

# Identifying the Biggest Obstacle in Doing Business: What's The Trigger?-An Evidence from an Enterprises Survey.

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- **Abstract:** Indonesia is a country with natural resources that requires a lot of manufacturing firms to process raw materials into finished or semi-finished products that are needed both domestically and abroad. Ease of doing business is one of the conditions that support the growth and development of the manufacturing industry. This study aims to provide recommendations related to government policies in creating a conducive business world in Indonesia. Identification and mapping out barriers to doing business in Indonesia is needed in order to provide appropriate policies both nationally and at the local government level. We use the data survey of the Enterprises Survey from the World Bank covers data from 1,444 firms in 9 provinces in Indonesia and processed by using STATA statistical tool to investigate the barriers. The result shows that access to finance is the biggest obstacle identified by firms. It is identified with the firm's reasons did not apply for new credit are the complex credit application procedure, collateral requirements that were too high, unfavorable lending interest rates, and still have sufficient capital. Our findings also confirm that access to finance is being the big barrier to doing business for large firms although most still have sufficient capital.
- **Keywords:** natural resources, sufficient capital, industry, STATA