost |
|---|-----------------|-----------|
| Documents preparation | 1 | 88 |
| Customs clearance and technical control | 1 | 31 |
| Ports and terminal handling | 1 | 180 |
| Inland transportation and handling | 1 | 140 |
| Totals | 4 | 439 |

Documents for Export and Import

Export

- Bill of lading
- Commercial invoice
- Customs export declaration
- Packing list

Import

- Bill of lading
- Commercial invoice
- Customs import declaration
- Packing list

Well functioning courts help businesses expand their network and markets. Where contract enforcement is efficient, firms have greater access to credit and are more likely to engage with new borrowers or customers. *Doing Business* measures the efficiency of the judicial system in resolving a commercial sale dispute before local courts. Following the step-by-step evolution of a standardized case study, data relating to the time, cost and procedural complexity of resolving a commercial lawsuit are collected through study of the codes of civil procedure and other court regulations, as well as through surveys completed by local litigation lawyers (and, in a quarter of the countries, by judges as well).

Some reform outcomes

In Rwanda the implementation of specialized commercial courts in May 2008 resulted in a significant decrease of the case backlog, and contributed to reduce the time to resolve a commercial dispute by nearly 3 months.

In Austria a "data highway" for the courts that allows attachments to be sent electronically has produced savings of €4.4 million in postage alone.

What do the Enforcing Contracts indicators measure?

Procedures to enforce a contract (number)

- Any interaction between the parties in a commercial dispute, or between them and the judge or court officer
- Steps to file the case
- Steps for trial and judgment
- Steps to enforce the judgment

Time required to complete procedures (calendar days)

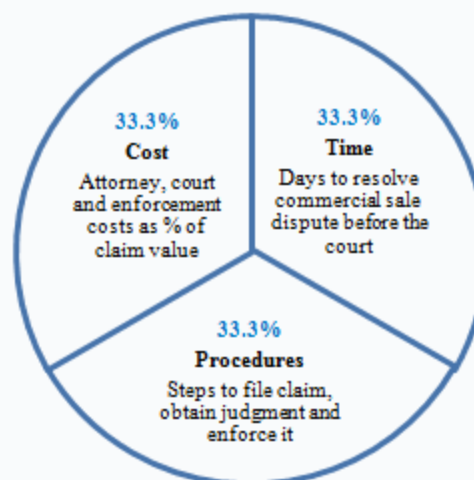
- Time to file and serve the case
- Time for trial and obtaining judgment
- Time to enforce the judgment

Cost required to complete procedures (% of claim)

- No bribes
- Average attorney fees
- Court costs, including expert fees
- Enforcement costs

