

# Doing Business 2011

Belarus

**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 Belarus. 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)).

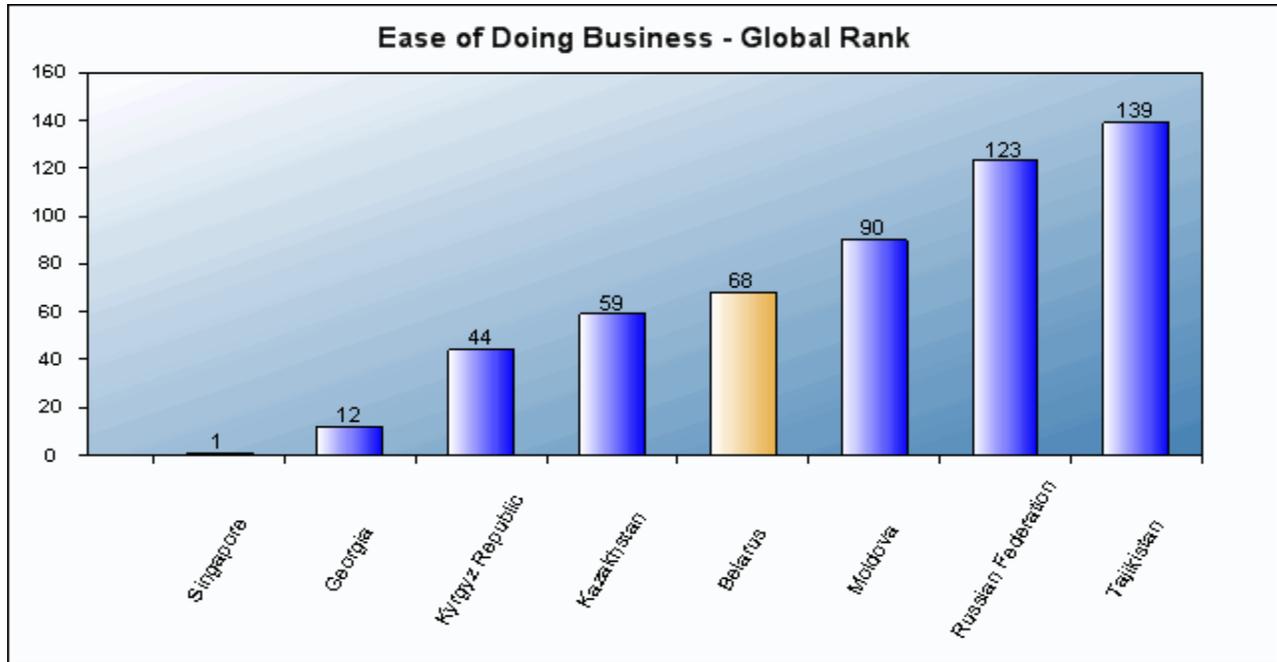
\* Except for the Paying Taxes indicator that refers to the period January to December of 2009.

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

Belarus is ranked 68 out of 183 economies. Singapore is the top ranked economy in the Ease of Doing Business.

### Belarus - Compared to global good practice economy as well as selected economies:



### Belarus's ranking in Doing Business 2011

Rank	Doing Business 2011
Ease of Doing Business	68
Starting a Business	7
Dealing with Construction Permits	44
Registering Property	6
Getting Credit	89
Protecting Investors	109
Paying Taxes	183
Trading Across Borders	128
Enforcing Contracts	12
Closing a Business	93

## Summary of Indicators - Belarus

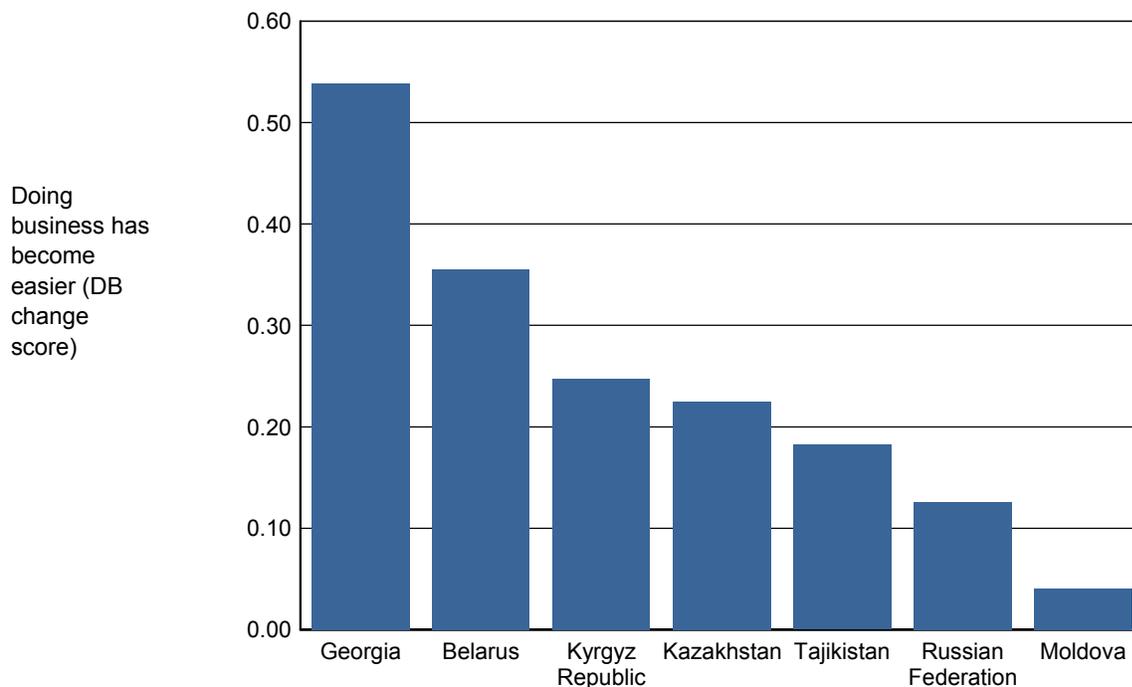
<b>Starting a Business</b>	Procedures (number)	5
	Time (days)	5
	Cost (% of income per capita)	1.6
	Min. capital (% of income per capita)	0.0
<b>Dealing with Construction Permits</b>	Procedures (number)	16
	Time (days)	151
	Cost (% of income per capita)	50.9
<b>Registering Property</b>	Procedures (number)	3
	Time (days)	15
	Cost (% of property value)	0.0
<b>Getting Credit</b>	Strength of legal rights index (0-10)	3
	Depth of credit information index (0-6)	5
	Public registry coverage (% of adults)	33.5
	Private bureau coverage (% of adults)	0.0
<b>Protecting Investors</b>	Extent of disclosure index (0-10)	5
	Extent of director liability index (0-10)	1
	Ease of shareholder suits index (0-10)	8
	Strength of investor protection index (0-10)	4.7
<b>Paying Taxes</b>	Payments (number per year)	82
	Time (hours per year)	798
	Profit tax (%)	22.0
	Labor tax and contributions (%)	39.3
	Other taxes (%)	19.2
	Total tax rate (% profit)	80.4
<b>Trading Across Borders</b>	Documents to export (number)	8
	Time to export (days)	15
	Cost to export (US\$ per container)	1772
	Documents to import (number)	8
	Time to import (days)	20
	Cost to import (US\$ per container)	1770

<b>Enforcing Contracts</b>	Procedures (number)	28
	Time (days)	225
	Cost (% of claim)	23.4
<b>Closing a Business</b>	Recovery rate (cents on the dollar)	28.0
	Time (years)	5.8
	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.

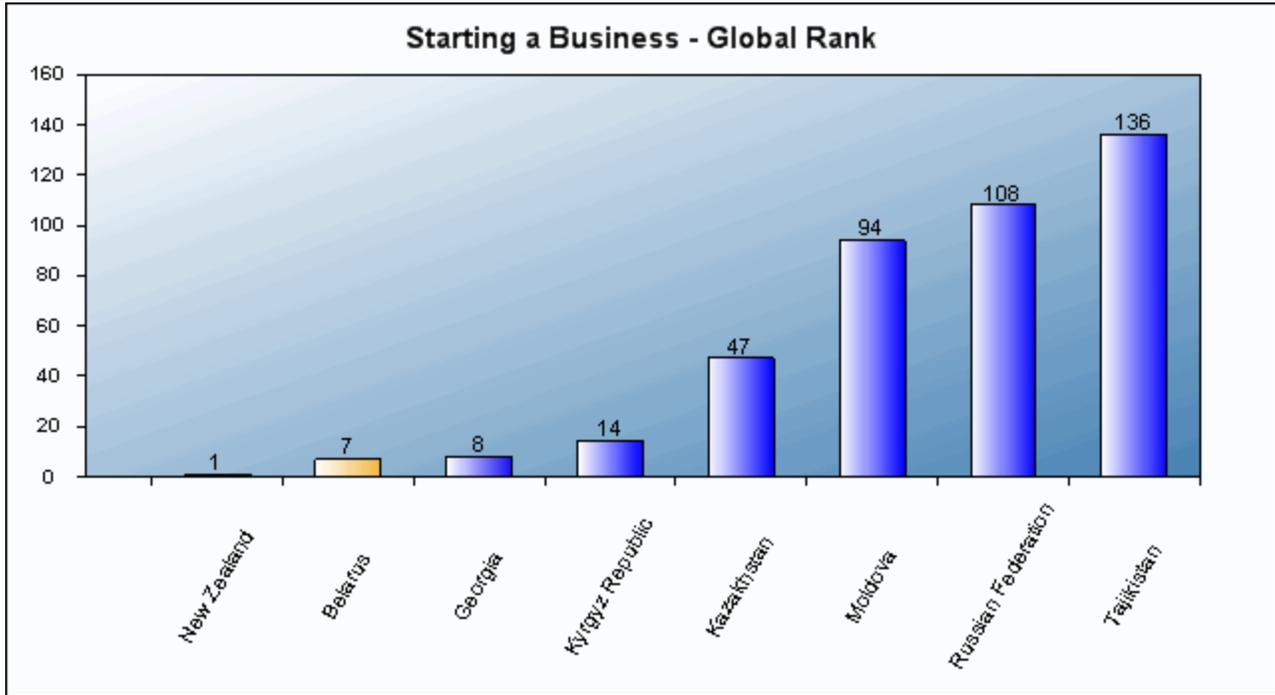
#### The business:

- 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:

Belarus is ranked 7 overall for Starting a Business.

Ranking of Belarus in Starting a Business - Compared to good practice and selected economies:



The following table shows Starting a Business data for Belarus 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>Belarus</b>	<b>5</b>	<b>5</b>	<b>1.6</b>	<b>0.0</b>

<i>Comparator Economies</i>				
<b>Georgia</b>	3	3	5.0	0.0
<b>Kazakhstan</b>	6	19	1.0	0.0
<b>Kyrgyz Republic</b>	2	10	3.7	0.0
<b>Moldova</b>	8	10	10.9	11.9
<b>Russian Federation</b>	9	30	3.6	1.9
<b>Tajikistan</b>	8	27	36.9	8.5

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

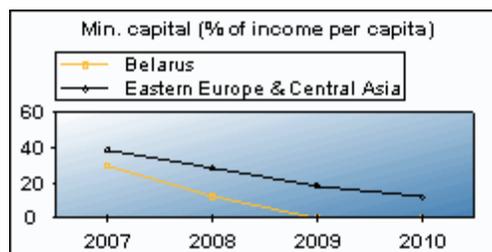
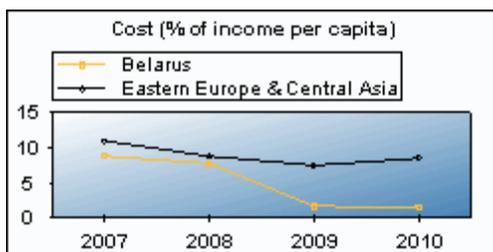
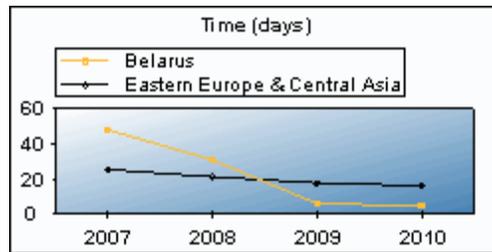
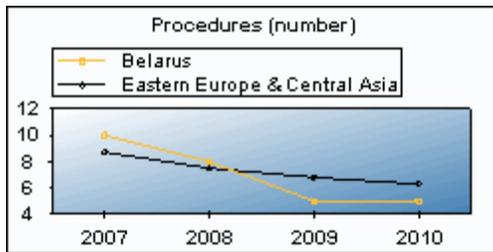
**Procedures (number): Canada**

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

## 2. Historical data: Starting a Business in Belarus

Starting a Business data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	8	7
Procedures (number)	10	8	5	5
Time (days)	48	31	6	5
Cost (% of income per capita)	8.8	7.8	1.7	1.6
Min. capital (% of income per capita)	29.7	12.4	0.0	0.0

3. The following graphs illustrate the Starting a Business sub indicators in Belarus 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 Belarus.

