

Chapter 3

Cheaper and Faster Start-up and Better Legislation and Regulation

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Chapter 3

Cheaper and Faster Start-up and Better Legislation and Regulation

1. Introduction and Assessment Framework

Improvements in the registration process will most likely increase company creation. By formalizing its business, a private company can reap the benefits of having access to business services, finance or government procurement, thus increasing its chances for productivity improvements.

Improved business registration procedures can help improve the overall business environment for the private sector and at the same time raise the standard of government services. Because a company is most fragile during its start-up stage, it is important that the process of registration which it has to go through does not delay nor hamper the start of its operations. In particular, the registration procedure should not be lengthy and costly; otherwise, SMEs might be unduly burdened and discouraged to pursue their entrepreneurial activities (OECD, 2009 and Haryo, 2012).

It is important to note that for the SMEs to thrive, they require good rules; rules that establish and clarify property rights, reduce the cost of resolving disputes, increase the predictability of economic interactions, and provide contractual partners with certainty and protection against abuse (World Bank Doing Business).

However, instead of providing regulations that are efficient, accessible to all and simple in their implementation, government often hamper SMEs' growth by imposing unnecessary regulatory red tape.

Therefore, in order to make easy start-ups and formulate friendlier legislation and regulations for SMEs, two policy sub-dimensions are essential (Figure 9):

(i) **Cheaper and faster start-up** which includes procedures and costs for business registration and complete process for SMEs' entry into operation, online access, one-stop-shop for registration, and start-ups.

In general, a set of laws and regulations affecting general business and SMEs include: business registration, licensing, labor regulation, property registration, credit regulation, corporate governance, tax administration, trade and investment, contract enforcement, dispute settlement, production and environment standards, competition, procurement, and public governance.

(ii) **Due process for legislative and regulatory review and framework for regulatory impact analysis (RIA)** to make sure that existing and new legislations and regulations would not impose burden on SMEs.

Figure 9: Assessment Framework for Cheaper and Faster Start-up and Better Legislation and Regulation for SMEs



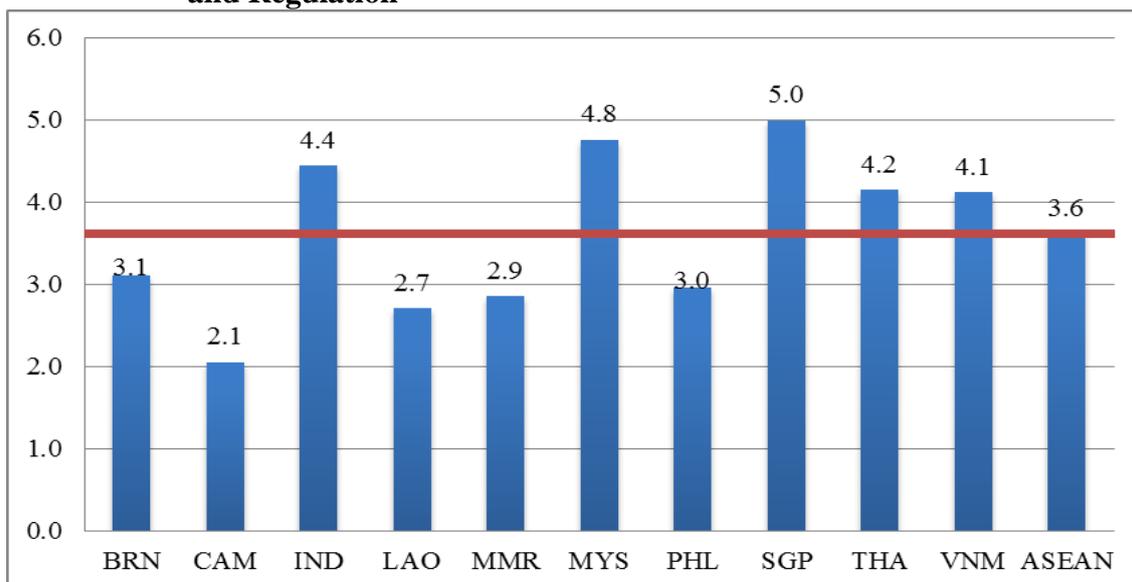
After an enterprise is formalized, it will face various regulatory burdens which may affect SMEs disproportionately because the capacity of SMEs to tackle, understand and comply with complex regulation is limited. Simplifying the regulation and making it more transparent supports entrepreneurship and market entry, and is therefore integral to the development of SMEs.

