



WORLD BANK GROUP

Trade & Competitiveness

Doing Business in PNG

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The Doing Business indicators

- Doing Business is based on the **results of surveys** from businesses, business advisers, technical experts and government agencies in each country.
- Surveys examine **scenarios** developed to illustrate particular business types.
- Data relates to a fictitious **medium-sized firm** operating in the country.
- There are at least **36 contributors for PNG** in 2017, from government and the private sector (some contributors elect to remain anonymous).
- Data for PNG comes from **Port Moresby**.

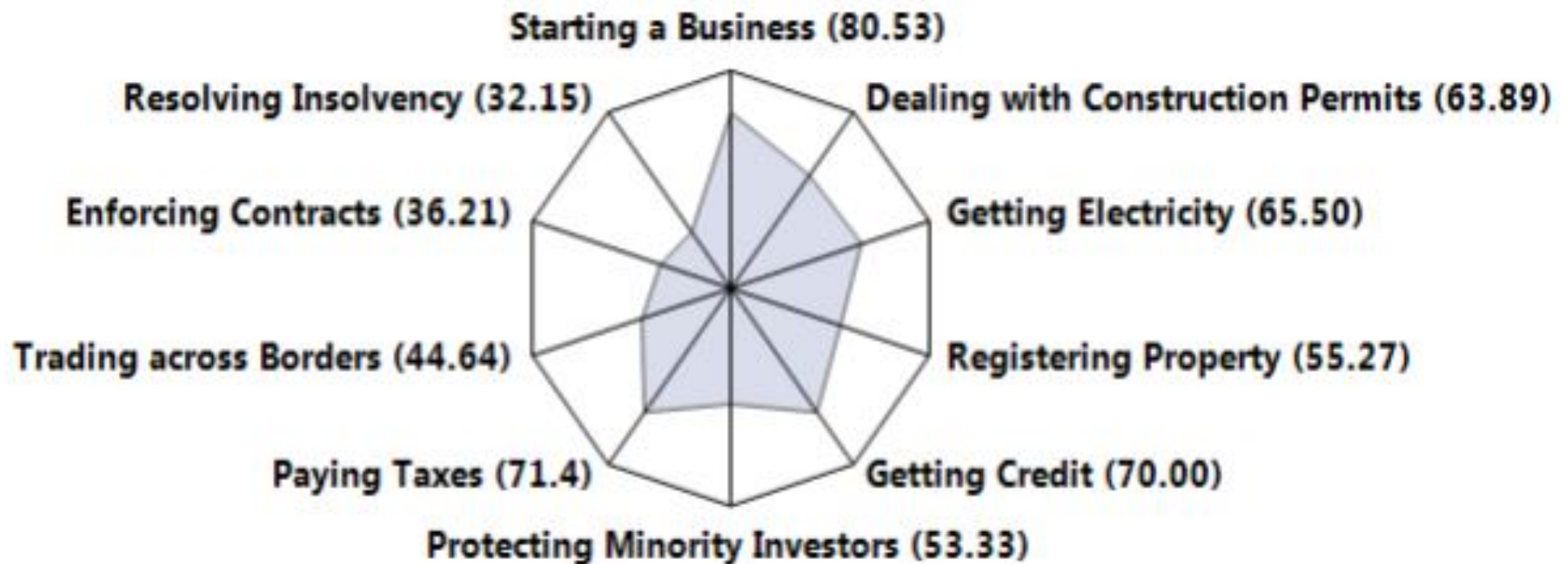
The stages examined by the Doing Business indicators

Start-up	Expansion	Operations	Closure
Starting a business Procedures, time, cost and paid-in minimum capital to start a limited liability company	Dealing with Construction Permits Procedures, time and cost to complete all formalities to build a warehouse and the quality control and safety mechanisms in the construction permitting system Getting Credit Movable collateral laws and credit information systems Protecting Minority Investors Minority shareholders' rights in related-party transactions and in corporate governance Registering Property Procedures, time and cost to transfer a property and the quality of the land administration system Getting Electricity Procedures, time and cost to get connected to the electrical grid, the reliability of the electricity supply and the transparency of tariffs	Paying Taxes Payments, time and total tax rate for a firm to comply with all tax regulations as well as post-filing processes Trading Across Borders Time and cost to export the product of comparative advantage and import car parts Enforcing Contracts Time and cost to resolve a commercial dispute and the quality of judicial processes	Resolving Insolvency Time, cost, outcome and recovery rate for a commercial insolvency and the strength of the legal framework for insolvency