### STANDARDIZED COMPANY

Legal Form: Private Limited Company

City: Minsk

### Registration Requirements:

No:	Procedure	Time to complete	Cost to complete
1	Obtain an approval of the company name with the Registry Office	1	no charge
2	Open a temporary bank account	1	no charge
3	Business registration with the State Registry	1	BYR 175,000
4	Open a regular bank account	1	no charge
5	Make a company seal	1	BYR 50,000

## Starting a Business Details - Belarus

### Procedure 1 Obtain an approval of the company name with the Registry Office

**Time to complete:** 1

**Cost to complete:** no charge

**Comment:** One of the company founders must present an application to the Company Registry with proposed company names. An official checks whether the proposed names are available for registration and, if so, issues a certificate for the name. Name checking is available on line, but entrepreneurs need to obtain a signed consent from the Registry. Alternatively, entrepreneurs can download the application form online fill it out at home and post it by mail to Company registry, Company registry will approve and reply within 2 days. Names can be reserved for a period of up to 3 months.

### Procedure 2 Open a temporary bank account

**Time to complete:** 1

**Cost to complete:** no charge

**Comment:** There is no minimum capital requirement in Belarus according to Decree No. 1 of 16 January, 2009. There is no need for shareholders to be "physically present" at the bank to deposit their share capital. A shareholder may act through his/her attorney. For that an attorney shall present to the bank a valid power of attorney. The attorney should also submit other documents such as the proof of Identification, articles of association, and minutes of the shareholder meeting.

### Procedure 3 Business registration with the State Registry

**Time to complete:** 1

**Cost to complete:** BYR 175,000

**Comment:** Decree No. 1 of 16 January sets a maximum of 5 days for registration: 1 day for the actual registration +4 days for the company registry to inform other agencies (such as tax authority) of the registration. After the 1st day company is considered registered and "open for business". This notification of registration is an internal procedure (i.e. no involvement by the entrepreneur needed).

### Procedure 4 Open a regular bank account

**Time to complete:** 1

**Cost to complete:** no charge

**Comment:** The Bank will certify that this is the account that will be used to complete transactions related to the business. After opening the current bank account, companies must submit a formal notice (with bank account details) to Social Security, Insurance, and Tax authorities. Companies must also submit a "bank card," a document showing signature samples of those who can sign on behalf of the company.

### Procedure 5 Make a company seal

**Time to complete:** 1

**Cost to complete:** BYR 50,000

**Comment:** There are no laws requiring a business to purchase company seal. However, the company seal is required for consignment notes and for certain bank transactions and power of attorney. Government agencies, such as the tax authority, would have no legal grounds for refusing documents that do not have a company seal. Nevertheless out of habit, most limited liability companies would purchase a seal. Several companies manufacture seals in Belarus. The business must show the companies the registration certificate, the articles of association and the minutes of the shareholder meeting in order to purchase a seal.

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

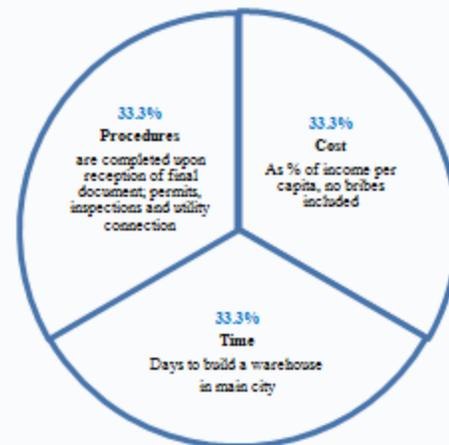
#### The warehouse:

- 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

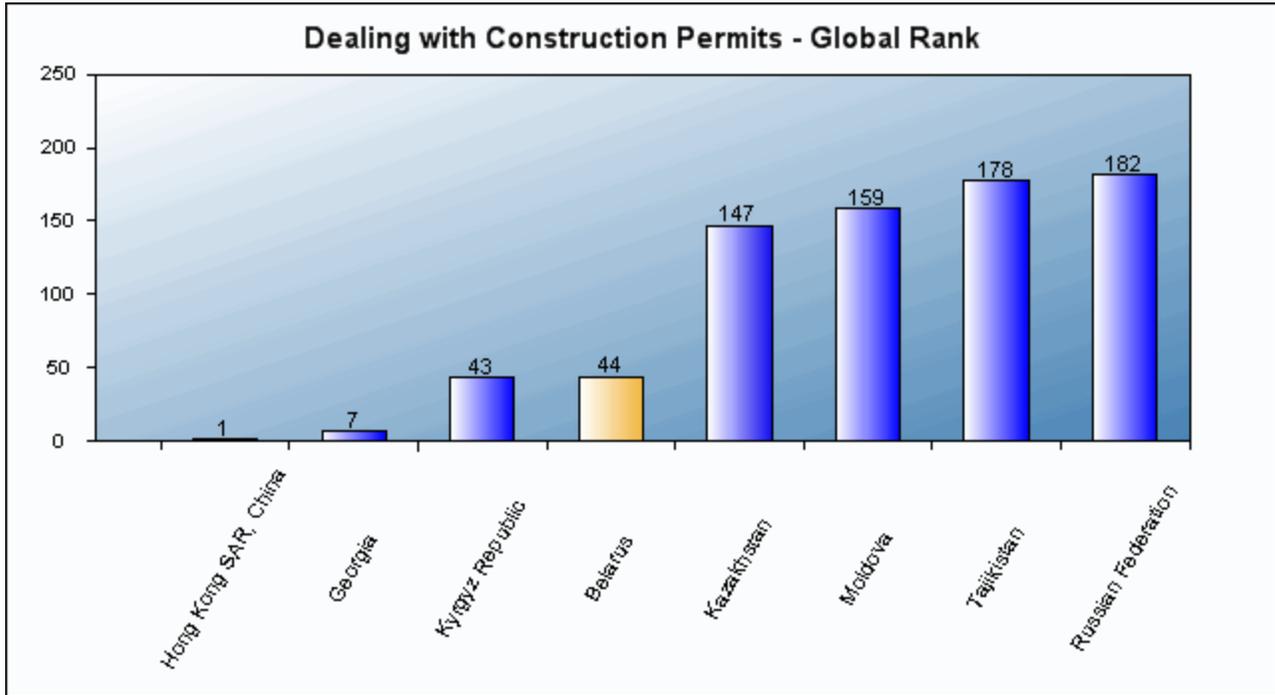
Rankings are based on 3 subindicators



## 1. Benchmarking Dealing with Construction Permits Regulations:

Belarus is ranked 44 overall for Dealing with Construction Permits.

Ranking of Belarus in Dealing with Construction Permits - Compared to good practice and selected economies:



The following table shows Dealing with Construction Permits data for Belarus 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	

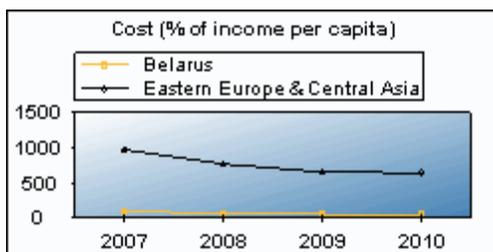
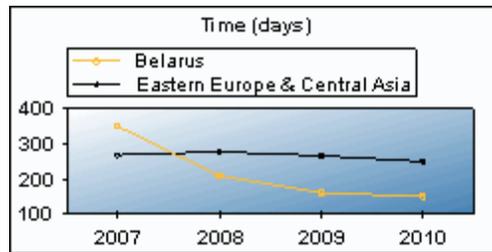
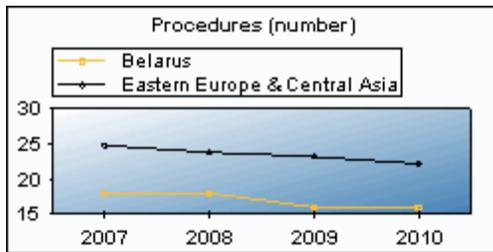
<i>Selected Economy</i>			
<b>Belarus</b>	<b>16</b>	<b>151</b>	<b>50.9</b>

<i>Comparator Economies</i>			
<b>Georgia</b>	10	98	23.2
<b>Kazakhstan</b>	34	219	119.8
<b>Kyrgyz Republic</b>	13	143	153.9
<b>Moldova</b>	30	292	120.9
<b>Russian Federation</b>	53	540	4141.0
<b>Tajikistan</b>	30	228	996.1

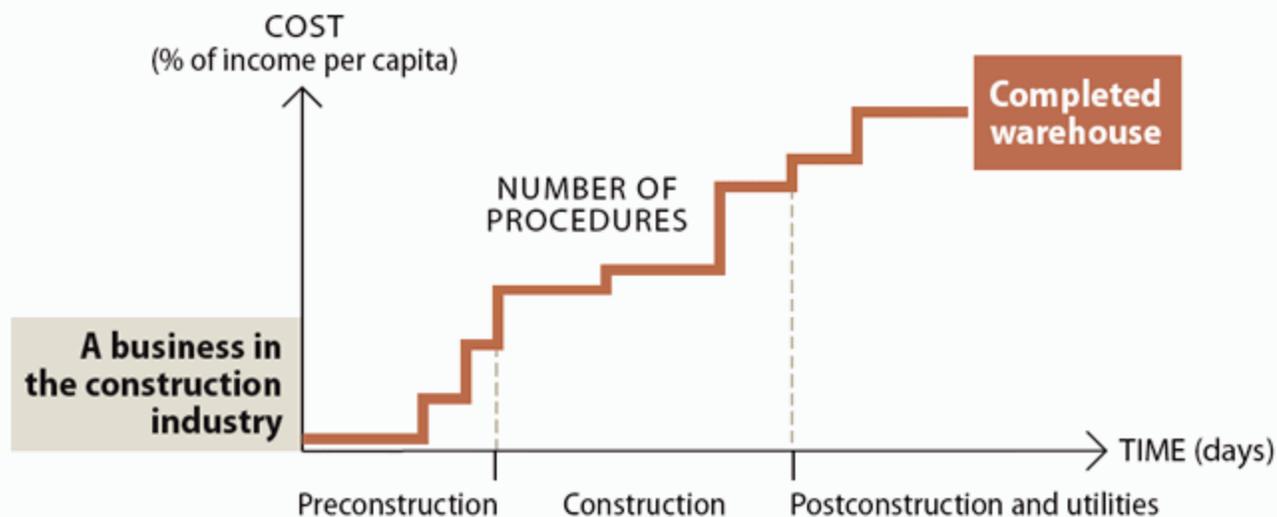
## 2. Historical data: Dealing with Construction Permits in Belarus

Dealing with Construction Permits data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	54	44
Procedures (number)	18	18	16	16
Time (days)	350	210	161	151
Cost (% of income per capita)	94.8	64.2	53.8	50.9

3. The following graphs illustrate the Dealing with Construction Permits sub indicators in Belarus 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 Belarus.

### BUILDING A WAREHOUSE

City: Minsk

#### Registration Requirements:

No:	Procedure	Time to complete	Cost to complete
1	Obtain Decision from the Minsk City Executive Committee for elaboration of design documentation on sepcified land plot	20 days	no charge
2	Obtain state expertise of design documentation	20 days	BYR 3,494,400
3	Obtain the permit for building on specified land plot	20 days	no charge
4	Obtain the building permit	10 days	no charge
5	Apply for electric power connection	1 day	BYR 120,000
6	Obtain deeds of inspection and testing of engineering networks and systems for the electrical connection structure	1 day	BYR 20,000
7	Receive connection to electricity	13 days	no charge
8	Apply for telephone connection	1 day	BYR 350,000

9	Receive on-site inspection for telephone connection	1 day	no charge
10	Receive installation of telephone line	5 days	no charge
11	Apply for water and sewerage connection	1 day	BYR 310,000
12 *	Receive on-site inspection and installation for water and sewerage connection	1 day	no charge
13 *	Receive installation of water and sewerage connection	5 days	no charge
14	Request inspection by the Acceptance Commission and signature of Acceptance Act	21 days	no charge
15	Request and obtain an inventory inspection and technical passport	21 days	BYR 2,660,000
16	Register a title over the constructed building	14 days	BYR 140,000

\* Takes place simultaneously with another procedure.

## Dealing with Construction Permits Details - Belarus

### Procedure <sup>1</sup> Obtain Decision from the Minsk City Executive Committee for elaboration of design documentation on specified land plot

**Time to complete:** 20 days

**Cost to complete:** no charge

**Agency:** Committee of Architecture and City Construction of Minsk City Executive Committee and Centre of Engineering Services

**Comment:** To start construction, BuildCo must receive the Minsk City Executive Committee's decision to elaborate on design documentation. The permission letter states the main requirements for the intended building and lists the agencies and the institutions where additional technical requirements must be obtained. The request form must contain a brief description of the intended building project and company documents.

On 26 April 2007 the Minsk City Municipality passed Decision # 859 according to which the applicants can choose to obtain technical conditions or request Centre of Engineering Services to obtain on behalf of applicant. Prior to reform the Centre used to be Department of Technical Conditions of the Committee of Architecture and City Construction. Now the Centre operates as semi-private entity and if work load increases it can recruit additional human resources. Other significant improvement is that before while being a state entity the Centre could not receive payments in advance. This led to serious delays and lack of funds for paying the consultants. Now applicants can pay the Centre in advance and secure a fast service. Centre does not provide a fast track service yet.