While there are laws and regulations as well as agencies involved in SME-related programmes on different functional areas that are directed at specific target groups, the lack of specialized talents and technical expertise of the government agencies concerned in providing advisory services, limit the effectiveness and outreach of some of these programs. In view of this, the setting up of a systematic and collective effort as well as clear framework and process for regulatory review and impact assessment is imperative.

2. Assessment results

There are also variations between the two groups of AMSs in making start-ups cheaper and easier, and in coming up with better legislation and regulations for SMEs. Procedures for business registration and the overall process for entry into operation by SMEs are, in general, simpler, faster, and cheaper in more advanced AMSs than in the CLMV countries. Most of the ASEAN-6 can provide online registration, one-stop shop services, and varieties of financial support for start-ups. Both existing and new legislation and regulations are also routinely and systematically reviewed using the RIA framework in these advanced AMSs. Refer to Figure 10 and Table 4 for the index scores of individual AMS.

Figure 10: Overall Scores for Cheaper and Faster Start-up and Better Legislation and Regulation



- **Singapore**

The ease of doing business in Singapore is reflected in its high standing (1st out of 189 economies) in the World Bank's Ease of Doing Business Index. Starting a business in Singapore is made easy with the availability of a single interface that helps start-ups save time, money, and make procedural requirements transparent and easier to access.

The Accounting and Corporate Regulatory Authority (ACRA) is the national regulator of business entities in Singapore and a statutory board under the Ministry of Finance. Bizfile (www.bizfile.gov.sg) is ACRA's online filing and information retrieval system. It offers close to 300 e-services, serving as a one-stop portal for businesses. Enterprises can register their business and monitor their registration progress through this portal. Direct registration of a business can be done with three administrative steps through this portal, and is typically approved within 3 days of payment. The official cost of obtaining the company registration certificate ranges between S\$ 100 to S\$600, and the minimum capital requirement is only a dollar. The overall rank for this category is at the highest level for Singapore.

The Government also encourages the formation of innovative start-ups, and provides strong support through financial assistance schemes, and the Action Community for Entrepreneurship (ACE). ACE is a public-private partnership formed in 2003 which aims to create a more entrepreneurial Singapore. It supports start-ups through facilitating networks, mentoring, funding, and going overseas. The ACE start-up grant of up to S\$50,000 is one of the assistance schemes available for entrepreneurs. Another scheme available is the Technology Enterprise Commercialization Scheme (TECS) which aims to catalyze the formation and growth of technologically innovative start-ups with support of up to S\$250,000 for the first phase of development.

In terms of regulation and legislation, the Government consults the market for all new proposed regulations and legislation. These inputs will be taken into account during the analysis on the impact of the proposed regulation on relevant stakeholders. For existing regulations, the Pro-Enterprise Panel (PEP) comprising public and private sector members was set up in 2000 to help businesses overcome rules that may hinder them unnecessarily. Since 2000, the PEP has received more than 1,800 suggestions and accepted more than half of them.

- **Malaysia**

In Malaysia, Suruhanjaya Syarikat Malaysia (SSM) or the Companies Commission of Malaysia is a statutory body that is responsible for incorporating companies and

registering businesses. It also provides company and business information to the public. Under The One Day Incorporation Initiative implemented by SSM, a company can obtain the registration certificate in one day and the registration process would normally require 3 administrative steps with the official cost of obtaining the business registration certificate amounting to about US\$422. The completion of the overall registration procedure, including obtaining the licenses for standard business activities, will take 6 days with 3 administrative steps for registration. The cost to complete the whole registration process is US\$ 507 which is about 5 percent of Malaysia's per capita income in 2012, and the minimum capital requirement is about US\$ 0.7.

