

# Doing Business 2011

Egypt, Arab Rep.

**Making  
a Difference for  
Entrepreneurs**

COMPARING BUSINESS REGULATION IN 183 ECONOMIES



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*Doing Business 2011: Making a Difference for Entrepreneurs* is the eighth in a series of annual reports investigating regulations that enhance business activity and those that constrain it. *Doing Business* presents quantitative indicators on business regulations and the protection of property rights that can be compared across 183 economies, from Afghanistan to Zimbabwe, over time.

A set of regulations affecting 9 stages of a business's life are measured: starting a business, dealing with construction permits, registering property, getting credit, protecting investors, paying taxes, trading across borders, enforcing contracts and closing a business. Data in *Doing Business 2011* are current as of June 1, 2010\*. The indicators are used to analyze economic outcomes and identify what reforms have worked, where, and why.

The Doing Business methodology has limitations. Other areas important to business such as an economy's proximity to large markets, the quality of its infrastructure services (other than those related to trading across borders), the security of property from theft and looting, the transparency of government procurement, macroeconomic conditions or the underlying strength of institutions, are not studied directly by Doing Business. To make the data comparable across economies, the indicators refer to a specific type of business, generally a local limited liability company operating in the largest business city. Because standard assumptions are used in the data collection, comparisons and benchmarks are valid across economies. The data not only highlight the extent of obstacles to doing business; they also help identify the source of those obstacles, supporting policymakers in designing reform.

The data set covers 183 economies: 46 in Sub-Saharan Africa, 32 in Latin America and the Caribbean, 25 in Eastern Europe and Central Asia, 24 in East Asia and Pacific, 18 in the Middle East and North Africa and 8 in South Asia, as well as 30 OECD high-income economies.

The following pages present the summary Doing Business indicators for Egypt, Arab Rep.. The data used for this economy profile come from the Doing Business database and are summarized in graphs. These graphs allow a comparison of the economies in each region not only with one another but also with the "good practice" economy for each indicator.

The good-practice economies are identified by their position in each indicator as well as their overall ranking and by their capacity to provide good examples of business regulation to other countries. These good-practice economies do not necessarily rank number 1 in the topic or indicator, but they are in the top 10.

More information is available in the full report. *Doing Business 2011: Making a Difference for Entrepreneurs* presents the indicators, analyzes their relationship with economic outcomes and recommends reforms. The data, along with information on ordering the report, are available on the Doing Business website ([www.doingbusiness.org](http://www.doingbusiness.org)).

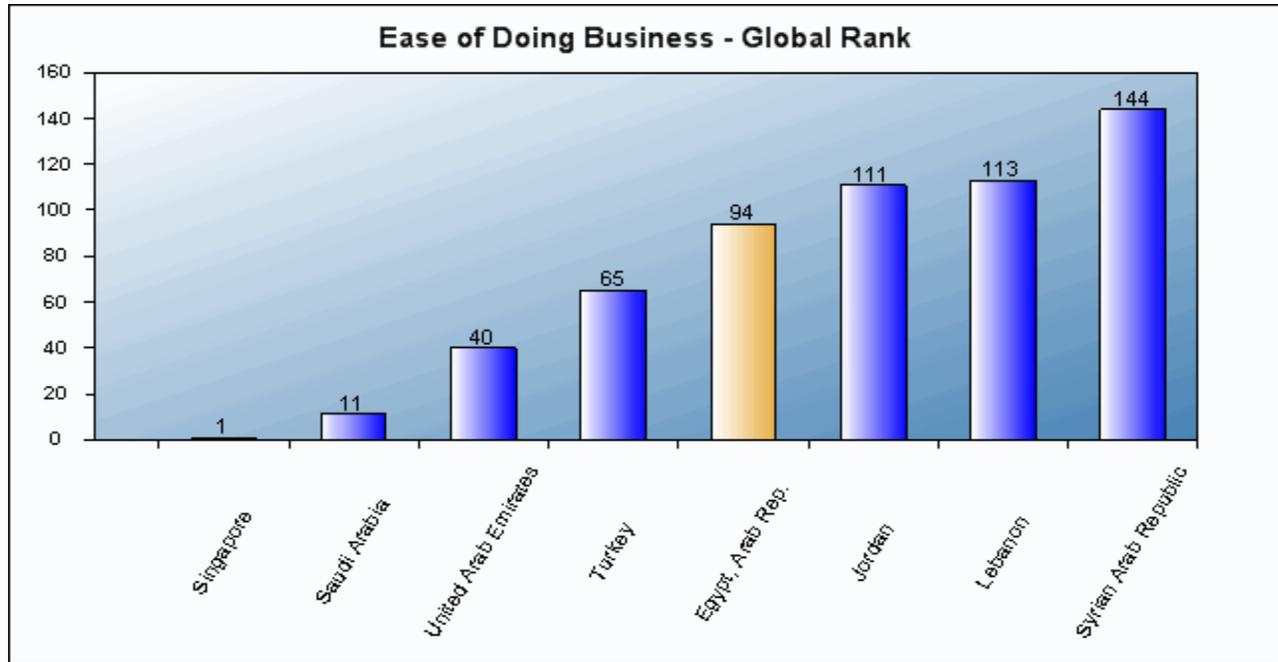
\* Except for the Paying Taxes indicator that refers to the period January to December of 2009.

Note: 2008-2010 Doing Business data and rankings have been recalculated to reflect changes to the methodology and the addition of new economies (in the case of the rankings).

## Economy Rankings - Ease of Doing Business

Egypt, Arab Rep. is ranked 94 out of 183 economies. Singapore is the top ranked economy in the Ease of Doing Business.

**Egypt, Arab Rep. - Compared to global good practice economy as well as selected economies:**



### Egypt, Arab Rep.'s ranking in Doing Business 2011

Rank	Doing Business 2011
Ease of Doing Business	94
Starting a Business	18
Dealing with Construction Permits	154
Registering Property	93
Getting Credit	72
Protecting Investors	74
Paying Taxes	136
Trading Across Borders	21
Enforcing Contracts	143
Closing a Business	131

## Summary of Indicators - Egypt, Arab Rep.

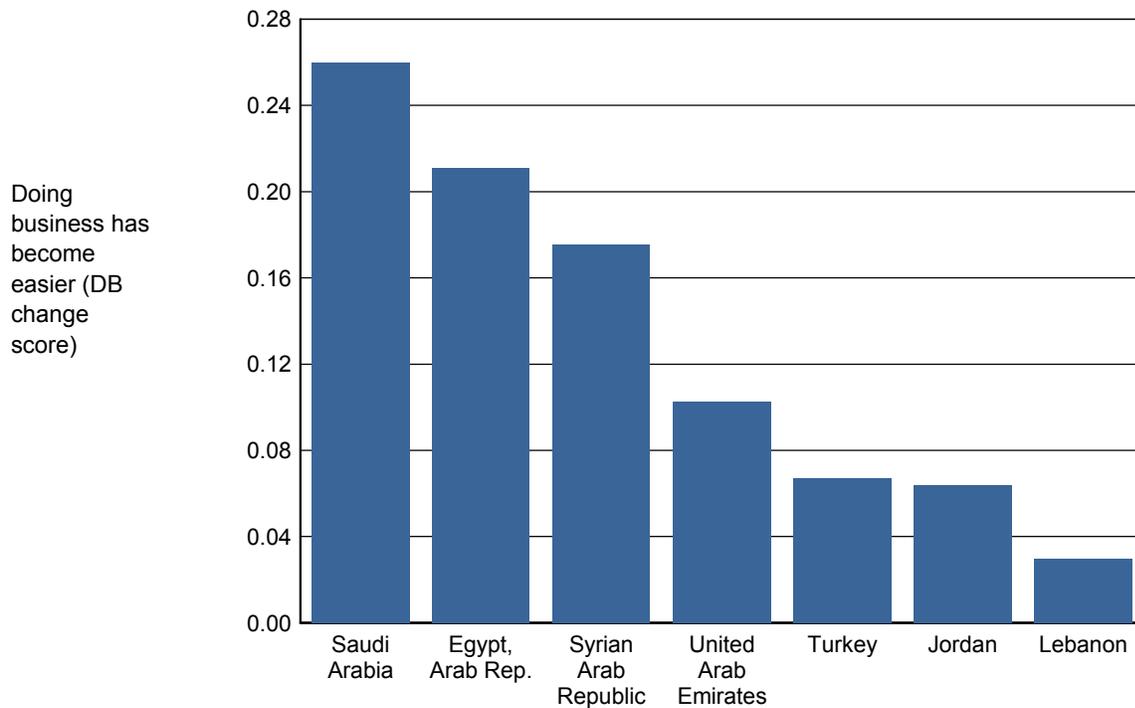
<b>Starting a Business</b>	Procedures (number)	6
	Time (days)	7
	Cost (% of income per capita)	6.3
	Min. capital (% of income per capita)	0.0
<b>Dealing with Construction Permits</b>	Procedures (number)	25
	Time (days)	218
	Cost (% of income per capita)	293.7
<b>Registering Property</b>	Procedures (number)	7
	Time (days)	72
	Cost (% of property value)	0.8
<b>Getting Credit</b>	Strength of legal rights index (0-10)	3
	Depth of credit information index (0-6)	6
	Public registry coverage (% of adults)	2.9
	Private bureau coverage (% of adults)	10.3
<b>Protecting Investors</b>	Extent of disclosure index (0-10)	8
	Extent of director liability index (0-10)	3
	Ease of shareholder suits index (0-10)	5
	Strength of investor protection index (0-10)	5.3
<b>Paying Taxes</b>	Payments (number per year)	29
	Time (hours per year)	433
	Profit tax (%)	13.2
	Labor tax and contributions (%)	25.8
	Other taxes (%)	3.6
	Total tax rate (% profit)	42.6
<b>Trading Across Borders</b>	Documents to export (number)	6
	Time to export (days)	12
	Cost to export (US\$ per container)	613
	Documents to import (number)	6
	Time to import (days)	12
	Cost to import (US\$ per container)	698

<b>Enforcing Contracts</b>	Procedures (number)	41
	Time (days)	1010
	Cost (% of claim)	26.2
<b>Closing a Business</b>	Recovery rate (cents on the dollar)	17.4
	Time (years)	4.2
	Cost (% of estate)	22

The 5 year measure of cumulative change illustrates how the business regulatory environment has changed in 174 economies from *Doing Business 2006* to *Doing Business 2011*. Instead of highlighting which countries currently have the most business friendly environment, this new approach shows the extent to which an economy's regulatory environment for business has changed compared with 5 years ago.

This snapshot reflects all cumulative changes in an economy's business regulation as measured by the Doing Business indicators-such as a reduction in the time to start a business thanks to a one-stop shop or an increase in the strength of investor protection index thanks to new stock exchange rules that tighten disclosure requirements for related-party transactions.

This figure shows the distribution of cumulative change across the 9 indicators and time between *Doing Business 2006* and *Doing Business 2011*



Many economies have undertaken reforms to smooth the starting a business process in stages—and often as part of a larger regulatory reform program. A number of studies have shown that among the benefits of streamlining the process to start a business have been greater firm satisfaction and savings and more registered businesses, financial resources and job opportunities. Economies with higher entry costs are associated with a larger informal sector and a smaller number of legally registered firms.

### Some reform outcomes

*In Egypt reductions of the minimum capital requirement in 2007 and 2008 led to an increase of more than 30% in the number of limited liability companies.*

*In Portugal creation of One-Stop Shop in 2006 and 2007 resulted in a reduction of time to start a business from 54 days to 5. In 2007 and 2008 new business registrations were up by 60% compared with 2006.*

*In Malaysia reduction of registration fees in 2008 led to an increase in registrations by 16% in 2009.*

### What does Starting a Business measure?

#### Procedures to legally start and operate a company (number)

- Preregistration (for example, name verification or reservation, notarization)
- Registration
- Post registration (for example, social security registration, company seal)

#### Time required to complete each procedure (calendar days)

- Does not include time spent gathering information
- Each procedure starts on a separate day
- Procedure completed once final document is received
- No prior contact with officials

#### Cost required to complete each procedure (% of income per capita)

- Official costs only, no bribes
- No professional fees unless services required by law

#### Paid-in minimum capital (% of income per capita)

- Deposited in a bank or with a notary prior to registration begins

**Starting a Business:** getting a local limited liability company up and running  
Rankings are based on 4 subindicators



### Case Study Assumptions

- Doing Business records all procedures that are officially required for an entrepreneur to start up and formally operate an industrial or commercial business.
- Any required information is readily available and that all agencies involved in the start-up process function without corruption.

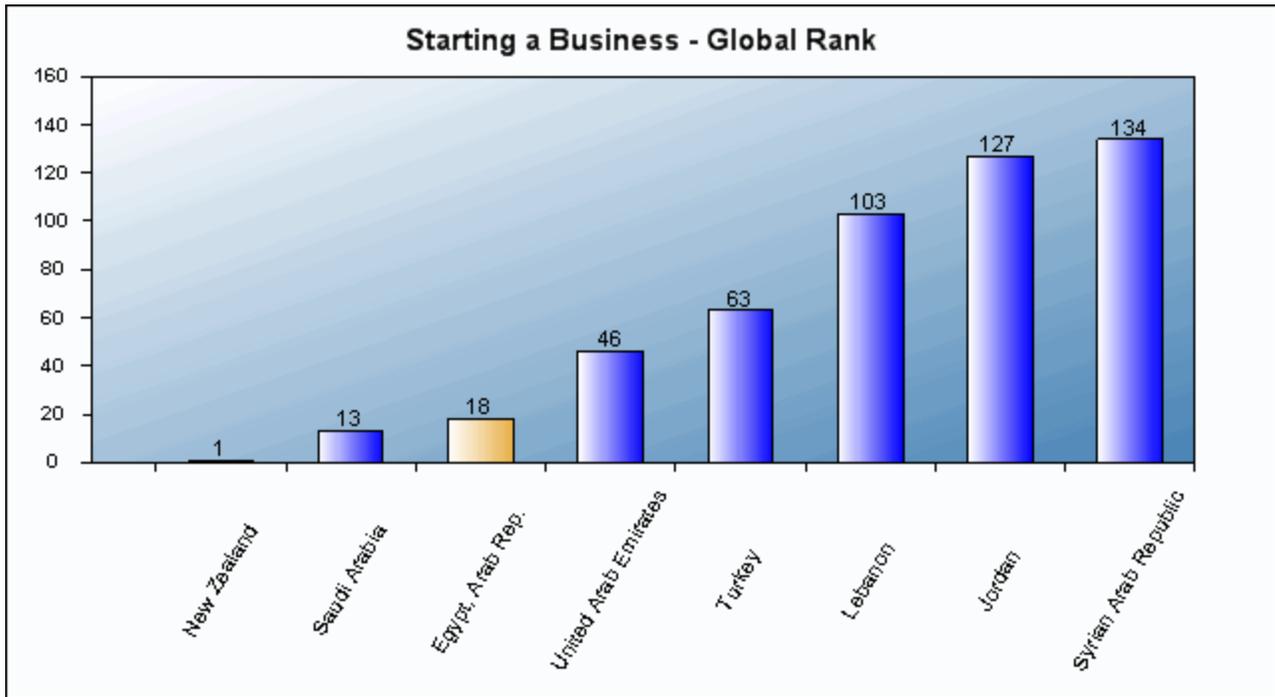
#### The business:

- is a limited liability company, located in the largest business city
- conducts general commercial activities
- is 100% domestically owned
- has a start-up capital of 10 times income per capita
- has a turnover of at least 100 times income per capita
- has at least 10 and up to 50 employees
- does not qualify for investment incentives or any special benefits
- leases the commercial plant and offices and is not a proprietor of real estate

## 1. Benchmarking Starting a Business Regulations:

Egypt, Arab Rep. is ranked 18 overall for Starting a Business.