After the documents are submitted to the Reception Desk it is trickled to the respective departments, and if it applicant wishes to obtain the technical conditions through the Centre, the papers go internally to the Centre.

Changes to the Resolution of the Cabinet of Ministers N 223 (20 February 2008) "On Some Measures to Improving Architectural and Construction Activity" have been recorded to have impact on all pre-approval procedures, and will be reflected in the Doing Business 2009. To be specific the procedure for obtaining the Architectural and Planning Terms (APZ in Russian) prior to changes in the above Resolution used to be 30 calendar days. Now the official time-limit is 20 working days which is the same number of days. However, often cases as simple as described for BuildCo are cleared in 20 calendar days, before the official time-limit expires.

The City of Minsk and its Committee of Architecture and City Construction have obtained sophisticated equipment for scanning drawings and plans. Internally all respective departments have access to this network that allows them see updates to cadastre. Since 2004 the City of Minsk and its Committee of Architecture and City Construction work under a new software system that allows all internal documentation to be controlled for approval time-limit compliance. Time-limits are strictly followed and enforced by the authority. In case if they are not respected applicants, however can not take it as silence is consent. But they can resort to writing a formal complaint to the Head of Committee and to State Control Authority. The latter is a special body that is responsible for ensuring the compliance of all state authorities with existing legislation. Besides an administrative penalty and fine of 300 minimal base indices the officials may be charged with criminal offence.

All services that issue technical conditions have a time-limit of 7 working days during which the approvals must be granted. All the approvals can be obtained in parallel. The services that are involved and would be required for BuildCo's case are: water/sewage, telephone, electricity, sanitary epidemiological authority, ecological department, fire

safety. Should BuildCo want to have a TV set, it must obtain a separate technical condition from a special authority. By law all technical conditions are granted free of charge. However, if it is done through Centre for Engineering Services there is an average fee, four BuildCo's case approximately BYR 1,000,000.

## **Procedure 2 Obtain state expertise of design documentation**

**Time to complete:** 20 days

**Cost to complete:** BYR 3,494,400

**Agency:** Minsk City State Expertise Authority

**Comment:** Upon developing its design documentation, BuildCo submits it to the Minsk City State Expertise Authority for state approval. The state expertise can be conducted in parallel with the ecological expertise. The State Expertise Authority does not look at ecological aspects of construction documents.

Although Presidential Decree #676, 16 November 2006 waived state expertise of typical/model constructions, it applies for projects that will have employers working inside the warehouse.

According to Resolution of Ministry of Architecture and Construction of Belarus #55 as of December 12, 2008, enacted 3 February 2009, the fee schedule for state expertise works has been updated. According to this new fee schedule a project with cost of BYR 64 mln. for project research works (10% of overall project value) would be applied a rate of 5,46%.

## **Procedure 3 Obtain the permit for building on specified land plot**

**Time to complete:** 20 days

**Cost to complete:** no charge

**Agency:** Committee of Architecture and City Construction of Minsk City Executive Committee

**Comment:** According to Article 9 of the Decision of the Council of Ministers of the Republic of Belarus No. 1476 of October 8, 2008, the design documentation for the private funded projects is approved by the investor. It no longer requires approval of Committee of Architecture and City Construction of Minsk City Executive Office. Therefore once the investor/s approve the Architectural Plan, BuildCo needs to apply again to Minsk City Committee of Architecture and City Construction to obtain Permit for Construction on Specified Land Plot. This permit must be issued within 10 working days. It is generally respected by authorities.

## **Procedure 4 Obtain the building permit**

**Time to complete:** 10 days

**Cost to complete:** no charge

**Agency:** Inspection of State Construction Supervision Department of Minsk City

**Comment:** Once the permit for construction is obtained from Minsk City Committee of Architecture and City Construction, BuildCo applies to Inspection of State Construction Supervision Department of Minsk City (further Inspection) to obtain permit for construction and mounting works. This permit allows companies to begin the actual construction works. As of 29 November 2007, Resolution of Cabinet of Ministers of Belarus provides a time-limit of 10 working days for obtaining the building permit. Previously it would take

40 days.

The fee to obtain the building permit is 0.15% of the value of the building and the construction works. This fee is paid for construction supervision works to be done by the Inspection during construction. Before starting construction, BuildCo must pay 50% (planned term of building up to 6 months), 30% (planned term of building 6 to 12 months), or 20% (planned term of building 12 months and more) immediately. The balance is paid quarterly or before obtaining the occupancy permit. The payment is done at the bank, and a receipt is submitted to the Inspection.

Other supervision mechanisms of construction works must be complied with. Besides the construction supervision by Inspection, BuildCo would have to have an author's supervision (architectural supervision). Technical supervision by a licensed company would be generally required for companies that do not have their own license. For BuildCo does not need to carry out such works, assuming it is acting as investor and builder at the same time and is building its own project and not for a third party.

If no complaints are filed on behalf of neighbors during 6 months of construction BuildCo may never receive inspection from Inspection. Inspection has only 40 inspectors who do both approval of permits and inspections. The average count of sites per inspector is 30 per month. If the inspector shows up BuildCo can continue its works without interruption. Inspector will look at compliance of existing documents and the actual works and records of BuildCo's own inspectors.

Once the building is completed BuildCo will submit a written request to the Inspection of State Construction Supervision Department of Minsk City. This inspection happens before the general inspection for it must provides its findings to the attention of other authorities and investors. During the inspection the authority looks at technical passport, author's/architects records and must issue its conclusion within 15 working days.

#### **Procedure 5 Apply for electric power connection**

**Time to complete:** 1 day

**Cost to complete:** BYR 120,000

**Comment:** To connect new electrical systems or equipment to the electrical network, BuildCo completes and submits an application form for electric power connection to the electrical network divisions closest to the applicant's place of business. Division personnel will evaluate the application. After the signing of the connection contract or after the connection payment or advance payment, the electrical network division will plan and execute all electrical system work. After BuildCo takes delivery of the internal network, the electrical network inspector will check the electric network connection, seal the calculation chains, and connect the customer's electric system.

#### **Procedure 6 Obtain deeds of inspection and testing of engineering networks and systems for the electrical connection structure**

**Time to complete:** 1 day

**Cost to complete:** BYR 20,000

**Comment:** The inspection and testing of the engineering systems and networks is performed by operators of the corresponding engineering networks and systems. It takes about 10 days for the inspectors to come out to the site.

#### **Procedure 7 Receive connection to electricity**

**Time to complete:** 13 days

**Cost to complete:** no charge

**Comment:**

**Procedure 8 Apply for telephone connection**

**Time to complete:** 1 day

**Cost to complete:** BYR 350,000

**Agency:** Beltelecom

**Comment:** Telephone connections are set during construction. The process normally involves a request, on-site inspection, and installation of a telephone line. The connection fee has been increased in 2008 from BYR 100,000 to BYR 350,000.

**Procedure 9 Receive on-site inspection for telephone connection**

**Time to complete:** 1 day

**Cost to complete:** no charge

**Agency:** Beltelecom

**Comment:**

**Procedure 10 Receive installation of telephone line**

**Time to complete:** 5 days

**Cost to complete:** no charge

**Agency:** Beltelecom

**Comment:**

**Procedure 11 Apply for water and sewerage connection**

**Time to complete:** 1 day

**Cost to complete:** BYR 310,000

**Comment:** Water and sewerage connections are obtained during construction. The process normally involves a request, on-site inspection, and installation.

**Procedure 12 Receive on-site inspection and installation for water and sewerage connection**

**Time to complete:** 1 day

**Cost to complete:** no charge

**Comment:** Utility and sewerage connections are obtained during construction. The process normally involves a request, on-site inspection, and installation.

**Procedure 13 Receive installation of water and sewerage connection**

**Time to complete:** 5 days

**Cost to complete:** no charge

**Comment:**

**Procedure 14 Request inspection by the Acceptance Commission and signature of Acceptance Act**

**Time to complete:** 21 days

**Cost to complete:** no charge

**Agency:** Acceptance Commission

**Comment:** The Acceptance Commission represents the contractor and building owner, as well as the state fire department authority. On the agreement of these parties, officials of other state agencies can be included in this committee. According to the law the occupancy certificate must be issued within 15 days, but in practice it takes 3 weeks (depending on size of construction and the presence or absence of defects).

The Acceptance Commission can come in one day if BuildCo organizes it in such way.

**Procedure 15 Request and obtain an inventory inspection and technical passport**

**Time to complete:** 21 days

**Cost to complete:** BYR 2,660,000

**Agency:** Minsk City Agency

**Comment:** New buildings cannot be registered without first receiving an inspection from a technical inventory specialist who completes a technical passport  
The maximum term of technical inspection prior to the registration of a new building was reduced up to 15 working days (21 calendar days) according to the Decision of the Committee on land resources, geodesy and cartography #39 dated 28 July 2004 amended as of 25 February 2010 (Art. 12).

**Procedure 16 Register a title over the constructed building**

**Time to complete:** 14 days

**Cost to complete:** BYR 140,000

**Agency:** State Registration and Land Cadastre

**Comment:** To register the building, upon completing construction, BuildCo must apply to the Registrar's Office. The Registrar authenticates the documents and issues a decision.

Resolution No. 1578 of 21 November 2007 sets a maximum time limit of 7 working days for buildings that already have a technical passport and 30 days for buildings that don't. New buildings cannot be registered without first receiving an inspection from a technical

inventory specialist who completes the technical passport. There are approximately 120 technical inventory specialists in the city of Minsk. Previously, the supply of inspectors was too low for the large volume of constructions taking place. However, with the slowdown of the construction sector, technical inventory specialists are more available to complete inspections and register new buildings. Currently, the process from application to registration at the Real Estate Registry takes an average of 45 days, down from 73 days in previous years.

State registration of a title over constructed building is a separate administrative procedure from the state registration of the new building.

BuildCo can apply for it whether simultaneously with registration of building or after the building has been properly registered. In practice, it is common to bring an application for both building registration and registration of a title over it. According to the Resolution 1578 of the Council of Ministers of October 12 2007, the cost of this procedure is 2 base values (70 000 BYR) and the time-limit is 7 working days.

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)

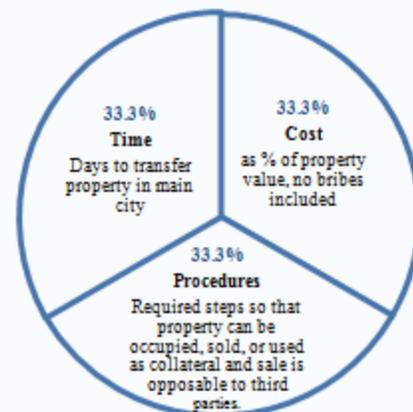
- Preregistration (for example, checking for liens, notarizing sales agreement, paying property transfer taxes)
- Registration in the economy's largest business city
- Post registration (for example, transactions with the local authority, tax authority or cadastre)

### 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.

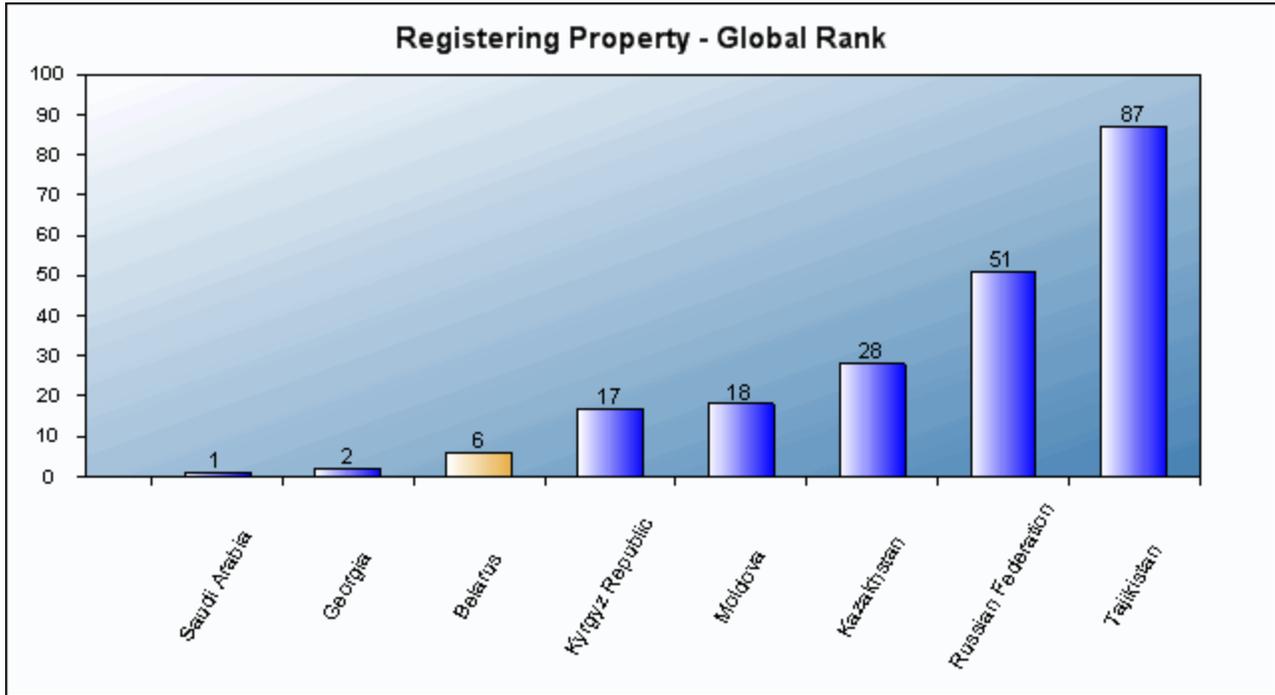
#### The property (fully owned by the seller):

- 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:

Belarus is ranked 6 overall for Registering Property.

