A World Bank Group Flagship Report

16TH EDITION

DOING BUSINESS 2019

Training for Reform

Economy Profile

Brazil

WORLD BANK GROUP

Comparing Business Regulation for Domestic Firms in 190 Economies

Economy Profile of Brazil

Doing Business 2019 Indicators
(in order of appearance in the document)

Starting a business	Procedures, time, cost and paid-in minimum capital to start a limited liability company
Dealing with construction permits	Procedures, time and cost to complete all formalities to build a warehouse and the quality control and safety mechanisms in the construction permitting system
Getting electricity	Procedures, time and cost to get connected to the electrical grid, and the reliability of the electricity supply and the transparency of tariffs
Registering property	Procedures, time and cost to transfer a property and the quality of the land administration system
Getting credit	Movable collateral laws and credit information systems
Protecting minority investors	Minority shareholders' rights in related-party transactions and in corporate governance
Paying taxes	Payments, time, total tax and contribution rate for a firm to comply with all tax regulations as well as post-filing processes
Trading across borders	Time and cost to export the product of comparative advantage and import auto parts
Enforcing contracts	Time and cost to resolve a commercial dispute and the quality of judicial processes
Resolving insolvency	Time, cost, outcome and recovery rate for a commercial insolvency and the strength of the legal framework for insolvency
Labor market regulation	Flexibility in employment regulation and aspects of job quality

About Doing Business

The *Doing Business* project provides objective measures of business regulations and their enforcement across 190 economies and selected cities at the subnational and regional level.

The *Doing Business* project, launched in 2002, looks at domestic small and medium-size companies and measures the regulations applying to them through their life cycle.

Doing Business captures several important dimensions of the regulatory environment as it applies to local firms. It provides quantitative indicators on regulation for starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting minority investors, paying taxes, trading across borders, enforcing contracts and resolving insolvency. *Doing Business* also measures features of labor market regulation. Although *Doing Business* does not present rankings of economies on the labor market regulation indicators or include the topic in the aggregate ease of doing business score or ranking on the ease of doing business, it does present the data for these indicators.

By gathering and analyzing comprehensive quantitative data to compare business regulation environments across economies and over time, *Doing Business* encourages economies to compete towards more efficient regulation; offers measurable benchmarks for reform; and serves as a resource for academics, journalists, private sector researchers and others interested in the business climate of each economy.

In addition, *Doing Business* offers detailed subnational reports, which exhaustively cover business regulation and reform in different cities and regions within a nation. These reports provide data on the ease of doing business, rank each location, and recommend reforms to improve performance in each of the indicator areas. Selected cities can compare their business regulations with other cities in the economy or region and with the 190 economies that *Doing Business* has ranked.

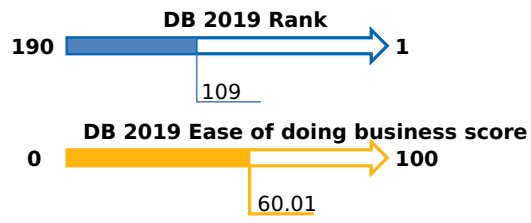
The first *Doing Business* report, published in 2003, covered 5 indicator sets and 133 economies. This year's report covers 11 indicator sets and 190 economies. Most indicator sets refer to a case scenario in the largest business city of each economy, except for 11 economies that have a population of more than 100 million as of 2013 (Bangladesh, Brazil, China, India, Indonesia, Japan, Mexico, Nigeria, Pakistan, the Russian Federation and the United States) where *Doing Business* also collected data for the second largest business city. The data for these 11 economies are a population-weighted average for the 2 largest business cities. The project has benefited from feedback from governments, academics, practitioners and reviewers. The initial goal remains: to provide an objective basis for understanding and improving the regulatory environment for business around the world.

More about Doing Business (PDF, 5MB)

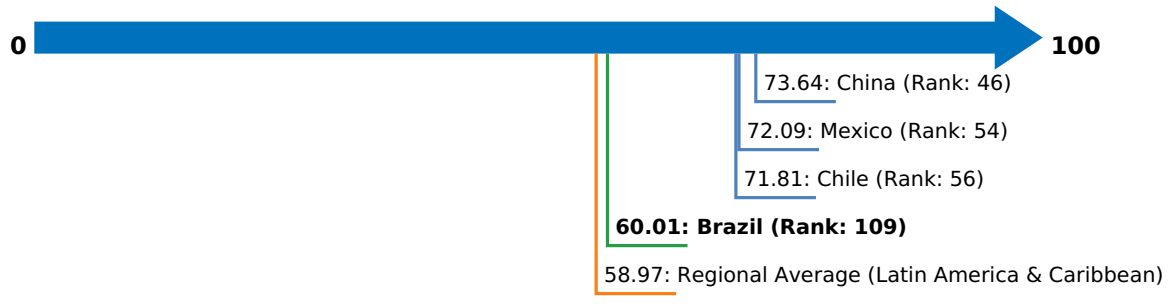
Ease of Doing Business in

Brazil

Region	Latin America & Caribbean
Income Category	Upper middle income
Population	209,288,278
City Covered	São Paulo , Rio de Janeiro