Enforcing Contracts: resolving a commercial dispute through the courts

Rankings are based on 3 subindicators



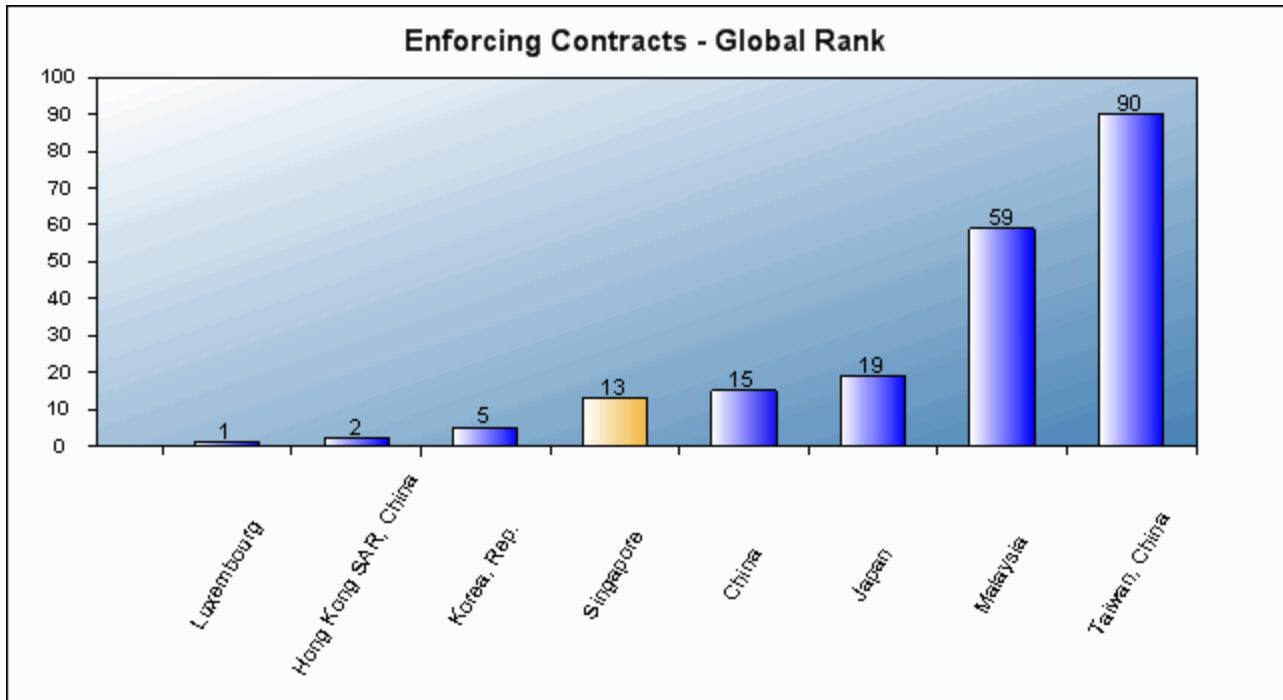
Case Study Assumptions

- Seller and Buyer are domestic companies
- Buyer orders custom-made goods, then does not pay
- Seller sues Buyer before competent court
- Value of claim is 200% of GNI per capita
- Seller requests pre-trial attachment to secure claim
- Dispute on quality of the goods requires expert opinion
- Judge decides in favor of Seller, no appeal
- Seller enforces judgment through a public sale of Buyer's movable assets.

1. Benchmarking Enforcing Contracts Regulations:

Singapore is ranked 13 overall for Enforcing Contracts.

Ranking of Singapore in Enforcing Contracts - Compared to good practice and selected economies:



The following table shows Enforcing Contracts data for Singapore compared to good practice and comparator economies:

| Good Practice Economies | Procedures (number) | Time (days) | Cost (% of claim) |
|--------------------------------|----------------------------|--------------------|--------------------------|
| Bhutan | | | 0.1 |
| Ireland | 20 | | |
| Singapore | | 150 | |

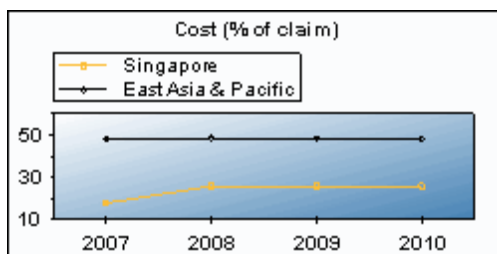
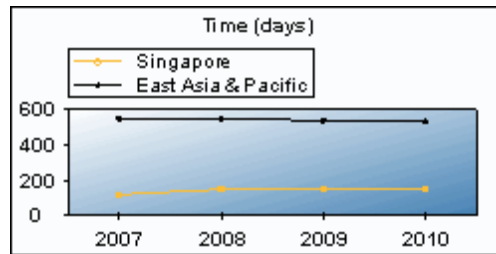
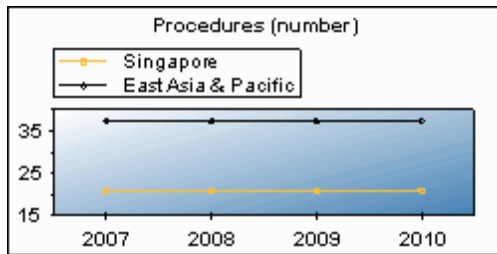
| <i>Selected Economy</i> | | | |
|-------------------------|-----------|------------|-------------|
| Singapore | 21 | 150 | 25.8 |

| <i>Comparator Economies</i> | | | |
|-----------------------------|----|-----|------|
| China | 34 | 406 | 11.1 |
| Hong Kong SAR, China | 24 | 280 | 19.5 |
| Japan | 30 | 360 | 22.7 |
| Korea, Rep. | 35 | 230 | 10.3 |
| Malaysia | 30 | 585 | 27.5 |
| Taiwan, China | 47 | 510 | 17.7 |