Ranking of Belarus in Registering Property - Compared to good practice and selected economies:



The following table shows Registering Property data for Belarus 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>Belarus</b>	<b>3</b>	<b>15</b>	<b>0.0</b>

<i>Comparator Economies</i>			
<b>Georgia</b>	1	2	0.1
<b>Kazakhstan</b>	4	40	0.1
<b>Kyrgyz Republic</b>	4	5	2.3
<b>Moldova</b>	5	5	0.9
<b>Russian Federation</b>	6	43	0.1
<b>Tajikistan</b>	6	37	5.5

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

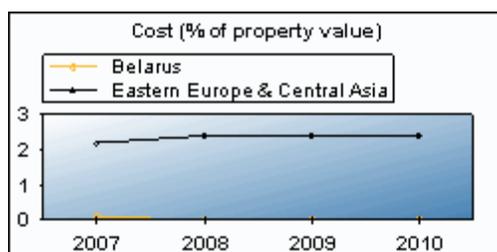
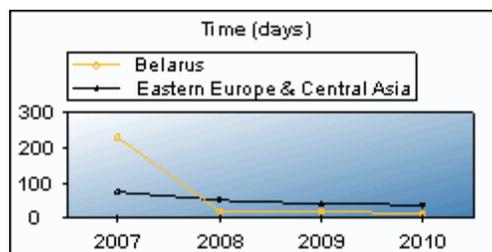
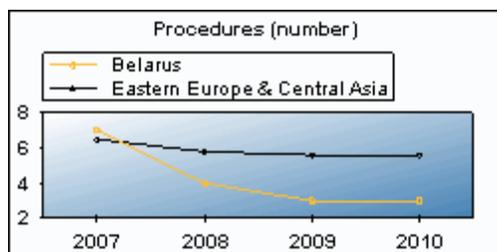
**Procedures (number): United Arab Emirates**

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

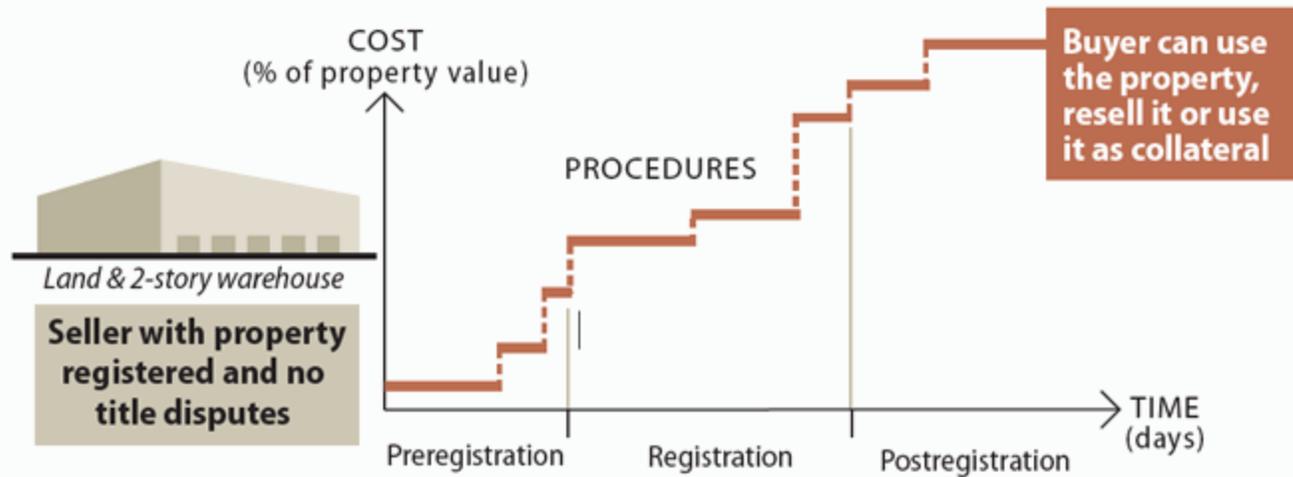
## 2. Historical data: Registering Property in Belarus

Registering Property data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	9	6
Procedures (number)	7	4	3	3
Time (days)	231	21	18	15
Cost (% of property value)	0.1	0.0	0.0	0.0

3. The following graphs illustrate the Registering Property sub indicators in Belarus 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 Belarus.

*STANDARDIZED PROPERTY*

Property Value: 697,502,165.87

City: Minsk

**Registration Requirements:**

No:	Procedure	Time to complete	Cost to complete
1	Obtaining a non-encumbrance certificate	1 day	BYR 14,000
2	Obtain municipality’s approval	7 days	no cost
3	The buyer applies to the Registry for registration of the sale-purchase agreement and his title to the property	9 days	BYR 224,000

## Registering Property Details - Belarus

### Procedure 1 Obtaining a non-encumbrance certificate

**Time to complete:** 1 day

**Cost to complete:** BYR 14,000

**Agency:** Registry

**Comment:** Under the legislation of the Republic of Belarus in the described situation obtaining a non-encumbrance certificate is not mandatory for the registration of a sale-purchase agreement and registration of transfer of title. Also no certificates for the land plot or cadastral plans are demanded.

Obtaining of this certificate may be exercised at discretion of the person concerned, for example, for certifying the Seller's title to the property, for checking property against liens or encumbrances. Though in most cases it is strongly recommended for the buyer to insist on obtaining such a certificate. The cost for this regulated by the Resolution №462 of March 26, 2008 and has been set as 0,4 base amount. The base amount for 2009 is BYR 35000 (according to the Resolution №1446 of November 2, 2007). The 3-working-days time-limit has been established on November 21, 2007 (according to Resolution №1578 of November 21, 2007). However, in practice it is quite possible to obtain the non-encumbrance certificate in 1 day.

### Procedure 2 Obtain municipality's approval

**Time to complete:** 7 days

**Cost to complete:** no cost

**Agency:** Municipality

**Comment:** According to the article 26 of the Law On Local Government and Self-Government of February 20, 1991 №617-XII local councils of deputies or local executive committees have prior right to buy buildings and premises that are situated on their territory. So, prior to signing the contract with the buyer, the seller notifies the municipality about his/her intention to sell the building (There is no established form of notification or application. It can be just a simple letter). After getting the letter from the seller the municipality makes a decision on its first refusal rights. There were no precedents when municipality used its first refusal rights at least within last 10 years. There is no charge for this procedure. Paragraph 12 of Decree No. 667 of December 7, 2007 which came into force in January 2008 states that a sale of capital buildings with land can go through the Real Estate Registry and bypass municipal approval if the buyer will use the land and building for the same purposes as the permissions obtained by the seller.

Legislation does not prescribe any document requirements for this procedure but in practice in Minsk the following documents are usually to be submitted:

1) the Seller's application. This application is usually prepared in arbitrary manner and should contain the following information:

- information about warehouse (address, function, inventory number, total area and other);
- information about the land plot on which the warehouse is situated (the Buyer's title on the land plot, function, total area);

- the cost of the warehouse. This information is very important, because after obtaining Municipality's refusal for the offer it will be possible to sell the warehouse on the cost that is equal or higher than the cost, offered to the Municipality. Otherwise, it would be necessary to

- make an offer to the Municipality again).
- 2) a copy of the certificate of the state registration of the Seller;
- 3) a copy of the Charter of the Seller;
- 4) a copy of the certificate confirming the Seller's title to the warehouse;
- 5) a copy of the technical passport of the warehouse;
- 6) a copy of the certificate confirming the Seller's title to the land plot.

**Procedure 3 The buyer applies to the Registry for registration of the sale-purchase agreement and his title to the property**

**Time to complete:** 9 days

**Cost to complete:** BYR 224,000

**Agency:** Registry

**Comment:** The Resolution №624 of May 12, 2009 established 7-working-days time-limit (9 calendar days) for registration procedures and changed the list of documents that should be submitted to the Registry for registration procedures.

The new list is as follows:

- 1) Application in the established form. Application is prepared by the Registering Clerk after he has looked through all the documents and then the application is signed by the authorised representative of the Buyer or Seller or by representatives of both contractors.
- 2) Certificate of state registration of the Buyer.
- 3) The Charter of the Buyer.
- 4) Passport or other document of identification of the authorised representative. If this representative is a director of the Buyer or Seller it is necessary to submit a contract between him and a company, confirming his powers. If the representative is acting by proxy his power of attorney should be submitted.
- 5) Sale-purchase agreement signed by the Seller and Buyer in triplicate.
- 6) Written refusal of Municipality of prior right for buying the warehouse (obtained in Procedure 2)
- 7) Deed of assignment or another document, signed by the contractors in order to confirm that the Seller handed the warehouse to the Buyer and the Buyer took it over from the Seller.
- 8) Document, confirming payment to Registry for the registration.

Fees for the registration:

- 2 bases (BYR 70,000) for the certification of the sale-purchase agreement;
- 2,4 bases (BYR 84,000) for the registration of the sale-purchase agreement;
- 2 bases (BYR 70,000) for the registration of the transfer of the title on the real property.

Seven working (or nine calendar days) after submitting all the documents listed above, the authorized representative can obtain the following documents at the Registry:

- the sale-purchase agreement with the note of registry in duplicate (one for the Seller and one for the Buyer).
- certificate confirming the transfer of title for the warehouse to the Buyer.
- certificate confirming the transfer of title for the land plot to 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

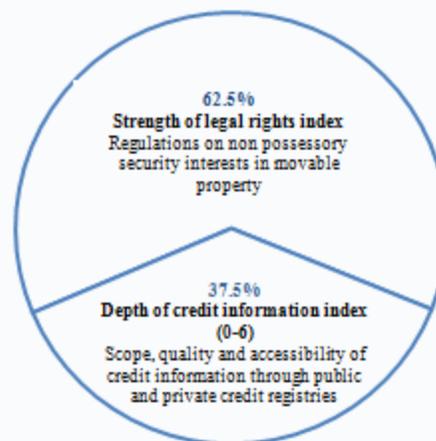
##### Public credit registry coverage (% of adults)

- 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)

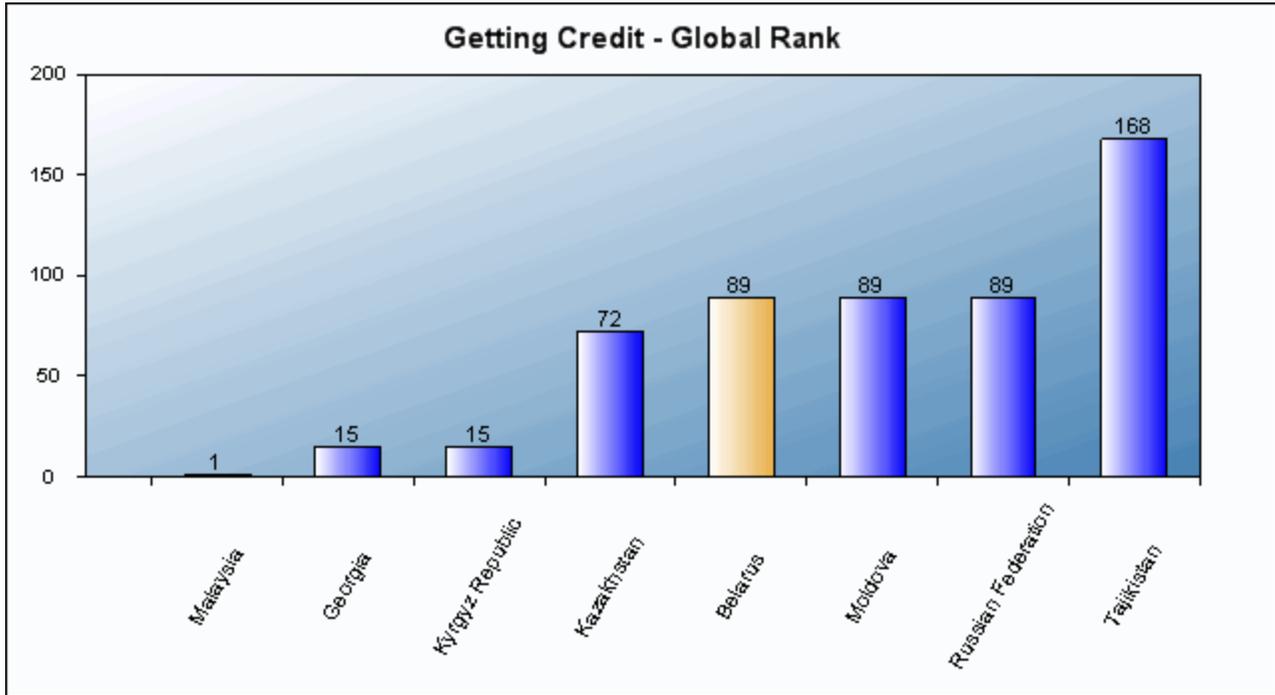
##### The Debtor

- 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:

Belarus is ranked 89 overall for Getting Credit.

