

## COMPARISON MATRIX OF ASIA COUNTRIES FOR NON-PROFIT BUSINESS SETUP

COUNTRY FOR NON PROFIT ORGANIZATION (NPO) SETUP	<a href="#">SOUTH KOREA</a>	<a href="#">PHILIPPINES</a>	<a href="#">MALAYSIA</a>	<a href="#">THAILAND</a>	<a href="#">JAPAN</a>
OUR RANKING IN ORDER OF PREFERENCE	2	4	3	5	1
<b>SUMMARY</b>					
Recommended type of entity for NPO business setup?	Trust organization	Non-Stock Corporation	Company limited by guarantee	Foundation	Foundation
Regulated by who?	<a href="#">MOEF</a>	<a href="#">SEC</a>	<a href="#">SSM</a>	<a href="#">DBD</a>	<a href="#">JETRO</a>
Minimum paid-up capital for charitable business setup? (US\$)	US\$300,000*	US\$200,000	US\$2	US\$15,000	US\$1
Timeframe to secure charitable status?	3 months	5 months	3 months	5 months	3 months
Must charge VAT on distributions to beneficiaries?	<a href="#">10%</a>	<a href="#">12%</a>	<a href="#">0% - 6%</a>	<a href="#">10%</a>	<a href="#">10%</a>
Must appoint <a href="#">a national shareholder</a> ?	<a href="#">No</a>	<a href="#">Yes</a>	<a href="#">No</a>	<a href="#">No</a>	<a href="#">No</a>
Physical office legally required for incorporation or NPO registration?	No	Yes	No	Yes	No
Must employ local employees as soon as practical?	<a href="#">No</a>	<a href="#">No</a>	<a href="#">No</a>	<a href="#">No</a>	<a href="#">No</a>
Corporation tax on annual net profits	<a href="#">10% - 25%</a>	<a href="#">25%</a>	<a href="#">24%</a>	<a href="#">20%</a>	<a href="#">23.2%</a>
Withholding tax on distributions to international beneficiaries?	<a href="#">22%</a>	<a href="#">25%</a>	<a href="#">15%</a>	<a href="#">15%</a>	<a href="#">20%</a>
Recommended bank or financial institution for corporate banking?	<a href="#">Woori Bank</a>	<a href="#">JP Morgan</a>	<a href="#">OCBC</a>	<a href="#">Kasikorn Bank</a>	<a href="#">Standard Chartered</a>
Monthly & quarterly Government reporting including payroll and sales tax	Every 2 months	<a href="#">Monthly</a>	Monthly	<a href="#">Monthly</a>	<a href="#">Bi-annual</a>

## COMPARISON MATRIX OF ASIA COUNTRIES FOR NON-PROFIT BUSINESS SETUP

COUNTRY FOR NON PROFIT ORGANIZATION (NPO) SETUP	<a href="#">SOUTH KOREA</a>	<a href="#">PHILIPPINES</a>	<a href="#">MALAYSIA</a>	<a href="#">THAILAND</a>	<a href="#">JAPAN</a>
OUR RANKING IN ORDER OF PREFERENCE	2	4	3	5	1
Probability that travel is required during the engagement?	25%	25%	50%	50%	25%
Foreign exchange restrictions or controls on international remittances?	<a href="#">Yes</a>	<a href="#">Yes (strict)</a>	<a href="#">Yes</a>	<a href="#">Yes</a>	<a href="#">Yes</a>
Ease of remitting funds raised locally to charitable entities overseas?	Difficult	Difficult	Difficult	Easy	Difficult
Business setup timelines, incl. bank account numbers and NPO registration?	5 months	8 months	6 months	6 months	5 months
Total Healy Consultants PLC fees for the non-profit business setup?	TBC	TBC	TBC	TBC	TBC
Estimated annual cost for maintaining the entity in good standing?	TBC	TBC	TBC	TBC	TBC
<b>Business setup considerations</b>					
Suffix to be added in invoices and contracts after the business name?	Foundation	Foundation	CLBG	Foundation	Foundation
Do the founders enjoy limited liability for the activities of the NPO?	Yes	Yes	Yes	Yes	Yes
Minimum number of founders?	6	2	1	3	10
Can the NPO founders be all foreigners residing outside of the country?	Yes	<a href="#">Yes</a>	Yes	Yes	Yes
Minimum number of directors to be part of the Board of the business?	1	2	1	1	1
Can the entity be legally managed only by foreign non-resident directors?	Yes	Yes	No	Yes	Yes