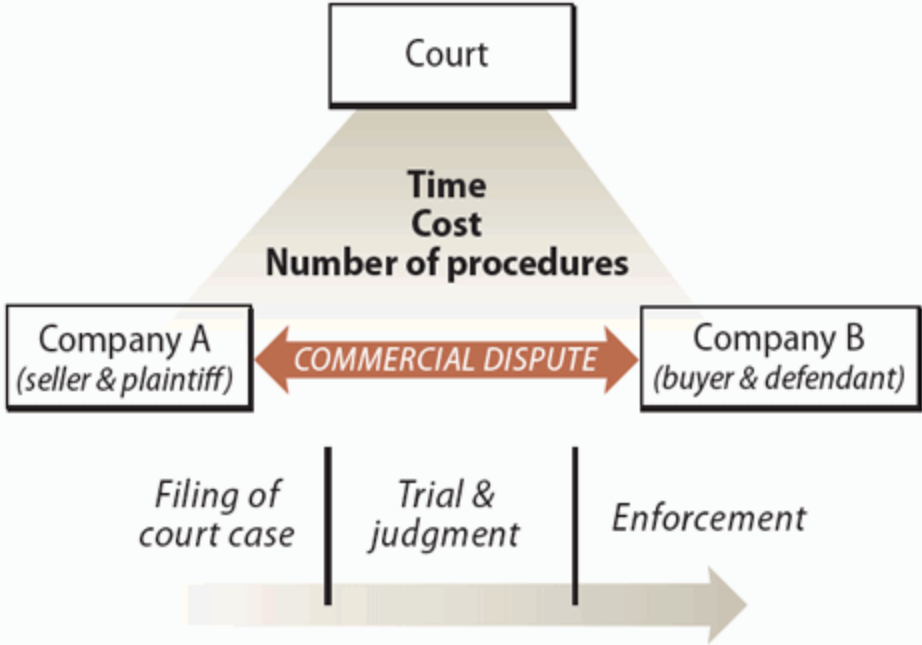
2. Historical data: Enforcing Contracts in Singapore

| Enforcing Contracts data | Doing Business 2008 | Doing Business 2009 | Doing Business 2010 | Doing Business 2011 |
|--------------------------|---------------------|---------------------|---------------------|---------------------|
| Rank | .. | .. | 13 | 13 |
| Procedures (number) | 21 | 21 | 21 | 21 |
| Time (days) | 120 | 150 | 150 | 150 |
| Cost (% of claim) | 17.8 | 25.8 | 25.8 | 25.8 |

3. The following graphs illustrate the Enforcing Contracts sub indicators in Singapore over the past 4 years:



What are the time, cost and number of procedures to resolve a commercial dispute through the courts?



This topic looks at the efficiency of contract enforcement in Singapore.

| Nature of Procedure (2010) | Indicator |
|-------------------------------|--------------|
| Procedures (number) | 21 |
| Time (days) | 150 |
| Filing and service | 6.0 |
| Trial and judgment | 118.0 |
| Enforcement of judgment | 26.0 |
| Cost (% of claim)* | 25.80 |
| Attorney cost (% of claim) | 20.9 |
| Court cost (% of claim) | 2.8 |
| Enforcement Cost (% of claim) | 2.1 |

Court information: Singapore District Court,
Subordinate Court

* Claim assumed to be equivalent to 200% of income per capita.