Ranking of Belarus in Getting Credit - Compared to good practice and selected economies:



The following table shows Getting Credit data for Belarus 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>Belarus</b>	<b>3</b>	<b>5</b>	<b>33.5</b>	<b>0.0</b>

<i>Comparator Economies</i>				
<b>Georgia</b>	7	6	0.0	16.4
<b>Kazakhstan</b>	4	5	0.0	29.9
<b>Kyrgyz Republic</b>	10	3	0.0	11.9
<b>Moldova</b>	8	0	0.0	0.0
<b>Russian Federation</b>	3	5	0.0	14.4
<b>Tajikistan</b>	3	0	0.0	0.0

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

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

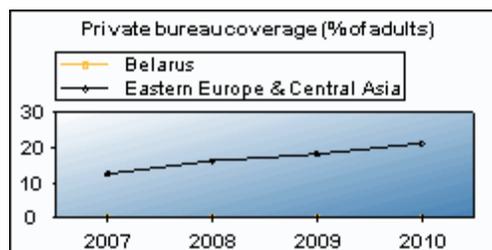
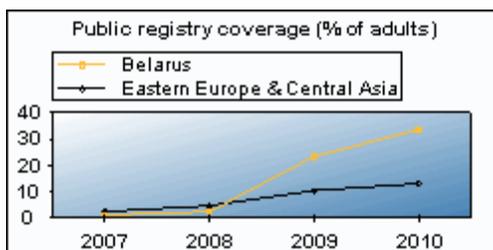
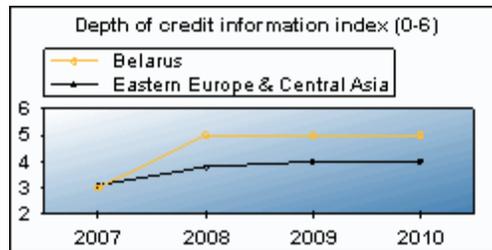
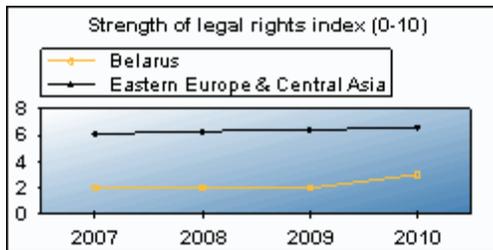
**Private bureau coverage (% of adults): Argentina, Australia, Canada, Iceland, Ireland, Norway, Sweden, United Kingdom, United States**

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

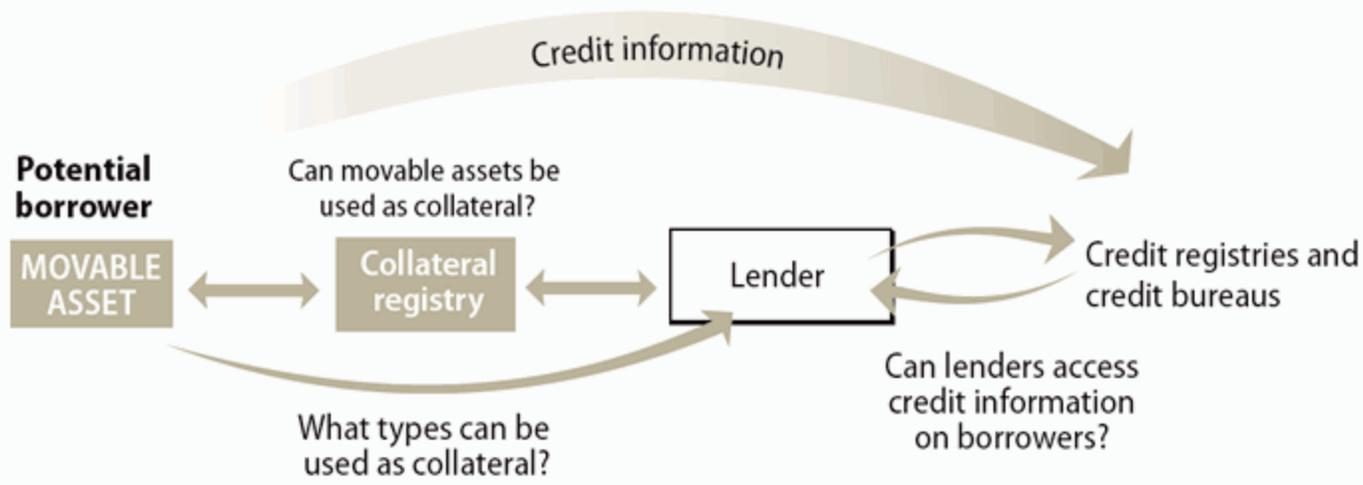
## 2. Historical data: Getting Credit in Belarus

Getting Credit data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	109	89
Strength of legal rights index (0-10)	2	2	2	3
Depth of credit information index (0-6)	3	5	5	5
Private bureau coverage (% of adults)	0.0	0.0	0.0	0.0
Public registry coverage (% of adults)	1.1	2.4	23.4	33.5

### 3. The following graphs illustrate the Getting Credit sub indicators in Belarus 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 Belarus.

Getting Credit Indicators (2010)			Indicator
<b>Private bureau coverage (% of adults)</b>	<b>Private credit bureau</b>	<b>Public credit registry</b>	<b>5</b>
Are data on both firms and individuals distributed?	No	Yes	1
Are both positive and negative data distributed?	No	Yes	1
Does the registry distribute credit information from retailers, trade creditors or utility companies as well as financial institutions?	No	No	0
Are more than 2 years of historical credit information distributed?	No	Yes	1
Is data on all loans below 1% of income per capita distributed?	No	Yes	1
Is it guaranteed by law that borrowers can inspect their data in the largest credit registry?	No	Yes	1
<b>Coverage</b>	0.0	33.5	
Number of individuals		0	2,734,170
Number of firms		0	26,533

**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 ?

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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?

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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?

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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 ?

---

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 ?

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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 ?

---

Do secured creditors have absolute priority to their collateral outside bankruptcy procedures?

---

Do secured creditors have absolute priority to their collateral in bankruptcy procedures?

---

During reorganization, are secured creditors' claims exempt from an automatic stay on enforcement?

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Does the law authorize parties to agree on out of court enforcement?

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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)

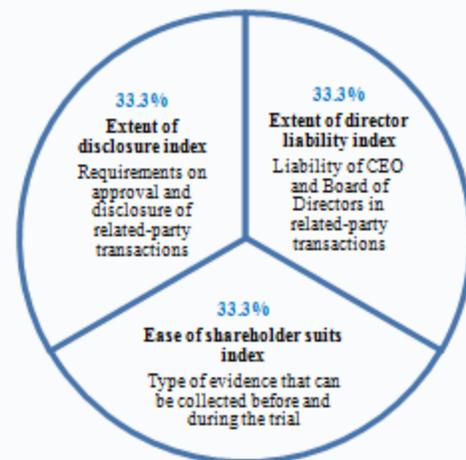
- Documents and information available during trial
- Access to internal corporate documents (directly or through a government inspector)

#### 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.

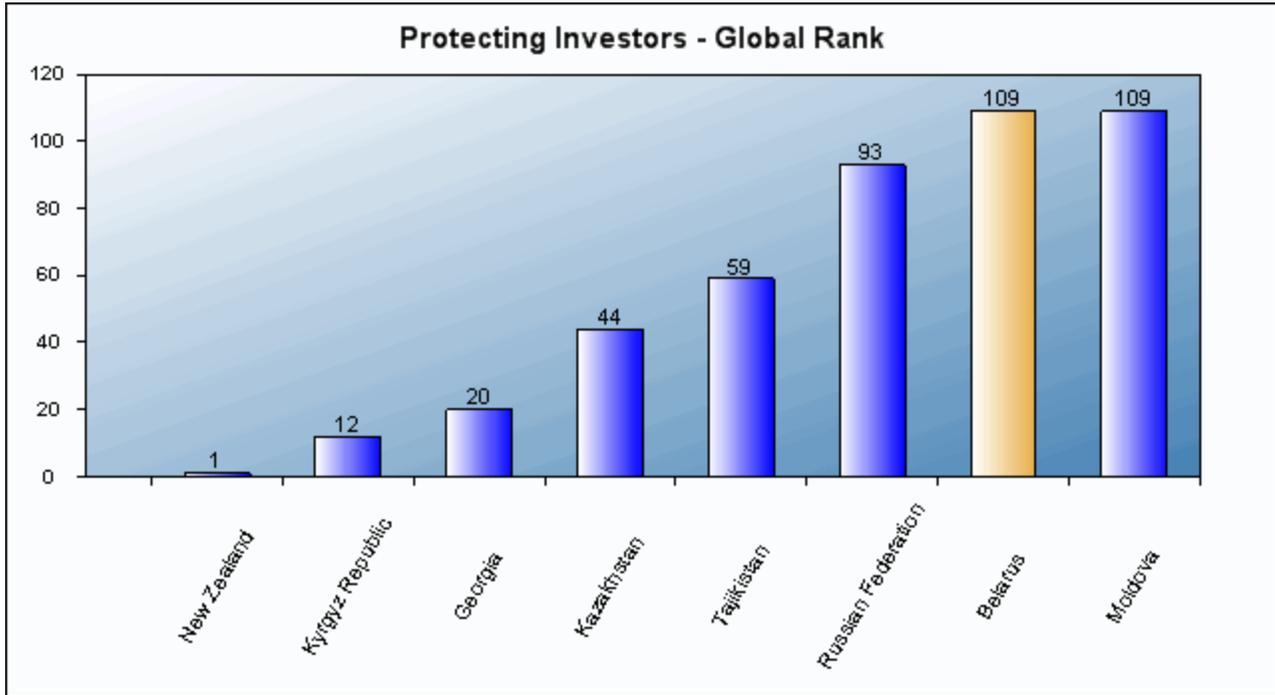
#### The transaction

- 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:

Belarus is ranked 109 overall for Protecting Investors.

Ranking of Belarus in Protecting Investors - Compared to good practice and selected economies:



The following table shows Protecting Investors data for Belarus 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

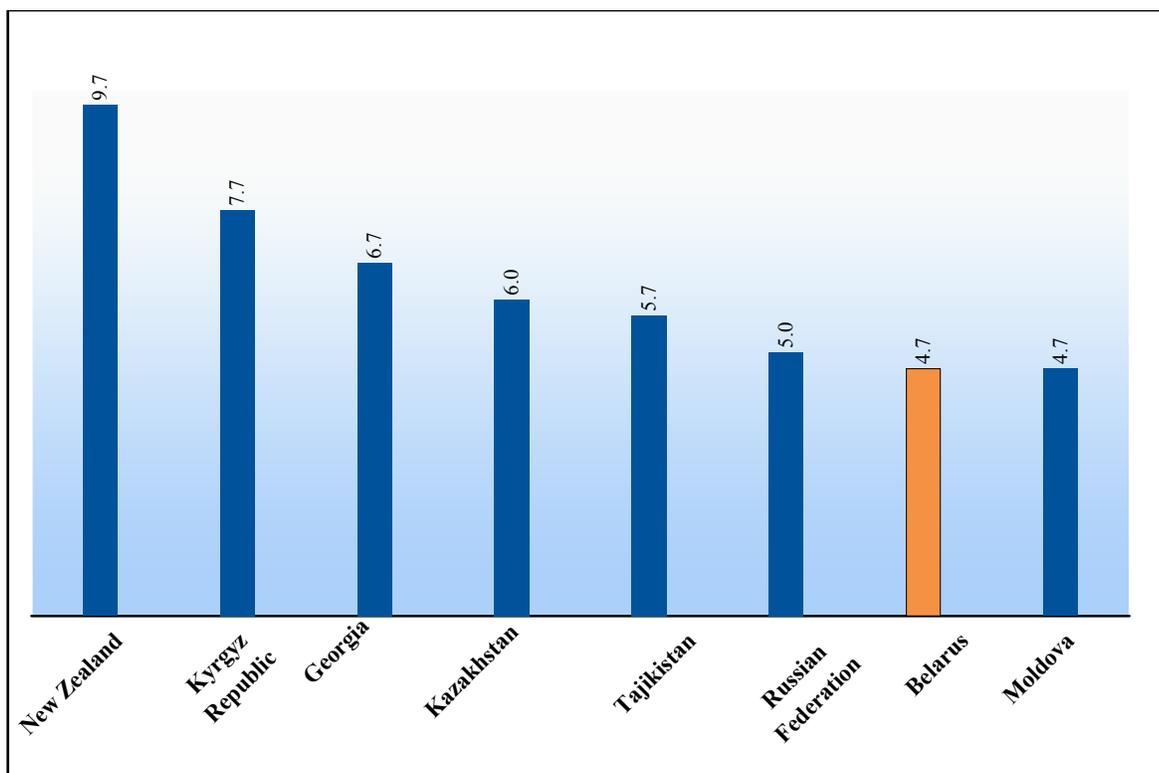
<i>Selected Economy</i>	
<b>Belarus</b>	<b>4.7</b>

