



5.3

Business environment: Doing Business indicators

	Starting a business			Registering property		Dealing with construction permits		Employing workers	Enforcing contracts		Protecting investors	Closing a business
	Number of procedures June 2008	Time required days June 2008	Cost % of per capita income June 2008	Number of procedures June 2008	Time required days June 2008	Number of procedures to build a warehouse June 2008	Time required to build a warehouse days June 2008	Rigidity of employment index 0–100 (least to most rigid) June 2008	Number of procedures June 2008	Time required days June 2008	Disclosure index 0–10 (least to most disclosure) June 2008	Time to resolve insolvency years June 2008
Afghanistan	4	9	59.5	9	250	13	340	27	47	1,642	0	..
Albania	6	8	25.8	6	42	24	331	35	39	390	8	..
Algeria	14	24	10.8	14	51	22	240	48	47	630	6	2.5
Angola	8	68	196.8	7	334	12	328	66	46	1,011	5	6.2
Argentina	15	32	9.0	5	51	28	338	35	36	590	6	2.8
Armenia	9	18	3.6	3	4	19	116	31	49	285	5	1.9
Australia	2	2	0.8	5	5	16	221	3	28	395	8	1.0
Austria	8	28	5.1	3	32	13	194	33	25	397	3	1.1
Azerbaijan	6	16	3.2	4	11	31	207	3	39	237	7	2.7
Bangladesh	7	73	25.7	8	245	14	231	35	41	1,442	6	4.0
Belarus	8	31	7.8	4	21	17	210	27	28	225	5	5.8
Belgium	3	4	5.2	7	132	14	169	20	25	505	8	0.9
Benin	7	31	196.0	4	120	15	410	40	42	825	6	4.0
Bolivia	15	50	112.4	7	92	17	249	79	40	591	1	1.8
Bosnia and Herzegovina	12	60	30.8	7	128	16	296	46	38	595	3	3.3
Botswana	10	78	2.3	4	11	24	167	20	29	987	7	1.7
Brazil	18	152	8.2	14	42	18	411	46	45	616	6	4.0
Bulgaria	4	49	2.0	8	19	24	139	29	39	564	10	3.3
Burkina Faso	5	16	62.3	6	136	15	214	21	37	446	6	4.0
Burundi	11	43	215.0	5	94	20	384	30	44	832	4	..
Cambodia	9	85	151.7	7	56	23	709	45	44	401	5	..