A robust bankruptcy system functions as a filter, ensuring the survival of economically efficient companies and reallocating the resources of inefficient ones. Fast and cheap insolvency proceedings result in businesses' speedy return to normal operation and increase returns to creditors. By improving the expectations of creditors and debtors about the outcome of insolvency proceedings, well-functioning insolvency systems can facilitate access to finance, save more viable businesses, and thereby improve growth and sustainability in the economy overall.

Some reform outcomes

A study of the 2005 bankruptcy reform in Brazil found that it had led to an average reduction of 22% in the cost of credit for Brazilian companies, a 39% increase in overall credit and a 79% increase in long-term credit in the economy. The purpose of the reform was to improve creditor protection in insolvency proceedings.

Following the introduction of debtor-in-possession reorganizations in Korea in 2006, the number of reorganization filings increased from 76 in 2006 to 670 in 2009.

What does the Closing a Business indicator measure?

Closing a Business: insolvency proceedings against local company

Time required to recover debt (years)

- Measured in calendar years
- Appeals and requests for extension are included

Cost required to recover debt (% of debtor's estate value)

- Measured as percentage of estate value
- Court fees
- Fees of insolvency administrators
- Lawyers' fees
- Assessors' and auctioneers' fees
- All other fees and costs

Recovery rate for creditors (cents on the dollar)

- Measures the cents on the dollar recovered by creditors
- Present value of debt recovered
- Costs of the insolvency proceedings are deducted
- Depreciation of furniture is taken into account
- Outcome for the business (survival or not) affects the maximum value that can be recovered



Case Study Assumptions

The Company

- is domestically owned
- is a limited liability company operating a hotel
- operates in the economy's largest business city
- has 201 employees, 1 secured creditor and 50 unsecured creditors
- has a higher value as a going concern and a lower value in a piecemeal sale of assets

1. Benchmarking Closing Business Regulations:

Singapore is ranked 2 overall for Closing a Business.

Ranking of Singapore in Closing Business - Compared to good practice and selected economies:



The following table shows Closing Business data for Singapore compared to good practice and comparator economies:

| Good Practice Economies | Recovery rate (cents on the dollar) | Time (years) | Cost (% of estate) |
|--------------------------------|--|---------------------|---------------------------|
| Ireland | | 0.4 | |
| Japan | 92.7 | | |
| Singapore* | | | 1 |

| <i>Selected Economy</i> | | | |
|-------------------------|-------------|------------|----------|
| Singapore | 91.3 | 0.8 | 1 |

| <i>Comparator Economies</i> | | | |
|-----------------------------|------|-----|----|
| China | 36.4 | 1.7 | 22 |
| Hong Kong SAR, China | 81.2 | 1.1 | 9 |
| Japan | 92.7 | 0.6 | 4 |
| Korea, Rep. | 81.7 | 1.5 | 4 |
| Malaysia | 39.8 | 2.3 | 15 |
| Taiwan, China | 82.2 | 1.9 | 4 |

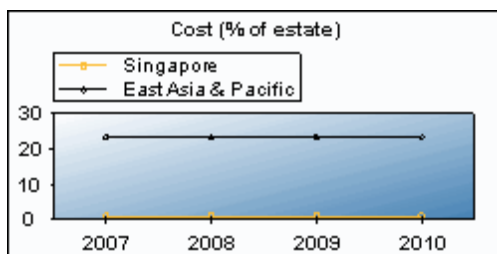
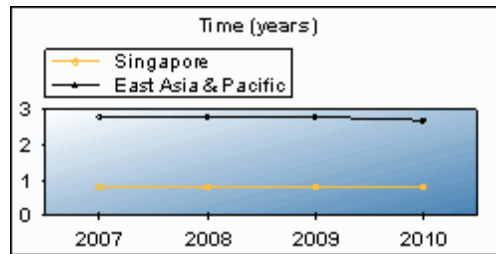
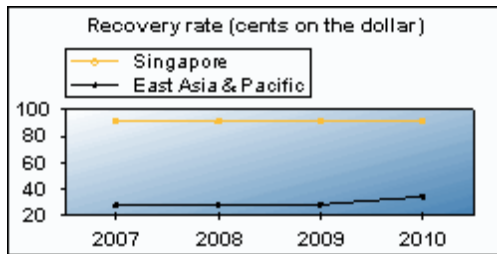
* The following economies are also good practice economies for :