<i>Comparator Economies</i>	
<b>Georgia</b>	6.7
<b>Kazakhstan</b>	6.0
<b>Kyrgyz Republic</b>	7.7
<b>Moldova</b>	4.7
<b>Russian Federation</b>	5.0
<b>Tajikistan</b>	5.7

## 2. Historical data: Protecting Investors in Belarus

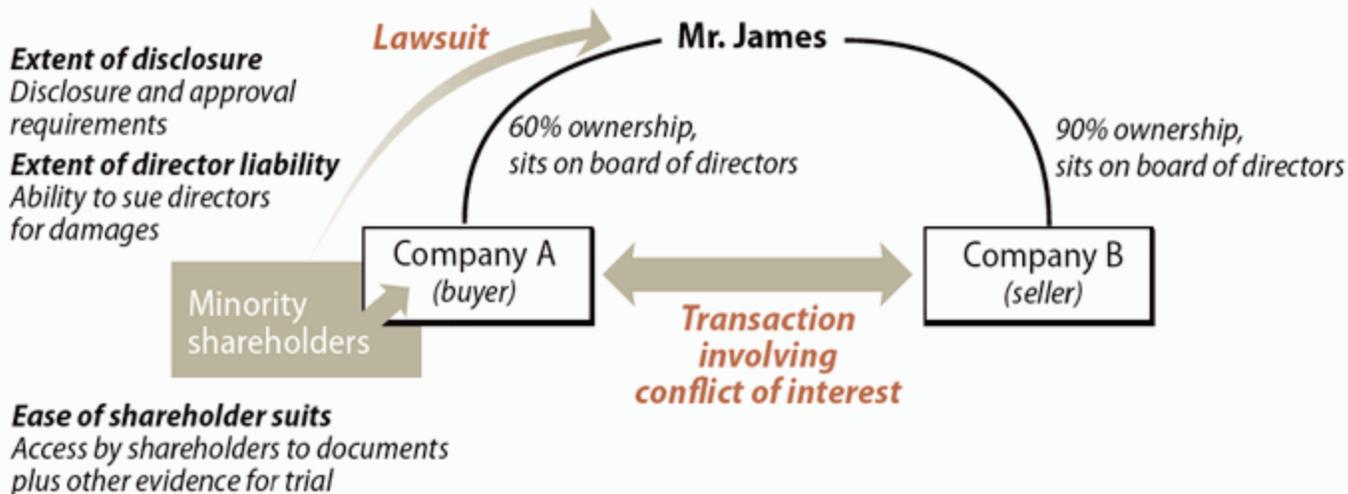
Protecting Investors data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	108	109
Strength of investor protection index (0-10)	4.7	4.7	4.7	4.7

3. The following graph illustrates the Protecting Investors index in Belarus 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 Belarus.

Protecting Investors Data (2010)	Indicator
<b>Extent of disclosure index (0-10)</b>	<b>5</b>
What corporate body provides legally sufficient approval for the transaction?	3
Whether immediate disclosure of the transaction to the public and/or shareholders is required?	0
Whether disclosure of the transaction in published periodic filings (annual reports) is required?	2
Whether disclosure of the conflict of interest by Mr. James to the board of directors is required?	0
Whether an external body must review the terms of the transaction before it takes place?	0
<b>Extent of director liability index (0-10)</b>	<b>1</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?	0
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>8</b>
Whether the plaintiff can obtain any documents from the defendant and witnesses during trial?	4
Whether the plaintiff can directly question the defendant and witnesses during trial?	2
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?	1
Whether shareholders owning 10% or less of Buyer's shares can inspect transaction documents before filing suit?	0
<b>Strength of investor protection index (0-10)</b>	<b>4.7</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)

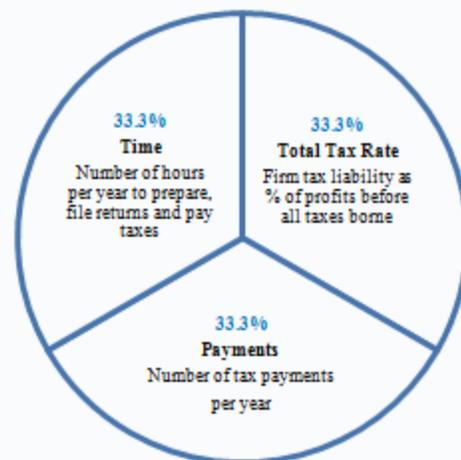
- Collecting information and computing the tax payable
- Completing tax return forms, filing with proper agencies
- Arranging payment or withholding
- Preparing separate tax accounting books, if required

**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



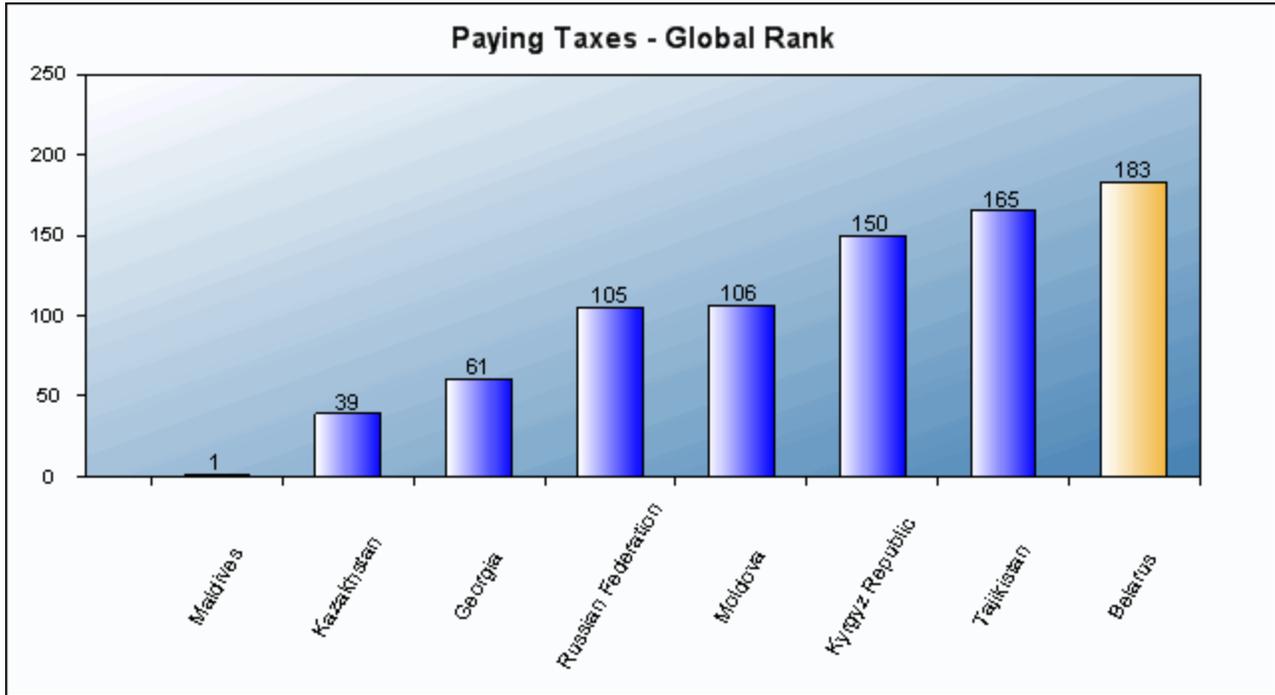
### Case Study Assumptions

- 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:

Belarus is ranked 183 overall for Paying Taxes.

Ranking of Belarus in Paying Taxes - Compared to good practice and selected economies:



The following table shows Paying Taxes data for Belarus 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>Belarus</b>	<b>82</b>	<b>798</b>	<b>80.4</b>

<i>Comparator Economies</i>			
<b>Georgia</b>	18	387	15.3
<b>Kazakhstan</b>	9	271	29.6
<b>Kyrgyz Republic</b>	48	202	57.2
<b>Moldova</b>	48	228	30.9
<b>Russian Federation</b>	11	320	46.5
<b>Tajikistan</b>	54	224	86.0

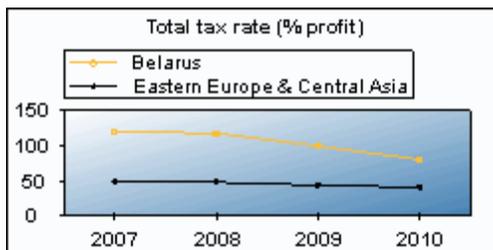
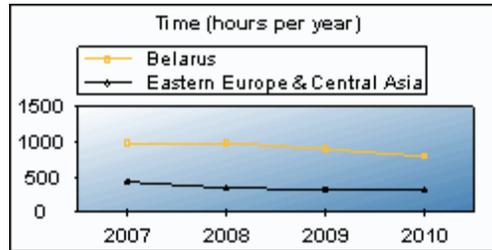
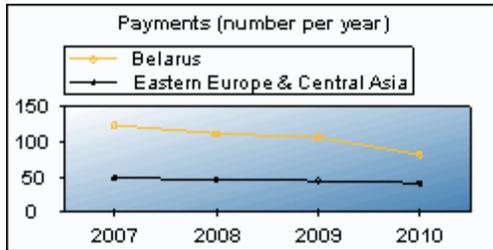
\* The following economies are also good practice economies for :

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

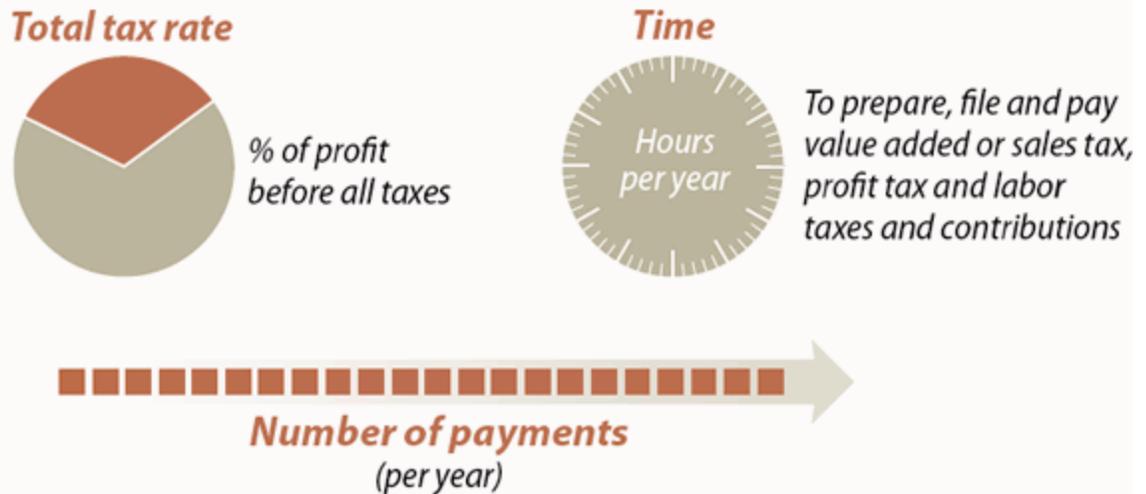
## 2. Historical data: Paying Taxes in Belarus

Paying Taxes data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	183	183
Total tax rate (% profit)	120.8	117.5	99.7	80.4
Payments (number per year)	124	112	107	82
Time (hours per year)	987	987	900	798

## 3. The following graphs illustrate the Paying Taxes sub indicators in Belarus 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 Belarus, 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		192	18.0%	value added		
Sales tax	4			5.0%	sales (including VAT)		
Land tax	4			BYR 15,031,000 per 10,000 square meters	land area in square meters	0.20	
Ecological tax	4			varies	mining, fuel consumption, etc.	0.30	
Obligatory insurance for work accidents	12			0.8%	gross salaries	0.90	
Immovable Property tax	4			1.0%	residual value of immovable property	1.00	
Transport duty	6			3.0%	taxable profit less corporate income tax	1.90	

Turnover tax	12		1.0%	turnover	17.70
Corporate income tax	12	494	24.0%	taxable profit	20.10
Social security contributions	12	112	34.0%	gross salaries	38.40
<b>Totals</b>	<b>82</b>	<b>798</b>			<b>80.4</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)

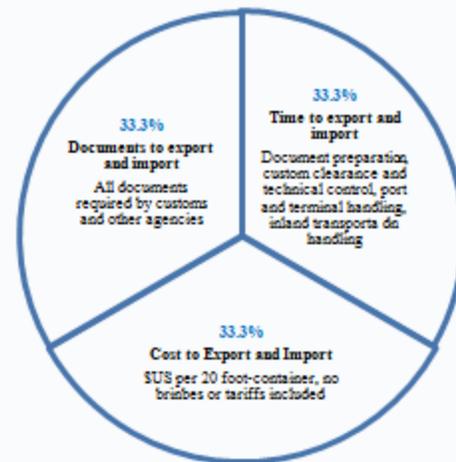
- Bank documents
- Customs clearance documents
- Port and terminal handling documents
- Transport documents

