Interconnectivity of Business Registers: Developments in the Association of South-East Asian Nations (ASEAN)

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Understanding ASEAN

• **Composition**
  – Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam.

• **Size**
  – Population of 625 million
  – Combined GDP of 2.4 trillion is 7\textsuperscript{th} largest in the world.
  – Projected to be 4\textsuperscript{th} largest economy by 2050.
Right moment to step up regional collaborative efforts

| ASEAN Economic Community formed in 2015 | • Single market and production base  
|                                         | • Free flow of goods, services, investment, labour and capital from 2015  
|                                         | • Lowered trade barriers make it easier for businesses to go regional |

| Growing awareness of need for international collaboration | More business registers joining international organisations  
|                                                            | • e.g. Corporate Register Forum’s membership expanded threefold over the last 10 years |
### Growth of Intra-ASEAN trade

- Intra-ASEAN trade **increased at a faster pace**, with annual growth rate averaging **10.5%**, as compared to either overall ASEAN trade (by 9.2%) or extra-ASEAN trade (by 8.9%) during the period 1993-2013.

- The **share** of intra-ASEAN trade in overall ASEAN trade has been **on an increasing trend** starting from 19.2% in 1993 to 22% in 2000 and 24.2% in 2013, and accounted for **25%** of the region’s total GDP in 2013.
Inaugural meeting of ASEAN Corporate Registrars (8 Sep 2014)

Objectives:

• Leverage on collective ASEAN strength to further common objectives e.g. facilitate business outreach to ASEAN

• 6 ASEAN counterparts attended
  (Brunei, Cambodia, Malaysia, Myanmar, Philippines and Thailand.)
Proposal I

Using unique-reference numbers to identify businesses in all ASEAN countries

– Recognising a unique-reference number as the default identifier for businesses, across all government agencies within each country
Unique-reference number benefits both business and government

**Benefits for Business**

- Simplifies procedures
  - Use one identification number for all government transactions (e.g. tax filing, applying for customs permits)
- Improves business trust
  - Easy to verify all business details with one identification number

**Benefits for Government**

- Data portability
  - Information/updates linked to one entity easily shared across all agencies
- Centralised data register
  - Data from multiple agencies pooled into one system
Room to roll out in more countries

Only Malaysia and Singapore have fully implemented unique-reference numbers

**MyCoID**
- Standardised number recognised by 5 government agencies (since 2009)
- Allows auto-population of data fields across agencies for all business-related transactions

**Unique Entity Number (UEN)**
- Common number recognised by all government agencies (since 2009)
- Extends beyond business and companies to societies, charities etc.
Next steps

- Assist all ASEAN members to level up and develop own unique entity number
- Short term measure: Deconflict numbers by adding telephone prefix to each UEN (e.g. “65” for Singapore)
- Long term: Feasibility study to launch a common ASEAN UEN by 2023
Proposal II

ASEAN-wide common search platform
– Facilitating easy searching of business entity information on a common platform
Common search improves business competitiveness

• Convenient for business and investors
  – One-stop access to official ASEAN company data

• Better business transparency
  – Facilitates ease of searching of all ASEAN company records

• Complement existing ASEAN-wide business portals
  – e.g. ASEAN IP portal (a one-stop website hyperlinked to all websites of ASEAN’s 10 intellectual property offices)
Proposed system for common ASEAN search

• Steps for creating single-access search point for all ASEAN data

Step 1
• Setting up a secured central electronic database (accepts both electronic and hardcopy data)

Step 2
• ASEAN company registers “push” data to this system

Step 3
• Search result disseminated through web (browser) and app (smartphone) portals to end users
Proposed list of free data fields

The following data fields are proposed to be provided for free on the common search portal:

- Company name
- Name history (previous name changes)
- Company number (unique-reference number)
- Status (live or not)
- Date of incorporation
- Business address
- Location map
- Compliance rating
Flow of data under proposed system

End Users

Central Stand-Alone System

ASEAN Registers

Unique-Reference No.
E.g. Prefix + Business Registration No.

Mobile Services

Push

Business and Investment Community

One-stop Portal

ASEAN Registers

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<tr>
<th>Country Flag</th>
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<td>Singapore</td>
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Interim

• 2\textsuperscript{nd}, 3\textsuperscript{rd} and 4\textsuperscript{th} meetings of ASEAN Corporate Registers (20 Mar and 19 Aug 2015, 11 May 2016)

• Agreement to work in the interim on development of a simple ASEAN website to contain information of all the corporate registries, facilitating easy searching of business entity information on a common ASEAN-wide search platform and facilitating registration of entities throughout ASEAN
• Each corporate registry will have a sub-page and the design and content for this sub-page would be left up to the respective corporate registry.

• The content for the sub-page could include information to facilitate the registration of foreign businesses such as the type of vehicles available in each jurisdiction, the fees involved and the number of directors needed for each vehicle.
Southeast Asian Corporate Registration (SEACorpReg)

Directory Listings

Brunei  Indonesia  Malaysia  Philippines  Thailand

Cambodia  Laos  Myanmar  Singapore  Vietnam

About Us

The Southeast Asia Corporate Registration (SEACorpReg) website is a collaboration between the corporate registrars in Southeast Asia to support regional economic integration outlined by the ASEAN Economic Community 2015 (AEC2015). This initiative, first formed in 2014, offers much potential and scope for collaborative projects that would improve regional business competitiveness within ASEAN.

Aim of SEACorpReg

Direct from each country’s official register. The Southeast Asia Corporate Registration (SEACorpReg) website aims to provide a legitimate and official source of information about businesses operating in the ASEAN region. Users will be able to search for basic business details straight from the source – at each registry’s online portal.
Proposal III

Setting up an ASEAN chapter of the Corporate Registers Forum (CRF)
• The ASEAN chapter of the CRF was formally announced at the Corporate Registers Forum conference in May 2016.

• Regular meetings to be held to share best practices, and spur progress on common proposals.
Dovetails with ASEAN Workplan on “Improving Business Start-Up Administrative Processes”

• 10 year plan - Regional effort to streamline business registration, improve transparency
• Workshops on best practices, study visits, and capacity building projects
• Each ASEAN member to have UEN (2018), online business registration system (by 2022),
• Feasibility study in 2023 on ASEAN UEN and common business registration processes.

Long term goal:
• Harmonization of business processes & requirements, sharing of information across business registers, common ASEAN UEN
The Future?