Ranking of Egypt, Arab Rep. in Starting a Business - Compared to good practice and selected economies:



The following table shows Starting a Business data for Egypt, Arab Rep. compared to good practice and comparator economies:

<b>Good Practice Economies</b>	<b>Procedures (number)</b>	<b>Time (days)</b>	<b>Cost (% of income per capita)</b>	<b>Min. capital (% of income per capita)</b>
<b>Denmark*</b>			0.0	
<b>New Zealand*</b>	1	1		0.0

<i>Selected Economy</i>				
<b>Egypt, Arab Rep.</b>	<b>6</b>	<b>7</b>	<b>6.3</b>	<b>0.0</b>

<i>Comparator Economies</i>				
<b>Jordan</b>	8	13	44.6	17.9
<b>Lebanon</b>	5	9	75.0	39.8
<b>Saudi Arabia</b>	4	5	7.0	0.0
<b>Syrian Arab Republic</b>	7	13	38.1	355.1
<b>Turkey</b>	6	6	17.2	9.9
<b>United Arab Emirates</b>	8	15	6.4	0.0

\* The following economies are also good practice economies for :

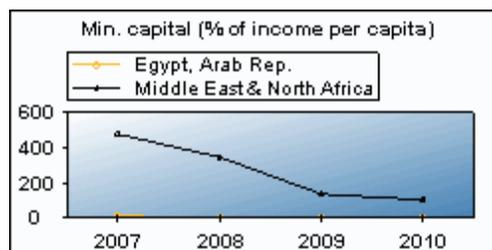
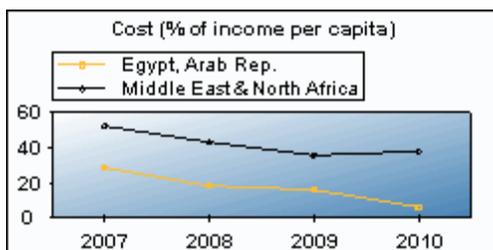
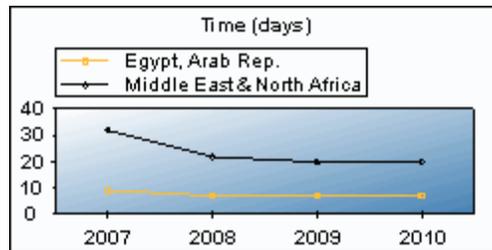
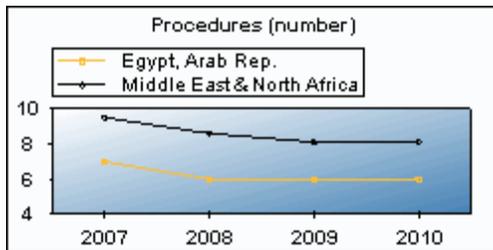
**Procedures (number): Canada**

**Cost (% of income per capita): Slovenia**

## 2. Historical data: Starting a Business in Egypt, Arab Rep.

Starting a Business data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	23	18
Procedures (number)	7	6	6	6
Time (days)	9	7	7	7
Cost (% of income per capita)	28.6	18.3	16.1	6.3
Min. capital (% of income per capita)	12.9	2.0	0.0	0.0

3. The following graphs illustrate the Starting a Business sub indicators in Egypt, Arab Rep. over the past 4 years:



## What are the time, cost, paid-in minimum capital and number of procedures to get a local, limited liability company up and running?



This table summarizes the procedures and costs associated with setting up a business in the Arab Republic of Egypt.

### STANDARDIZED COMPANY

Legal Form: Sharikat that Massouliyyah Mahdoodah

City: Cairo

### Registration Requirements:

No:	Procedure	Time to complete	Cost to complete
1	Obtain a certificate from an authorized bank	1	EGP 300
2	Submit documents to the Department of Companies and obtain invoice	1	EGP 489
3	Notarize company's contract	1	no charge
4	Obtain the notification of incorporation	1	no charge
5	Register for taxes	1	no charge
6	Register employees with the National Authority of Social Insurance	2	no charge

## Starting a Business Details - Egypt, Arab Rep.

### Procedure 1 Obtain a certificate from an authorized bank

**Time to complete:** 1

**Cost to complete:** EGP 300

**Comment:** The Bank of Alexandria branch at the General Authority for Free Zones and Investment (GAFI) issues and delivers the certificate in 1–2 days. The bank certificate cost between EGP 200 to EGP 500, depending on the bank.

### Procedure 2 Submit documents to the Department of Companies and obtain invoice

**Time to complete:** 1

**Cost to complete:** EGP 489

**Comment:** The founder deposits the company documents at the reception desk, where they are reviewed immediately by a lawyer. A registry employee reviews the documents, and issues a detailed invoice for all fees associated with the company's establishment.

Fees for company establishment:

- Notary public fee: 0.25% of capital ( minimum of EGP 10 and a maximum of EGP 1,000 ).
- Establishment fees: 0.1% of capital (minimum of EGP 100 and maximum of EGP 1,000 according to Article 17 (d) of the Companies Law).
- Commercial Syndicate fee: EGP 125 (for capital less than or equal to EGP 500,000) or EGP 250 (for capital more than EGP 500,000).
- Publication fee: EGP 150 (for a limited liability company in Arabic) or EGP 300 (for a limited liability company in Arabic and English).
- Chamber of Commerce fees: 0.2% of capital (minimum of EGP 24 and maximum of EGP 2,000) in addition to EGP 29 for the issuance of operation certificate.
- Commercial registration: EGP 51.
- Issuance of operation certificate: EGP 29.

### Procedure 3 Notarize company's contract

**Time to complete:** 1

**Cost to complete:** no charge

**Comment:** The articles of association must be registered and certain documents deposited at with the Investment Notarization Office at GAFI in the one-stop shop, these documents are:

1. Original certificate of non confusion.
2. Original certificate of an authorized bank.
3. A copy of the powers of attorney from the founders to their representative.
4. A copy of the founders' I.D. cards or passports.
5. Security clearances for foreign partners.
6. A preliminary consent from the General Authority of Manufacture.
7. Original certificate indicating that the company's auditor is listed at the Registry of accountants and auditors.
8. The application provided by GAFI.
9. Stamped articles of association.

No stamp duty is levied, according to the amendments (published on July 1, 2006) to the Stamp Duty Law (No. 111 of 1980). Required are the original copies of the articles of association and the powers of attorney.

#### Procedure 4 Obtain the notification of incorporation

**Time to complete:** 1

**Cost to complete:** no charge

**Comment:** When the articles of association are submitted, the competent authority must ratify them and issue a decree approving the establishment of the company. This decree is issued within 24 hours. Further, the applicant obtains the approval of the Chamber of Commerce and fills an application in order to obtain an extract of the commercial registry. After the lapse of 15 days the company assumes legal responsibility and judicial personality. Within the 15 days if the competent authority has no objection, the Department of Companies is thereafter responsible for publishing the notice of incorporation in the Investment Gazette at the company's expense.

#### Procedure 5 Register for taxes

**Time to complete:** 1

**Cost to complete:** no charge

**Comment:** Upon incorporation, the company can complete tax registration and obtain the tax card at the one-stop shop's tax counter. Upon obtaining the card, the company may choose to register for sales tax, provided that they have started production. Companies are obliged to register for sales tax only once they reach at least EGP 54,000 in sales for industrial activities and EGP 150,000 in sales for commercial activities. The required documents include the articles of association and the powers of attorney, the bank signature authentication (to be issued to the appropriate person by the manager having the power to sign on behalf of the company), the tax card, an original extract from the company's commercial register, and the original copy of the company's lease agreement for its premises. A new reform took place recently that will further reduce the time for this procedure a result of automation of the tax office at the OSS and the tax authority.

#### Procedure 6 Register employees with the National Authority of Social Insurance

**Time to complete:** 2

**Cost to complete:** no charge

**Comment:** Social insurance provides compensation for disability, retirement (pension), unemployment, and work-related injuries. By law, employers are required to subscribe to the social insurance system. Otherwise, they may be subject to sanctions.

The employer must submit a fully completed, authority-issued application (Nos. 1 and 2) and the following documents to the competent authority's office:

- Employer's lease agreement for company premises.
- Employer's tax card.
- Employee's identification card and birth certificate (copy).
- Employee's and employer's graduation certificate.

In many economies, especially developing ones, complying with building regulations is so costly in time and money that many builders opt out. Builders may pay bribes to pass inspections or simply build illegally, leading to hazardous construction. Where the regulatory burden is large, entrepreneurs may tend to move their activity into the informal economy. There they operate with less concern for safety, leaving everyone worse off. In other economies compliance is simple, straightforward and inexpensive, yielding better results.

### Some reform outcomes

*In Burkina Faso, a one-stop shop for construction permits, "Centre de Facilitation des Actes de Construire", was opened in May 2008. The new regulation merged 32 procedures into 15, reduced the time required from 226 days to 122 and cut the cost by 40%. From May 2009 to May 2010 611 building permits were granted in Ouagadougou, up from an average of about 150 a year in 2002-06.*

*Toronto, Canada revamped its construction permitting process in 2005 by introducing time limits for different stages of the process and presenting a unique basic list of requirements for each project. Later it provided for electronic information and risk-based approvals with fast-track procedures. Between 2005 and 2008 the number of commercial building permits increased by 17%, the construction value of new commercial buildings by 84%.*

### What does the Dealing with Construction Permits indicator measure?

#### Procedures to legally build a warehouse (number)

- Submitting all relevant documents and obtaining all necessary clearances, licenses, permits and certificates
- Completing all required notifications and receiving all necessary inspections
- Obtaining utility connections for electricity, water, sewerage and a land telephone line
- Registering the warehouse after its completion (if required for use as collateral or for transfer of warehouse)

#### Time required to complete each procedure (calendar days)

- Does not include time spent gathering information
- Each procedure starts on a separate day
- Procedure completed once final document is received
- No prior contact with officials

#### Cost required to complete each procedure (% of income per capita)

- Official costs only, no bribes

### Case Study Assumptions

#### The business:

- is a small to medium-size limited liability company in the construction industry, located in the economy's largest business city
- is 100% domestically and privately owned and operated
- has 60 builders and other employees
- has at least one employee who is a licensed architect and registered with the local association of architects

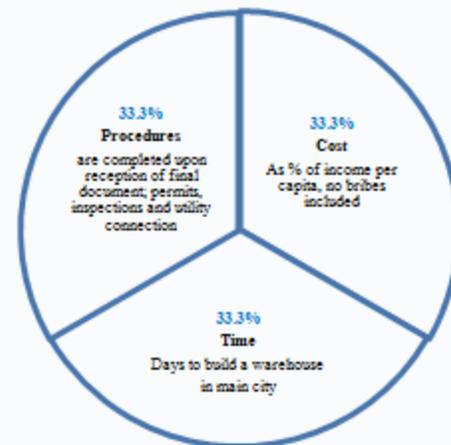
#### The warehouse:

- is a new construction (there was no previous construction on the land)
- has 2 stories, both above ground, with a total surface of approximately 1,300.6 sq. meters (14,000 sq. feet)
- has complete architectural and technical plans prepared by a licensed architect
- will be connected to electricity, water, sewerage (sewage system, septic tank or their equivalent) and a land telephone line
- will be used for general storage of non-hazardous goods, such as books
- will take 30 weeks to construct (excluding all delays due to administrative and regulatory requirements)

### Dealing with Construction Permits:

#### Building a warehouse

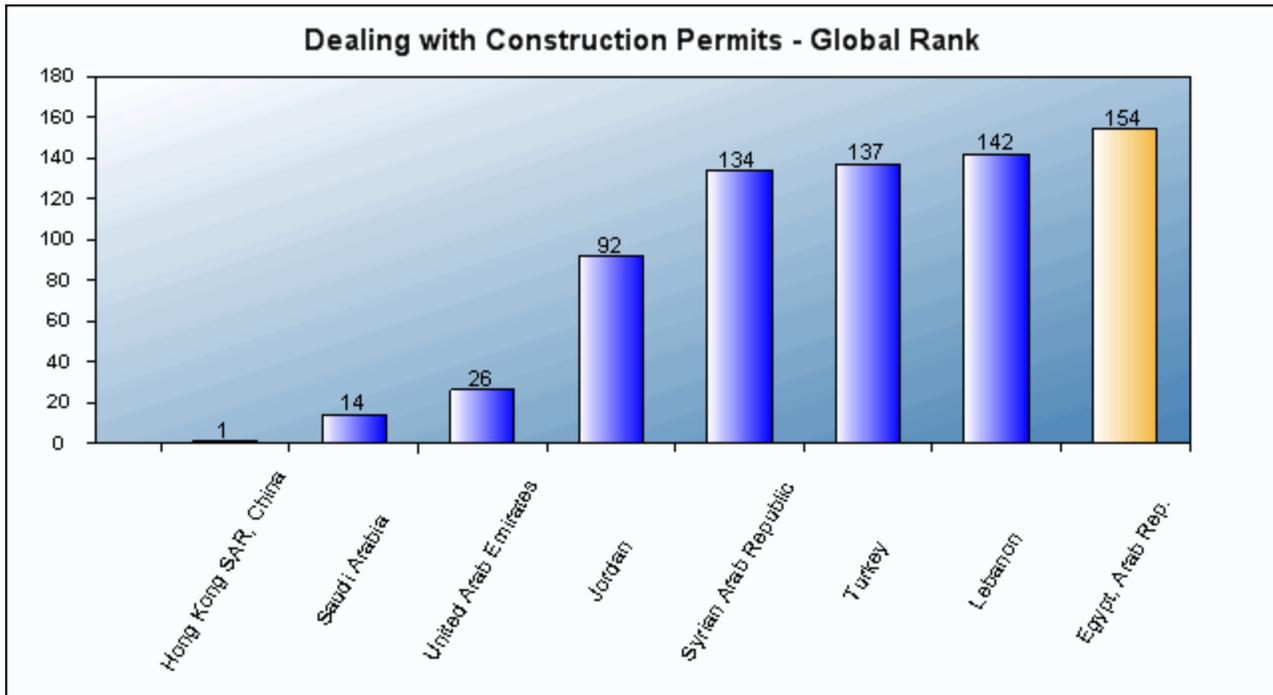
Rankings are based on 3 subindicators



## 1. Benchmarking Dealing with Construction Permits Regulations:

Egypt, Arab Rep. is ranked 154 overall for Dealing with Construction Permits.

Ranking of Egypt, Arab Rep. in Dealing with Construction Permits - Compared to good practice and selected economies:



The following table shows Dealing with Construction Permits data for Egypt, Arab Rep. compared to good practice and comparator economies:

<b>Good Practice Economies</b>	<b>Procedures (number)</b>	<b>Time (days)</b>	<b>Cost (% of income per capita)</b>
<b>Denmark</b>	6		
<b>Qatar</b>			0.8
<b>Singapore</b>		25	

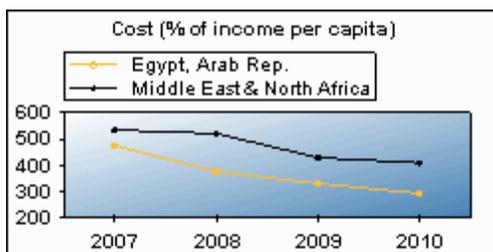
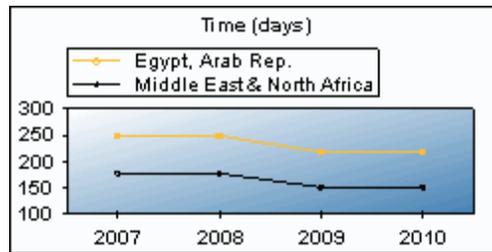
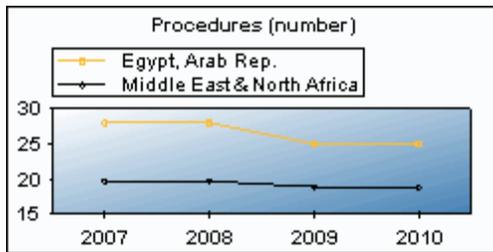
<i>Selected Economy</i>			
<b>Egypt, Arab Rep.</b>	<b>25</b>	<b>218</b>	<b>293.7</b>

<i>Comparator Economies</i>			
<b>Jordan</b>	19	87	634.1
<b>Lebanon</b>	21	218	284.7
<b>Saudi Arabia</b>	12	89	43.8
<b>Syrian Arab Republic</b>	26	128	568.4
<b>Turkey</b>	25	188	231.4
<b>United Arab Emirates</b>	17	64	35.8

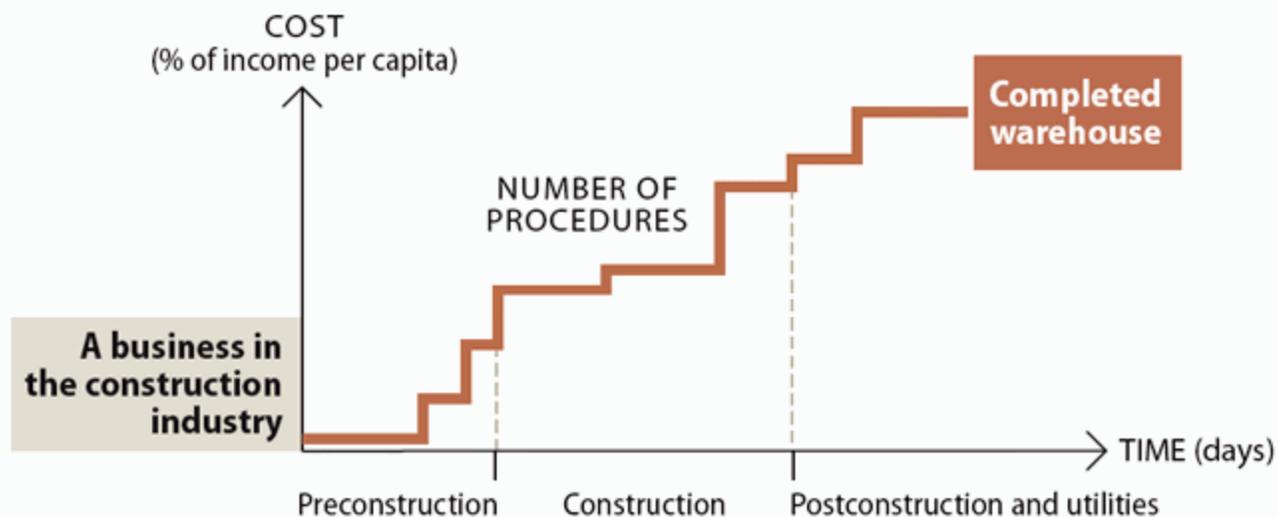
**2. Historical data: Dealing with Construction Permits in Egypt, Arab Rep.**

Dealing with Construction Permits data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	155	154
Procedures (number)	28	28	25	25
Time (days)	249	249	218	218
Cost (% of income per capita)	474.9	376.7	331.6	293.7

**3. The following graphs illustrate the Dealing with Construction Permits sub indicators in Egypt, Arab Rep. over the past 4 years:**



## What are the time, cost and number of procedures to comply with formalities to build a warehouse?



The table below summarizes the procedures, time, and costs to build a warehouse in the Arab Republic of Egypt.