#### 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

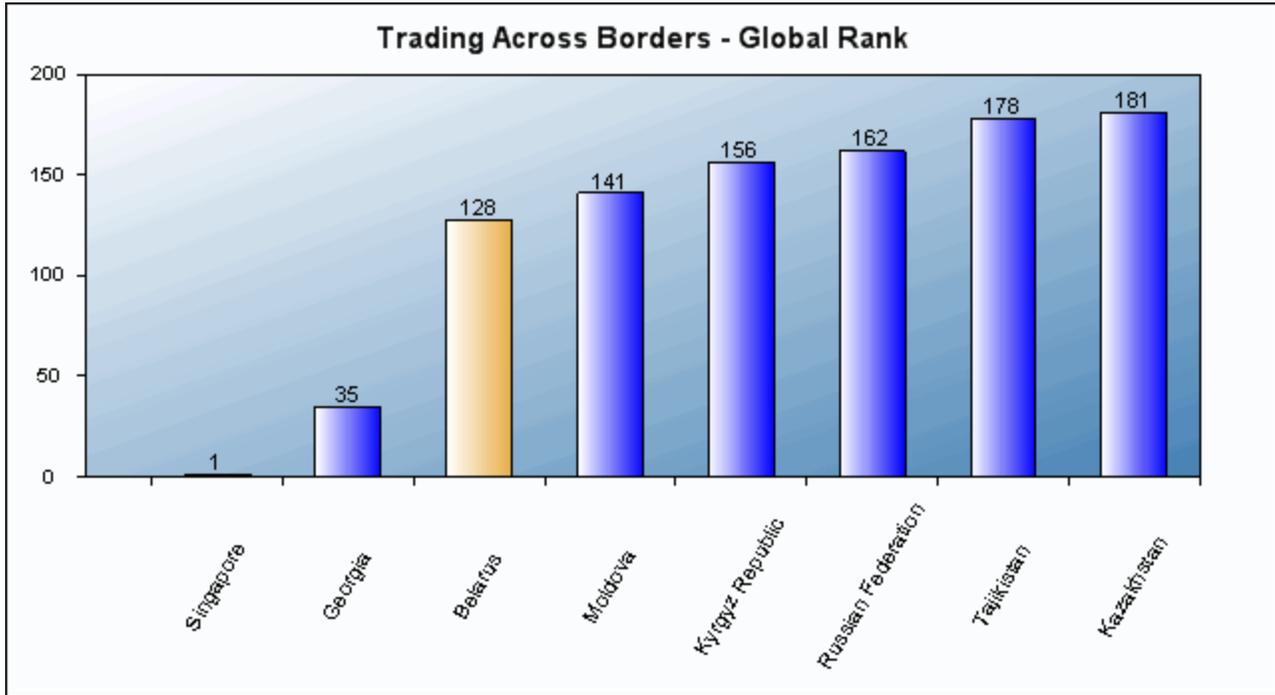
#### The traded product

- 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:

Belarus is ranked 128 overall for Trading Across Borders.

Ranking of Belarus in Trading Across Borders - Compared to good practice and selected economies:



The following table shows Trading Across Borders data for Belarus 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>Belarus</b>	<b>8</b>	<b>15</b>	<b>1772</b>	<b>8</b>	<b>20</b>	<b>1770</b>

<i>Comparator Economies</i>						
<b>Georgia</b>	4	10	1329	4	13	1316
<b>Kazakhstan</b>	10	81	3005	12	67	3055
<b>Kyrgyz Republic</b>	7	63	3010	7	72	3280
<b>Moldova</b>	6	32	1765	7	35	1960
<b>Russian Federation</b>	8	36	1850	13	36	1850
<b>Tajikistan</b>	10	82	3350	9	83	4550

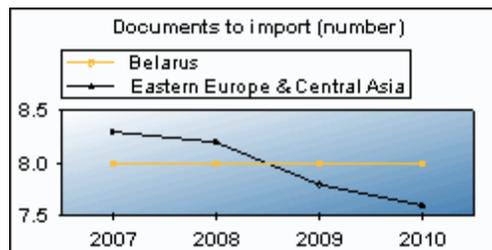
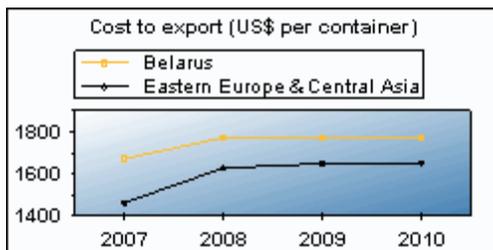
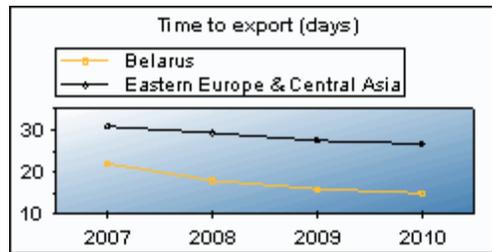
\* The following economies are also good practice economies for :

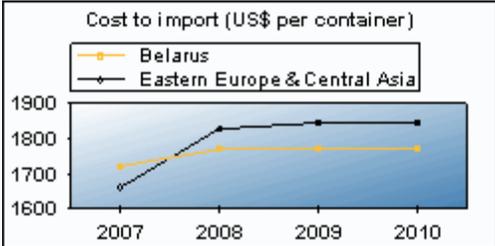
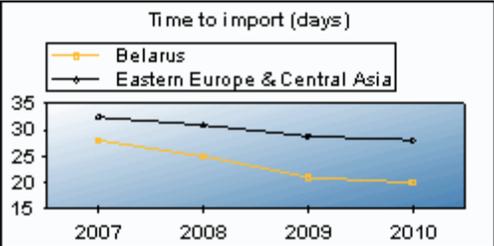
**Time to export (days): Estonia**

## 2. Historical data: Trading Across Borders in Belarus

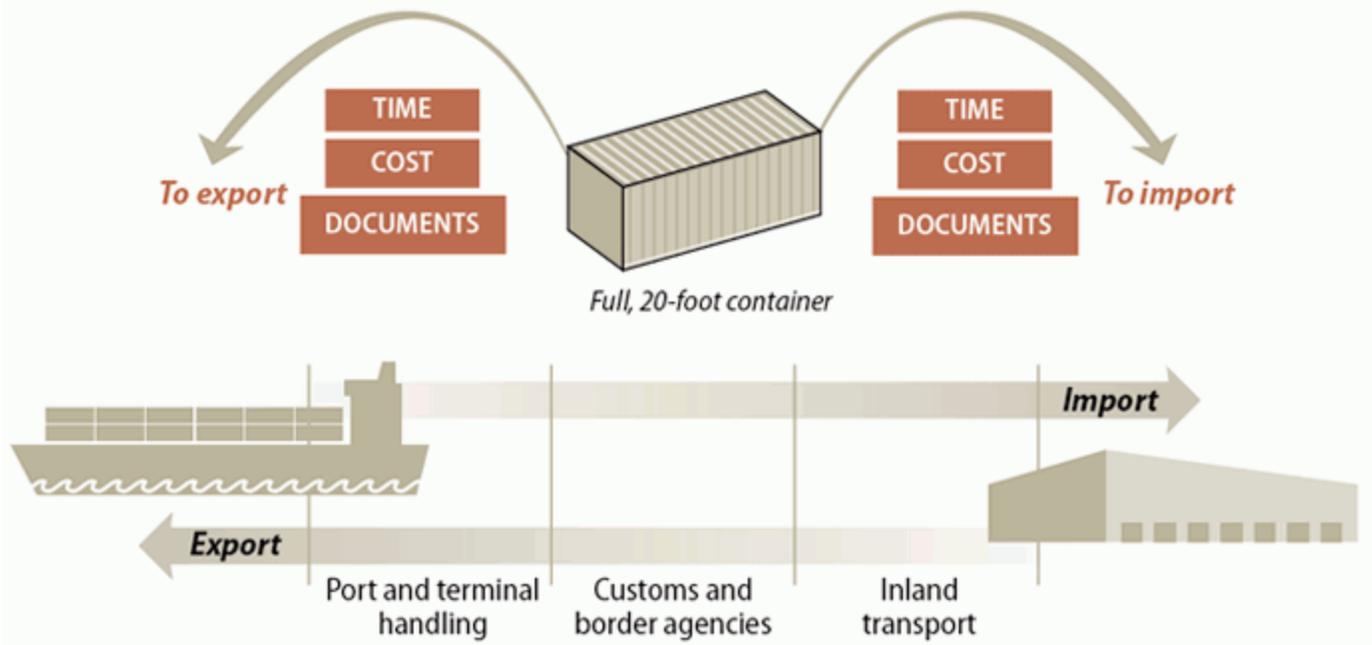
Trading Across Borders data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	129	128
Cost to export (US\$ per container)	1672	1772	1772	1772
Cost to import (US\$ per container)	1722	1770	1770	1770
Documents to export (number)	8	8	8	8
Documents to import (number)	8	8	8	8
Time to export (days)	22	18	16	15
Time to import (days)	28	25	21	20

3. The following graphs illustrate the Trading Across Borders sub indicators in Belarus 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 Belarus. The documents required to export and import the goods are also shown.

Nature of Export Procedures (2010)	Duration (days)	US\$ Cost
Documents preparation	8	222
Customs clearance and technical control	2	200
Ports and terminal handling	2	150
Inland transportation and handling	3	1200
Totals	15	1772

Nature of Import Procedures (2010)	Duration (days)	US\$ Cost
Documents preparation	12	220
Customs clearance and technical control	2	200
Ports and terminal handling	2	150
Inland transportation and handling	4	1200
Totals	20	1770

**Documents for Export and Import**

<b>Export</b>
Bill of Landing
Cargo release order
Certificate of origin
CMR or Transit Document
Commercial invoice
Customs export declaration
Packing list
Technical standard/health certificate

<b>Import</b>
Bill of landing
Cargo release order
Certificate of origin
CMR or Transit Document
Commercial invoice
Customs import declaration
Packing list
Technical standard/health certificate

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?

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

Rankings are based on 3 subindicators

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

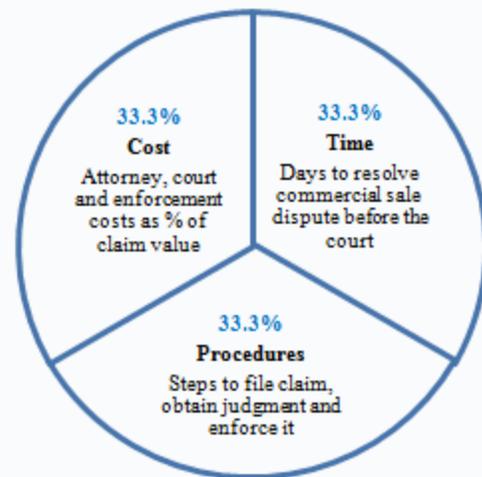
- Any interaction between the parties in a commercial dispute, or between them and the judge or court officer
- Steps to file the case
- Steps for trial and judgment
- Steps to enforce the judgment

#### 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



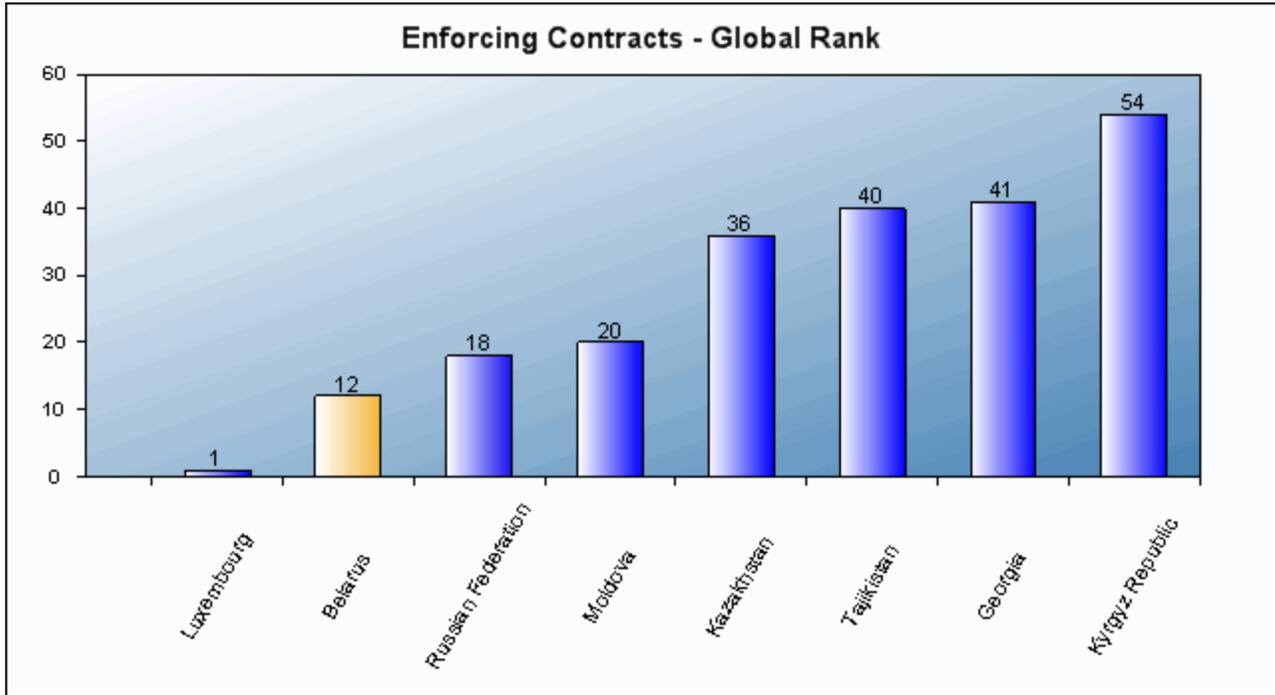
#### Case Study Assumptions

- 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:

Belarus is ranked 12 overall for Enforcing Contracts.