Online registration for business to incorporate new companies is likewise available. Apart from incorporating companies electronically, other services offered include the search function, Incorporation of Company, Submission of Post Incorporation Forms and Payment, and later on, simultaneous registrations with five government agencies, namely, the Inland Revenue Board of Malaysia (IRB), Employees Provident Fund (EPF), Social Security Organisation (SOCSSO), Human Resource Development Fund (HRDF) and SME Corporation Malaysia (SME Corp).

To encourage the establishment of new businesses, particularly innovative SMEs, the Government, through the Malaysian Technology Development Corporation (MTDC), established the Business Start-up Fund (BSF) to fund new technology-based start-up companies. The Fund incorporates elements of loan and equity, offering companies flexible funding via Convertible Notes and/or Preferential Shares. The objective of the BSF is to support and encourage entrepreneurship and the creation of new strategic businesses that are important and potentially scalable, and to fund companies within eco-systems led by high technology firms.

Malaysia is committed to provide a conducive business environment to enhance the competitiveness of firms in the country. To realise this objective, the Malaysia Productivity Corporation (MPC) established a Regulatory Review Department in October 2010 to monitor, review and provide recommendations for smart regulation, and is targeting to substantially reduce the regulatory burden to businesses. This is

indeed a challenging task, as it involves massive transformation of processes across the entire strata of Malaysia's political, societal and most importantly, economic landscapes. The Government has launched the National Policy on the Development and Implementation of Regulations. Under this policy, all Federal Government regulators must undertake RIA and present the Regulatory Impact Statement (RIS) in the creation of all new regulations or review of regulations that relate to, or impact, business, investments and trade. The impact analysis and statement are assessed by the MPC accordingly. The process is also applicable for voluntary adoption by state governments and local authorities.

- **Thailand**

To enhance Thai business competitiveness, the Thai government aims to improve its rank in the Ease of Doing Business rating by the World Bank. In 2013, Thailand completed its e-starting business measure to provide one-stop services for business start-up. New information linkages among the Department of Business Development, the Revenue Department and the Social Security Office have also been established. As of now, main starting business procedures are provided at one stop and at a single point, and can be done online. Obtaining the business registration certificate can be done within one hour, with the cost of obtaining the business registration certificate of about US\$ 200. According to the World Bank Doing Business 2013, it took 29 days for completing the overall registration process, including compulsory licenses for standard business activities, in 2012. But after the E-starting measure, it now takes only five days to complete the entire required procedure. There are also only 4 administrative steps and the cost associated with the registration process is about 6.7 percent of gross national income per capita. There is no paid-in minimum capital requirement.

At the same time, there are one-stop shop offices for firm registration at the Department of Business Development and some other branches under the Bangkok Metropolitan Administration. To help promote new entrepreneurs, the current Thai government also provides financial service support for start-up businesses. The Start-up Business Fund, formally called the Entrepreneurs Fund, will be provided to finance small-sized,

innovative businesses of young people who have graduated from vocational colleges and universities. The total amount of this fund is US\$500 million. The applicants who are eligible and qualified may be given a maximum of US\$100,000, at a slight interest rate of small 1- 2 percent and a repayment term of 7-10 years. However, this financial service support is only for the early stage of implementation. Some regulations need to be amended to make the program more effective.

In addition, the new entrepreneurs/ start-up SMEs which have been operating for less than 3 years and are qualified can ask for credit guarantee from the Small Business Credit Guarantee Corporation. The guarantee for this scheme is set at THB 10,000 million and the maximum guarantee per bank is limited at THB 2 million. Apart from the financial services, another support given to the new entrepreneur is through training programs, with the new entrepreneur creation program being operated under the Department of Industrial Promotions. Although the abovementioned financial support tools are being used, some have just been newly approved and are available in limited amount and coverage.