### BUILDING A WAREHOUSE

City: Cairo

#### Registration Requirements:

No:	Procedure	Time to complete	Cost to complete
1	Obtain technical approvals from independent syndicate engineer	9 days	EGP 1,750
2	Submit building permit application to municipal authority	1 day	EGP 7
3 *	Obtain project clearance from electricity authority	30 days	no charge
4 *	Receive inspection prior to permit issuance from the municipality	1 day	no charge
5 *	Pay real estate tax at the tax authority	1 day	EGP 30
6	Obtain building permit	30 days	EGP 2,000
7	Receive on-site inspection from the municipality - I	1 day	no charge
8	Receive on-site inspection from the municipality - II	1 day	no charge

9	Receive on-site inspection from the municipality - III	1 day	no charge
10	Receive on-site inspection from the municipality - IV	1 day	no charge
11	Receive on-site inspection from the municipality - V	1 day	no charge
12	Receive on-site inspection from the municipality - VI	1 day	no charge
13	Receive on-site inspection from the municipality - VII	1 day	no charge
14	Receive on-site inspection from the municipality - VIII	1 day	no charge
15	Receive on-site inspection from the municipality - IX\	1 day	no charge
16	Receive on-site inspection from the municipality - X	1 day	no charge
17	Receive final inspection from by a committee from the municipality	1 day	no charge
18	Obtain letters from municipality about water and sewerage connection and about electricity cables installation	1 day	no charge
19	Obtain certificate of natural disaster	1 day	EGP 102
20	Obtain water and sewerage connection	60 days	EGP 15,000
21 *	Apply for electricity connection	1 day	no charge
22 *	Receive electricity inspection	1 day	no charge
23 *	Obtain electricity connection	19 days	EGP 15,000
24 *	Obtain phone connection	18 days	EGP 850
25	Register the building with the real estate registry	75 days	EGP 2,000

\* Takes place simultaneously with another procedure.

## Dealing with Construction Permits Details - Egypt, Arab Rep.

### Procedure 1 Obtain technical approvals from independent syndicate engineer

**Time to complete:** 9 days

**Cost to complete:** EGP 1,750

**Agency:** Independent syndicate engineer

**Comment:** To obtain technical approvals, BuildCo must submit documents, including the approval of the colored cadastral map; the approval of probe estimation; the execution supervision certificate (fee EGP 250–350); approval of architectural drawings (fee EGP 150–200); accounting book; report confirming the construction quality of the building foundations (fee EGP 250–300); and a soil investigation report (fee EGP 1,000).

### Procedure 2 Submit building permit application to municipal authority

**Time to complete:** 1 day

**Cost to complete:** EGP 7

**Agency:** Municipality

**Comment:** To obtain a building permit, BuildCo must file with the District Department the following documents, along with the ones described in the previous procedures: - Original ownership contract of the plot of land (notarized). - Measurement specification statement from the Survey Department. - Survey plan (aerial photography) specifying the location. That survey plan must be approved by an accredited syndicate engineer. - Alignment license, issued by the Urban Planning Department of Cairo Governorate. - Probe estimation, approved by a syndicated engineer - Execution supervision certificate, issued by a syndicate engineer or consultant engineer, if the building value is more than EGP 1 million. - A receipt attesting the payment of fees for the duty for examination of the drawings and details - A general drawing of the site (scale minimum 1:1,000) that indicates (a) the boundaries and dimensions of the land for which the permit is required, together with the total land area; and (b) the part on which construction is requested, as well as the facing roads and their widths. BuildCo must submit a file containing (a) a copy of the architectural drawings for the horizontal projections of floors and facades; (b) a vertical section, indicating the building height and the road's zero level and the structural drawings of the foundations, columns, and the enforced ceilings, together with copies of the structural calculation notes. All drawings must be signed by an accredited engineer. Also to be filed is a report from a structural engineer that confirms the structural skeleton and the foundations of the building (a) will tolerate the required licensed construction work and (b) are in compliance with safety provisions and will resist natural disasters according to Egyptian construction standards. The report must illustrate the soil composition at the site. If the building is elevated or modified, BuildCo must submit a report from a construction consultant (accredited for not less than 25 years), attesting that upon inspection and study of the existing buildings, the consultant has obtained proof of tolerance to the applicable loads subject to the license.

### Procedure 3 Obtain project clearance from electricity authority

**Time to complete:** 30 days

**Cost to complete:** no charge

**Agency:** Greater Cairo Electricity Authority

**Comment:**

**Procedure 4 Receive inspection prior to permit issuance from the municipality**

**Time to complete:** 1 day

**Cost to complete:** no charge

**Agency:** Municipality

**Comment:**

**Procedure 5 Pay real estate tax at the tax authority**

**Time to complete:** 1 day

**Cost to complete:** EGP 30

**Agency:** Tax Authority

**Comment:**

**Procedure 6 Obtain building permit**

**Time to complete:** 30 days

**Cost to complete:** EGP 2,000

**Agency:** Municipality

**Comment:** The Construction Law establishes a 30-day statutory time limit for issuing building permits. These 30 days are counted only after all preliminary approvals are obtained. Law 4 of 2006 reduced the fee to obtain a building permit from 1% of construction cost to 0.2%.

**Procedure 7 Receive on-site inspection from the municipality - I**

**Time to complete:** 1 day

**Cost to complete:** no charge

**Agency:** Municipality

**Comment:** The municipality will inspect the construction site on a regular basis (usually once a month but inspections can occur once every 2 weeks). Each inspection takes a day at most. It is assumed that the site is inspected every 3 weeks on average.

**Procedure 8 Receive on-site inspection from the municipality - II**

**Time to complete:** 1 day

**Cost to complete:** no charge

**Agency:** Municipality

**Comment:** The municipality will inspect the construction site on a regular basis (usually once a month but inspections can occur once every 2 weeks). Each inspection takes a day at most. It is assumed that the site is inspected every 3 weeks on average.

**Procedure 9 Receive on-site inspection from the municipality - III**

**Time to complete:** 1 day

**Cost to complete:** no charge

**Agency:** Municipality

**Comment:** The municipality will inspect the construction site on a regular basis (usually once a month but inspections can occur once every 2 weeks). Each inspection takes a day at most. It is assumed that the site is inspected every 3 weeks on average.

**Procedure 10 Receive on-site inspection from the municipality - IV**

**Time to complete:** 1 day

**Cost to complete:** no charge

**Agency:** Municipality

**Comment:** The municipality will inspect the construction site on a regular basis (usually once a month but inspections can occur once every 2 weeks). Each inspection takes a day at most. It is assumed that the site is inspected every 3 weeks on average.

**Procedure 11 Receive on-site inspection from the municipality - V**

**Time to complete:** 1 day

**Cost to complete:** no charge

**Agency:** Municipality

**Comment:** The municipality will inspect the construction site on a regular basis (usually once a month but inspections can occur once every 2 weeks). Each inspection takes a day at most. It is assumed that the site is inspected every 3 weeks on average.

**Procedure 12 Receive on-site inspection from the municipality - VI**

**Time to complete:** 1 day

**Cost to complete:** no charge

**Agency:** Municipality

**Comment:** The municipality will inspect the construction site on a regular basis (usually once a month but inspections can occur once every 2 weeks). Each inspection takes a day at most. It is assumed that the site is inspected every 3 weeks on average.

**Procedure 13 Receive on-site inspection from the municipality - VII**

**Time to complete:** 1 day

**Cost to complete:** no charge

**Agency:** Municipality

**Comment:** The municipality will inspect the construction site on a regular basis (usually once a month but inspections can occur once every 2 weeks). Each inspection takes a day at most. It is assumed that the site is inspected every 3 weeks on average.

**Procedure 14 Receive on-site inspection from the municipality - VIII**

**Time to complete:** 1 day

**Cost to complete:** no charge

**Agency:** Municipality

**Comment:** The municipality will inspect the construction site on a regular basis (usually once a month but inspections can occur once every 2 weeks). Each inspection takes a day at most. It is assumed that the site is inspected every 3 weeks on average.

**Procedure 15 Receive on-site inspection from the municipality - IX\**

**Time to complete:** 1 day

**Cost to complete:** no charge

**Agency:** Municipality

**Comment:** The municipality will inspect the construction site on a regular basis (usually once a month but inspections can occur once every 2 weeks). Each inspection takes a day at most. It is assumed that the site is inspected every 3 weeks on average.

**Procedure 16 Receive on-site inspection from the municipality - X**

**Time to complete:** 1 day

**Cost to complete:** no charge

**Agency:** Municipality

**Comment:** The municipality will inspect the construction site on a regular basis (usually once a month but inspections can occur once every 2 weeks). Each inspection takes a day at most. It is assumed that the site is inspected every 3 weeks on average.

**Procedure 17 Receive final inspection from by a committee from the municipality**

**Time to complete:** 1 day

**Cost to complete:** no charge

**Agency:** Municipality

**Comment:** After construction is done, the municipality makes a final inspection to certify that the warehouse conforms to the specifications outlined in the building permit.

**Procedure 18 Obtain letters from municipality about water and sewage connection and about electricity cables installation**

**Time to complete:** 1 day

**Cost to complete:** no charge

**Agency:** Greater Cairo Water Authority

**Comment:** As described above, the company must obtain a form from the municipality to obtain water and sewage connections.

#### **Procedure 19 Obtain certificate of natural disaster**

**Time to complete:** 1 day

**Cost to complete:** EGP 102

**Agency:** Independent Syndicate Engineer

**Comment:** A supervising engineer issues the certificate of natural disaster. The cost cited here reflects the fees for issuing the certificate.

#### **Procedure 20 Obtain water and sewerage connection**

**Time to complete:** 60 days

**Cost to complete:** EGP 15,000

**Agency:** Greater Cairo Water Authority

**Comment:** BuildCo submits an application to the municipal department to obtain a letter to be provided to the water utility. Then the company submits an application to the competent water authority, along with the original license and a copy of the building permit. Fees include about EPG 10,000 for the water connection and EPG 5,000 for the sewerage connection.

#### **Procedure 21 Apply for electricity connection**

**Time to complete:** 1 day

**Cost to complete:** no charge

**Agency:** Greater Cairo Electricity Authority

**Comment:** For the electricity authority to extend the electric cables network, the company must submit the electrical design drawings to be endorsed by the authority and electricity company.

#### **Procedure 22 Receive electricity inspection**

**Time to complete:** 1 day

**Cost to complete:** no charge

**Agency:** Greater Cairo Electricity Authority

**Comment:** The electricity authority inspects the construction site to provide a cost estimate.

**Procedure 23 Obtain electricity connection**

<b>Time to complete:</b>	19 days
<b>Cost to complete:</b>	EGP 15,000
<b>Agency:</b>	Greater Cairo Electricity Authority
<b>Comment:</b>	Connection fees include laying down the cables.

**Procedure 24 Obtain phone connection**

<b>Time to complete:</b>	18 days
<b>Cost to complete:</b>	EGP 850
<b>Agency:</b>	Telecom Egypt
<b>Comment:</b>	To obtain a phone connection, the company must submit the following documents: - Title deed for the unit, or lease contract, if not owned by the applicant. - Copy of applicant's identification. - Operators license for factories, stores, commercial stores, and workshops.

**Procedure 25 Register the building with the real estate registry**

<b>Time to complete:</b>	75 days
<b>Cost to complete:</b>	EGP 2,000
<b>Agency:</b>	Real Estate Registry
<b>Comment:</b>	The company must submit a building registration form, the building permit for the warehouse, and the primary purchase contract of the land on which the warehouse had been built. Law 83 of 2006 amended Decree No. 70 (1964) to decrease registration fees, which are now a flat fee of EGP 2,000 rather than a percentage of building value.

Ensuring formal property rights is fundamental. Effective administration of land is part of that. If formal property transfer is too costly or complicated, formal titles might go informal again. *Doing Business* records the full sequence of procedures necessary for a business to purchase a property from another business and transfer the property title to the buyer's name. In the past 6 years 105 economies undertook 146 reforms making it easier to transfer property. Globally, the time to transfer property fell by 38% and the cost by 10% over this time. The most popular feature of property registration reform in these 6 years, implemented in 52 economies, was lowering transfer taxes and government fees.

### Some reform outcomes

*Georgia now allows property transfers to be completed through 500 authorized users, notably banks. This saves time for entrepreneurs. A third of people transferring property in 2009 chose authorized users, up from 7% in 2007. Also, Georgia's new electronic registry managed 68,000 sales in 2007, twice as many as in 2003.*

*Belarus's unified and computerized registry was able to cope with the addition of 1.2 million new units over 3 years. The registry issued 1 million electronic property certificates in 2009.*

### What does the Registering Property indicator measure?

**Registering Property:** transfer of property between 2 local companies

Rankings are based on 3 subindicators

### Procedures to legally transfer title on immovable property (number)

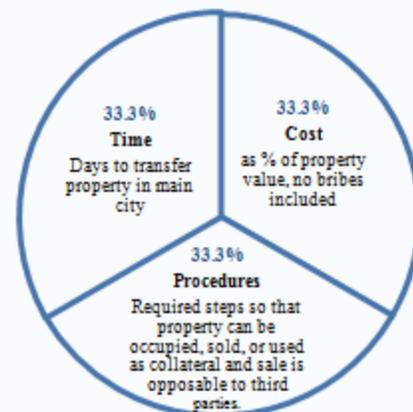
- Preregistration (for example, checking for liens, notarizing sales agreement, paying property transfer taxes)
- Registration in the economy's largest business city
- Post registration (for example, transactions with the local authority, tax authority or cadastre)

### Time required to complete each procedure (calendar days)

- Does not include time spent gathering information
- Each procedure starts on a separate day
- Procedure completed once final document is received
- No prior personal contact with officials

### Cost required to complete each procedure (% of property value)

- Official costs only, no bribes
- No value added or capital gains taxes included



### Case Study Assumptions

#### The parties (buyer and seller):

- Are limited liability companies, 100% domestically and privately owned.
- Are located in the periurban area of the economy's largest business city.
- Have 50 employees each, all of whom are nationals.
- Perform general commercial activities.

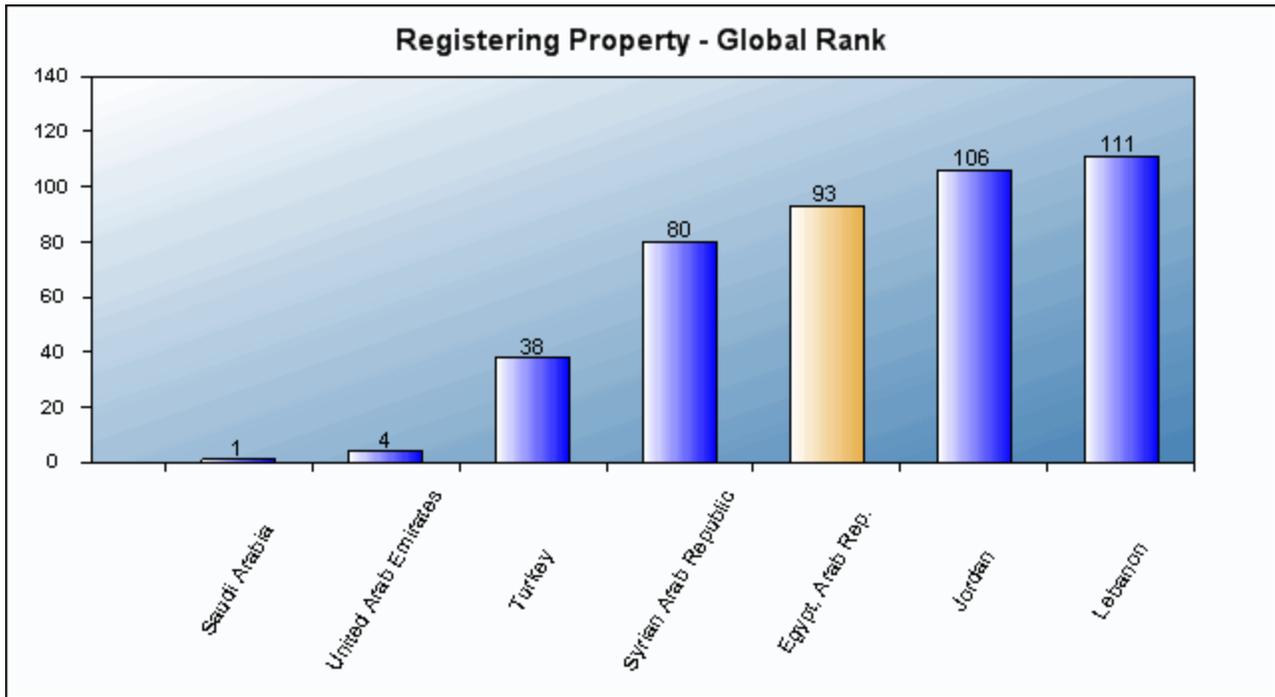
#### The property (fully owned by the seller):

- Has a value of 50 times income per capita. The sale price equals the value.
- Has no mortgages attached and has been under the same ownership for the past 10 years.
- Is registered in the land registry or cadastre, or both, and is free of title disputes.
- Is located in a periurban commercial zone, and no rezoning is required.
- Consists of a 557.4 square meters (6,000 square feet) land and 10 years old 2-story warehouse of 929 square meters (10,000 square feet) located on the land. The warehouse is in good condition and complies with all safety standards, building codes and legal requirements. The property will be transferred in its entirety.