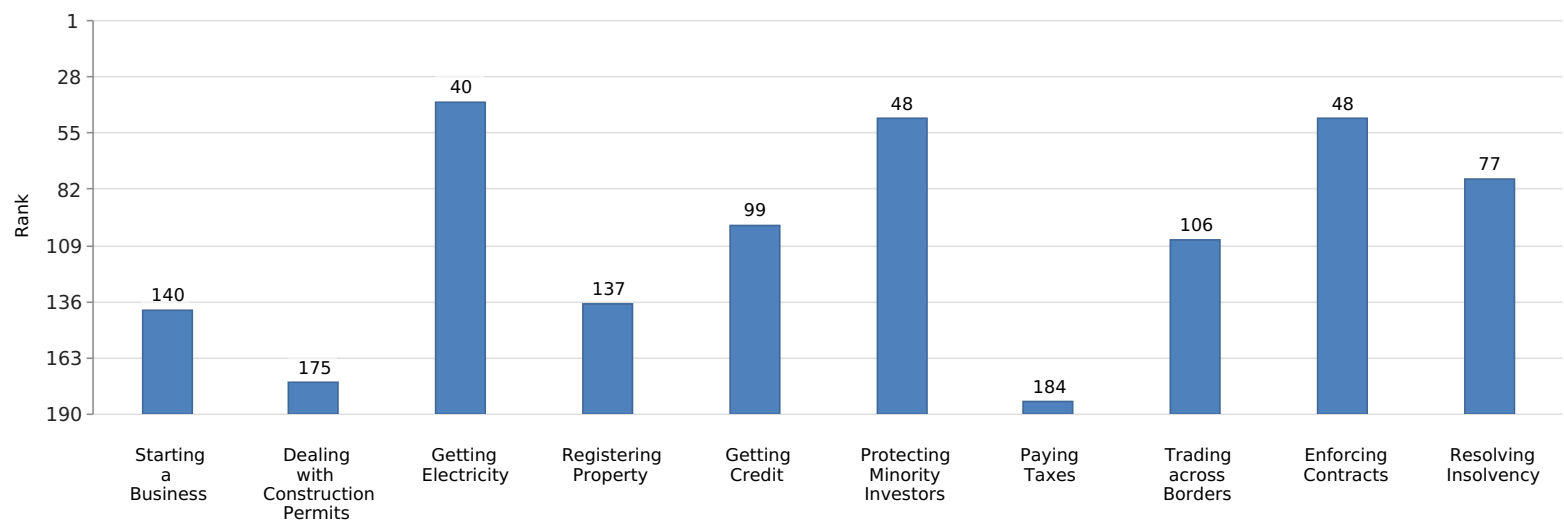


DB 2019 Ease of Doing Business Score



Note: The ease of doing business score captures the gap of each economy from the best regulatory performance observed on each of the indicators across all economies in the *Doing Business* sample since 2005. An economy's ease of doing business score is reflected on a scale from 0 to 100, where 0 represents the lowest and 100 represents the best performance. The ease of doing business ranking ranges from 1 to 190.

Rankings on Doing Business topics - Brazil



Ease of Doing Business Score on Doing Business topics - Brazil

Starting a Business

This topic measures the number of procedures, time, cost and paid-in minimum capital requirement for a small- to medium-sized limited liability company to start up and formally operate in each economy's largest business city.

To make the data comparable across 190 economies, *Doing Business* uses a standardized business that is 100% domestically owned, has start-up capital equivalent to 10 times the income per capita, engages in general industrial or commercial activities and employs between 10 and 50 people one month after the commencement of operations, all of whom are domestic nationals. Starting a Business considers two types of local limited liability companies that are identical in all aspects, except that one company is owned by 5 married women and the other by 5 married men. The ranking of economies on the ease of starting a business is determined by sorting their scores for starting a business. These scores are the simple average of the scores for each of the component indicators.

The most recent round of data collection for the project was completed in May 2018. See the methodology for more information.