Thailand has been implementing reviews and amendment of legislation and regulations for all government agencies since 1991. The legal reform is organized by the Law Reform Commission, Office of the Council of State. In 2004, the National Policy Commission on Law Development was created with the Prime Minister as Chairman. The new commission is to amend legislations and regulations that are not aligned with the Constitution and serve as hindrance to social and economic development. However, amendments of redundant or inappropriate legislations have been carried out very slowly. RIA is conducted as approved by the Council of Ministers on November 23, 2004. But while the ex-ante assessment has been done by government agencies with satisfactory outcomes, the ex-post evaluation is underdeveloped. In this regard, some RIA guidelines are undergoing preparation. Relatedly, most government agencies held public hearings before undertaking amendments especially for those regulations that have a large impact.

- **Indonesia**

Despite improvements, the business registration and start-up process in Indonesia still remains cumbersome and costly. Based on regulations, the company registration certificate and the permanent business trading license will be issued respectively within 3 days upon receipt of all necessary and completed documents. Yet in practice, it takes 3-7 days for this to happen. Similarly, although there is no official charge, there is usually an unofficial administrative fee charged, the amount of which may vary depending on negotiation and may range from about Rp 400-500 thousand for a small company, Rp 600-700 thousand for a medium company, and Rp 750 thousand-Rp 1 million for a large company.

Furthermore, the overall registration process must go through at least eight procedures, which takes about 47 working days. Overall, the registration process can cost up to 22.7 percent of total per capita income while the minimum capital required can reach 42.0 percent of total income per capita.

The Indonesian government has already established some kind of one-stop shops (OSS) called Pusat Pelayanan Terpadu Satu Pintu (PTSP) or Kantor Pelayanan Perijinan Terpadu (KPPT) in more than half of the Indonesian local governments. The establishment of OSS aims to simplify the processes for business registration so that companies no longer need to visit different local agencies to obtain permits. With the OSS, it is expected that red tape, costs, delay, and corruption associated with business licensing and permitting can be eliminated. The present status of existing OSS, however, varies across the regions.

In terms of financial services support for business start-up, meanwhile, the Indonesian government has also provided various financial services support. One of these is the Working Capital Assistance for Start-ups for new entrepreneurs. This assistance falls under the Government's Social Assistance Program and is targeted to new graduates from vocational schools, academies, and universities who are still unemployed. The government provides start-up capital of up to IDR 25 million (US\$ 2,500). It is not compulsory for the new entrepreneurs to pay back the grant/loan. Currently, there are

around 2160 graduates participating in this program. In addition, while the government has also provided many other financial services schemes for businesses start-up, the coverage of these programs is still small due to the limited government budget.

Supported by several donor-funded projects or agencies, the Indonesian government has taken up and applied the principle of the RIA in reviewing legislations and regulations. It has conducted numerous trainings on the RIA for local governments, the Bappenas and the DPR Secretariat. At the local and regional levels, legislation and regulation reviews using the RIA have been conducted albeit at a slower pace. The Indonesian private sector and NGOs have been more active in promoting and using RIA to identify regulatory problems and seek appropriate reforms.

- **Philippines**

The DTI-National Capital Region and DTI Provincial Offices nationwide administer the registration of business names for single proprietors. Registration takes less than 5 working days and requires 4-5 administrative steps. The official cost of obtaining the business registration certificate is greater than US\$50 but less than US\$100. DTI launched the Electronic Business Name Registration System or EBNRS in 2010. This is an anti-red tape initiative that has reduced the time, number of documents and signatures required to register a business name. With the EBNRS in place, entrepreneurs can get their DTI business name registration certificates in less than 30 minutes.