## 1. Benchmarking Registering Property Regulations:

Egypt, Arab Rep. is ranked 93 overall for Registering Property.

Ranking of Egypt, Arab Rep. in Registering Property - Compared to good practice and selected economies:



The following table shows Registering Property data for Egypt, Arab Rep. compared to good practice and comparator economies:

<b>Good Practice Economies</b>	<b>Procedures (number)</b>	<b>Time (days)</b>	<b>Cost (% of property value)</b>
<b>New Zealand*</b>		2	
<b>Norway*</b>	1		
<b>Saudi Arabia</b>			0.0

<i>Selected Economy</i>			
<b>Egypt, Arab Rep.</b>	7	72	<b>0.8</b>

<i>Comparator Economies</i>			
<b>Jordan</b>	7	21	7.5
<b>Lebanon</b>	8	25	5.8
<b>Saudi Arabia</b>	2	2	0.0
<b>Syrian Arab Republic</b>	4	19	27.9
<b>Turkey</b>	6	6	3.0
<b>United Arab Emirates</b>	1	2	2.0

\* The following economies are also good practice economies for :

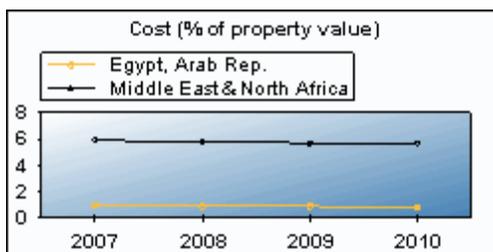
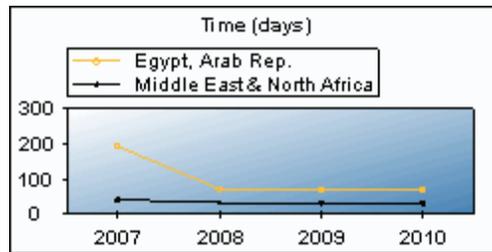
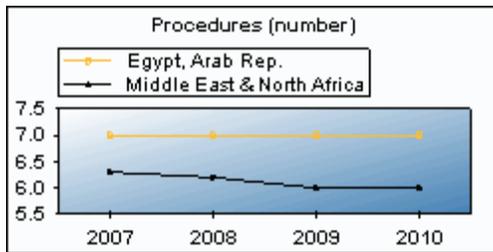
**Procedures (number): United Arab Emirates**

**Time (days): Saudi Arabia, Thailand, United Arab Emirates**

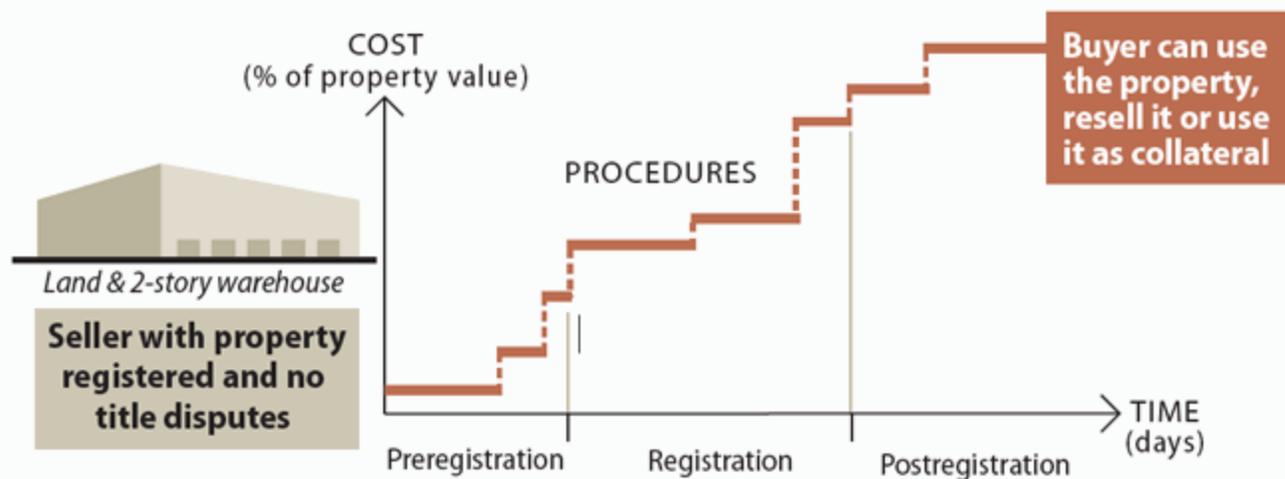
## 2. Historical data: Registering Property in Egypt, Arab Rep.

Registering Property data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	89	93
Procedures (number)	7	7	7	7
Time (days)	193	72	72	72
Cost (% of property value)	1.0	0.9	0.9	0.8

3. The following graphs illustrate the Registering Property sub indicators in Egypt, Arab Rep. over the past 4 years:



## What are the time, cost and number of procedures required to transfer a property between 2 local companies?



This topic examines the steps, time, and cost involved in registering property in the Arab Republic of Egypt.

### STANDARDIZED PROPERTY

Property Value: 625,433.42

City: Cairo

#### Registration Requirements:

No:	Procedure	Time to complete	Cost to complete
1	Request for registration presented by the buyer	5 days	no cost
2	Site inspection by the measurement department	15 days	no cost
3	Payment and issuance of the inspection's report (maqbul)	21 days	no cost
4	Final contract is drafted and approved at the Lawyers Syndicate	26 days	0.5% property value
5	The buyer obtains the contract from the real estate registry	2 days	EGP 2000 (registration fee)
6	Seller and buyer sign the contract before the real estate registrar	2 days	no cost
7	The buyer picks-up the new contract/title at the Registry	1 day	no cost

## Registering Property Details - Egypt, Arab Rep.

<b>Procedure</b>	<b>1</b>	<b>Request for registration presented by the buyer</b>
<b>Time to complete:</b>	5 days	
<b>Cost to complete:</b>	no cost	
<b>Agency:</b>	Real Estate Registry	
<b>Comment:</b>	After an initial written agreement between the parties has concluded and the buyer pays the established price with the seller, the purchaser presents to the real estate registry a request for registration (1 day). This request is then internally transferred in the real estate registry to the Egyptian Surveying Authority (ESA) offices of the ministry of water resources & irrigation.	
<b>Procedure</b>	<b>2</b>	<b>Site inspection by the measurement department</b>
<b>Time to complete:</b>	15 days	
<b>Cost to complete:</b>	no cost	
<b>Agency:</b>	Egyptian Surveying Authority	
<b>Comment:</b>	After payment for the inspection, the Egyptian Surveying Authority (ESA) office of the ministry of water resources & irrigation inspects the site, takes the necessary measurements and specifications and prepares a report. Setting a date for inspection and delivery of required items takes 7 days. Visiting the field & developing the surveying report takes 7 days. Returning the results & submitting the documents to the Real Estate Registry takes 1 day.	
<b>Procedure</b>	<b>3</b>	<b>Payment and issuance of the inspection's report (maqbul)</b>
<b>Time to complete:</b>	21 days	
<b>Cost to complete:</b>	no cost	
<b>Agency:</b>	Real Estate Registry	
<b>Comment:</b>	Then, the report will be approved or refused by the measurement department. The approval is called kashf tahdeed. The approved request is then transferred back to the Real Estate Registry. The Registry will examine the report and issue a final approval called maqbul. The Real Estate Registry offices receives the surveying & delimitation report (KASHF TAHDEED) from the relevant ESA offices & develops the acceptance report (MAQBUL) within 21 days	
<b>Procedure</b>	<b>4</b>	<b>Final contract is drafted and approved at the Lawyers Syndicate</b>
<b>Time to complete:</b>	26 days	
<b>Cost to complete:</b>	0.5% property value	

**Agency:** Lawyers' Syndicate

**Comment:** A (final) sale agreement is drafted by the parties on a special form at the Lawyers' Syndicate. A lawyer must ratify the form. The Lawyers' Syndicate reviews the final contract and will approve the contract (mashrua). The contract takes 1 day to be drafted, 1 day to be submitted to the Real Estate Registry office, 4 days to complete the work cycle at Real Estate Registry office & submit the contract to the lawyer syndicate, and finally 20 days to authenticate process at the lawyer syndicate.

**Procedure 5 The buyer obtains the contract from the real estate registry**

**Time to complete:** 2 days

**Cost to complete:** EGP 2000 (registration fee)

**Agency:** Real Estate Registry

**Comment:** The buyer obtains the contract from the real estate registry against payment of fees amounting to 2000 EGP. This registration fee was changed from 3% and capped at EGP 2000 during 2006. Estimating fees at the Registry office takes 1 day and payment of the fees takes 1 day

**Procedure 6 Seller and buyer sign the contract before the real estate registrar**

**Time to complete:** 2 days

**Cost to complete:** no cost

**Agency:** Real Estate Registry

**Comment:** Seller and purchaser must sign the contract before the real estate registrar. The real estate registry reviews the contract again, making sure that payments have been made and that details are correct and will add a registration number to the contract. Visiting the notary office takes 1 day at the Registry office. Visiting the main REPD office for publicity purposes takes 1 day.

**Procedure 7 The buyer picks-up the new contract/title at the Registry**

**Time to complete:** 1 day

**Cost to complete:** no cost

**Agency:** Real Estate Registry

**Comment:** After the registry adds the new registration number to the contract, it is ready to be picked-up by the buyer.

Through two sets of indicators, *Doing Business* assesses the legal rights of borrowers and lenders with respect to secured transactions and the sharing of credit information. The depth of credit information index measures rules and practices affecting the coverage, scope and accessibility of credit information available through either a public credit registry or a private credit bureau. Credit information systems mitigate the ‘information asymmetry’ in lending and enable lenders to view a borrower’s financial history (positive or negative), providing them with valuable information to consider when assessing risk. Credit information systems benefit borrowers as well, allowing good borrowers to establish a reputable credit history which will enable them to access credit more easily. The Legal Rights Index measures the degree to which collateral and bankruptcy laws protect the rights of borrowers and lenders and thus facilitate lending. Sound collateral laws will enable businesses to use their assets, especially movable property, as security to generate capital while having strong creditor’s rights has been associated with higher ratios of private sector credit to GDP.

### Some reform outcomes

*After Vietnam’s new Civil Code was enacted in 2005, a decree further clarified the provisions governing secured transactions. Since the inclusion of the new provisions, the number of registrations increased from 43,000 (2005) to 120,000 (end of 2008).*

*In 2008, when Zambia established a private credit bureau, its database initially covered about 25,000 borrowers. Thanks to a strong communication campaign and a central bank directive, coverage has grown 10-fold in the past 2 years, exceeding 200,000 by the beginning of 2010.*

### What do the Getting Credit indicators measure?

#### Strength of legal rights index (0–10)

- Protection of rights of borrowers and lenders through collateral laws
- Protection of secured creditors’ rights through bankruptcy laws

#### Depth of credit information index (0–6)

- Scope and accessibility of credit information distributed by public credit registries and private credit bureaus

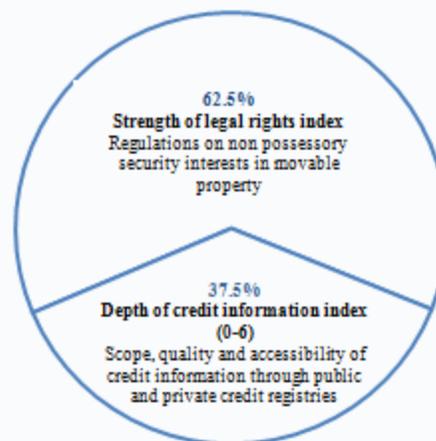
#### Public credit registry coverage (% of adults)

- Number of individuals and firms listed in public credit registry as percentage of a adult population

#### Private credit bureau coverage (% of adults)

- Number of individuals and firms listed in largest private credit bureau as percentage of a adult population

### Getting Credit: collateral rules and credit information



Note: Private bureau coverage and public credit registry coverage are measured but do not count for the rankings.

### Case Study Assumptions (applying to the Legal Rights Index only)

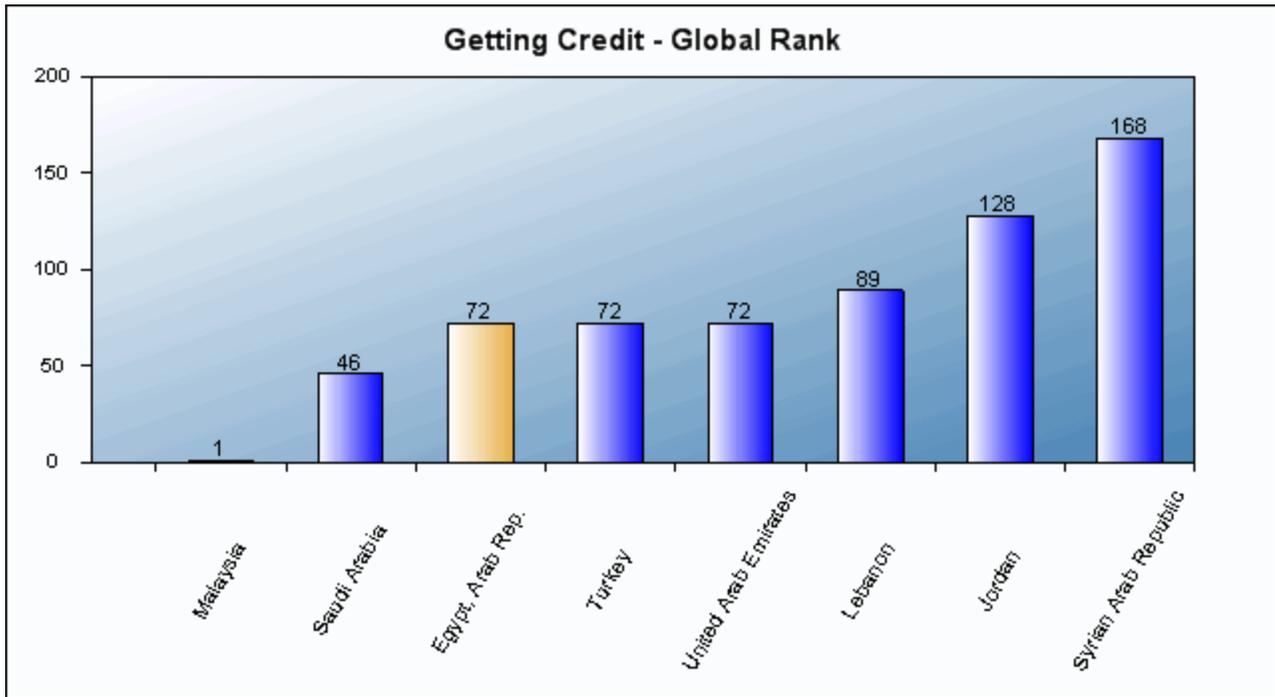
#### The Debtor

- is a Private Limited Liability Company
- has its Headquarters and only base of operations in the largest business city
- obtains a loan from a local bank (the Creditor) for an amount up to 10 times income (GNI) per capita
- Both creditor and debtor are 100% domestically owned.

## 1. Benchmarking Getting Credit Regulations:

Egypt, Arab Rep. is ranked 72 overall for Getting Credit.