What the indicators measure

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

- Preregistration (for example, name verification or reservation, notarization)
- Registration in the economy's largest business city
- Postregistration (for example, social security registration, company seal)
- Obtaining approval from spouse to start a business or to leave the home to register the company
- Obtaining any gender specific document for company registration and operation or national identification card

Time required to complete each procedure (calendar days)

- Does not include time spent gathering information
- Each procedure starts on a separate day (2 procedures cannot start on the same day)
- Procedures fully completed online are recorded as ½ day
- Procedure is considered 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 or commonly used in practice

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

- Funds deposited in a bank or with third party before registration or up to 3 months after incorporation

Case study assumptions

To make the data comparable across economies, several assumptions about the business and the procedures are used. It is assumed that any required information is readily available and that the entrepreneur will pay no bribes.

The business:

- Is a limited liability company (or its legal equivalent). If there is more than one type of limited liability company in the economy, the most common among domestic firms is chosen. Information on the most common form is obtained from incorporation lawyers or the statistical office.
- Operates in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- The entire office space is approximately 929 square meters (10,000 square feet).
- Is 100% domestically owned and has five owners, none of whom is a legal entity; has a start-up capital of 10 times income per capita and has a turnover of at least 100 times income per capita.
- Performs general industrial or commercial activities, such as the production or sale of goods or services to the public. The business does not perform foreign trade activities and does not handle products subject to a special tax regime, for example, liquor or tobacco. It does not use heavily polluting production processes.
- Leases the commercial plant or offices and is not a proprietor of real estate and the amount of the annual lease for the office space is equivalent to the income per capita.
- Does not qualify for investment incentives or any special benefits.
- Has at least 10 and up to 50 employees one month after the commencement of operations, all of whom are domestic nationals.
- Has a company deed that is 10 pages long.

The owners:

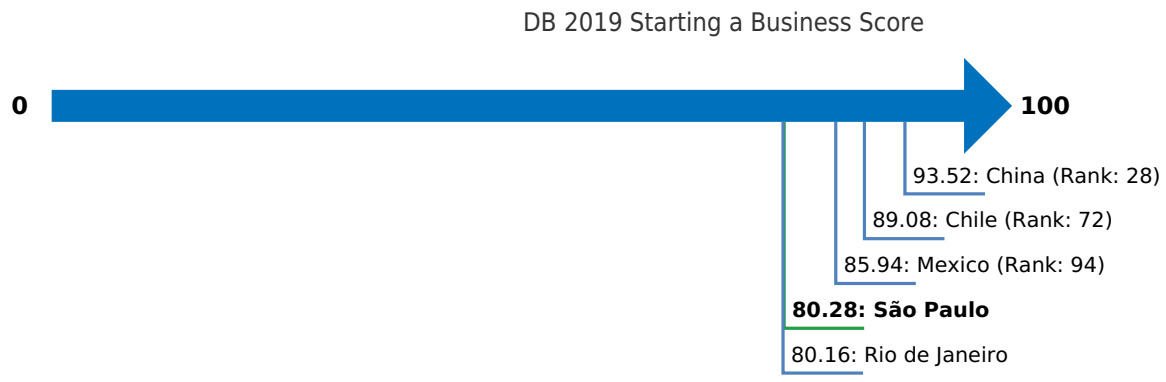
- Have reached the legal age of majority. If there is no legal age of majority, they are assumed to be 30 years old.
- Are sane, competent, in good health and have no criminal record.
- Are married and the marriage is monogamous and registered with the authorities.
- Where the answer differs according to the legal system applicable to the woman or man in question (as may be the case in economies where there is legal plurality), the answer used will be the one that applies to the majority of the population.

Starting a Business - São Paulo

Standardized Company	
Legal form	Sociedade Limitada
Paid-in minimum capital requirement	BRL 0
City Covered	São Paulo