For partnerships and corporations, the Securities and Exchange Commission (SEC) is the government agency that gives the business enterprise its legal personality. Based on the World Bank's Ease of Doing Business, the overall registration process, including the grant of compulsory licenses for standard business activities, requires 36 days and entails 16 procedures. The cost is 18.1 percent of income per capita while the paid-in minimum capital requirement is 4.8 percent of income per capita.

In terms of online registration, enterprises are only able to submit registration forms but cannot actually register online. One-stop shops for business registration operate on the basis of multiple windows in one location but have limited geographical scope.

Significant progress should therefore be made in simplifying the overall registration process that is still quite cumbersome. It takes 6 days to obtain the business permit, 7 days to print receipts and invoices at the print shops, 7 days to register with the Social Security System, and 3 days to register the company with the SEC and receive pre-registered taxpayer identification number (TIN). The National Competitiveness Council is currently working closely with government agencies and the private sector to map out ways to streamline and simplify each process and eventually to automate.

The 2011-2016 MSMED Plan recognizes the absence of financial support for start-ups. There are two financing programs available for start-ups: Small Business Corporation Financing for Start-Up Enterprises and the Land Bank of the Philippines Easy Pongong Pang-Asenso. No evaluation has been done to assess the impact of these programs. Current government financial support for start-ups is still limited to have any significant impact. It is important to assess existing programs in terms of scope and delivery with a view to improve and broaden these support services to include business incubators as well as vouchers, grants and loans on favorable terms.

The review and amendment of legislations and regulations, meanwhile, is not conducted in a systematic way. There is also no systematic regulatory impact assessment although a simplified, pilot RIA program is being used in certain areas of regulations. There is a need to simplify and improve legislations and regulations as well as institutionalize the framework for conducting the RIA. Current challenges include the need to upgrade the level of skills and knowledge in the analysis of impacts of regulations on government and business, weak coordination across departments in the development and assessment of laws and regulations, and weak interface between government and business in regulatory development and implementation.

- **Brunei Darussalam**

The time taken for the issuance of a company registration certificate will depend on the type of company being registered. Once all documents have been submitted, the issuance can be done within 5 working days. For completion of the overall registration process and entry into operations, there are 4 main procedures for the incorporation or registration of a company. The time taken to complete the whole process is between 15 to 35 days. For regulated industries whereby additional approval needs to be obtained from another agency, the time taken to approve the registration of the business will depend on how quickly the agencies revert back to the Registrar of Companies (ROC).

The average cost of setting up a company will also depend on the authorized capital of the company. The higher the authorized capital, the higher the registration fee since this is based on a scale rate. However, for a minimum paid-up capital of B\$25,000 including professional fees and all the relevant filing and registration fees, the cost for obtaining the registration certificate is in the region of US\$1,700.

Although the ROC has introduced the e-Registration, individuals can only register the company at the ROC premises. There are still no provisions for the setting of companies online from a remote location.

According to the World Bank report on the Ease of Doing Business, there are 15 procedures in order for an individual to start business. The government is in the process of implementing the Business Licensing System (BLS) that will be under the responsibility of the Ministry of Industry and Primary Resources. The BLS will be a single portal window for applicants to monitor the whole approval process for their application -- from the incorporation of a company to the approval of a Miscellaneous License to the commencement of business. The BLS has been introduced in stages but hopes to be fully integrated with all the approving agencies by 2014. Currently, only authorized agents can register a company except for sole proprietorship and partnerships which will have to be done by the owners themselves.

The review of applicable laws is usually done by the relevant government departments, agencies or ministries that may either want to introduce new laws or make amendments to existing laws. The Attorney General's Office does not currently use RIA.

- **Viet Nam**

To simplify the administrative procedures for market entry, Viet Nam has implemented the consolidated registration mechanism, including business registration and tax registration, since 2010. This is a foundation for state agencies to coordinate in handling procedures to shorten the time for market entry to less than 5 days. Therefore, as regulated, the length of time for getting business registration certificate of common industries/ fields is no more than 5 days and registered enterprises are requested to complete only one administrative step (except for some special sectors). On average, the time for enterprise registration is 7-10 days (in some provinces, it takes only 3 working days).