Ranking of Egypt, Arab Rep. in Getting Credit - Compared to good practice and selected economies:



The following table shows Getting Credit data for Egypt, Arab Rep. compared to good practice and comparator economies:

<b>Good Practice Economies</b>	<b>Strength of legal rights index (0-10)</b>	<b>Depth of credit information index (0-6)</b>	<b>Public registry coverage (% of adults)</b>	<b>Private bureau coverage (% of adults)</b>
<b>New Zealand*</b>				100.0
<b>Portugal</b>			67.1	
<b>Singapore*</b>	10			
<b>United Kingdom</b>		6		

<i>Selected Economy</i>				
<b>Egypt, Arab Rep.</b>	<b>3</b>	<b>6</b>	<b>2.9</b>	<b>10.3</b>

<i>Comparator Economies</i>				
<b>Jordan</b>	4	2	1.5	0.0
<b>Lebanon</b>	3	5	8.7	0.0
<b>Saudi Arabia</b>	5	6	0.0	18.0
<b>Syrian Arab Republic</b>	1	2	2.2	0.0
<b>Turkey</b>	4	5	18.3	42.2
<b>United Arab Emirates</b>	4	5	8.4	17.7

\* The following economies are also good practice economies for :

**Strength of legal rights index (0-10): Hong Kong, China, Kenya, Kyrgyz Republic, Malaysia**

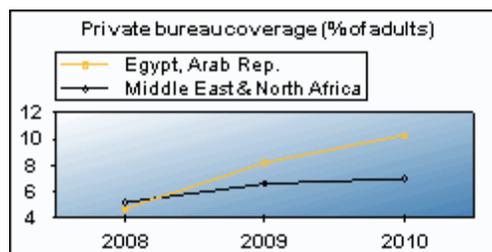
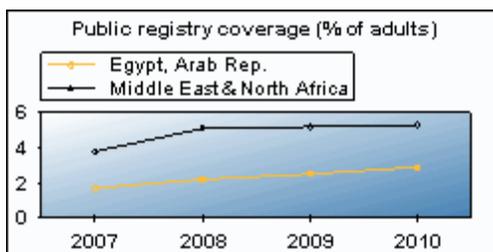
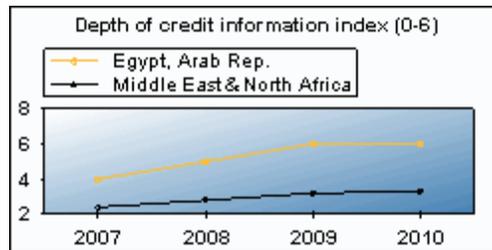
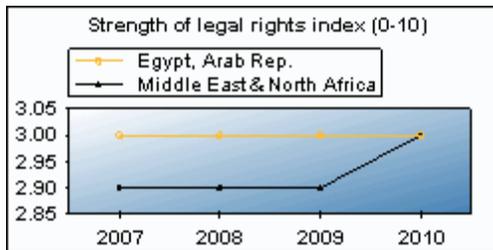
**Private bureau coverage (% of adults): Argentina, Australia, Canada, Iceland, Ireland, Norway, Sweden, United Kingdom, United States**

**27 countries have the highest credit information index.**

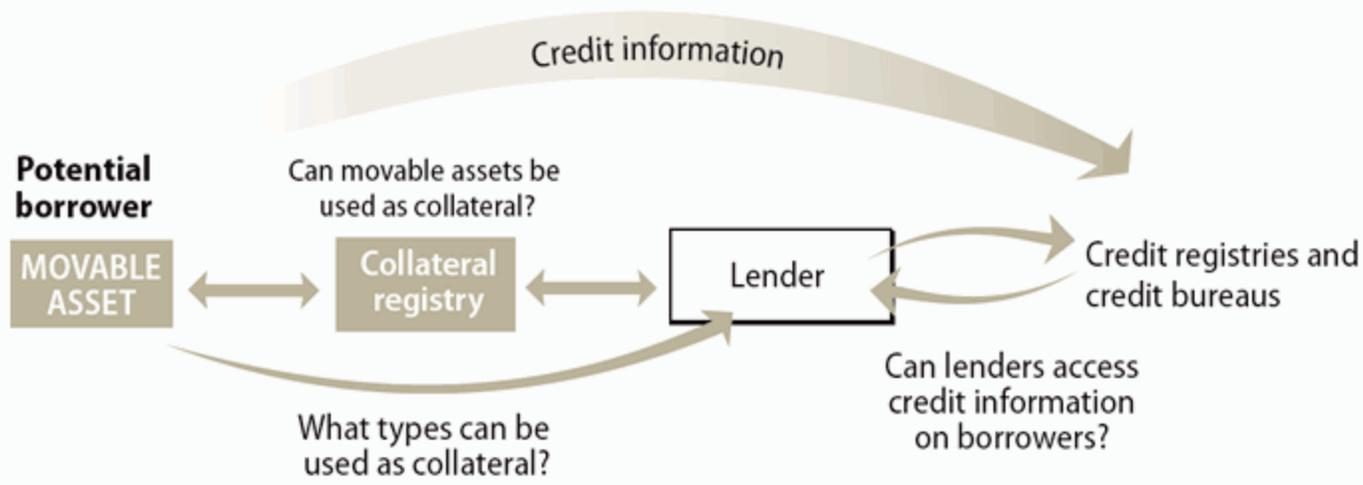
## 2. Historical data: Getting Credit in Egypt, Arab Rep.

Getting Credit data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	69	72
Strength of legal rights index (0-10)	3	3	3	3
Depth of credit information index (0-6)	4	5	6	6
Private bureau coverage (% of adults)	..	4.7	8.2	10.3
Public registry coverage (% of adults)	1.7	2.2	2.5	2.9

3. The following graphs illustrate the Getting Credit sub indicators in Egypt, Arab Rep. over the past 4 years:



**Do lenders have credit information on entrepreneurs seeking credit?  
Is the law favorable to borrowers and lenders using movable assets as collateral?**



The following table summarize legal rights of borrowers and lenders, and the availability and legal framework of credit registries in the Arab Republic of Egypt.

Getting Credit Indicators (2010)			Indicator
<b>Private bureau coverage (% of adults)</b>	<b>Private credit bureau</b>	<b>Public credit registry</b>	<b>6</b>
Are data on both firms and individuals distributed?	Yes	Yes	1
Are both positive and negative data distributed?	Yes	No	1
Does the registry distribute credit information from retailers, trade creditors or utility companies as well as financial institutions?	Yes	No	1
Are more than 2 years of historical credit information distributed?	Yes	No	1
Is data on all loans below 1% of income per capita distributed?	Yes	No	1
Is it guaranteed by law that borrowers can inspect their data in the largest credit registry?	Yes	No	1
<b>Coverage</b>	10.3	2.9	
Number of individuals	5,735,770	1,537,660	
Number of firms	57,294	66,241	

**Strength of legal rights index (0-10)****3**

Can any business use movable assets as collateral while keeping possession of the assets; and any financial institution accept such assets as collateral ?	Yes
Does the law allow businesses to grant a non possessory security right in a single category of movable assets, without requiring a specific description of collateral?	No
Does the law allow businesses to grant a non possessory security right in substantially all of its assets, without requiring a specific description of collateral?	Yes
May a security right extend to future or after-acquired assets, and may it extend automatically to the products, proceeds or replacements of the original assets ?	No
Is a general description of debts and obligations permitted in collateral agreements, so that all types of obligations and debts can be secured by stating a maximum amount rather than a specific amount between the parties ?	Yes
Is a collateral registry in operation, that is unified geographically and by asset type, as well as indexed by the grantor's name of a security right ?	No
Do secured creditors have absolute priority to their collateral outside bankruptcy procedures?	No
Do secured creditors have absolute priority to their collateral in bankruptcy procedures?	No
During reorganization, are secured creditors' claims exempt from an automatic stay on enforcement?	No
Does the law authorize parties to agree on out of court enforcement?	No

Stronger investor protections matter for the ability of companies to raise the capital needed to grow, innovate, diversify and compete. This is all the more crucial in times of financial crisis when entrepreneurs must navigate through defiant environments to finance their activities. Using 3 indices of investor protection, *Doing Business* measures how economies regulate a standard case of self-dealing, use of corporate assets for personal gains. Since 2005, 51 economies have strengthened investor protections as measured by *Doing Business*.

### Some reform outcomes

*In Indonesia, an economy that consistently improved its laws regulating investor protections, the number of firms listed on the Indonesia Stock Exchange increased from 331 to 396 between 2004 and 2009. Meanwhile, market capitalization grew from 680 trillion rupiah (\$75 billion) to 1,077 trillion rupiah (\$119 billion).*

*After Thailand amended its laws in 2006 and 2008, more than 85 transactions that failed to comply with the disclosure standards were suspended. Thirteen were deemed prejudicial and were therefore canceled, thus preventing damage to the companies involved and preserving their value. Companies were not deterred either, as more than 30 new companies joined the stock exchange since 2005 bringing the number of listed companies to 523.*

### What do the Protecting Investors indicators measure?

#### Extent of disclosure index (0–10)

- Who can approve related-party transactions
- Requirements for external and internal disclosure in case of related-party transactions

#### Extent of director liability index (0–10)

- Ability of shareholders to hold the interested party and the approving body liable in case of a prejudicial related-party transaction
- Available legal remedies (damages, repayment of profits, fines, imprisonment and rescission of the transaction)
- Ability of shareholders to sue directly or derivatively

#### Ease of shareholder suits index (0–10)

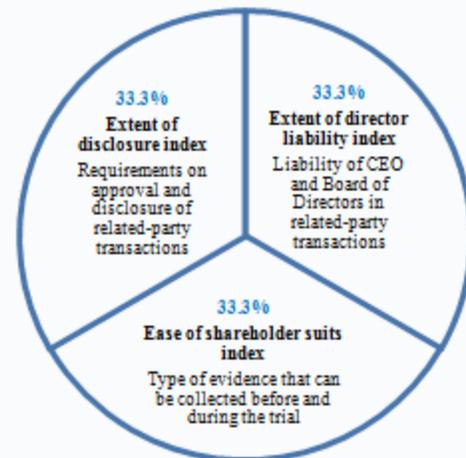
- Documents and information available during trial
- Access to internal corporate documents (directly or through a government inspector)

#### Strength of investor protection index (0–10)

- Simple average of the extent of disclosure, extent of director liability and ease of shareholder suits indices

**Protecting Investors:** minority shareholder rights in related-party transactions

Rankings are based on 3 subindicators



### Case Study Assumptions

#### The business (Buyer):

- Is a publicly traded corporation listed on the economy's most important stock exchange (or at least a large private company with multiple shareholders),
- Has a board of directors and a chief executive officer (CEO) who may legally act on behalf of Buyer where permitted, even if this is not specifically required by law.

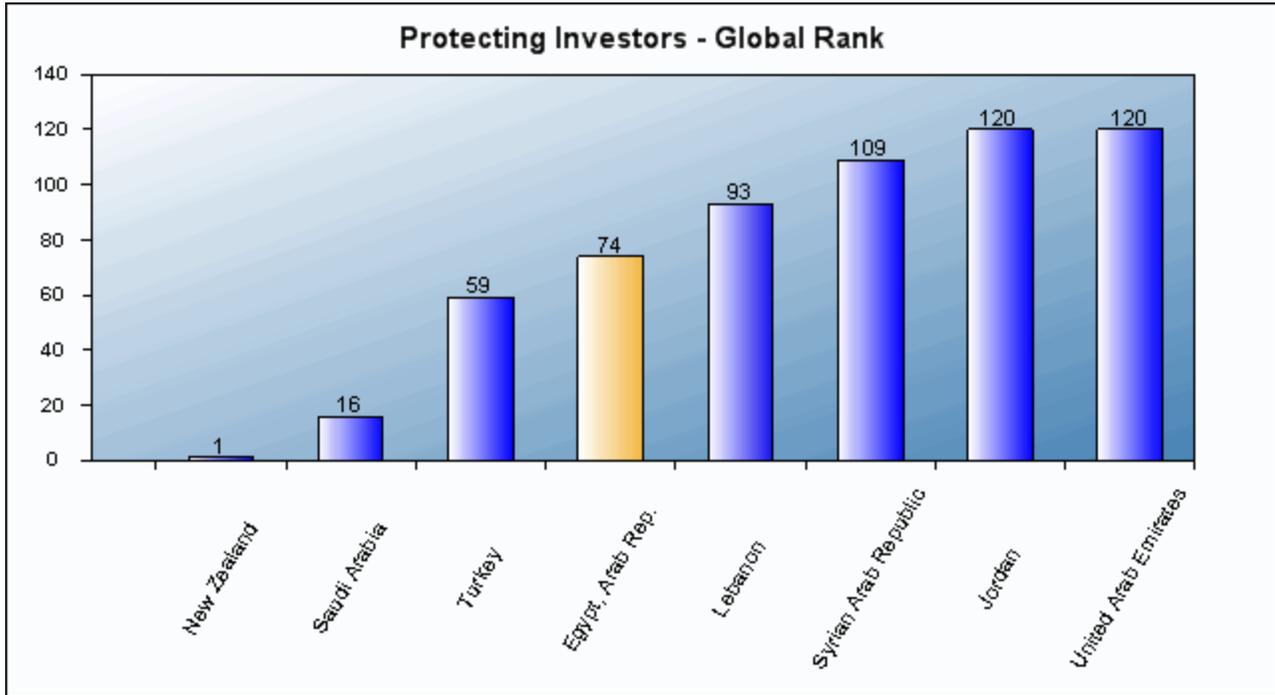
#### The transaction

- Mr. James, a director and the majority shareholder of the company, proposes that the company purchase used trucks from another company he owns.
- The price is higher than the going price for used trucks, but the transaction goes forward.
- All required approvals are obtained, and all required disclosures made, though the transaction is prejudicial to the purchasing company.
- Shareholders sue the interested parties and the members of the board of directors.

## 1. Benchmarking Protecting Investors Regulations:

Egypt, Arab Rep. is ranked 74 overall for Protecting Investors.

Ranking of Egypt, Arab Rep. in Protecting Investors - Compared to good practice and selected economies:



The following table shows Protecting Investors data for Egypt, Arab Rep. compared to good practice and comparator economies:

<b>Good Practice Economies</b>	<b>Strength of investor protection index (0-10)</b>
<b>New Zealand</b>	9.7

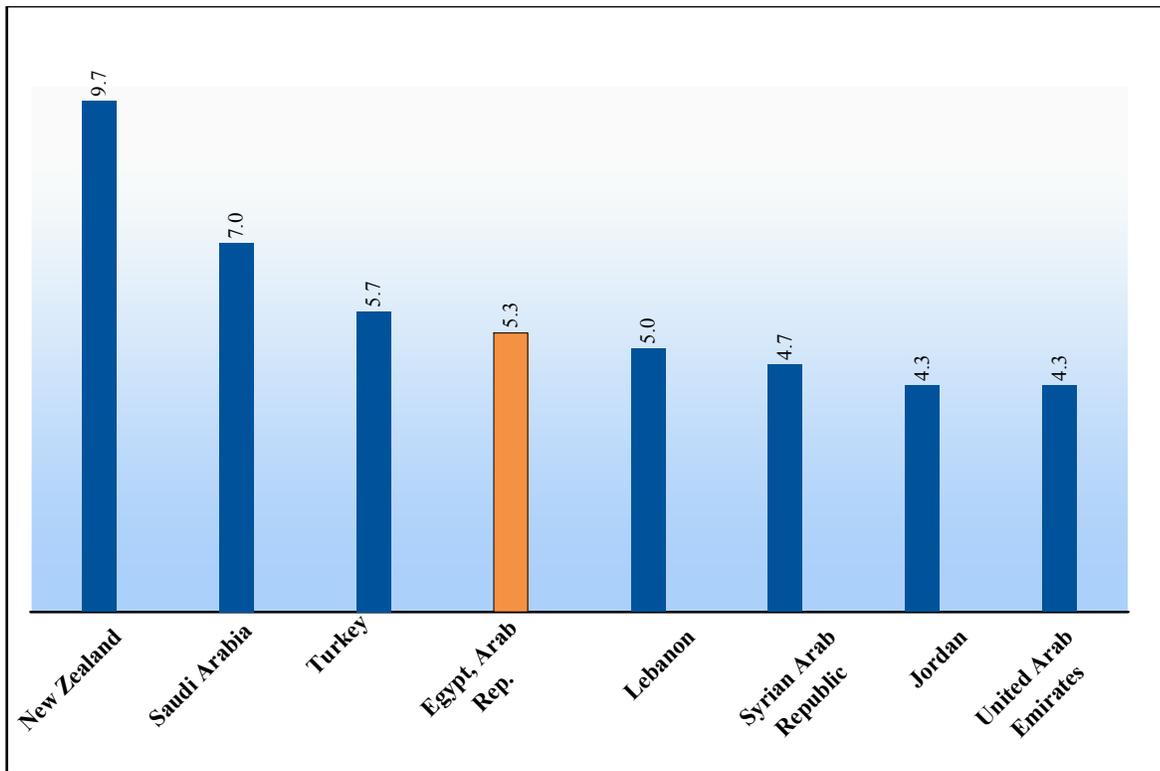
<i>Selected Economy</i>	
<b>Egypt, Arab Rep.</b>	<b>5.3</b>

<i>Comparator Economies</i>	
<b>Jordan</b>	4.3
<b>Lebanon</b>	5.0
<b>Saudi Arabia</b>	7.0
<b>Syrian Arab Republic</b>	4.7
<b>Turkey</b>	5.7
<b>United Arab Emirates</b>	4.3

**2. Historical data: Protecting Investors in Egypt, Arab Rep.**

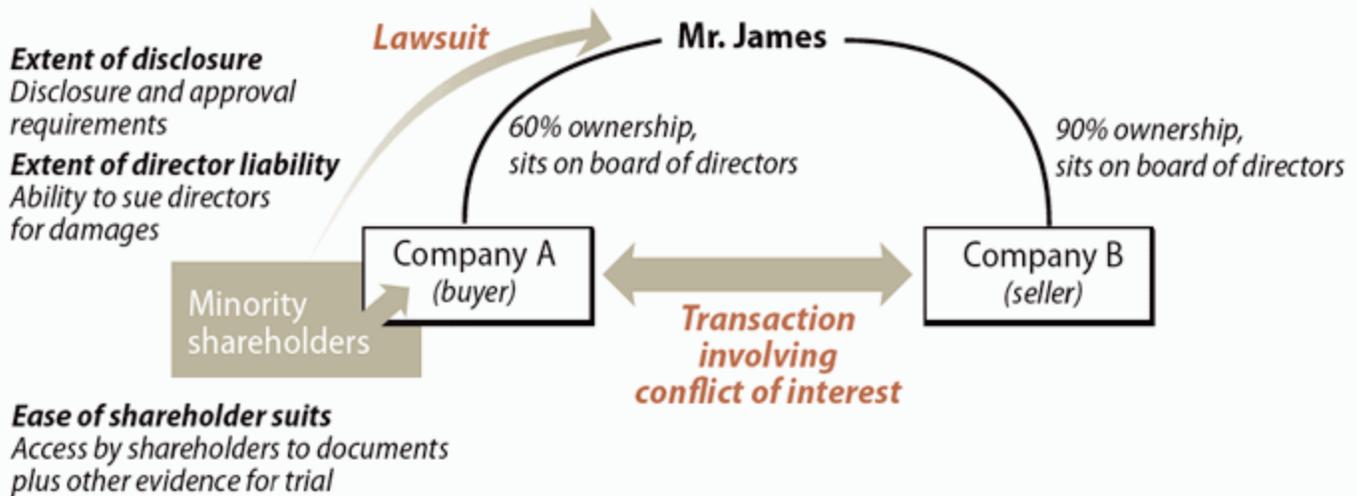
Protecting Investors data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	73	74
Strength of investor protection index (0-10)	5.0	5.3	5.3	5.3

**3. The following graph illustrates the Protecting Investors index in Egypt, Arab Rep. compared to best practice and selected Economies:**



Note: The higher the score, the greater the investor protection.