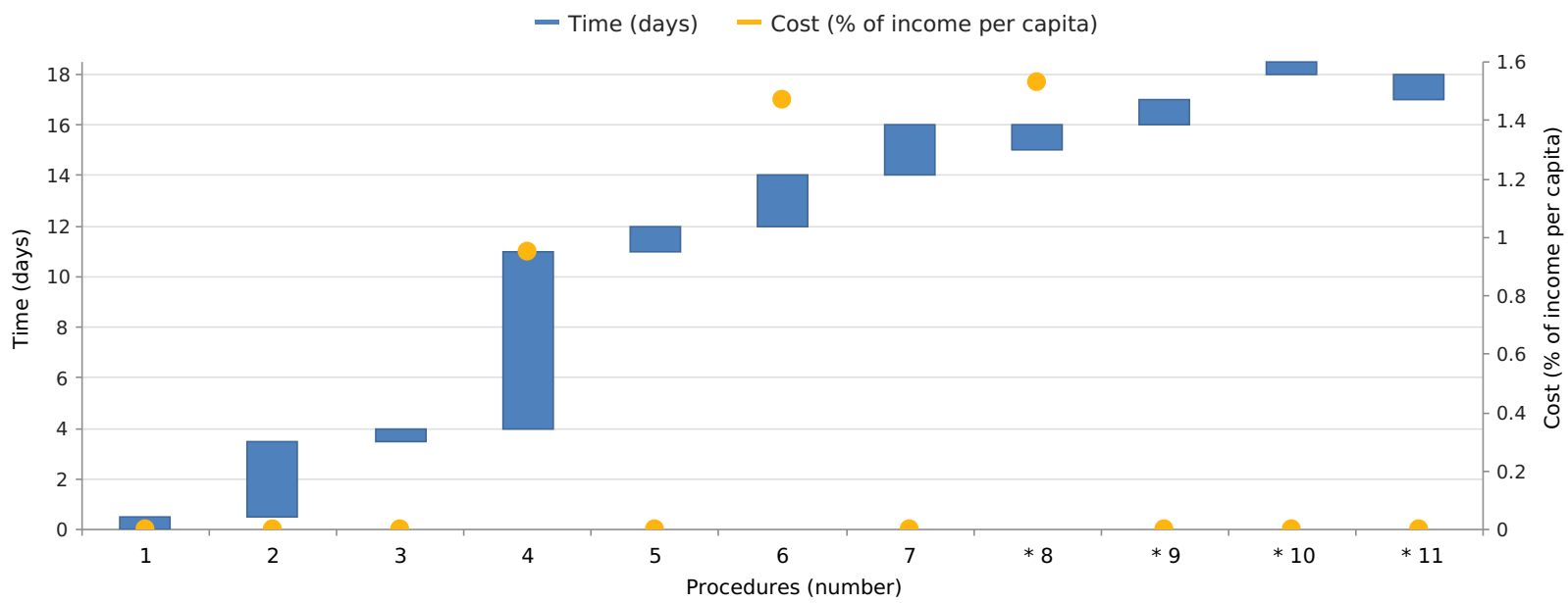
Indicator	São Paulo	Latin America & Caribbean	OECD high income	Best Regulatory Performance
Procedure – Men (number)	11	8.2	4.9	1 (New Zealand)
Time – Men (days)	18.5	28.5	9.3	0.5 (New Zealand)
Cost – Men (% of income per capita)	3.9	37.8	3.1	0.0 (Slovenia)
Procedure – Women (number)	11	8.2	4.9	1 (New Zealand)
Time – Women (days)	18.5	28.5	9.3	0.5 (New Zealand)
Cost – Women (% of income per capita)	3.9	37.8	3.1	0.0 (Slovenia)
Paid-in min. capital (% of income per capita)	0.0	1.5	8.6	0.0 (117 Economies)

Figure – Starting a Business in São Paulo and comparator economies – Ranking and Score



Note: The ranking of economies on the ease of starting a business is determined by sorting their scores for starting a business. These scores are the simple average of the scores for each of the component indicators.

Figure – Starting a Business in São Paulo – Procedure, Time and Cost



*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (http://doingbusiness.org/en/methodology). For details on the procedures reflected here, see the summary below.