## COMPARISON MATRIX OF ASIA COUNTRIES FOR NON-PROFIT BUSINESS SETUP

COUNTRY FOR NON PROFIT ORGANIZATION (NPO) SETUP	<a href="#">SOUTH KOREA</a>	<a href="#">PHILIPPINES</a>	<a href="#">MALAYSIA</a>	<a href="#">THAILAND</a>	<a href="#">JAPAN</a>
OUR RANKING IN ORDER OF PREFERENCE	2	4	3	5	1
Appointment of <a href="#">resident directors</a> / representatives legally required?	Yes, 1 director	Yes, 1 treasurer	Yes, 1 director	No	No
<a href="#">Economic substance</a> in the country of registration required?	No	Yes, 1 office	No	Yes, 1 office	No
Average rental cost of physical office premises for 2 staff? (monthly, US\$)	US\$709	US\$350	US\$400	US\$200	US\$1,000
Appointment of a company secretary or registered agent required?	Yes	Yes	Yes	Yes	Yes
Timeframe to supply the certificate of incorporation of the NPO?	2 weeks	3 months	3 weeks	2 months	6 weeks
<b>Accounting and tax considerations</b>					
Standard corporate income tax rate on trading income?	<a href="#">10% - 25%</a>	<a href="#">25%</a>	<a href="#">24%</a>	<a href="#">20%</a>	<a href="#">23.2%</a>
Properly structured, can the entity be legally exempt from corporate tax?*	Yes	Yes	Yes	Yes	Yes
Filing of annual financial statements with Government legally required?	<a href="#">Yes</a>	<a href="#">Yes</a>	<a href="#">Yes</a>	<a href="#">Yes</a>	<a href="#">Yes</a>
Annual audit of the financial statements legally required? (active business)	<a href="#">No</a>	<a href="#">Yes</a>	Yes	<a href="#">Yes</a>	No
Date most commonly chosen for the end of the financial year?	<a href="#">31 December</a>	<a href="#">31 December</a>	31 December	<a href="#">31 December</a>	<a href="#">31 December</a>
Deadline for the filing of the annual corporation tax return?	<a href="#">31 March</a>	<a href="#">15 April</a>	<a href="#">30 September</a>	<a href="#">30 May</a>	<a href="#">28 February</a>

## COMPARISON MATRIX OF ASIA COUNTRIES FOR NON-PROFIT BUSINESS SETUP

COUNTRY FOR NON PROFIT ORGANIZATION (NPO) SETUP	<a href="#">SOUTH KOREA</a>	<a href="#">PHILIPPINES</a>	<a href="#">MALAYSIA</a>	<a href="#">THAILAND</a>	<a href="#">JAPAN</a>
OUR RANKING IN ORDER OF PREFERENCE	2	4	3	5	1
Annual turnover threshold requiring mandatory VAT registration? (US\$)	<a href="#">Mandatory</a>	<a href="#">US\$60,000</a>	<a href="#">US\$120,000</a>	<a href="#">US\$53,400</a>	<a href="#">US\$86,350</a>
Standard VAT/GST rate on consulting services to local customers?	<a href="#">10%</a>	<a href="#">12%</a>	<a href="#">6%</a>	<a href="#">7%</a>	<a href="#">8%</a>
Frequency for VAT/GST return filing?	Every 2 months	<a href="#">Monthly</a>	Monthly	<a href="#">Monthly</a>	<a href="#">Bi-annual</a>
Does the entity need also to submit withholding tax reports?	No	Yes	No	No	Yes
Link to list of double taxation avoidance treaties?	<a href="#">92 treaties</a>	<a href="#">43 treaties</a>	<a href="#">15 treaties</a>	<a href="#">61 treaties</a>	<a href="#">149 treaties</a>
<b>Charitable organization status considerations</b>					
Is it possible for the business to secure NPO / NGO registration?	Yes	<a href="#">Yes</a>	<a href="#">Yes</a>	Yes	<a href="#">Yes</a>
If yes, link to definition of business activities eligible for such registration?	<a href="#">Click this link</a>	<a href="#">Click this link</a>	<a href="#">Click this link</a>	<a href="#">Click this link</a>	<a href="#">Click this link</a>
Any requirement that the entity's Board needs to meet to secure status?	1 local director	Local secretary	1 local director	No	No
Is it required to renew this status each year?	No	No	No	No	No
Can the NPO establish partnerships with local environmental NPOs?	Yes	Yes	Yes	Yes	Yes
Any local ownership requirement to supply environmental consultancy?	<a href="#">No</a>	<a href="#">No</a>	<a href="#">No</a>	<a href="#">No</a>	<a href="#">No</a>