In terms of number of administrative steps for obtaining the business registration certificate, there are 3 administrative steps for enterprises to submit their files at one-stop shops for business registration. In terms of registration fee, a registrant has to pay an official fee of about VND 200,000 (less than US\$10) to obtain an enterprise registration certificate.

According to the Business Registration Management Agency (BRMA), the time for completion of the overall registration process and entry into operations (starting a business) has been shortened from around 6-12 months in the 1990s to a maximum of 5 days now. Meanwhile, the time required to complete the overall registration process, including getting compulsory licenses for standard business activities, is about 30 working days.

Regarding the minimum capital requirement, existing legal regulations do not require any minimum amount of capital except for some specific sectors.

According to the World Bank Doing Business Report 2013, Viet Nam has made the process of starting a business easier in 2011-2012 by simplifying registration formalities (seal, publication, notarization, inspection and other requirements). Viet Nam's rank in the World Bank's ease of doing business report is at the 99th slot out of more than 185 economies. Starting a business ranked at 108th with 10 procedures, 34 days, cost at 8.7 percent of income per capita and no minimum capital required.

Online registration service has been provided for newly established enterprises, branches and representative office. All registration procedures are downloadable online. Various types of business (both single proprietorship and corporations) are able to do the registration process online and they can trace their registration process.

A one-stop-shop for registration was initially established in 2008, with the Department of Planning and Investment assigned the responsibility of receiving registration files relating to business, tax, and seal registration as issued regulations. So far, the one-stop shop has operated efficiently and there is only one step for all necessary registration and notification procedures (one window).

On the other hand, Viet Nam does not have any agency or organization specializing in the provision of financial services support for start-up firms at the central government level. The support for start-up firms is mainly carried through the provision of training assistance for human resource development and incubation services for newly start-up firms. However, only very few enterprises can access these services.

Viet Nam's government has set up a project (Project 30) on simplifying the administrative procedures in the state management sector for the period 2007-2010, creating an online national database on administrative procedures which makes it easier for businesses and individuals to search for. The implementation of this project has significantly reduced overlaps in the legal system by removing redundant and inappropriate regulations.

RIA has been applied in Viet Nam since 2008 after the approval of the Law on the Promulgation of Legal Document (Law No.17/2008/QH12). However, with no official guidelines on RIA and no unified procedure on its application, RIA's implementation has therefore not been done systematically. There is nonetheless some evidence that the outcomes of the RIA have been used to adopt and change regulations. Still, its application in Viet Nam remains limited due to the lack of understanding of the role of RIA in drafting procedures; lack of resources; lack of tools for applying RIA; and lack of monitoring and evaluation to ensure the right application of the RIA process.

- **Lao PDR**

The Enterprise Registration and Management Department (ERMD) of the Ministry of Industry and Commerce (MoIC) is in charge of the improvement of enterprises registration in Lao PDR. In order to improve the environment for enterprise start-up, government has issued legislations and regulations related to business start-up. As a result, the cost of business registration and business start-up has significantly declined. From the more than 50 working days needed in 2012 to complete the overall registration process, including compulsory licenses for standard activities, it now only takes about 5-10 working days to obtain a business registration certificate and requires just 2-3 administrative steps (from 6-7 steps before). The amount for obtaining the business registration certificate has also declined from about 5 to 10 percent of gross national income (GNI) per capita to US\$ 50. No minimum capital requirement is needed for general partnerships with personal liability.

In addition, SMEs will be able to make business registration at the village level. In this regard, a pilot program has been implemented in the provinces and is intended to expand to the whole country.

There is no online registration as yet in Lao PDR. One-Stop shops for business registration operate on the basis of multiple windows in one location and are limited in geographical scope. Because there is some support from donors, there are several financial support tools being implemented albeit in limited amount and coverage.