Details - Starting a Business in São Paulo - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	**Check the availability of the company name and the feasibility of the location** *Agency* : Municipality (Prefeitura de São Paulo) Business founders can check the availability of the company name online at: www.jucesponline.sp.gov.br. An analysis of the feasibility of the proposed company address (Análise de Viabilidade) must then be requested to the Municipality. This can be done online through the nationally integrated system for company registration (Sistema de Registro e Licenciamento de Empresas, RLE). It can be accessed at https://rle.empresasimples.gov.br/rle/. The applicant must provide information on the company's activities and on the exact proposed location. If the location is approved, a document (Protocolo REDESIM) will be issued online after a few minutes.	Less than one day (online procedure)	no charge
2	**Apply for registration with the Federal Tax Authority (Receita Federal)** *Agency* : Federal Tax Authority (Receita Federal) After verifying the availability of the company's name and the feasibility of the proposed location, the entrepreneur must submit an online application to the Federal Tax Authority (Receita Federal). This must be done by filing the Company's Registration File (Ficha Cadastral da Pessoa Jurídica, FCPJ) and the Members and Managers File (Quadro de Sócios e Administradores, QSA) at the Tax Authority's online platform ("Coleta Online", at https://www38.receita.fazenda.gov.br/redesim/). A document will be generated by the system (DBE, "Documento Básico de Entrada" or "Protocolo de Transmissão", if a digital certificate is used). This document must be presented to the State Commercial Registry (JUCESP) for company registration.	3 days	no charge
3	**Pay registration fees** *Agency* : Commercial Bank Entrepreneurs choose whether to pay at any commercial bank or at the bank window/agency located inside the commercial registry. It is also possible to pay through a wire transfer, at a commercial bank's website in which the person making the payment holds an account. Examples are www.itau.com.br / banco.bradesco / santander.com.br / bb.com.br / caixa.gov.br. A receipt of payment must be obtained to register the company at JUCESP (Commercial Registry).	Less than one day (online procedure)	fees included in procedure 3
4	**Register with the State Commercial Registry (JUCESP) to complete registration with the Federal and State Tax Authorities (CNPJ and ICMS), Social Security (INSS) and the Companies Registry (NIRE)** *Agency* : Commercial Registry (Junta Comercial do Estado de São Paulo - JUCESP) Company registrations have been simplified with a system called Empreenda Fácil. The company must register with the Commercial Registry (Junta Comercial do Estado de São Paulo - JUCESP) to obtain an identification number from the Companies Registry (Número de Identificação do Registro de Empresas – NIRE). In addition, registrations are carried out with the National Corporate Taxpayer Registry from the Federal Tax Authority (Cadastro Nacional de Pessoas Jurídicas - CNPJ), with the Sales Tax from the State Tax Authority (Imposto sobre Circulação de Mercadorias e Serviços - ICMS) and with the National Institute of Social Security (Instituto Nacional do Seguro Social - INSS). The registration process is as follows: after the application with the Federal Tax Authority (Receita Federal) has been filed and a document called "Documento Básico de Entrada - DBE" has been generated, the applicant must submit an application for company incorporation at Via Rápida Empresa 2, an online platform offered by JUCESP (https://www.jucesp.sp.gov.br/VRE/). The business founders must then visit the Commercial Registry (JUCESP) to present the original documents. Upon the analysis and approval by JUCESP, an online version of the certificate of registration (Certidão de Inteiro Teor) will be made available for download. Once this step has been completed, the company can proceed to Municipal tax registration and obtaining a Municipal license.	7 days	R$141.35 + R$21.00 for registration + R$128.50 (service fee)

5	**Register with the Municipal Taxpayers' Registry (Secretaria Municipal de Finanças)** *Agency* : Municipal Taxpayers' Registry (Secretaria Municipal de Finanças) Enrollment with the Municipal Taxpayers' Registry (Cadastro de Contribuintes Mobiliários - CCM) is made through an electronic form that is filled online on the website of the City Hall (https://ccm.prefeitura.sp.gov.br/). After filling and sending the electronic form, an appointed will be booked and the applicant will receive a receipt ("Protocolo de Atendimento"). A visit must be made to the Municipality (at "Praça de Atendimento da Secretaria de Finanças"), to complete the Municipal tax registration.	1 day	no charge
6	**Obtain a digital certification (token) for the use of e-invoices** *Agency* : Serasa Experian The costs involved in the obtainment of the digital certification may vary according to the accredited certifying chosen by the applicant. The information on how to obtain a token is available at http://www.receita.fazenda.gov.br/dvssl/atbhe/falecon/comum/asp/formulario.asp?topico=172	2 days	Varies from R$ 450.00 to R$ 580.00
7	**Obtain an operations license (Auto de Licença de Funcionamento) from the Municipality** *Agency* : Municipality (Prefeitura de São Paulo) Business founders must obtain an operations license (Auto de Licença de Funcionamento) from the Municipality. This document authorizes the operation of commercial, industrial, institutional, service, and similar activities. For companies in some sectors of activity and under certain size and location restrictions, as determined by Decree No. 57,298 of 2016, a simplified operations license can be applied for and obtained online, through the integrated business registration system. In those cases, the license is applied for through RLE (Sistema de Registro e Licenciamento de Empresas, at https://rle.empresasimples.gov.br/rle/). For other cases, the license must be obtained from the District-level Municipality's office (Prefeitura Regional). In these cases, the process requires further analysis and it may take several months to be completed.	2 days	no charge
⇄ 8	**Register and pay the Municipal Establishments Inspection Fee (Taxa de Fiscalização de Estabelecimentos - TFE)** *Agency* : Municipal Taxpayers' Registry (Secretaria Municipal de Finanças) According to the Municipality of São Paulo's rules, the annual cost of the TFE fee is based both on the company's activities as well as on the company's number of employees (www.prefeitura.sp.gov.br). Once the company has been registered with the Municipal Tax Authorities (Secretaria Municipal de Finanças), it shall pay an annual fee for the control and compliance with municipal laws. This payment is due on the tenth day of the second month following commencement of company operations.	1 day (simultaneous with previous procedure)	R$ 470.87 (for retailing business, may vary in accordance with the company's activities)
⇄ 9	**Register the employees in the social integration program (Programa de Integração Social - PIS)** *Agency* : Federal Savings Bank (Caixa Econômica Federal) Employees must be registered at the company's employee registry book (livro de registro de empregados) and their information must be up to date with the Social Integration Program (Programa de Integração Social - PIS/PASEP). The PIS/PASEP program is intended to identify workers with the social security system, so that they may request unemployment insurance and, if needed, benefit from the unemployment guarantee fund (Fundo de Garantia do Tempo de Serviço - FGTS). If the employee already has a PIS/PASEP registration from previous employments, the employee must only inform the Federal Savings Bank of the new employment relationship, in order to update their information. Following the hiring, the employer must submit online the information on the company and its employees through a system called SEFIP (Sistema Empresa de Recolhimento do FGTS e informações à Previdência Social - available at http://conectividade.caixa.gov.br/). Once SEFIP has been submitted, the FGTS account, which is a special account at the Federal Savings Bank (Caixa Econômica), will be opened for payment of the benefits related to the unemployment insurance.	1 day (simultaneous with previous procedure)	no charge