Cameroon	13	37	137.1	5	93	15	426	46	43	800	6	3.2
Canada	1	5	0.5	6	17	14	75	4	36	570	8	0.8
Central African Republic	10	14	232.3	5	75	21	239	61	43	660	6	4.8
Chad	19	75	175.0	6	44	9	181	46	41	743	6	..
Chile	9	27	7.5	6	31	18	155	24	36	480	7	4.5
China	14	40	8.4	4	29	37	336	27	34	406	10	1.7
Hong Kong, China	5	11	2.0	5	54	15	119	0	24	211	10	1.1
Colombia	9	36	14.1	9	23	13	114	24	34	1,346	8	3.0
Congo, Dem. Rep.	13	155	435.4	8	57	14	322	74	43	645	3	5.2
Congo, Rep.	10	37	106.4	7	116	14	169	69	44	560	6	3.0
Costa Rica	12	60	20.5	6	21	23	191	28	40	877	2	3.5
Côte d'Ivoire	10	40	135.1	6	62	21	628	38	33	770	6	2.2
Croatia	8	40	11.5	5	174	19	410	50	38	561	1	3.1
Cuba	..	..	..	..	..	..	..	..	..	..	..	..
Czech Republic	8	15	9.6	4	123	36	180	28	27	820	2	6.5
Denmark	4	6	0.0	6	42	6	69	10	34	380	7	1.1
Dominican Republic	8	19	19.4	7	60	17	214	28	34	460	5	3.5
Ecuador	14	65	38.5	9	16	19	155	51	39	588	1	5.3
Egypt, Arab Rep.	6	7	18.3	7	72	28	249	27	42	1,010	8	4.2
El Salvador	8	17	49.6	5	31	34	155	24	30	786	5	4.0
Eritrea	13	84	102.2	12	101	..	..	20	39	405	4	..
Estonia	5	7	1.7	3	51	14	118	58	36	425	8	3.0
Ethiopia	7	16	29.8	13	43	12	128	34	39	690	4	3.0
Finland	3	14	1.0	3	14	18	38	48	32	235	6	0.9
France	5	7	1.0	9	113	13	137	56	30	331	10	1.9
Gabon	9	58	20.3	8	60	16	210	52	38	1,070	6	5.0
Gambia, The	8	27	254.9	5	371	17	146	27	32	434	2	3.0
Georgia	3	3	4.0	2	3	12	113	7	36	285	8	3.3
Germany	9	18	5.6	4	40	12	100	44	30	394	5	1.2
Ghana	9	34	32.7	5	34	18	220	37	36	487	7	1.9
Greece	15	19	10.2	11	22	15	169	51	39	819	1	2.0
Guatemala	11	26	50.6	5	30	22	215	28	31	1,459	3	3.0
Guinea	13	41	135.7	6	104	32	255	44	50	276	6	3.8
Guinea-Bissau	17	233	257.7	9	211	15	167	66	41	1,140	6	..
Haiti	13	195	159.6	5	405	11	1,179	21	35	508	2	5.7