## How well are minority shareholders protected against self-dealing in related-party transactions?



The table below provides a full breakdown of how the disclosure, director liability, and shareholder suits indexes are calculated in the Arab Republic of Egypt.

Protecting Investors Data (2010)	Indicator
<b>Extent of disclosure index (0-10)</b>	<b>8</b>
What corporate body provides legally sufficient approval for the transaction?	2
Whether immediate disclosure of the transaction to the public and/or shareholders is required?	2
Whether disclosure of the transaction in published periodic filings (annual reports) is required?	1
Whether disclosure of the conflict of interest by Mr. James to the board of directors is required?	2
Whether an external body must review the terms of the transaction before it takes place?	1
<b>Extent of director liability index (0-10)</b>	<b>3</b>
Whether shareholders can hold Mr. James liable for the damage that the Buyer-Seller transaction causes to the company?	0
Whether shareholders can hold the approving body (the CEO or board of directors) liable for the damage that the Buyer-Seller transaction causes to the company?	0
Whether a court can void the transaction upon a successful claim by a shareholder plaintiff?	2
Whether Mr. James pays damages for the harm caused to the company upon a successful claim by the shareholder plaintiff?	0

Whether Mr. James repays profits made from the transaction upon a successful claim by the shareholder plaintiff?	0
Whether fines and imprisonment can be applied against Mr. James?	0
Whether shareholders can sue directly or derivatively for the damage that the Buyer-Seller transaction causes to the company?	1
<b>Ease of shareholder suits index (0-10)</b>	<b>5</b>
Whether the plaintiff can obtain any documents from the defendant and witnesses during trial?	3
Whether the plaintiff can directly question the defendant and witnesses during trial?	0
Whether the plaintiff can request categories of documents from the defendant without identifying specific ones?	0
Whether shareholders owning 10% or less of Buyer's shares can request an inspector to investigate the transaction?	1
Whether the level of proof required for civil suits is lower than that of criminal cases?	0
Whether shareholders owning 10% or less of Buyer's shares can inspect transaction documents before filing suit?	1
<b>Strength of investor protection index (0-10)</b>	<b>5.3</b>

Taxes are essential to provide public amenities, infrastructure and services which are crucial for a properly functioning economy. *Doing Business* data show that economies where it is more difficult and costly to pay taxes have larger shares of informal sector activity. More than 60% of economies have reformed in the last 6 years and are starting to see concrete results.

### Some reform outcomes

*Colombia introduced a new electronic system for social security and labor taxes in 2006 and by 2008 the social security contributions collected from small and medium-size companies rose by 42%, to 550 billion pesos.*

*Mauritius reduced the corporate income tax rate from 25% to 15% and removed exemptions and industry-specific allowances in 2006 and saw their corporate income tax revenue grow by 27% in the following year, and in 2008/09 it increased by 65%.*

### What do the Paying taxes indicators measure?

**Tax payments for a manufacturing company in 2009**  
(number per year adjusted for electronic or joint filing and payment)

- Total number of taxes and contributions paid, including consumption taxes (value added tax, sales tax or goods and service tax)
- Method and frequency of filing and payment

**Time required to comply with 3 major taxes** (hours per year)

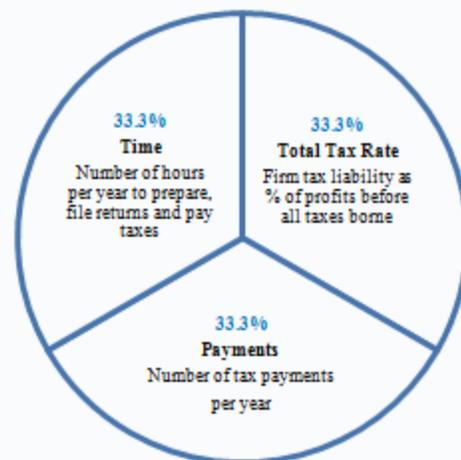
- Collecting information and computing the tax payable
- Completing tax return forms, filing with proper agencies
- Arranging payment or withholding
- Preparing separate tax accounting books, if required

**Total tax rate** (% of profit)

- Profit or corporate income tax
- Mandatory social contributions and labor taxes paid by the employer
- Property and property transfer taxes
- Dividend, capital gains and financial transactions taxes
- Waste collection, vehicle, road and other taxes

**Paying Taxes:** tax compliance for a local manufacturing company

Rankings are based on 3 subindicators



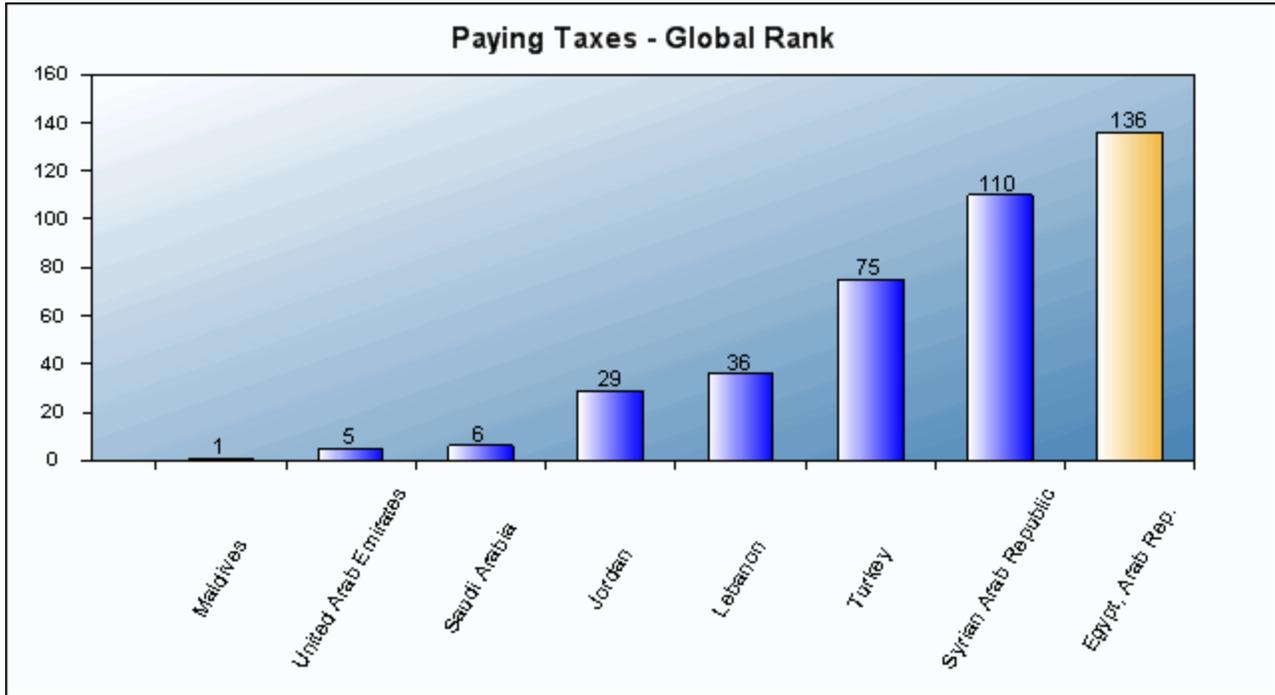
### Case Study Assumptions

- TaxpayerCo is a medium-size business that started operations 2 years ago.
- Tax practitioners are asked to review its financial statements, as well as a standard list of transactions that the company completed during the year.
- Respondents are asked how much in taxes and mandatory contributions the business must pay and what the process is for doing so.
- The business starts from the same financial position in each economy. All the taxes and mandatory contributions paid during the second year of operation are recorded.
- Taxes and mandatory contributions are measured at all levels of government
- Taxes and mandatory contributions include corporate income tax, turnover tax, all labor taxes and contributions paid by the company.
- A range of standard deductions and exemptions are also recorded.

## 1. Benchmarking Paying Taxes Regulations:

Egypt, Arab Rep. is ranked 136 overall for Paying Taxes.

Ranking of Egypt, Arab Rep. in Paying Taxes - Compared to good practice and selected economies:



The following table shows Paying Taxes data for Egypt, Arab Rep. compared to good practice and comparator economies:

<b>Good Practice Economies</b>	<b>Payments (number per year)</b>	<b>Time (hours per year)</b>	<b>Total tax rate (% profit)</b>
<b>Maldives*</b>	3	0	
<b>Timor-Leste</b>			0.2

<i>Selected Economy</i>			
<b>Egypt, Arab Rep.</b>	<b>29</b>	<b>433</b>	<b>42.6</b>

<i>Comparator Economies</i>			
<b>Jordan</b>	26	101	31.2
<b>Lebanon</b>	19	180	30.2
<b>Saudi Arabia</b>	14	79	14.5
<b>Syrian Arab Republic</b>	20	336	42.9
<b>Turkey</b>	15	223	44.5
<b>United Arab Emirates</b>	14	12	14.1

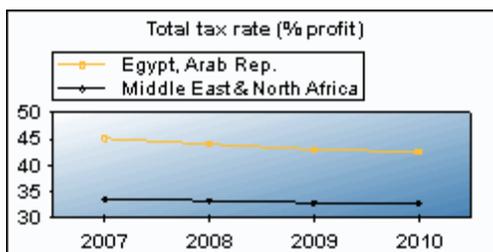
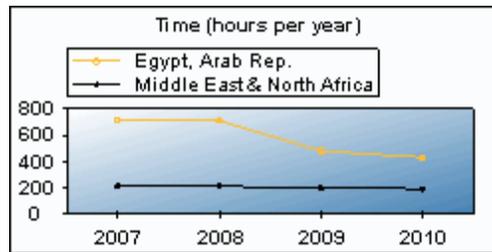
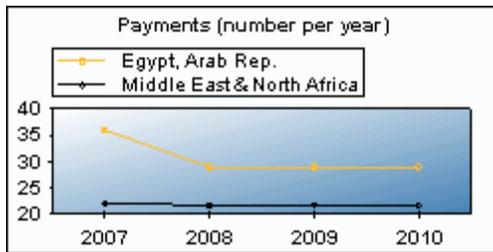
\* The following economies are also good practice economies for :

**Payments (number per year): Qatar**

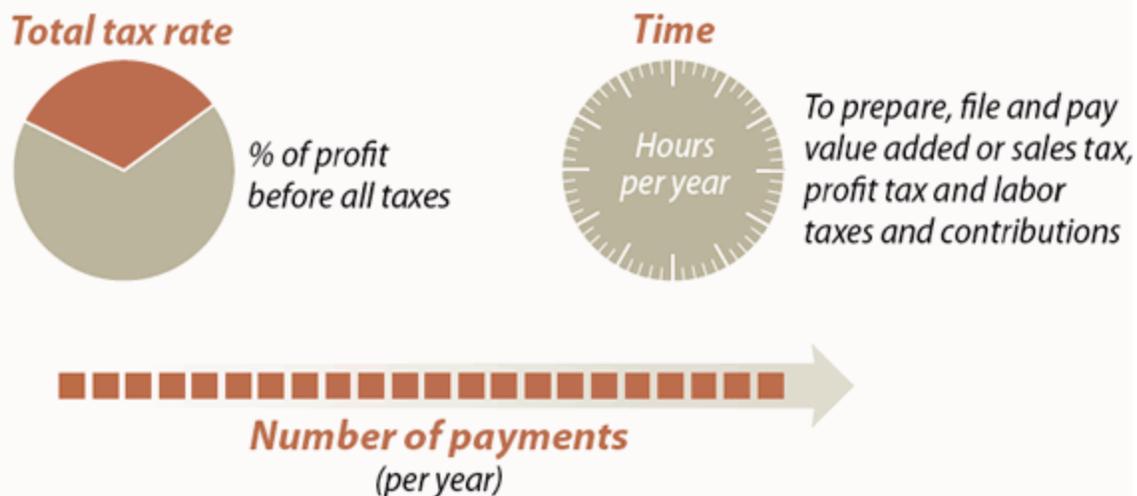
## 2. Historical data: Paying Taxes in Egypt, Arab Rep.

Paying Taxes data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	136	136
Total tax rate (% profit)	45.1	44.0	43.0	42.6
Payments (number per year)	36	29	29	29
Time (hours per year)	711	711	480	433

3. The following graphs illustrate the Paying Taxes sub indicators in Egypt, Arab Rep. over the past 4 years:



## What are the time, total tax rate and number of payments necessary for a local medium-sized company to pay all taxes?



The table below addresses the taxes and mandatory contributions that a medium-size company must pay or withhold in a given year in Egypt, Arab Rep., as well as measures of administrative burden in paying taxes.

Tax or mandatory contribution	Payments (number)	Notes on Payments	Time (hours)	Statutory tax rate	Tax base	Total tax rate (% profit)	Notes on TTR
Value added tax (VAT)	12		175	10.0%	value added		
Fuel tax	1				consumption		
Tax on insurance contracts	1			1% and 10%	insurance premium	0.10	
Property tax	1			monthly rental value		0.80	
Stamp duty on advertisements	1			15.0%	advertising expenses	2.70	
Corporate income tax	1		69	20.0%	taxable profit	13.20	
Social insurance contributions	12		189	Social Insurance for maximum salary of EGP1550=750*24%+800*26%	gross salaries	25.80	
<b>Totals</b>	<b>29</b>		<b>433</b>			<b>42.6</b>	

Making trade between countries easier is increasingly important for business in today's globalized world. Excessive document requirements, burdensome customs procedures, inefficient port operations and inadequate infrastructure all lead to extra costs and delays for exporters and importers, stifling trade potential. Trade facilitation tools such as electronic data interchange systems, risk-based inspections, and single windows help improve an economy's trading environment and boost firms' international competitiveness. *Doing Business* trade indicators take into account documents, cost and time associated with every procedure for trading a standard shipment of goods by ocean transport. Research indicates that exporters in developing countries have much more to gain by a 10% drop in their trading costs than from a similar decrease of the tariffs applied to their products in global markets.