⇉ 10	**Notify the Ministry of Labor (Cadastro Geral de empregados e desempregados, CAGED)** *Agency* : Ministry of Labor (Cadastro Geral de empregados e desempregados, CAGED) Pursuant to Law No. 4.923 of December 23, 1965, the employer must inform the Ministry of Labor's General Cadaster of Employed and Unemployed Workers (Cadastro Geral de Empregados e Desempregados - CAGED) of any new hires or employees dismissals. This must be done until the seventh day of the month after the hiring. A form shall be transmitted online to the Ministry of Labor, at https://caged.maisemprego.mte.gov.br/portalcaged/paginas/home/home.xhtml.	Less than one day (simultaneous with previous procedure)	no charge
⇉ 11	**Registration with the Employers' Union and with the Employees' Union** *Agency* : Employers' Union and with the Employees' Union The requirements for company registration with the Employers' Union and Employees' Union (Sindicato Patronal and Sindicato dos Empregados) vary according to the representative Unions. Generally, in order to be registered with the unions, the company must present the following documents: company registration form, Federal Registry of Corporate Taxpayers, articles of association, employee's list etc. These documents can generally be submitted to the unions through their websites. Since the Labor Law was amended in July 2017, the payment of the contributions to the Unions was made optional. Most entrepreneurs opt to register with the Unions after a new company has been incorporated.	1 day (simultaneous with previous procedure)	no charge

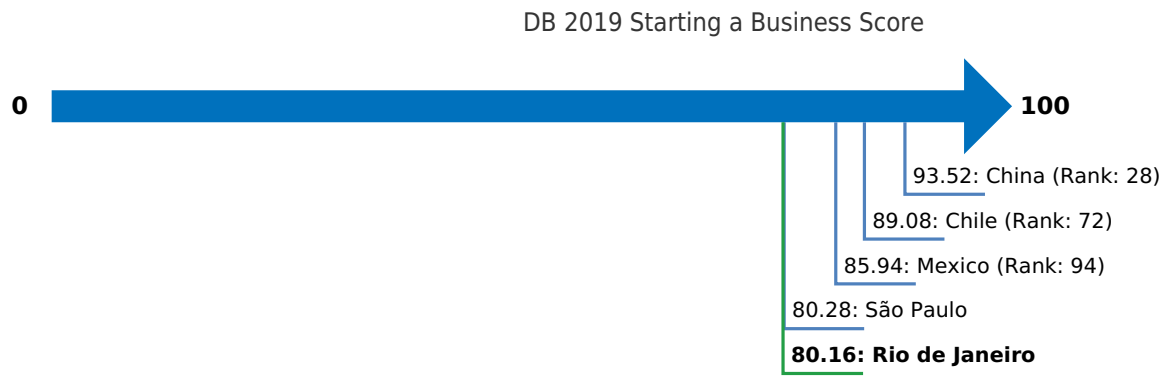
⇉Takes place simultaneously with previous procedure.

Starting a Business - Rio de Janeiro

Standardized Company	
Legal form	Sociedade Limitada
Paid-in minimum capital requirement	BRL 0
City Covered	Rio de Janeiro