## COMPARISON MATRIX OF ASIA COUNTRIES FOR NON-PROFIT BUSINESS SETUP

COUNTRY FOR NON PROFIT ORGANIZATION (NPO) SETUP	<a href="#">SOUTH KOREA</a>	<a href="#">PHILIPPINES</a>	<a href="#">MALAYSIA</a>	<a href="#">THAILAND</a>	<a href="#">JAPAN</a>
OUR RANKING IN ORDER OF PREFERENCE	2	4	3	5	1
Can the entity secure corporate tax exemption on donations*?	<a href="#">Yes</a>	Yes	<a href="#">Yes</a>	Yes	Yes
Can the NPO raise donations from both local & overseas institutions?	Yes	Yes	Yes	Yes	Yes
Can the entity raise donations from UK individuals and organizations?	Yes	Yes	Yes	Yes	Yes
Any tax liability incurred following capital injection from the UK HQ***?	No	No	No	No	No
Any restrictions for sharing of IT security and HR resources with UK parent company?	No	No	No	No	No
Is the country eligible for official development assistance from DAC?	<a href="#">No</a>	<a href="#">No</a>	<a href="#">No</a>	<a href="#">No</a>	<a href="#">Yes</a>
Are there funding opportunities based on FCDO lists?	<a href="#">Limited to climate resilience and health research spheres</a>				
Central register of environmental organizations available online?	No	No	<a href="#">Here</a>	<a href="#">Here</a>	<a href="#">Here</a>
Central register of charitable entities available online?	No	No	No	No	No
Any regulatory licensing requirements for environmental organizations?	No	<a href="#">Yes</a>	<a href="#">Yes</a>	No	No
Any special regional headquarters regime available in this country?	No	<a href="#">Yes</a>	<a href="#">Yes</a>	<a href="#">Yes</a>	<a href="#">Yes</a>
Any holding vehicle regime available in this country?	<a href="#">Yes</a>	<a href="#">No</a>	<a href="#">Yes</a>	<a href="#">Yes</a>	<a href="#">Yes</a>
Link to laws on charitable organizations:	<a href="#">Click this link</a>	<a href="#">Click this link</a>	<a href="#">Click this link</a>	<a href="#">Click this link</a>	<a href="#">Click this link</a>

## COMPARISON MATRIX OF ASIA COUNTRIES FOR NON-PROFIT BUSINESS SETUP

COUNTRY FOR NON PROFIT ORGANIZATION (NPO) SETUP	<a href="#">SOUTH KOREA</a>	<a href="#">PHILIPPINES</a>	<a href="#">MALAYSIA</a>	<a href="#">THAILAND</a>	<a href="#">JAPAN</a>
OUR RANKING IN ORDER OF PREFERENCE	2	4	3	5	1
Link to laws on organizations with an environment related advocacy purpose:	<a href="#">Click this link</a>	<a href="#">Click this link</a>	<a href="#">Click this link</a>	<a href="#">Click this link</a>	<a href="#">Click this link</a>
Links to similar international environmental organizations:	<a href="#">Click this link</a>	<a href="#">Click this link</a>	<a href="#">Click this link</a>	<a href="#">Click this link</a>	<a href="#">Click this link</a>
Any clearance to be secured from the Government by environmental organizations?	No	No	<a href="#">Yes</a>	No	No
Links to a directory of local NPO's already established	<a href="#">Click this link</a>	<a href="#">Click this link</a>	<a href="#">Click this link</a>	<a href="#">Click this link</a>	<a href="#">Click this link</a>
<b>Employment considerations</b>					
Average salary? (US\$, annual)	<a href="#">US\$3,377</a>	<a href="#">US\$3,600</a>	<a href="#">US\$8,490</a>	<a href="#">US\$479</a>	<a href="#">US\$2,400</a>
Social security contributions? (% gross salary)	<a href="#">4.5%</a>	<a href="#">13%</a>	<a href="#">11%</a>	<a href="#">5%</a>	<a href="#">14.37%</a>
Minimum legal salary? (US\$, monthly equivalent)	<a href="#">US\$1,598</a>	<a href="#">US\$132</a>	<a href="#">US\$290</a>	<a href="#">US\$300</a>	<a href="#">US\$263</a>
Fluency in English of the local workforce?	Poor	<a href="#">Good</a>	<a href="#">Good</a>	<a href="#">Poor</a>	<a href="#">Poor</a>
Charitable organizations can legally employ lawyers?	Yes	Yes	Yes	Yes	Yes
Requirements to be regulated upon employment of lawyers?	No	No	No	No	No
Can the NPO supply legal services without a license?	No	No	No	No	No

