

Table 4: Degree of Restrictiveness of Regulatory Restrictions on Bank Activities and the Mixing of Banking and Commerce in East Asia (as of 2005)

	Securities	Insurance	Real estate	Bank ownership of non-financial firms	Ownership of banks by nonfinancial firms	Ownership of banks by nonbank financial firms
Cambodia ^a	unrestricted	unrestricted	prohibited	restricted	unrestricted	unrestricted
China, People's Rep. of	prohibited	restricted	prohibited	prohibited	permitted	permitted
Indonesia	prohibited	prohibited	prohibited	prohibited	permitted	permitted
Japan	permitted	permitted	prohibited	restricted	permitted	permitted
Korea, Rep. of	restricted	restricted		restricted	permitted	
restricted	restricted	Malaysia	permitted	restricted		restricted
restricted	restricted	restricted	Philippines	unrestricted	permitted	
	permitted	permitted	restricted	restricted	Singapore	unrestricted
	restricted		restricted	restricted	permitted	permitted
Thailand	prohibited	restricted		restricted	restricted	restricted
restricted Viet Nam ^b		prohibited	prohibited	prohibited	permitted	restricted
	restricted					

Notes: ^aAs of 2001; ^bAs of 1999.

Income group: 1—Low income; 2—Lower middle income; 3—Upper middle income; 4—High income/non-OECD; 5—High income/OECD

For securities, insurance and real estate activities:

Unrestricted: full range of activities can be conducted in the bank/bank may own 100% of equity.

Permitted: full range of activities can be conducted, but all or some must be conducted in subsidiaries/bank may own 100% of equity but ownership is limited based on bank's equity capital.

Restricted: less than full range of activities can be conducted in the bank or subsidiaries/bank can only acquire less than 100% of equity.

Prohibited: activity cannot be conducted in either the bank or subsidiaries/no equity investment allowed.

For regulatory restrictiveness of bank ownership of nonfinancial firms (ownership of banks by nonfinancial/nonbank financial firms):

Unrestricted: a bank (nonfinancial/nonbank financial) may own 100% of the equity in a nonfinancial firm (commercial bank).

Permitted: a bank (nonfinancial/nonbank financial) may own 100% of the equity in a nonfinancial firm (commercial bank), but prior authorization or approval is required.

Restricted: limits are placed on ownership.

Prohibited: cannot own any equity investment whatsoever.

Source of basic data: Bank Regulation and Supervision Database, World Bank (2007; 2003 for Cambodia and 2001 for Viet Nam).