A concrete plan to carry out a systematic amendment of redundant or ineffective legislation and regulations has been approved and piloted with the RIA being used.

- **Myanmar**

For the issuance of enterprise registration certificates, large enterprises may register at the Directorate of Investment and Companies (DIC) under the Ministry of National Planning and Economics. All private individuals and entities operating as small and medium enterprises that produce finished goods from raw materials may, on the other hand, register at the Directorate of Industrial Supervision and Inspection under the Ministry of Industry.

At present, an enterprise can obtain the registration certificate within 9 days. The process involves six administrative steps and the entire registration process until entry into operations may take a minimum of 10 days to a maximum of 2 weeks. With regard to registration fees, small and medium enterprises have to pay US\$15 and US\$30, respectively. The overall cost of registration is nearly 12 percent of per capita GNI. There is no limit in the minimum capital requirement for small enterprises. Online access and one-stop shops for registration and start-ups for SMEs are not available. Neither is there financial support for start-up firms in Myanmar.

Concerning the review and amendment of legislations and regulations, the Ministry of Industry held meetings with related ministries, departments, and representatives of the private sector and professionals/experts on SMEs to draw up the SMEs Law. The draft of this SME policy was submitted to the President's Office in September 2012. In the meantime, no systematic regulatory impact analysis is applied in reviewing the legislations and regulations but the government plans to develop a systematic RIA in the near future.

- **Cambodia**

Recently, the Royal government has reduced the number of days and steps as well as amount of fees involved in registration to encourage entrepreneurs, in particular owners of SMEs, to register their companies or transform their enterprises from informal to formal sector. For enterprises engaged in commercial activities, all merchants are required to register with the Ministry of Commerce (MOC), provincial or municipal office, or other places designated by the Ministry. An average of about 7 days (upon submission of all required documents) is the time spent in registration. For commercial firm registration, an applicant has to follow five steps as stipulated in the guidelines. The administration fee for commercial registration has been reduced to US\$177 and the minimum registered capital is 4,000,000 Riels (approximately US\$ 1,000).

With regard to factory permit and operation license, the application for the factory and handicraft permit shall be filed and accepted for processing with the one-stop service secretariat of the MIME or with the provincial department of the MIME where the facility is located or with the one-stop service for facility located in Phnom Penh.

MIME should reply to the applicants for factory establishment on its decision within a maximum period of seven working days from the date of the receipt of the completed and correct application documentation. For the operation of the factory, the factory owner shall inform the MIME within the minimum period of 15 days in advance. The administration fee for the manufacturing registration is set between US\$12.5 to US\$ 50 based on the capital asset. The administration fee for the operation licenses is applied in the same manner as in the establishment.

In addition, a company must also secure patent tax and value added tax (VAT) identification numbers from the Ministry of the Economy and Finance, which takes possibly about 15 working days.

Overall, in starting a business in Cambodia, the total cost of the process, if carried out by an entrepreneur on his/her own, is approximately US\$ 1,500 for both formal and informal fees (it costs 100.5 percent of per capita GNI and requires paid-in minimum capital of 28.5 percent of per capita GNI) and the average total time spent is 85 days,

including time spent to get approval for its internal rules from the Ministry of Labor. The process requires nine procedures.

Judging from the procedures, it is very difficult for a new business to know what licenses are required. Indeed, there are over 75 licenses that SMEs have to apply for in Cambodia which are issued across a large number of ministries. The best option for a prospective starting business therefore is to visit the SME Sub-Committee's SME web portal which enables visitors to easily navigate through a wide range of SME-related information and to contact the business licensing complaints hotline.

The Intra-MIME One-Stop Information Window for Legal and Regulatory Information on the SME website has also been developed, providing detailed information on most licenses affecting SMEs. Copies of the license application forms are available for downloading in this window along with details on where applicants should go to apply for all the listed licenses.