## COMPARISON MATRIX OF ASIA COUNTRIES FOR NON-PROFIT BUSINESS SETUP

COUNTRY FOR NON PROFIT ORGANIZATION (NPO) SETUP	<a href="#">SOUTH KOREA</a>	<a href="#">PHILIPPINES</a>	<a href="#">MALAYSIA</a>	<a href="#">THAILAND</a>	<a href="#">JAPAN</a>
OUR RANKING IN ORDER OF PREFERENCE	2	4	3	5	1
Quality of the local workforce? ( <a href="#">World Competitiveness Report</a> ranking)	<a href="#">13th</a>	<a href="#">64th</a>	<a href="#">23rd</a>	<a href="#">40th</a>	<a href="#">6th</a>
Minimum notice for termination of an employment contract?	<a href="#">30 days</a>	<a href="#">30 days</a>	<a href="#">4 weeks</a>	<a href="#">4 weeks</a>	<a href="#">4 weeks</a>
Any severance pay?	<a href="#">At least 1 month</a>	<a href="#">At least 1 month</a>	<a href="#">At least 1 month</a>	<a href="#">At least 4 months</a>	<a href="#">None</a>
Any requirements before hiring foreign nationals?	<a href="#">Capital of US\$100,000</a>	<a href="#">DLE approval</a>	<a href="#">Capital of US\$140,000</a>	<a href="#">Capital of US\$60,000</a>	Capital of US\$10,000
Any foreign national / citizen quota?	No	No	Yes, <a href="#">click this link</a>	<a href="#">Yes</a>	No
Requirements to secure an employment permit / visa for a foreign national?	<a href="#">See this page</a>	<a href="#">See this page</a>	<a href="#">See this page</a>	<a href="#">See this page</a>	<a href="#">See this page</a>
Timeframe to secure an employment permit for a foreign national?	3 months	<a href="#">3 months</a>	3 months	2 months	3 months
Unemployment rate? (%)	<a href="#">3.9%</a>	<a href="#">8.1%</a>	<a href="#">4.8%</a>	<a href="#">1.0%</a>	<a href="#">3.0%</a>
<b>Banking considerations</b>					
Mandatory to have a local corporate bank account?	Yes	Yes	No	No	No
Recommended corporate bank account with which local bank?	<a href="#">Woori Bank</a>	<a href="#">JP Morgan</a>	<a href="#">OCBC</a>	<a href="#">Kasikorn Bank</a>	<a href="#">Standard Chartered</a>

