



# Ministry of Economy and Finance

## DOING BUSINESS IN CAMBODIA

— Starting a Business & Online Registration —

**23 March 2021**



# Ease of Doing Business

- Doing Business Report, published by the World Bank Group, is an annual study evaluating the ease of doing business in 190 countries.
- Cambodia's ranking in the last 5 years

Year	2016	2017	2018	2019	2020
Ranking	127	131	135	138	144

- The Royal Government of Cambodia has formed an inter-ministry working group with members from around 20 relevant ministries and institutions in April 2020.



# Ease of Doing Business (Cont.)

- **Cambodia's ranking will improve for the first time in 6 years** in the 2021 Doing Business Report (based on the practice before May 2020)
- **There will be a big improvement in the 2022 Report** because of many reforms including an online business registration which was launched in June 2020.
- **Medium term target: Ranking below 100<sup>th</sup> in the 2023 Report.**



# Starting a Business

- Doing Business Report is based on 10 indicators, one of which is “Starting a Business.”
- The table below shows “Starting a Business” in the 2020 Report (based on the practice before May 2019)

Sub-Indicators	Quantity	Scores
Procedures	9	52.9
Time (days)	99	1
Cost (% of income per capita)	53.4	73.3
Minimum Capital (% of income per capita)	70.2	82.5
<b>Average Score</b>		<b>52.4</b>



# Starting a Business (Cont.)

No	Procedure ( <u>between May 2018 and May 2019</u> )	Time (days)	Cost (USD)
1	Reserving company name	7	10
2	<b>Business incorporation</b>	<b>30</b>	420
3	Make a company seal	1	15
4	Open a bank account	1	-
5	<b>Tax registration</b>	<b>30</b>	100
6	<b>Requirements by the Ministry of Labour</b>	<b>30</b>	212.5
7	Submit company statute and evidence of bank account	[1]	-
8	Labour inspection	[1]	-
9	Register at the National Social Security Fund	[14]	-



# Starting a Business & OBR

Procedures ( <u>Before May 2019</u> )	Time (days)	Cost (USD)
Business incorporation	30	420
Tax registration	30	100 + Stamp Duty (250) + Patent Tax (150)
Requirements by the Ministry of Labour	30	212.5
Procedures ( <u>After the launch of OBR in June 2020</u> )	Time (days)	Cost (USD)
Online Business Registration	8	420 252.5
Tax registration	30	100 <del>+ Stamp Duty (250)</del> + 50% of Patent Tax
Registration & Post-registration requirements	< 30	212.5

From the launch (June 2020) of OBR until now, we have around **4800 companies** successfully registered through OBR.



# Starting a Business & OBR (Cont.)

- The scope of OBR is beyond “Starting a Business” in Doing Business Report, which only focuses on procedures compulsory for all businesses.
- In practice, businesses also have to apply for different licenses depending business activities.
- Now, in Phase 2 of OBR, we are working with many more ministries/institutions including
  - ✓ Ministry of Tourism,
  - ✓ Ministry of Industry, Science, Technology and Innovation,
  - ✓ Ministry of Post and Telecommunications,
  - ✓ Ministry of Economy and Finance (General Department of Financial Industry),
  - ✓ Ministry of Education, Youth and Sport, etc.



# A Demo

[www.registrationservices.gov.kh](http://www.registrationservices.gov.kh)





**Thank You and Stay Safe**