There is no financial support for start-ups of SMEs, but an existing SME company is able to submit a proposal to receive budget support if said SME company is willing to upgrade or modernize its manufacturing equipment and technical support, in particular, in terms of factory management, accounting standard, energy saving and government regulatory compliance, among others.

To improve the effectiveness and efficiency of legislation and regulation, the Royal Government of Cambodia has recently adopted a regulatory guidance for the regulatory impact analysis or RIA program. However, the RIA has only been conducted for the regulatory frameworks issued by the MIME and so its impact is limited. The implication is that RIA is only applied to small and medium industries and done only when there is financial support funded by development partners.

Table 4: Cheaper and Faster Start-up and Better Legislation and Regulation

		BRN	CAM	IND	LAO	MMR	MYS	PHL	SGP	THA	VNM	ASEAN
3.1	Cheaper and Faster Start-up	3.2	2.1	3.9	3.4	3.2	4.5	3.9	5.5	4.8	4.3	3.9
3.1.1	Issuance of business establishment registration certificate (start from the lodging of the complete documents)	3.0	3.0	5.5	5.3	4.7	4.0	5.3	5.0	5.0	5.3	4.6
3.1.1.1	Number of days for obtaining business registration certificate	3.0	3.0	5.0	5.0	5.0	6.0	6.0	6.0	6.0	5.0	5.0
3.1.1.2	Number of administrative steps for obtaining the business registration certificate	4.0	3.0	6.0	5.0	3.0	5.0	4.0	5.0	6.0	5.0	4.6
3.1.1.3	Official cost of obtaining the business registration certificate	2.0	3.0	5.5	6.0	6.0	1.0	6.0	4.0	3.0	6.0	4.3
3.1.2	Completion of the overall registration process and entry in operations	3.0	2.0	1.5	3.5	3.5	4.3	2.8	5.5	4.3	3.3	3.4
3.1.2.1	Number of days for completing the overall registration process, including compulsory licenses for standard business activities	1.0	1.0	2.0	1.0	4.0	5.0	2.0	6.0	3.0	2.0	2.7
3.1.2.2	Number of steps for completing the overall registration process, including compulsory licenses for standard business activities	1.0	2.0	2.0	3.0	1.0	5.0	1.0	5.0	4.0	1.0	2.5
3.1.2.3	Costs connected with registration (% of GNI per capita)	5.0	1.0	1.0	4.0	3.0	2.0	3.0	6.0	4.0	4.0	3.3
3.1.2.4	Minimum capital requirements (% of GNI per capita)	5.0	4.0	1.0	6.0	6.0	5.0	5.0	5.0	6.0	6.0	4.9
3.1.3	Online access, one-stop-shop for registration, and start-ups	3.7	1.3	4.7	1.5	1.5	5.3	3.7	6.0	5.2	4.2	3.7
3.1.3.1	Online registration	4.0	1.0	6.0	1.0	1.0	5.0	3.0	6.0	6.0	5.5	3.9
3.1.3.2	Progression to one-stop shop (OSS)	3.0	2.0	4.0	2.5	2.0	6.0	4.0	6.0	6.0	5.5	4.1
3.1.3.3	Financial support for start-ups (soft loans, vouchers, grants etc.)	4.0	1.0	4.0	1.0	1.5	5.0	4.0	6.0	3.5	1.5	3.2
3.2	3.2 Better Legislation and regulations	3.0	2.0	5.0	2.0	2.5	5.0	2.0	4.5	3.5	4.0	3.4
3.2.1	Review and amendment of legislations and regulations	3.0	1.0	5.0	2.0	3.0	5.0	2.5	5.0	3.0	4.5	3.4
3.2.2	Use of Regulatory Impact Analysis (RIA)	3.0	3.0	5.0	2.0	2.0	5.0	1.5	4.0	4.0	3.5	3.3
	Average	3.1	2.1	4.4	2.7	2.9	4.8	3.0	5.0	4.2	4.1	3.6