Cost (% of estate): Colombia, Kuwait, Norway

2. Historical data: Closing Business in Singapore

| Closing a Business data | Doing Business 2008 | Doing Business 2009 | Doing Business 2010 | Doing Business 2011 |
|-------------------------------------|---------------------|---------------------|---------------------|---------------------|
| Rank | .. | .. | 2 | 2 |
| Time (years) | 0.8 | 0.8 | 0.8 | 0.8 |
| Cost (% of estate) | 1 | 1 | 1 | 1 |
| Recovery rate (cents on the dollar) | 91.3 | 91.3 | 91.3 | 91.3 |

3. The following graphs illustrate the Closing Business sub indicators in Singapore over the past 4 years:



Since 2004 Doing Business has been tracking reforms aimed at simplifying business regulations, strengthening property rights, opening access to credit and enforcing contracts by measuring their impact on 10 indicator sets . * Nearly 1,000 reforms have had an impact on these indicators. *Doing Business 2011*, covering June 2009 to June 2010, reports that 117 economies implemented 216 reforms to make it easier to start a business. 64% of economies measured by Doing Business have reformed this year, focusing on easing business start-up, lightening the tax burden, simplifying import and export regulations and improving credit information systems.

The top 10 most-improved in Doing Business 2011

| Economy | Indicator | | | | | | | | | |
|-------------------|---------------------|-----------------------------------|----------------------|----------------|----------------------|--------------|------------------------|---------------------|--------------------|-------------------|
| | Starting a Business | Dealing with Construction Permits | Registering Property | Getting Credit | Protecting Investors | Paying Taxes | Trading Across Borders | Enforcing Contracts | Closing a Business | Employing Workers |
| Kazakhstan | ✓ | ✓ | | | | ✓ | ✓ | | | |
| Rwanda | | ✓ | | ✓ | | | ✓ | | | |
| Peru | ✓ | ✓ | ✓ | | | | ✓ | | | |
| Vietnam | ✓ | ✓ | | ✓ | | | | | | |
| Cape Verde | ✓ | | ✓ | | | | ✓ | | | |
| Tajikistan | ✓ | | | | ✓ | | ✓ | | | |
| Zambia | ✓ | | | | | | ✓ | ✓ | | |
| Hungary | | ✓ | ✓ | | | | ✓ | | | ✓ |
| Grenada | ✓ | | ✓ | | | | ✓ | | | |
| Brunei Darussalam | ✓ | | | | | | ✓ | ✓ | | |

✓ Positive Change
 ✗ Negative Change

* For *Doing Business 2011* the Employing Workers indicator is not included in the aggregate ease of doing business ranking.

Summary of changes to business regulation in top 10 most improved economies in *Doing Business 2011* and selected comparator economies.