### Some reform outcomes

*In Georgia, reducing customs clearance time by a day has led to operational savings of an estimated \$288 per truck, or an annual \$133 million for the country's whole trading community given the growing amount of cross-border trade in recent years.*

*In Korea, predictable cargo processing times and rapid turnover by ports and warehouses provide a benefit to the Korean economy of some \$2 billion annually.*

### What do the Trading Across Borders indicators measure?

**Trading Across Borders:** exporting and importing by ocean transport

Rankings are based on 3 subindicators

#### Documents required to export and import (number)

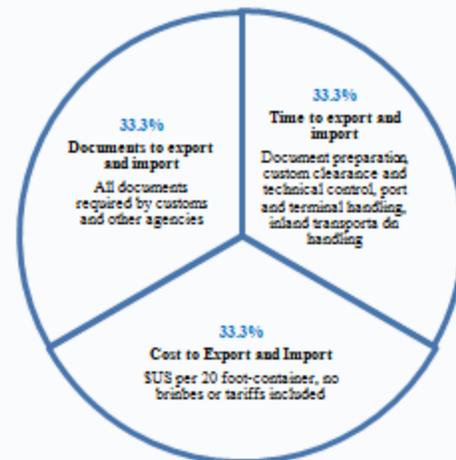
- Bank documents
- Customs clearance documents
- Port and terminal handling documents
- Transport documents

#### Time required to export and import (days)

- Obtaining all the documents
- Inland transport and handling
- Customs clearance and inspections
- Port and terminal handling
- Does not include ocean transport time

#### Cost required to export and import (US\$ per container)

- All documentation
- Inland transport and handling
- Customs clearance and inspections
- Port and terminal handling
- Official costs only, no bribes



### Case Study Assumptions

#### The Business

- Has at least 60 employees and is located in the economy's largest business city
- Is a private, limited liability company, which exports more than 10% of its sales. It is fully domestically owned and does not operate in an export processing zone or an industrial estate with special export or import privileges

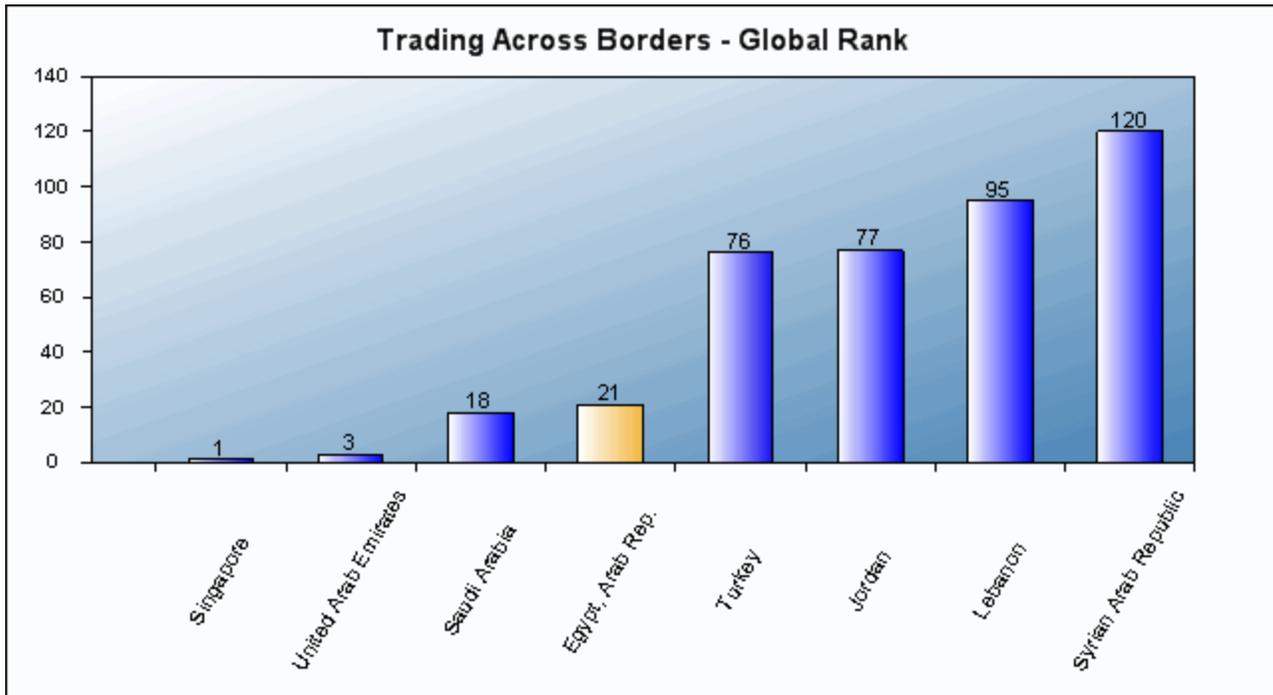
#### The traded product

- Is transported in a dry-cargo, 20-foot full container load; weighs 10 tons and is valued at \$20,000
- Is not hazardous or include military items; it does not require special phytosanitary or environmental safety standards, refrigeration or any other special environment
- Is one of the economy's leading export or import products

## 1. Benchmarking Trading Across Borders Regulations:

Egypt, Arab Rep. is ranked 21 overall for Trading Across Borders.

Ranking of Egypt, Arab Rep. in Trading Across Borders - Compared to good practice and selected economies:



The following table shows Trading Across Borders data for Egypt, Arab Rep. compared to good practice and comparator economies:

<b>Good Practice Economies</b>	<b>Documents to export (number)</b>	<b>Time to export (days)</b>	<b>Cost to export (US\$ per container)</b>	<b>Documents to import (number)</b>	<b>Time to import (days)</b>	<b>Cost to import (US\$ per container)</b>
<b>Denmark*</b>		5				
<b>France</b>	2			2		
<b>Malaysia</b>			450			
<b>Singapore</b>					4	439

<i>Selected Economy</i>						
<b>Egypt, Arab Rep.</b>	<b>6</b>	<b>12</b>	<b>613</b>	<b>6</b>	<b>12</b>	<b>698</b>

<i>Comparator Economies</i>						
<b>Jordan</b>	7	14	825	7	18	1335
<b>Lebanon</b>	5	26	1000	7	35	1200
<b>Saudi Arabia</b>	5	13	580	5	17	686
<b>Syrian Arab Republic</b>	8	15	1190	9	21	1625
<b>Turkey</b>	7	14	990	8	15	1063
<b>United Arab Emirates</b>	4	7	521	5	7	542

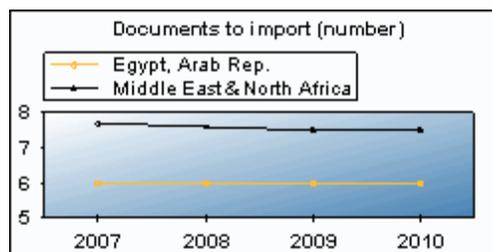
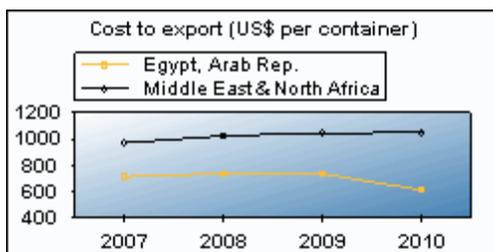
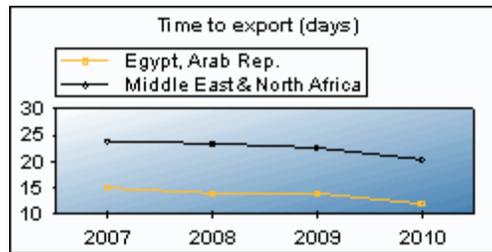
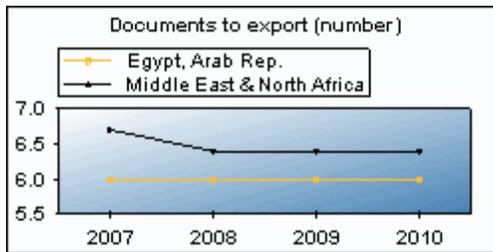
\* The following economies are also good practice economies for :

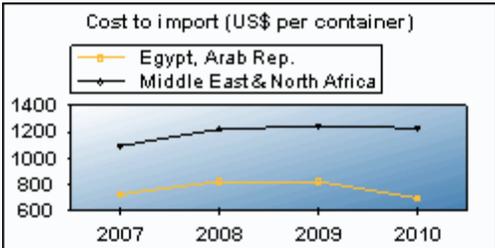
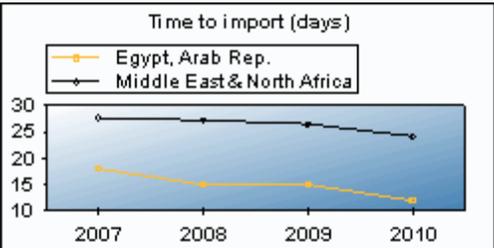
**Time to export (days): Estonia**

## 2. Historical data: Trading Across Borders in Egypt, Arab Rep.

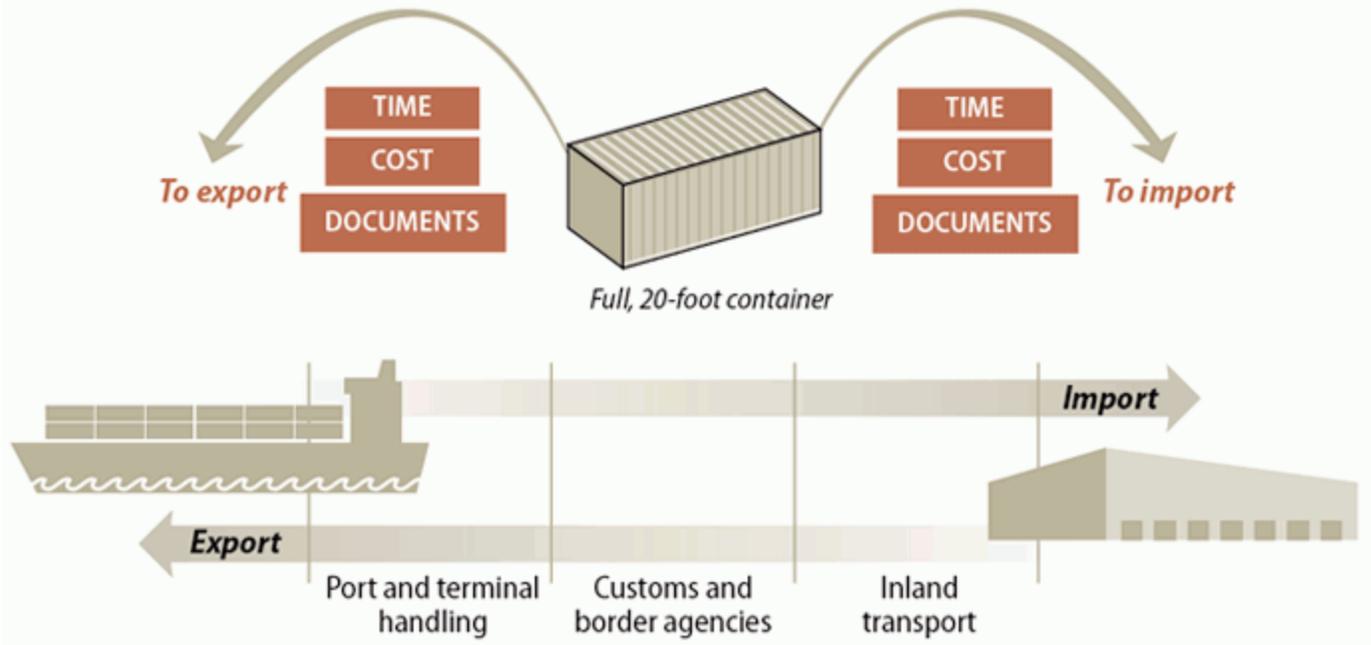
Trading Across Borders data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	30	21
Cost to export (US\$ per container)	714	737	737	613
Cost to import (US\$ per container)	729	823	823	698
Documents to export (number)	6	6	6	6
Documents to import (number)	6	6	6	6
Time to export (days)	15	14	14	12
Time to import (days)	18	15	15	12

3. The following graphs illustrate the Trading Across Borders sub indicators in Egypt, Arab Rep. over the past 4 years:





## How much time, how many documents and what cost to export and import across borders by ocean transport?



These tables list the procedures necessary to import and export a standardized cargo of goods in Egypt, Arab Rep.. The documents required to export and import the goods are also shown.

Nature of Export Procedures (2010)	Duration (days)	US\$ Cost
Documents preparation	7	81
Customs clearance and technical control	1	182
Ports and terminal handling	2	170
Inland transportation and handling	2	180
Totals	12	613

Nature of Import Procedures (2010)	Duration (days)	US\$ Cost
Documents preparation	8	158
Customs clearance and technical control	1	90
Ports and terminal handling	1	220
Inland transportation and handling	2	230
Totals	12	698

**Documents for Export and Import**

**Export**

- Bill of lading
- Certificate of origin
- Commercial invoice
- Customs export declaration
- Packing list
- Technical standard/health certificate

**Import**

- Bill of lading
- Certificate of origin
- Commercial Invoice
- Customs import declaration
- Inspection report
- Packing list

Well functioning courts help businesses expand their network and markets. Where contract enforcement is efficient, firms have greater access to credit and are more likely to engage with new borrowers or customers. *Doing Business* measures the efficiency of the judicial system in resolving a commercial sale dispute before local courts. Following the step-by-step evolution of a standardized case study, data relating to the time, cost and procedural complexity of resolving a commercial lawsuit are collected through study of the codes of civil procedure and other court regulations, as well as through surveys completed by local litigation lawyers (and, in a quarter of the countries, by judges as well).

#### Some reform outcomes

*In Rwanda the implementation of specialized commercial courts in May 2008 resulted in a significant decrease of the case backlog, and contributed to reduce the time to resolve a commercial dispute by nearly 3 months.*

*In Austria a "data highway" for the courts that allows attachments to be sent electronically has produced savings of €4.4 million in postage alone.*

#### What do the Enforcing Contracts indicators measure?

##### Procedures to enforce a contract (number)

- Any interaction between the parties in a commercial dispute, or between them and the judge or court officer
- Steps to file the case
- Steps for trial and judgment
- Steps to enforce the judgment

##### Time required to complete procedures (calendar days)

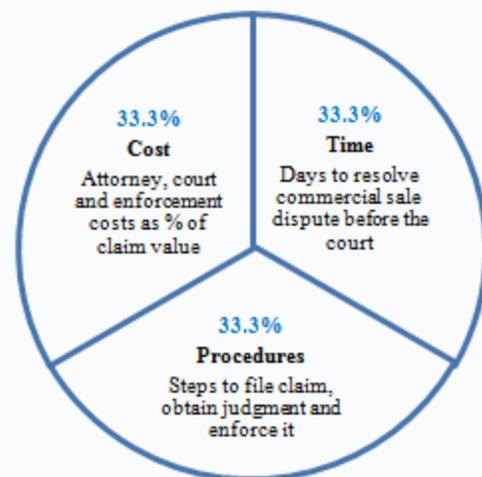
- Time to file and serve the case
- Time for trial and obtaining judgment
- Time to enforce the judgment

##### Cost required to complete procedures (% of claim)

- No bribes
- Average attorney fees
- Court costs, including expert fees
- Enforcement costs

**Enforcing Contracts:** resolving a commercial dispute through the courts

Rankings are based on 3 subindicators



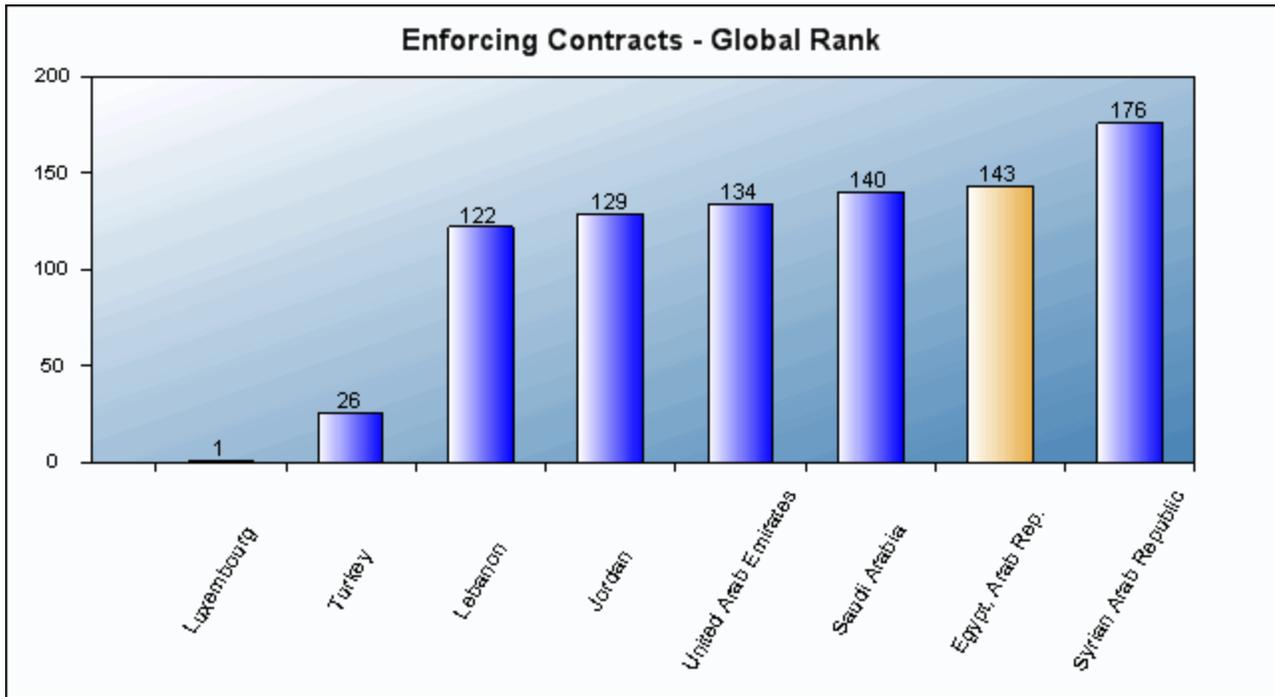
#### Case Study Assumptions

- Seller and Buyer are domestic companies
- Buyer orders custom-made goods, then does not pay
- Seller sues Buyer before competent court
- Value of claim is 200% of GNI per capita
- Seller requests pre-trial attachment to secure claim
- Dispute on quality of the goods requires expert opinion
- Judge decides in favor of Seller, no appeal
- Seller enforces judgment through a public sale of Buyer's movable assets.

## 1. Benchmarking Enforcing Contracts Regulations:

Egypt, Arab Rep. is ranked 143 overall for Enforcing Contracts.