PNG's strengths and weaknesses – Distance to the frontier

Distance to Frontier: A measure of how close a country is to best practice

Best practice is 100

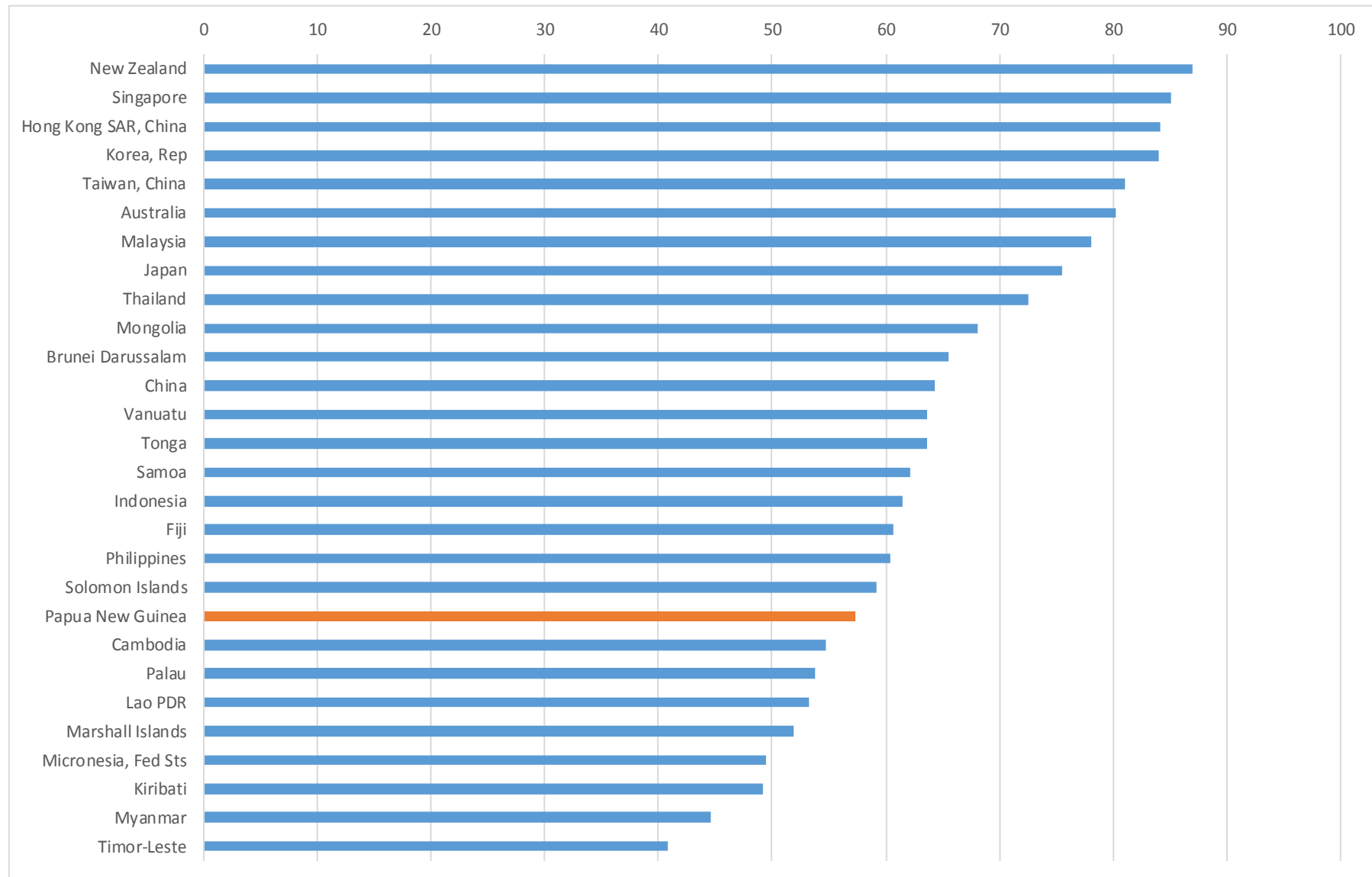


Ranking shows where others do better

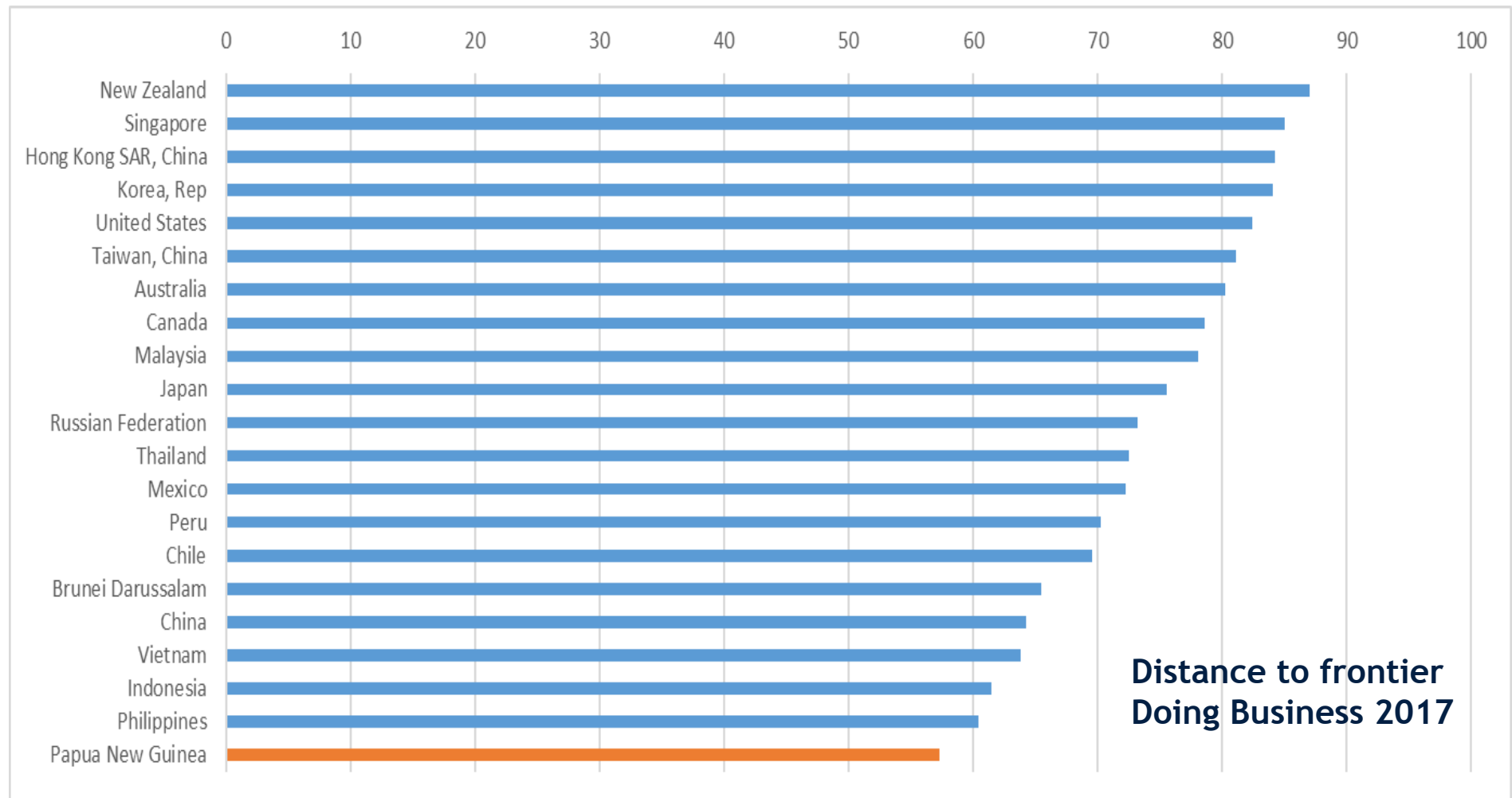


PNG 2017 DB rankings, out of 190 countries

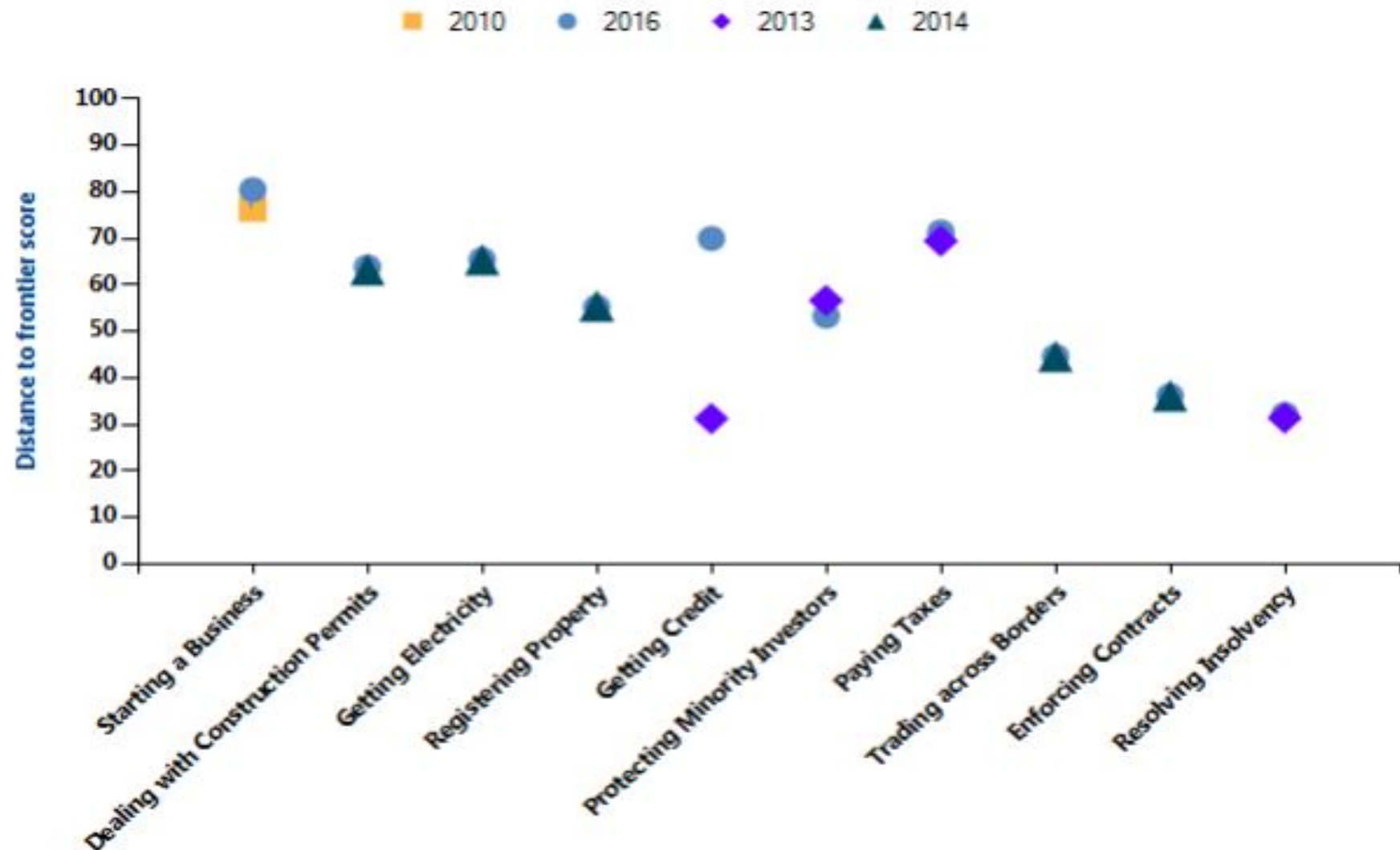
PNG scores low across the East Asia Pacific Region



PNG has APEC's lowest score on ease of doing business



PNG's DB rating has changed very little over the years



Some positive signs for reform

- APEC 2009 agreed on a DB action plan
- Five priority indicators
 - Starting a business
 - Dealing with construction permits
 - Getting Credit
 - Trading across borders
 - Enforcing contracts
- Targeted 25% improvement in scores by 2015
 - Around 13% actually achieved
- In 2015, new three year action plan was announced
- 10% improvement target for 2018

PNG and the APEC DB commitment

- PNG Treasury task force leading the effort for PNG
- Secretariat for PNG's input to APEC Economic Committee
 - Reviewing DB scores
 - Formulating reforms