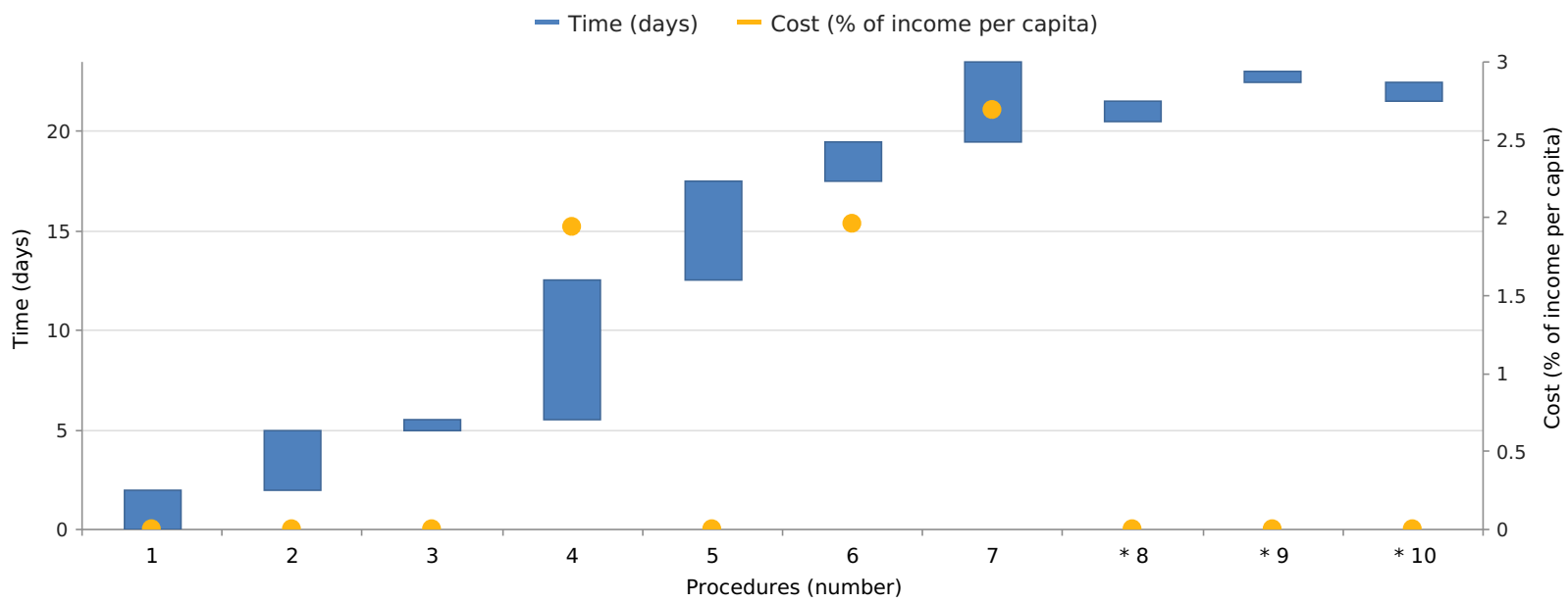
Indicator	Rio de Janeiro	Latin America & Caribbean	OECD high income	Best Regulatory Performance
Procedure – Men (number)	10	8.2	4.9	1 (New Zealand)
Time – Men (days)	23.5	28.5	9.3	0.5 (New Zealand)
Cost – Men (% of income per capita)	6.6	37.8	3.1	0.0 (Slovenia)
Procedure – Women (number)	10	8.2	4.9	1 (New Zealand)
Time – Women (days)	23.5	28.5	9.3	0.5 (New Zealand)
Cost – Women (% of income per capita)	6.6	37.8	3.1	0.0 (Slovenia)
Paid-in min. capital (% of income per capita)	0.0	1.5	8.6	0.0 (117 Economies)

Figure – Starting a Business in Rio de Janeiro and comparator economies – Ranking and Score



Note: The ranking of economies on the ease of starting a business is determined by sorting their scores for starting a business. These scores are the simple average of the scores for each of the component indicators.

Figure – Starting a Business in Rio de Janeiro – Procedure, Time and Cost



*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (http://doingbusiness.org/en/methodology). For details on the procedures reflected here, see the summary below.