Ranking of Egypt, Arab Rep. in Enforcing Contracts - Compared to good practice and selected economies:



The following table shows Enforcing Contracts data for Egypt, Arab Rep. compared to good practice and comparator economies:

<b>Good Practice Economies</b>	<b>Procedures (number)</b>	<b>Time (days)</b>	<b>Cost (% of claim)</b>
<b>Bhutan</b>			0.1
<b>Ireland</b>	20		
<b>Singapore</b>		150	

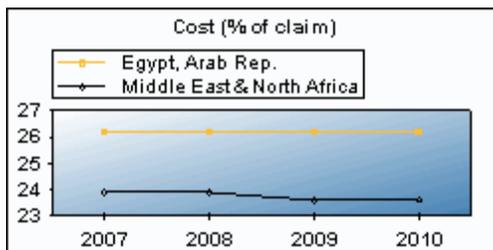
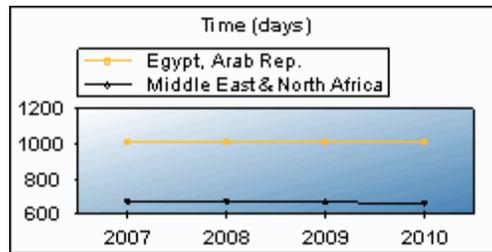
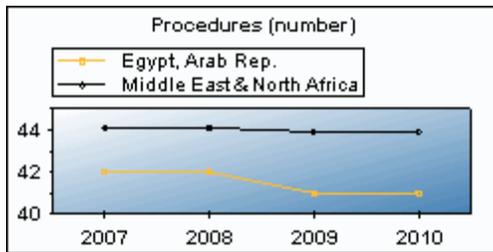
<i>Selected Economy</i>			
<b>Egypt, Arab Rep.</b>	<b>41</b>	<b>1010</b>	<b>26.2</b>

<i>Comparator Economies</i>			
<b>Jordan</b>	38	689	31.2
<b>Lebanon</b>	37	721	30.8
<b>Saudi Arabia</b>	43	635	27.5
<b>Syrian Arab Republic</b>	55	872	29.3
<b>Turkey</b>	35	420	18.8
<b>United Arab Emirates</b>	49	537	26.2

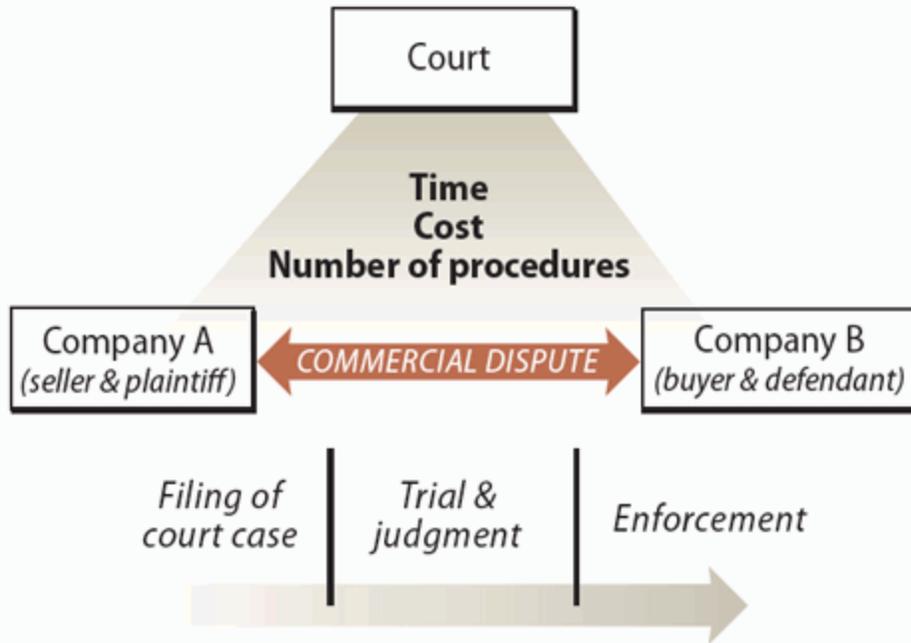
**2. Historical data: Enforcing Contracts in Egypt, Arab Rep.**

Enforcing Contracts data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	143	143
Procedures (number)	42	42	41	41
Time (days)	1010	1010	1010	1010
Cost (% of claim)	26.2	26.2	26.2	26.2

**3. The following graphs illustrate the Enforcing Contracts sub indicators in Egypt, Arab Rep. over the past 4 years:**



## What are the time, cost and number of procedures to resolve a commercial dispute through the courts?



This topic looks at the efficiency of contract enforcement in Egypt, Arab Rep..

Nature of Procedure (2010)	Indicator
Procedures (number)	41
Time (days)	1010
Filing and service	20.0
Trial and judgment	720.0
Enforcement of judgment	270.0
<b>Cost (% of claim)*</b>	<b>26.20</b>
Attorney cost (% of claim)	18.0
Court cost (% of claim)	1.3
Enforcement Cost (% of claim)	6.9

**Court information:** Cairo Lower Court of First Instance

\* Claim assumed to be equivalent to 200% of income per capita.

A robust bankruptcy system functions as a filter, ensuring the survival of economically efficient companies and reallocating the resources of inefficient ones. Fast and cheap insolvency proceedings result in businesses' speedy return to normal operation and increase returns to creditors. By improving the expectations of creditors and debtors about the outcome of insolvency proceedings, well-functioning insolvency systems can facilitate access to finance, save more viable businesses, and thereby improve growth and sustainability in the economy overall.

### Some reform outcomes

*A study of the 2005 bankruptcy reform in Brazil found that it had led to an average reduction of 22% in the cost of credit for Brazilian companies, a 39% increase in overall credit and a 79% increase in long-term credit in the economy. The purpose of the reform was to improve creditor protection in insolvency proceedings.*

*Following the introduction of debtor-in-possession reorganizations in Korea in 2006, the number of reorganization filings increased from 76 in 2006 to 670 in 2009.*

### What does the Closing a Business indicator measure?

**Closing a Business:** insolvency proceedings against local company

#### Time required to recover debt (years)

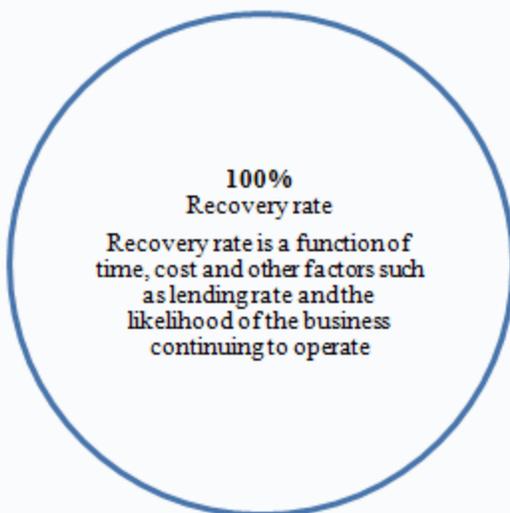
- Measured in calendar years
- Appeals and requests for extension are included

#### Cost required to recover debt (% of debtor's estate value)

- Measured as percentage of estate value
- Court fees
- Fees of insolvency administrators
- Lawyers' fees
- Assessors' and auctioneers' fees
- All other fees and costs

#### Recovery rate for creditors (cents on the dollar)

- Measures the cents on the dollar recovered by creditors
- Present value of debt recovered
- Costs of the insolvency proceedings are deducted
- Depreciation of furniture is taken into account
- Outcome for the business (survival or not) affects the maximum value that can be recovered



### Case Study Assumptions

#### The Company

- is domestically owned
- is a limited liability company operating a hotel
- operates in the economy's largest business city
- has 201 employees, 1 secured creditor and 50 unsecured creditors
- has a higher value as a going concern and a lower value in a piecemeal sale of assets

## 1. Benchmarking Closing Business Regulations:

Egypt, Arab Rep. is ranked 131 overall for Closing a Business.

Ranking of Egypt, Arab Rep. in Closing Business - Compared to good practice and selected economies:



The following table shows Closing Business data for Egypt, Arab Rep. compared to good practice and comparator economies:

<b>Good Practice Economies</b>	<b>Recovery rate (cents on the dollar)</b>	<b>Time (years)</b>	<b>Cost (% of estate)</b>
<b>Ireland</b>		0.4	
<b>Japan</b>	92.7		
<b>Singapore*</b>			1

<i>Selected Economy</i>			
<b>Egypt, Arab Rep.</b>	<b>17.4</b>	<b>4.2</b>	<b>22</b>

<i>Comparator Economies</i>			
<b>Jordan</b>	26.9	4.3	9
<b>Lebanon</b>	19.8	4.0	22
<b>Saudi Arabia</b>	36.8	1.5	22
<b>Syrian Arab Republic</b>	27.4	4.1	9
<b>Turkey</b>	21.1	3.3	15
<b>United Arab Emirates</b>	11.2	5.1	30

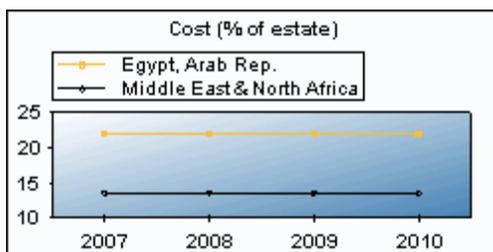
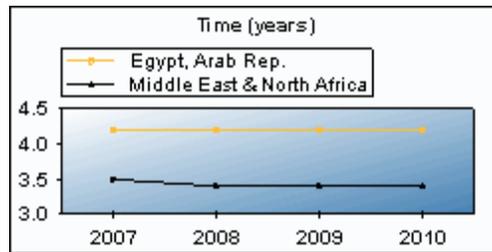
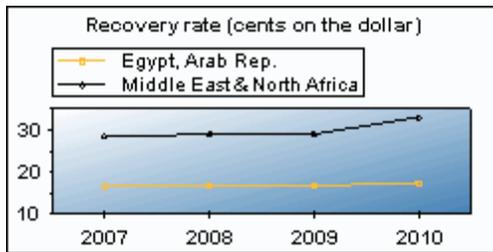
\* The following economies are also good practice economies for :

**Cost (% of estate): Colombia, Kuwait, Norway**

**2. Historical data: Closing Business in Egypt, Arab Rep.**

Closing a Business data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	131	131
Time (years)	4.2	4.2	4.2	4.2
Cost (% of estate)	22	22	22	22
Recovery rate (cents on the dollar)	16.6	16.8	16.8	17.4

3. The following graphs illustrate the Closing Business sub indicators in Egypt, Arab Rep. over the past 4 years:



Since 2004 Doing Business has been tracking reforms aimed at simplifying business regulations, strengthening property rights, opening access to credit and enforcing contracts by measuring their impact on 10 indicator sets . \* Nearly 1,000 reforms have had an impact on these indicators. *Doing Business 2011*, covering June 2009 to June 2010, reports that 117 economies implemented 216 reforms to make it easier to start a business. 64% of economies measured by Doing Business have reformed this year, focusing on easing business start-up, lightening the tax burden, simplifying import and export regulations and improving credit information systems.

## The top 10 most-improved in Doing Business 2011

Economy	Indicator									
	Starting a Business	Dealing with Construction Permits	Registering Property	Getting Credit	Protecting Investors	Paying Taxes	Trading Across Borders	Enforcing Contracts	Closing a Business	Employing Workers
Kazakhstan	✓	✓				✓	✓			
Rwanda		✓		✓			✓			
Peru	✓	✓	✓				✓			
Vietnam	✓	✓		✓						
Cape Verde	✓		✓				✓			
Tajikistan	✓				✓		✓			
Zambia	✓						✓	✓		
Hungary		✓	✓				✓			✓
Grenada	✓		✓				✓			
Brunei Darussalam	✓						✓	✓		

 Positive Change  
 Negative Change

\* For *Doing Business 2011* the Employing Workers indicator is not included in the aggregate ease of doing business ranking.

## **Summary of changes to business regulation in top 10 most improved economies in *Doing Business 2011* and selected comparator economies.**

<b>Brunei Darussalam</b>	Brunei Darussalam made starting a business easier by improving efficiency at the company registrar and implementing an electronic system for name searches. Brunei Darussalam reduced the corporate income tax rate from 23.5% to 22% while also introducing a lower tax rate for small businesses, ranging from 5.5% to 11%. The introduction of an electronic customs system in Brunei Darussalam made trading easier.
<b>Cape Verde</b>	Cape Verde made start-up easier by eliminating the need for a municipal inspection before a business begins operations and computerizing the system for delivering the municipal license. Cape Verde eased property registration by switching from fees based on a percentage of the property value to lower fixed rates. Cape Verde abolished the stamp duties on sales and checks.
<b>Egypt, Arab Rep.</b>	Egypt reduced the cost to start a business. Egypt made trading easier by introducing an electronic system for submitting export and import documents.
<b>Grenada</b>	Grenada eased business start-up by transferring responsibility for the commercial registry from the courts to the civil administration. The appointment of a registrar focusing only on property cut the time needed to transfer property in Grenada by almost half. Grenada's customs administration made trading faster by simplifying procedures, reducing inspections, improving staff training and enhancing communication with users.
<b>Hungary</b>	Hungary implemented a time limit for the issuance of building permits. Hungary reduced the property registration fee by 6% of the property value. Hungary simplified taxes and tax bases. Amendments to Hungary's bankruptcy law encourage insolvent companies to consider reaching agreements with creditors out of court so as to avoid bankruptcy.
<b>Jordan</b>	Jordan improved its credit information system by setting up a regulatory framework for establishing a private credit bureau as well as lowering the threshold for loans to be reported to the public credit registry. Jordan abolished certain taxes and made it possible to file income and sales tax returns electronically.
<b>Kazakhstan</b>	Kazakhstan eased business start-up by reducing the minimum capital requirement to 100 tenge (\$0.70) and eliminating the need to have the memorandum of association and company charter notarized. Kazakhstan made dealing with construction permits easier by implementing a one-stop shop related to technical conditions for utilities. Kazakhstan strengthened investor protections by requiring greater corporate disclosure in company annual reports. Kazakhstan speeded up trade through efforts to modernize customs, including implementation of a risk management system and improvements in customs automation.
<b>Lebanon</b>	Lebanon increased the cost of starting a business. Lebanon improved its credit information system by allowing banks online access to the public credit registry's reports.
<b>Peru</b>	Peru eased business start-up by simplifying the requirements for operating licenses and creating an online one-stop shop for business registration. Peru streamlined construction permitting by implementing administrative reforms. Peru introduced fast-track procedures at the land registry, cutting by half the time needed to register property. Peru made trading easier by implementing a new web-based electronic data interchange system, risk-based inspections and payment deferrals.
<b>Rwanda</b>	Rwanda made dealing with construction permits easier by passing new building regulations at the end of April 2010 and implementing new time limits for the issuance of various permits. Rwanda enhanced access to credit by allowing borrowers the right to inspect their own credit report and mandating that loans of all sizes be reported to the central bank's public credit registry. Rwanda reduced the number of trade documents required and enhanced its joint border management procedures with Uganda and other neighbors, leading to an improvement in the trade logistics environment.
<b>Saudi Arabia</b>	Saudi Arabia made dealing with construction permits easier for the second year in a row by introducing a new, streamlined process. An amendment to Saudi Arabia's commercial lien law enhanced access to credit by making secured lending more flexible and allowing out-of-court enforcement in case of default. Saudi Arabia reduced the time to import by launching a new container terminal at the Jeddah Islamic Port. Saudi Arabia speeded up the insolvency process by providing earlier access to amicable settlements and putting time limits on the settlements to encourage creditors to participate.

<b>Syrian Arab Republic</b>	Syria eased business start-up by reducing the minimum capital requirement for limited liability companies by two-thirds. It also decentralized approval of the company memorandum. Syria enhanced access to credit by eliminating the minimum threshold for loans included in the database, which expanded the coverage of individuals and firms to 2.8% of the adult population.
<b>Tajikistan</b>	Tajikistan made starting a business easier by creating a one-stop shop that consolidates registration with the state and the tax authority. Tajikistan strengthened investor protections by requiring greater corporate disclosure in the annual report and greater access to corporate information for minority investors. Tajikistan lowered its corporate income tax rate.
<b>United Arab Emirates</b>	The United Arab Emirates enhanced access to credit by setting up a legal framework for the operation of the private credit bureau and requiring that financial institutions share credit information. The United Arab Emirates streamlined document preparation and reduced the time to trade with the launch of Dubai Customs' comprehensive new customs system, Mirsal 2.
<b>Vietnam</b>	Vietnam eased company start-up by creating a one-stop shop that combines the processes for obtaining a business license and tax license and by eliminating the need for a seal for company licensing. Vietnam made dealing with construction permits easier by reducing the cost to register newly completed buildings by 50% and transferring the authority to register buildings from local authorities to the Department of National Resources and Environment. Vietnam improved its credit information system by allowing borrowers to examine their own credit report and correct errors.
<b>Zambia</b>	Zambia eased business start-up by eliminating the minimum capital requirement. Zambia eased trade by implementing a one-stop border post with Zimbabwe, launching web-based submission of customs declarations and introducing scanning machines at border posts. Zambia improved contract enforcement by introducing an electronic case management system in the courts that provides electronic referencing of cases, a database of laws, real-time court reporting and public access to court records.



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