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	Starting a business			Registering property		Dealing with construction permits		Employing workers	Enforcing contracts		Protecting investors	Closing a business
	Number of procedures	Time required days	Cost % of per capita income	Number of procedures	Time required days	Number of procedures to build a warehouse	Time required to build a warehouse days	Rigidity of employment index 0–100 (least to most rigid)	Number of procedures	Time required days	Disclosure index 0–10 (least to most disclosure)	Time to resolve insolvency years
	June 2008	June 2008	June 2008	June 2008	June 2008	June 2008	June 2008	June 2008	June 2008	June 2008	June 2008	June 2008
Honduras	13	20	52.6	7	23	17	125	53	45	900	1	3.8
Hungary	4	5	8.4	4	17	31	204	30	33	335	2	2.0
India	13	30	70.1	6	45	20	224	30	46	1,420	7	10.0
Indonesia	11	76	77.9	6	39	18	176	40	39	570	9	5.5
Iran, Islamic Rep.	8	47	4.6	9	36	19	670	40	39	520	5	4.5
Iraq	11	77	150.7	5	8	14	215	38	51	520	4	..
Ireland	4	13	0.3	5	38	11	185	17	20	515	10	0.4
Israel	5	34	4.4	7	144	20	235	24	35	890	7	4.0
Italy	6	10	18.5	8	27	14	257	38	41	1,210	7	1.8
Jamaica	6	8	7.9	5	54	10	156	4	35	655	4	1.1
Japan	8	23	7.5	6	14	15	187	17	30	316	7	0.6
Jordan	10	14	60.4	8	22	18	122	30	39	689	5	4.3
Kazakhstan	8	21	5.2	5	40	38	231	23	38	230	7	3.3
Kenya	12	30	39.7	8	64	10	100	17	44	465	3	4.5
Korea, Dem. Rep.	..	..	..	..	..	..	..	..	..	..	..	..
Korea, Rep.	10	17	16.9	7	11	13	34	45	35	230	7	1.5
Kuwait	13	35	1.3	8	55	25	104	13	50	566	7	4.2
Kyrgyz Republic	4	15	7.4	7	8	13	159	38	39	177	9	4.0
Lao PDR	8	103	14.1	9	135	24	172	34	42	443	0	..
Latvia	5	16	2.3	7	50	25	187	43	27	279	5	3.0
Lebanon	5	11	87.5	8	25	20	211	25	37	721	9	4.0
Lesotho	7	40	37.8	6	101	15	601	21	41	695	2	2.6
Liberia	8	27	100.2	13	50	25	321	31	41	1,280	4	3.0
Libya	..	..	..	..	..	..	..	..	..	..	..	..
Lithuania	7	26	2.7	2	3	17	162	48	30	210	5	1.7
Macedonia, FYR	7	9	3.8	6	66	21	198	47	38	385	5	3.7
Madagascar	5	7	11.0	7	74	16	178	63	38	871	5	..
Malawi	10	39	125.9	6	88	21	213	25	42	432	4	2.6
Malaysia	9	13	14.7	5	144	25	261	10	30	600	10	2.3
Mali	11	26	121.5	5	29	14	208	38	39	860	6	3.6
Mauritania	9	19	33.9	4	49	25	201	45	46	370	5	8.0
Mauritius	5	6	5.0	4	210	18	107	23	37	750	6	1.7
Mexico	9	28	12.5	5	74	12	138	48	38	415	8	1.8
Moldova	9	15	8.9	6	48	30	292	41	31	365	7	2.8
Mongolia	7	13	4.0	5	11	21	215	34	32	314	5	4.0
Morocco	6	12	10.2	8	47	19	163	63	40	615	6	1.8
Mozambique	10	26	22.9	8	42	17	381	49	30	730	5	5.0
Myanmar	..	..	..	..	..	..	..	..	..	..	..	..
Namibia	10	66	22.1	9	23	12	139	20	33	270	5	1.5
Nepal	7	31	60.2	3	5	15	424	42	39	735	6	5.0
Netherlands	6	10	5.9	2	5	18	230	42	25	514	4	1.1
New Zealand	1	1	0.4	2	2	7	65	7	30	216	10	1.3
Nicaragua	6	39	121.0	8	124	17	219	27	35	540	4	2.2
Niger	11	19	170.1	4	35	17	265	70	39	545	6	5.0
Nigeria	8	31	90.1	14	82	18	350	7	39	457	5	2.0
Norway	6	10	2.1	1	3	14	252	47	33	310	7	0.9
Oman	7	14	3.6	2	16	16	242	24	51	598	8	4.0
Pakistan	11	24	12.6	6	50	12	223	43	47	976	6	2.8
Panama	7	13	19.6	7	44	21	131	66	31	686	1	2.5
Papua New Guinea	8	56	23.6	4	72	24	217	10	43	591	5	3.0
Paraguay	7	35	67.9	6	46	13	291	59	38	591	6	3.9
Peru	10	65	25.7	5	33	21	210	48	41	468	8	3.1
Philippines	15	52	29.8	8	33	24	203	35	37	842	2	5.7
Poland	10	31	18.8	6	197	30	308	37	38	830	7	3.0
Portugal	6	6	2.9	5	42	21	328	48	34	577	6	2.0
Puerto Rico	7	7	0.8	8	194	22	209	25	39	620	7	3.8