Ranking of Belarus in Enforcing Contracts - Compared to good practice and selected economies:



The following table shows Enforcing Contracts data for Belarus 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	

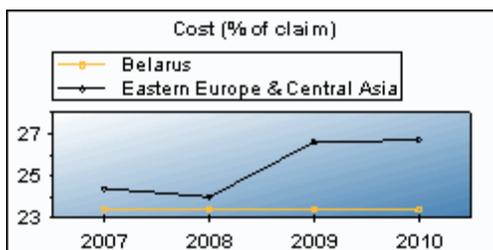
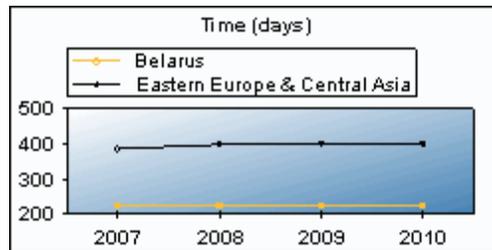
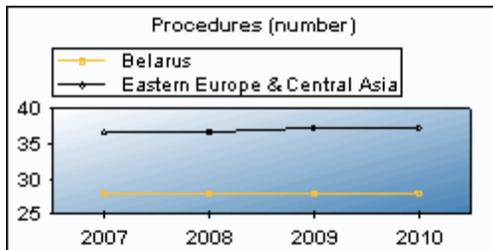
<i>Selected Economy</i>			
<b>Belarus</b>	<b>28</b>	<b>225</b>	<b>23.4</b>

<i>Comparator Economies</i>			
<b>Georgia</b>	36	285	29.9
<b>Kazakhstan</b>	38	390	22.0
<b>Kyrgyz Republic</b>	39	260	29.0
<b>Moldova</b>	31	365	20.9
<b>Russian Federation</b>	37	281	13.4
<b>Tajikistan</b>	34	430	25.5

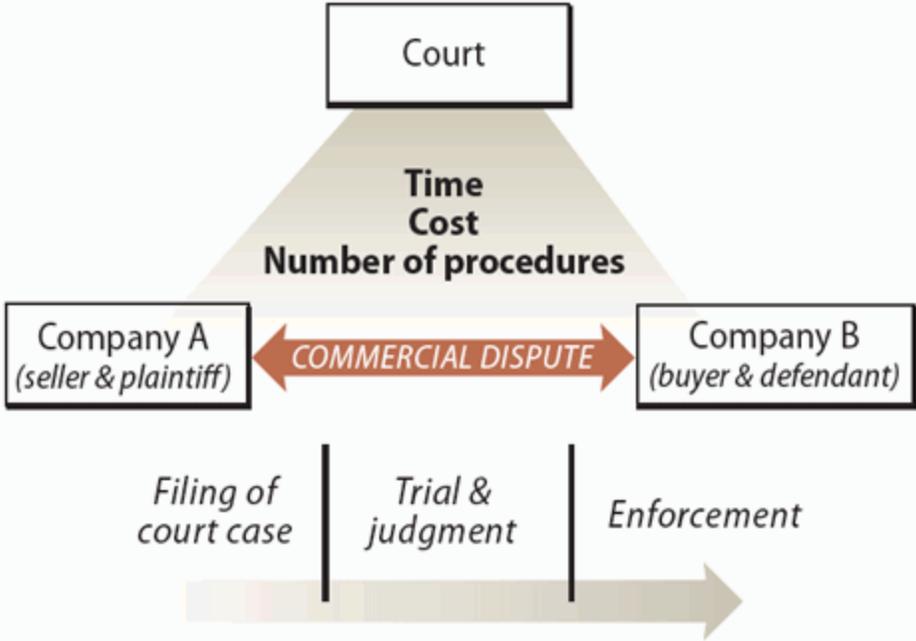
## 2. Historical data: Enforcing Contracts in Belarus

Enforcing Contracts data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	12	12
Procedures (number)	28	28	28	28
Time (days)	225	225	225	225
Cost (% of claim)	23.4	23.4	23.4	23.4

3. The following graphs illustrate the Enforcing Contracts sub indicators in Belarus 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 Belarus.

Nature of Procedure (2010)	Indicator
Procedures (number)	28
Time (days)	225
Filing and service	30.0
Trial and judgment	105.0
Enforcement of judgment	90.0
<b>Cost (% of claim)*</b>	<b>23.40</b>
Attorney cost (% of claim)	12.0
Court cost (% of claim)	11.4
Enforcement Cost (% of claim)	0.0

**Court information:** Minsk Commercial Court ("Хозяйственный суд города Минска")

\* 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)

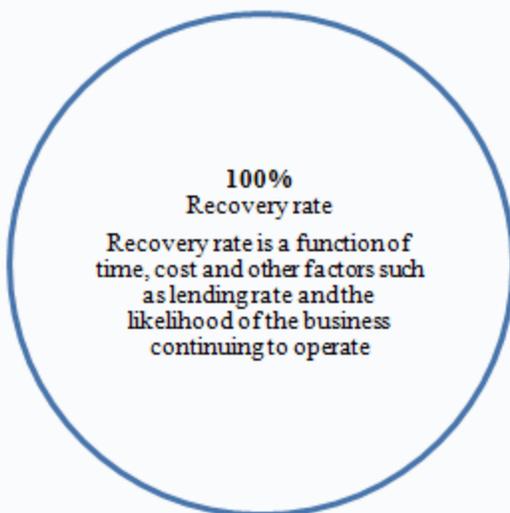
- Measured in calendar years
- Appeals and requests for extension are included

#### 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*

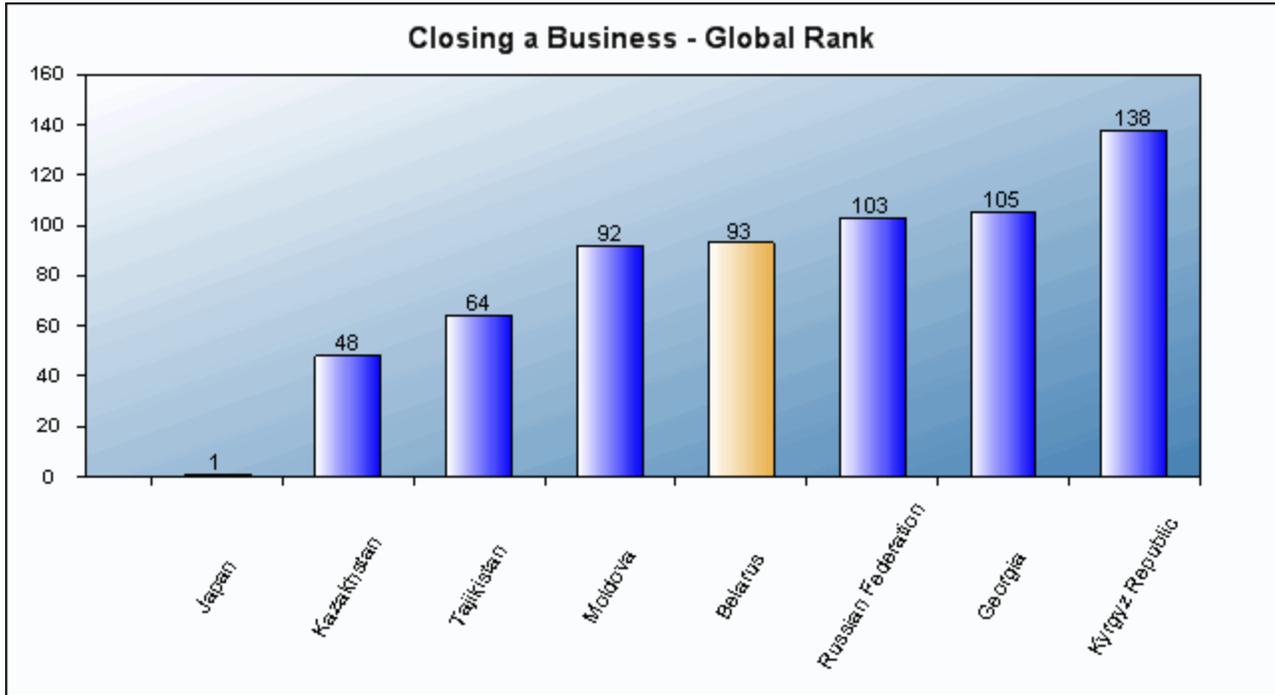
#### The Company

- 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:

Belarus is ranked 93 overall for Closing a Business.

Ranking of Belarus in Closing Business - Compared to good practice and selected economies:



The following table shows Closing Business data for Belarus 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>Belarus</b>	<b>28.0</b>	<b>5.8</b>	<b>22</b>

<i>Comparator Economies</i>			
<b>Georgia</b>	25.1	3.3	4
<b>Kazakhstan</b>	43.3	1.5	15
<b>Kyrgyz Republic</b>	15.3	4.0	15
<b>Moldova</b>	28.2	2.8	9
<b>Russian Federation</b>	25.3	3.8	9
<b>Tajikistan</b>	37.4	1.7	9

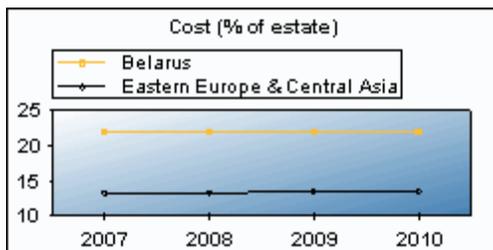
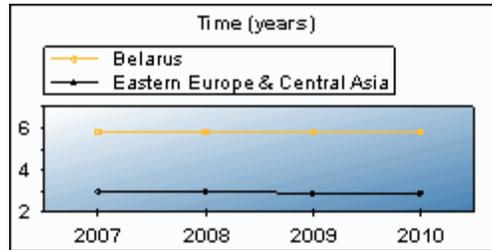
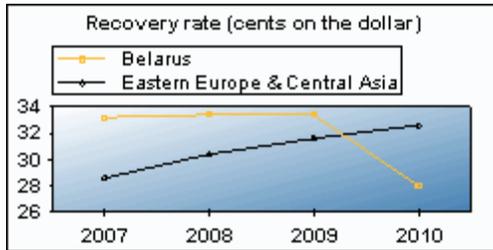
\* The following economies are also good practice economies for :

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

## 2. Historical data: Closing Business in Belarus

Closing a Business data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	75	93
Time (years)	5.8	5.8	5.8	5.8
Cost (% of estate)	22	22	22	22
Recovery rate (cents on the dollar)	33.2	33.4	33.4	28.0

### 3. The following graphs illustrate the Closing Business sub indicators in Belarus 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>Belarus</b>	Belarus enhanced access to credit by facilitating the use of the pledge as a security arrangement and providing for out-of-court enforcement of the pledge on default. Reductions in the turnover tax, social security contributions and the base for property taxes along with continued efforts to encourage electronic filing made it easier and less costly for companies in Belarus to pay taxes. Belarus reduced the time to trade by introducing electronic declaration of exports and imports. Belarus amended regulations governing the activities of insolvency administrators and strengthened the protection of creditor rights in bankruptcy.
<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>Georgia</b>	Georgia improved access to credit by implementing a central collateral registry with an electronic database accessible online. Georgia strengthened investor protections by allowing greater access to corporate information during the trial. Georgia made the enforcement of contracts easier by streamlining the procedures for public auctions, introducing private enforcement officers and modernizing its dispute resolution system. Georgia improved insolvency proceedings by streamlining the regulation of auction sales.
<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>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>Kyrgyz Republic</b>	The Kyrgyz Republic eased business start-up by eliminating the requirement to have the signatures of company founders notarized. The Kyrgyz Republic streamlined insolvency proceedings and updated requirements for administrators, but new formalities added to prevent abuse of proceedings made closing a business more difficult.
<b>Moldova</b>	Moldova reduced employer contribution rates for social security.
<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>Russian Federation</b>	Russia eased construction permitting by implementing a single window for all procedures related to land use. Russia introduced a series of legislative measures in 2009 to improve creditor rights and the insolvency system.
<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>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>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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