

BUSINESS LAW REFORM

For developing countries, a dynamic private sector can lead to higher employment and incomes, reduced poverty, and increased prosperity. But in many Pacific island countries, confusing and outdated laws make it difficult for businesses to start, trade, and grow.

WHY IS DOING BUSINESS SO DIFFICULT IN THE PACIFIC?

Businesses in the Pacific can be discouraged and hampered by...



Limited access
to finance



Challenging
trade
environments



Poor
contract
protection



Restrictions
to women's
participation



Limited access
to courts

These challenges are often compounded by ill-formed business laws, under which...



Complex processes
make starting a business
expensive



Gaps and unclear drafting
increase uncertainty and
reduce security



Costly and time-
consuming regulations
hamper business
operations and growth



Overreaching
investment restrictions
discourage foreign
investment

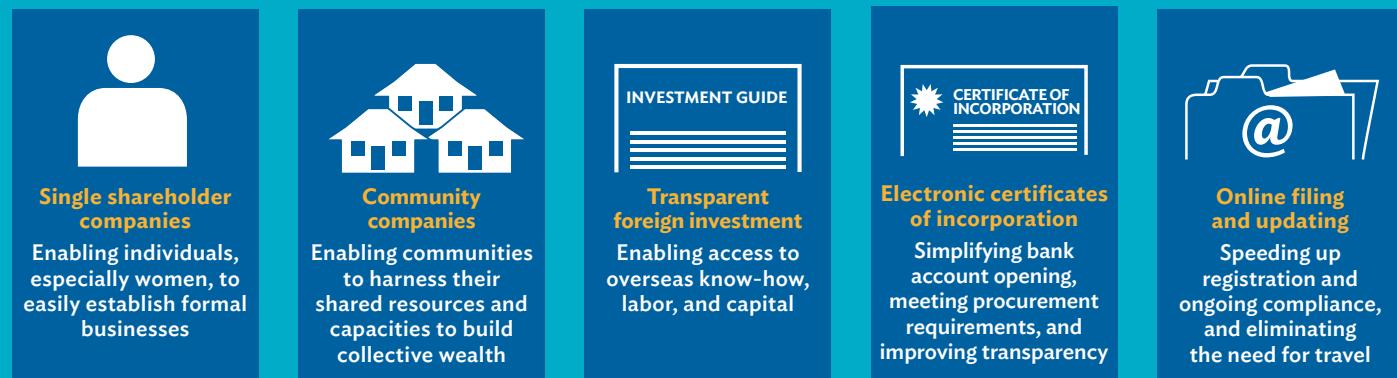
Under these conditions, business development is difficult, productivity is constrained, and economic growth is held back.

WHAT DIFFERENCE CAN IMPROVED BUSINESS LAWS MAKE?

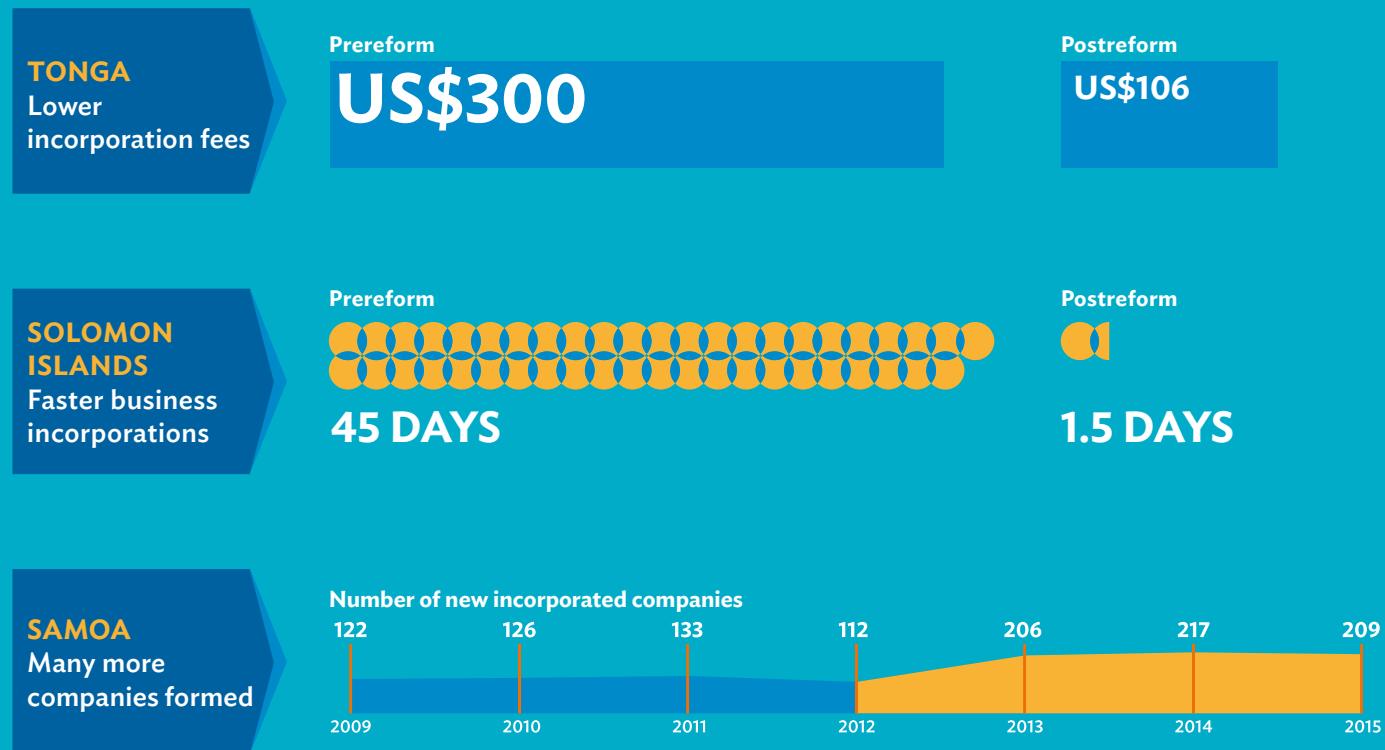


WHAT IS PSDI DOING TO REFORM BUSINESS LAWS?