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	Number of procedures	Time required days	Cost % of per capita income	Number of procedures	Time required days	Number of procedures to build a warehouse	Time required to build a warehouse days	Rigidity of employment index 0–100 (least to most rigid)	Number of procedures	Time required days	Disclosure index 0–10 (least to most disclosure)	Time to resolve insolvency years
	June 2008	June 2008	June 2008	June 2008	June 2008	June 2008	June 2008	June 2008	June 2008	June 2008	June 2008	June 2008
Romania	6	10	3.6	8	83	17	243	62	31	512	9	3.3
Russian Federation	8	29	2.6	6	52	54	704	44	37	281	6	3.8
Rwanda	8	14	108.9	4	315	14	210	38	24	310	2	..
Saudi Arabia	7	12	14.9	2	2	18	125	13	44	635	8	1.5
Senegal	4	8	72.7	6	124	16	220	61	44	780	6	3.0
Serbia	11	23	7.6	6	111	20	279	39	36	635	7	2.7
Sierra Leone	7	17	56.2	7	86	25	283	51	40	515	3	2.6
Singapore	4	4	0.7	3	9	11	38	0	21	150	10	0.8
Slovak Republic	6	16	3.3	3	17	13	287	36	30	565	3	4.0
Slovenia	5	19	0.1	6	391	15	208	59	32	1,350	3	2.0
Somalia	..	..	..	..	..	..	..	..	..	..	..	..
South Africa	6	22	6.0	6	24	17	174	42	30	600	8	2.0
Spain	10	47	14.9	4	18	11	233	56	39	515	5	1.0
Sri Lanka	4	38	7.1	8	83	21	214	27	40	1,318	4	1.7
Sudan	10	39	50.8	6	9	19	271	36	53	810	0	..
Swaziland	13	61	35.1	11	46	13	93	13	40	972	0	2.0
Sweden	3	15	0.6	1	2	8	116	44	30	508	6	2.0
Switzerland	6	20	2.1	4	16	14	154	17	32	417	0	3.0
Syrian Arab Republic	8	17	18.2	4	19	26	128	34	55	872	6	4.1
Tajikistan	13	49	27.6	6	37	32	351	51	34	295	4	3.0
Tanzania	12	29	41.5	9	73	21	308	63	38	462	3	3.0
Thailand	8	33	4.9	2	2	11	156	18	35	479	10	2.7
Timor-Leste	10	83	6.6	..	..	22	208	34	51	1,800	3	..
Togo	13	53	251.3	5	295	15	277	57	41	588	6	3.0
Trinidad and Tobago	9	43	0.9	8	162	20	261	7	42	1,340	4	..
Tunisia	10	11	7.9	4	39	20	84	49	39	565	0	1.3
Turkey	6	6	14.9	6	6	25	188	38	35	420	9	3.3
Turkmenistan	..	..	..	..	..	..	..	..	..	..	..	..
Uganda	18	25	100.7	13	227	16	143	3	38	535	2	2.2
Ukraine	10	27	5.5	10	93	30	471	45	30	354	1	2.9
United Arab Emirates	8	17	13.4	3	6	21	125	13	50	607	4	5.1
United Kingdom	6	13	0.8	2	21	19	144	14	30	404	10	1.0
United States	6	6	0.7	4	12	19	40	0	32	300	7	1.5
Uruguay	11	44	43.5	8	66	30	234	31	40	720	3	2.1
Uzbekistan	7	15	10.3	12	78	26	260	34	42	195	4	4.0
Venezuela, RB	16	141	26.8	8	47	11	395	79	29	510	3	4.0
Vietnam	11	50	16.8	4	57	13	194	24	34	295	6	5.0
West Bank and Gaza	11	49	69.1	7	63	21	199	31	44	700	6	..
Yemen, Rep.	7	13	93.0	6	19	13	107	33	37	520	6	3.0
Zambia	6	18	28.6	6	39	17	254	34	35	471	3	2.7
Zimbabwe	10	96	432.7	4	30	19	1,426	33	38	410	8	3.3
World	9 u	38 u	47.1 u	6 u	72 u	18 u	222 u	33 u	38 u	613 u	5 u	3.0 u
Low income	10	49	110.1	7	108	18	304	39	40	626	5	3.6
Middle income	9	42	34.9	6	67	19	213	33	39	652	5	3.2
Lower middle income	9	35	45.9	6	69	19	209	33	39	669	5	3.5
Upper middle income	9	53	19.1	6	64	20	219	32	38	627	5	2.9
Low & middle income	9	44	60.3	6	81	19	243	35	39	643	5	3.3
East Asia & Pacific	9	44	38.0	5	113	19	183	20	37	591	5	3.1
Europe & Central Asia	8	23	9.3	6	59	24	265	37	37	385	6	3.2
Latin America & Carib.	10	70	43.9	7	66	17	233	33	39	714	4	3.2
Middle East & N. Africa	9	27	60.9	7	37	20	215	39	43	716	6	3.5
South Asia	7	33	31.9	6	106	16	245	26	44	1,053	4	5.0
Sub-Saharan Africa	10	46	111.4	7	97	17	273	41	39	662	5	3.4
High income	7	21	7.2	5	47	17	160	29	35	522	6	2.1
Euro area	7	17	5.9	6	69	14	190	44	31	591	6	1.4