## COMPARISON MATRIX OF ASIA COUNTRIES FOR NON-PROFIT BUSINESS SETUP

COUNTRY FOR NON PROFIT ORGANIZATION (NPO) SETUP	<a href="#">SOUTH KOREA</a>	<a href="#">PHILIPPINES</a>	<a href="#">MALAYSIA</a>	<a href="#">THAILAND</a>	<a href="#">JAPAN</a>
OUR RANKING IN ORDER OF PREFERENCE	2	4	3	5	1
Minimum initial deposit most commonly requested by local banks?	US\$10,000	US\$200,000	US\$50,000	US\$2,000	US\$10,000
How long to secure corporate local bank account numbers?	6 weeks	2 months	3 months	3 months	2 months
Probability our Client will have to travel for bank account opening?	10%	25%	50%	50%	25%
Quality of bank customer and online banking services?	Poor	Good	Good	Good	Good
Foreign currency transactions controls applicable?	<a href="#">Yes</a>	Yes	<a href="#">Yes</a>	<a href="#">Yes</a>	<a href="#">Yes</a>
Resident bank signatory required?	No	No	No	No	No
Limits or restrictions on international remittances?	<a href="#">Yes</a>	<a href="#">Yes</a>	<a href="#">Yes</a>	<a href="#">Yes</a>	<a href="#">Yes</a>
<a href="#">Common Reporting Standard</a> (CRS) reporting country or bank?	<a href="#">Yes</a>	<a href="#">Not yet</a>	<a href="#">Yes</a>	<a href="#">Yes</a>	<a href="#">Yes</a>
<b>Business and political environment</b>					
Current political regime?	Presidential republic	Presidential republic	Constitutional monarchy	Constitutional monarchy	Constitutional monarchy
GDP per capita? (US\$)	<a href="#">US\$31,600</a>	<a href="#">US\$3,300</a>	<a href="#">US\$10,400</a>	<a href="#">US\$7,100</a>	<a href="#">US\$40,200</a>



## COMPARISON MATRIX OF ASIA COUNTRIES FOR NON-PROFIT BUSINESS SETUP

COUNTRY FOR NON PROFIT ORGANIZATION (NPO) SETUP	<a href="#">SOUTH KOREA</a>	<a href="#">PHILIPPINES</a>	<a href="#">MALAYSIA</a>	<a href="#">THAILAND</a>	<a href="#">JAPAN</a>
OUR RANKING IN ORDER OF PREFERENCE	2	4	3	5	1
Country included in the UNCTAD list of <a href="#">least developed countries</a> ?	<a href="#">No</a>	<a href="#">No</a>	<a href="#">No</a>	<a href="#">No</a>	<a href="#">No</a>
Country included in the EU <a href="#">EBA arrangement</a> list?	<a href="#">No</a>	<a href="#">No</a>	<a href="#">No</a>	<a href="#">No</a>	<a href="#">No</a>
Country subject to <a href="#">UN sanctions</a> ?	<a href="#">No</a>	<a href="#">No</a>	<a href="#">No</a>	<a href="#">No</a>	<a href="#">No</a>
Country's <a href="#">Corruption Perception Index (CPI)</a> ? (the higher, the least corrupted)	<a href="#">61</a>	<a href="#">34</a>	<a href="#">51</a>	<a href="#">36</a>	<a href="#">74</a>
Country's transparency of doing business? (the higher, the more transparent)	<a href="#">5</a>	<a href="#">95</a>	<a href="#">12</a>	<a href="#">21</a>	<a href="#">30</a>
<a href="#">Country outlook 2021</a> ? (S&P rating)	<a href="#">AA-/Fitch Ratings</a>	<a href="#">BBB/Fitch Ratings</a>	<a href="#">BBB+/Fitch Ratings</a>	<a href="#">BBB+/S&amp;P Ratings</a>	<a href="#">A+/S&amp;P Ratings</a>
Political relationship with the UK?	<a href="#">Good</a>	<a href="#">Good</a>	<a href="#">Good</a>	<a href="#">Good</a>	<a href="#">Good</a>
Political relationship with the European Union?	<a href="#">Good</a>	<a href="#">Good</a>	<a href="#">Good</a>	<a href="#">Good</a>	<a href="#">Good</a>
Political relationship with the USA?	<a href="#">Good</a>	<a href="#">Good</a>	<a href="#">Good</a>	<a href="#">Good</a>	<a href="#">Good</a>
<a href="#">Covid resilience</a> ranking? (the higher, the more resilient)	<a href="#">15<sup>th</sup></a>	<a href="#">53<sup>rd</sup></a>	<a href="#">51<sup>st</sup></a>	<a href="#">44<sup>th</sup></a>	<a href="#">27<sup>th</sup></a>
<a href="#">Safe city Index 2021</a> ? (capital city, (the higher, the safest)	<a href="#">73.8</a>	<a href="#">52.1</a>	<a href="#">66.6</a>	<a href="#">60.2</a>	<a href="#">80.0</a>

\* For Korea, the recommended paid up capital for a **i)** private organization is US\$30,000 and **ii)** trust organization is US\$300,000.

\*\* If financed uniquely through donations and the charitable / non-profit activities meet eligibility criteria set by the Government.

\*\*\* some stamp duties can be payable on the capital injection in all countries, but the funds are not subject to corporate income tax.