| | |
|-----------------------------|---|
| Brunei Darussalam | Brunei Darussalam made starting a business easier by improving efficiency at the company registrar and implementing an electronic system for name searches. Brunei Darussalam reduced the corporate income tax rate from 23.5% to 22% while also introducing a lower tax rate for small businesses, ranging from 5.5% to 11%. The introduction of an electronic customs system in Brunei Darussalam made trading easier. |
| Cape Verde | Cape Verde made start-up easier by eliminating the need for a municipal inspection before a business begins operations and computerizing the system for delivering the municipal license. Cape Verde eased property registration by switching from fees based on a percentage of the property value to lower fixed rates. Cape Verde abolished the stamp duties on sales and checks. |
| China | China's new corporate income tax law unified the tax regimes for domestic and foreign enterprises and clarified the calculation of taxable income for corporate income tax purposes. |
| Grenada | Grenada eased business start-up by transferring responsibility for the commercial registry from the courts to the civil administration. The appointment of a registrar focusing only on property cut the time needed to transfer property in Grenada by almost half. Grenada's customs administration made trading faster by simplifying procedures, reducing inspections, improving staff training and enhancing communication with users. |
| Hong Kong SAR, China | Hong Kong SAR (China) abolished the fuel tax on diesel. Reforms implemented in the civil justice system of Hong Kong SAR (China) will help increase the efficiency and cost-effectiveness of commercial dispute resolution. |
| Hungary | Hungary implemented a time limit for the issuance of building permits. Hungary reduced the property registration fee by 6% of the property value. Hungary simplified taxes and tax bases. Amendments to Hungary's bankruptcy law encourage insolvent companies to consider reaching agreements with creditors out of court so as to avoid bankruptcy. |
| Japan | Japan made it easier to deal with insolvency by establishing a new entity, the Enterprise Turnaround Initiative Corporation, to support the revitalization of companies suffering from excessive debt but professionally managed. |
| Kazakhstan | Kazakhstan eased business start-up by reducing the minimum capital requirement to 100 tenge (\$0.70) and eliminating the need to have the memorandum of association and company charter notarized. Kazakhstan made dealing with construction permits easier by implementing a one-stop shop related to technical conditions for utilities. Kazakhstan strengthened investor protections by requiring greater corporate disclosure in company annual reports. Kazakhstan speeded up trade through efforts to modernize customs, including implementation of a risk management system and improvements in customs automation. |
| Korea, Rep. | Korea made it easier to deal with insolvency by introducing postfiling financing, granting superpriority to the repayment of loans given to companies undergoing reorganization. |
| Malaysia | Malaysia eased business start-up by introducing more online services. Malaysia's introduction of online stamping reduced the time and cost to transfer property. |
| Peru | Peru eased business start-up by simplifying the requirements for operating licenses and creating an online one-stop shop for business registration. Peru streamlined construction permitting by implementing administrative reforms. Peru introduced fast-track procedures at the land registry, cutting by half the time needed to register property. Peru made trading easier by implementing a new web-based electronic data interchange system, risk-based inspections and payment deferrals. |
| Rwanda | Rwanda made dealing with construction permits easier by passing new building regulations at the end of April 2010 and implementing new time limits for the issuance of various permits. Rwanda enhanced access to credit by allowing borrowers the right to inspect their own credit report and mandating that loans of all sizes be reported to the central bank's public credit registry. Rwanda reduced the number of trade documents required and enhanced its joint border management procedures with Uganda and other neighbors, leading to an improvement in the trade logistics environment. |

| | |
|----------------------|--|
| Taiwan, China | Taiwan (China) eased business start-up by reducing the time required to check company names, register retirement plans and apply for health, pension and labor insurance. Taiwan (China) reduced the corporate income tax rate and simplified tax return forms, rules for assessing corporate income tax and the calculation of interim tax payments. |
| Tajikistan | Tajikistan made starting a business easier by creating a one-stop shop that consolidates registration with the state and the tax authority. Tajikistan strengthened investor protections by requiring greater corporate disclosure in the annual report and greater access to corporate information for minority investors. Tajikistan lowered its corporate income tax rate. |
| Vietnam | Vietnam eased company start-up by creating a one-stop shop that combines the processes for obtaining a business license and tax license and by eliminating the need for a seal for company licensing. Vietnam made dealing with construction permits easier by reducing the cost to register newly completed buildings by 50% and transferring the authority to register buildings from local authorities to the Department of National Resources and Environment. Vietnam improved its credit information system by allowing borrowers to examine their own credit report and correct errors. |
| Zambia | Zambia eased business start-up by eliminating the minimum capital requirement. Zambia eased trade by implementing a one-stop border post with Zimbabwe, launching web-based submission of customs declarations and introducing scanning machines at border posts. Zambia improved contract enforcement by introducing an electronic case management system in the courts that provides electronic referencing of cases, a database of laws, real-time court reporting and public access to court records. |



WWW.DOINGBUSINESS.ORG