About the data

The economic health of a country is measured not only in macroeconomic terms but also by other factors that shape daily economic activity such as laws, regulations, and institutional arrangements. The Doing Business indicators measure business regulation, gauge regulatory outcomes, and measure the extent of legal protection of property, the flexibility of employment regulation, and the tax burden on businesses.

The table presents a subset of Doing Business indicators covering 7 of the 10 sets of indicators: starting a business, registering property, dealing with construction permits, employing workers, enforcing contracts, protecting investors, and closing a business. Table 5.5 includes Doing Business measures of getting credit, and table 5.6 presents data on paying taxes.

The fundamental premise of the Doing Business project is that economic activity requires good rules and regulations that are efficient, accessible to all who need to use them, and simple to implement. Thus some Doing Business indicators give a higher score for more regulation, such as stricter disclosure requirements in related-party transactions, and others give a higher score for simplified regulations, such as a one-stop shop for completing business startup formalities.

In constructing the indicators, it is assumed that entrepreneurs know about all regulations and comply with them; in practice, entrepreneurs may not be aware of all required procedures or may avoid legally required procedures altogether. But where regulation is particularly onerous, levels of informality are higher, which comes at a cost: firms in the informal sector usually grow more slowly, have less access to credit, and employ fewer workers—and those workers remain outside the protections of labor law. The indicators in the table can help policymakers understand the business environment in a country and—along with information from other sources such as the World Bank's Enterprise Surveys—provide insights into potential areas of reform.

Doing Business data are collected with a standardized survey that uses a simple business case to ensure comparability across economies and over time—with assumptions about the legal form of the business, its size, its location, and nature of its operation. Surveys in 181 countries are administered through more than 6,700 local experts, including lawyers, business consultants, accountants, freight forwarders, government officials, and other professionals who routinely administer or advise on legal and regulatory requirements.

The Doing Business project encompasses two types of data: data from readings of laws and regulations and data on time and motion indicators that measure efficiency in achieving a regulatory goal. Within the time and motion indicators cost estimates are recorded from official fee schedules where applicable. The data from surveys are subjected to numerous tests for robustness, which lead to revision or expansion of the information collected.

The Doing Business methodology has limitations that should be considered when interpreting the data. First, the data collected refer to businesses in the economy's largest city and may not represent regulations in other locations of the economy. To address this limitation, subnational indicators are being collected for six economies, and data collection is under way in six more. These subnational studies point to significant differences in the speed of reform and the ease of doing business across cities in the same economy. Second, the data often focus on a specific business form—generally a limited liability company of a specified size—and may not represent regulation for other types of businesses such as sole proprietorships. Third, transactions described in a standardized business case refer to a specific set of issues and may not represent the full set of issues a business encounters. Fourth, the time measures involve an element of judgment by the expert respondents. When sources indicate different estimates, the Doing Business time indicators represent the median values of several responses given under the assumptions of the standardized case. Fifth, the methodology assumes that a business has full information on what is required and does not waste time when completing procedures.

Definitions

- **Number of procedures for starting a business** is the number of procedures required to start a business, including interactions to obtain necessary permits and licenses and to complete all inscriptions, verifications, and notifications to start operations for businesses with specific characteristics of ownership, size, and type of production.
- **Time required for starting a business** is the number of calendar days to complete the procedures for legally operating a business using the fastest procedure, independent of cost.
- **Cost for starting a business** is normalized as a percentage of gross national income (GNI) per capita.
- **Number of procedures for registering property** is the number of procedures required for a business to legally transfer property.
- **Time required for registering property** is the number of calendar days for a business to legally transfer property.
- **Number of procedures for dealing with licenses to build a warehouse** is the number of interactions of a company's employees or managers with external parties, including government staff, public inspectors, notaries, land registry and cadastre staff, and technical experts apart from architects and engineers.
- **Time required for dealing with construction permits to build a warehouse** is the number of calendar days to complete the required procedures for building a warehouse using the fastest procedure, independent of cost.
- **Rigidity of employment index**, a measure of employment regulation, is the average of three subindexes: a difficulty of hiring index, a rigidity of hours index, and a difficulty of firing index. Higher values indicate more rigid regulations.
- **Number of procedures for enforcing contracts** is the number of independent actions, mandated by law or court regulation, that demand interaction between the parties to a contract or between them and the judge or court officer.
- **Time required for enforcing contracts** is the number of calendar days from the time of the filing of a lawsuit in court to the final determination and payment.
- **Extent of disclosure index** measures the degree to which investors are protected through disclosure of ownership and financial information. Higher values indicate more disclosure.
- **Time to resolve insolvency** is the number of years from time of filing for insolvency in court until resolution of distressed assets and payment of creditors.

Data sources

Data on the business environment are from the World Bank's Doing Business project (www.doingbusiness.org).