PSDI is working with Pacific governments to create simplified, modern, and locally-tailored business laws.



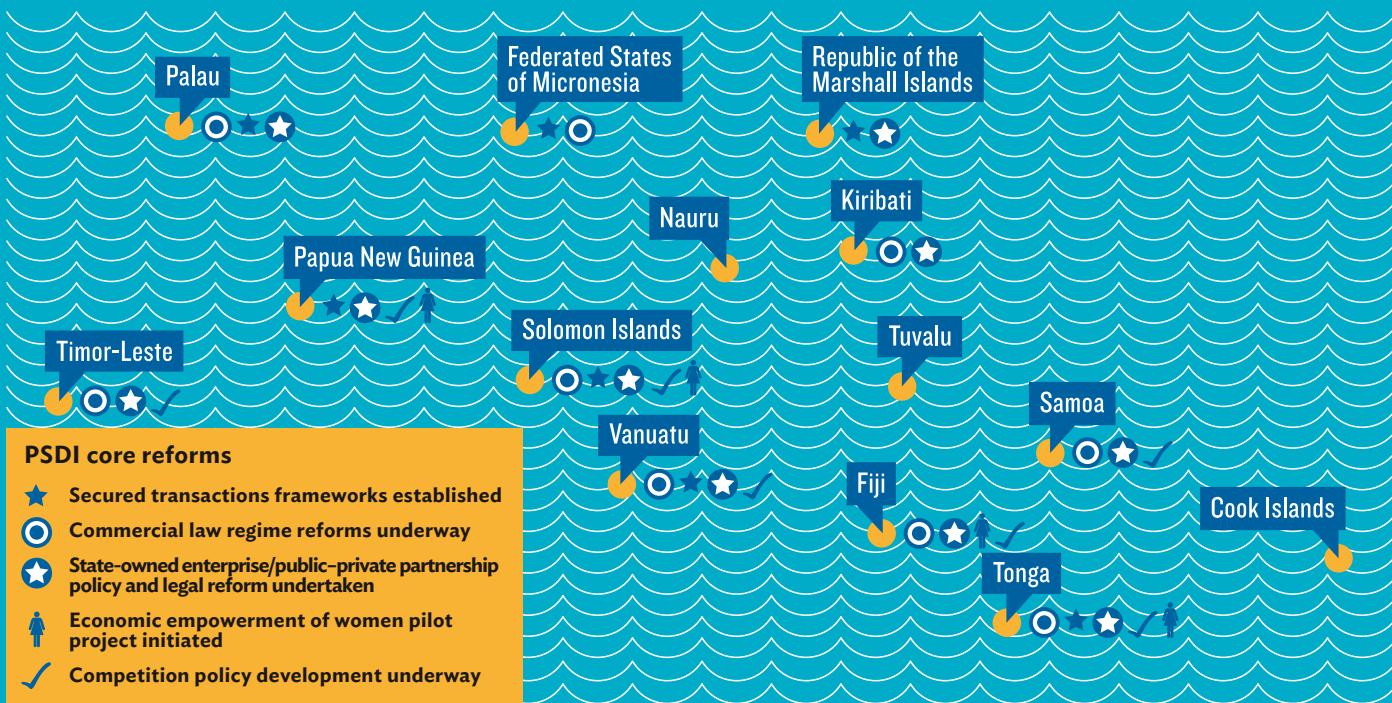
HOW ARE PSDI REFORMS IMPROVING THE BUSINESS ENVIRONMENT?



The Pacific Private Sector Development Initiative helps 14 Pacific developing member countries of the Asian Development Bank achieve sustainable economic growth through business environment reform.

Since 2007, PSDI has worked to alleviate poverty and promote growth in the Pacific region through reforms that encourage private sector investment and entrepreneurship.

PSDI assists governments and private sector actors to improve the business environment in the Pacific. Underpinned by a rigorous diagnostic approach that includes regular private sector assessments of the business environments in Pacific island countries, and the landmark *Finding Balance* benchmarking studies, PSDI's team of experts provides a range of technical assistance that promotes private sector development in the region. This includes specialized support in the areas of business law reform, access to finance, reforming state-owned enterprises, establishing public-private partnerships, the economic empowerment of women, and promoting competition. PSDI currently focuses on promoting a better business environment through technical expertise that includes assistance with policy, legislative reforms, advocacy, full implementation support for reforms, and technology-based solutions.



ASIAN DEVELOPMENT BANK

Pacific Liaison and Coordination Office
Level 20, 45 Clarence St., Sydney, 2000, Australia
www.adb.org / www.adbpsdi.org



Creative Commons Attribution 3.0 IGO license (CC BY 3.0 IGO)
© 2016 ADB. The CC license does not apply to non-ADB
copyright materials in this publication. Corrigenda to ADB

publications may be found at <http://www.adb.org/publications/corrigenda>

PSN. [ARM168459-2]

pubsmarketing@adb.org

PSDI is cofinanced by ADB, the Government of Australia, and the Government of New Zealand.
www.adbpsdi.org