Details - Starting a Business in Rio de Janeiro - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	**Check the availability of the company name and the feasibility of the location** *Agency* : Municipality of Rio de Janeiro Business founders can check the availability of the company name online through the REGIN system at https://www.jucerja.rj.gov.br/Servicos/regin/ReginServicos#. An analysis of the feasibility of the proposed company address (Pedido de Viabilidade) must then be requested online at the Municipality's website (https://carioca.rio/). An answer is provided in 2 days.	2 days	no charge
2	**Apply for registration with the Federal Tax Authority (Receita Federal)** *Agency* : Federal Tax Authority (Receita Federal) After verifying the availability of the company's name and the feasibility of the proposed location, the entrepreneur must submit an online application to the Federal Tax Authority (Receita Federal). This must be done by filing the Company's Registration File (Ficha Cadastral da Pessoa Jurídica, FCPJ) and the Members and Managers File (Quadro de Sócios e Administradores, QSA) at the Tax Authority's online platform ("Coleta Online", at https://www38.receita.fazenda.gov.br/redesim/). A document will be generated by the system (DBE, "Documento Básico de Entrada" or "Protocolo de Transmissão", if a digital certificate is used). This document must be presented to the State Commercial Registry (JUCERJA) for company registration.	3 days	no charge
3	**Pay registration fees** *Agency* : Bank (Banco Bradesco) The payment must be made at a bank (Banco Bradesco). The fees can be paid online at https://banco.bradesco/html/classic/produtos-servicos/mais-produtos-servicos/pagamentos.shtm. A receipt of payment must be obtained to register the company at the Commercial Registry (JUCERJA).	Less than one day (online procedure)	fees included in procedure 3
4	**Register with the State Commercial Registry (JUCERJA) to complete registration with the Federal and State Tax Authorities (CNPJ and ICMS), Social Security (INSS) and the Companies Registry (NIRE)** *Agency* : Commercial Registry of Rio de Janeiro (Junta Comercial do Estado do Rio de Janeiro - JUCERJA) Company registrations have been simplified with a system called REDESIM (http://www.redesimples.gov.br/). The company must register with the Commercial Registry (Junta Comercial do Estado do Rio de Janeiro - JUCERJA) to obtain an identification number from the Companies Registry (Número de Identificação do Registro de Empresas – NIRE). In addition, registrations are carried out with the National Corporate Taxpayer Registry with the Federal Tax Authorities (Cadastro Nacional de Pessoas Jurídicas - CNPJ), with the State sales tax (Imposto sobre Circulação de Mercadorias e Serviços - ICMS) and with the National Institute of Social Security (Instituto Nacional do Seguro Social - INSS). The registration process is as follows: after the application with the Federal Tax Authority (Receita Federal) has been filed and a document called "Documento Básico de Entrada - DBE" has been generated, the applicant must submit an online application for company incorporation (Protocolo Web, at JUCERJA's website - www.jucerja.rj.gov.br). The business founders must then visit the Commercial Registry (JUCERJA) to present the original documents. Upon the analysis and approval by JUCERJA, an online version of the certificate of registration will be made available for download. Once this step has been completed, the company can proceed to Municipal tax registration and obtaining a Municipal license.	7 days	R$387 (company registration) + R$21 (DREI fee) + R$185.73 (ICMS tax registration)
5	**Register with the Rio de Janeiro Taxpayers' Registry (Secretaria Municipal de Fazenda)** *Agency* : Municipal Taxpayers' Registry (Secretaria Municipal de Fazenda) Two days after the payment of the Taxpayers' Registry tax, the company must register with the Municipal Taxpayers' Registry (Cadastro Tributário Municipal) from Rio de Janeiro's Municipal Tax Authorities (Secretaria Municipal de Fazenda), to obtain a company identification number for tax purposes (inscrição municipal).	5 days	no charge
6	**Apply and obtain digital a certification (token) for the use of e-invoices** *Agency* : Serasa Experian A token must be obtained for the use of e-invoices. The company has a period of 2 days to schedule the withdrawal of the token, which will be activated within 24 hours.	2 days	The cost may vary from R$282 to R$600

7	**Obtain an operations license (Alvará de Licença para Estabelecimento) from the Municipality** *Agency* : Municipality of Rio de Janeiro The company must obtain an operations license (Alvará de Licença para Estabelecimento) from the Municipality. After registration with the Municipal Tax Authorities (Secretaria Municipal de Fazenda – SMF), the company has 30 days to apply for the license by filling out the proper forms and submitting the required documents. The operations license is a prerequisite for the company to begin operations. The Municipality may conduct ex-post inspections to certain companies, based on a risk based assessment. Since December 2015, companies can request and obtain the business license online via the Municipality's website, which is called Carioca Digital (https://carioca.rio/).	4 days	R$826.23
⇉ 8	**Update employees' information with Social Security (Programa de Integração Social - PIS)** *Agency* : Federal Savings Bank (Caixa Econômica Federal) Employees must be registered at the company's employee registry book (livro de registro de empregados) and their information must be up to date with the Social Integration Program (Programa de Integração Social - PIS/PASEP). The PIS/PASEP program is intended to identify workers with the social security system, so that they may request unemployment insurance and, if needed, benefit from the unemployment guarantee fund (Fundo de Garantia do Tempo de Serviço - FGTS). If the employee already has a PIS/PASEP registration from previous employments, the employee must only inform the Federal Savings Bank of the new employment relationship, in order to update their information. Following the hiring, the employer must submit online the information on the company and its employees through a system called SEFIP (Sistema Empresa de Recolhimento do FGTS e informações à Previdência Social - available at http://conectividade.caixa.gov.br/). Once SEFIP has been submitted, the FGTS account, which is a special account at the Federal Savings Bank (Caixa Econômica), will be opened for payment of the benefits related to the unemployment insurance.	1 day (simultaneous with previous procedure)	no charge
⇉ 9	**Notify the Ministry of Labor (Cadastro Geral de empregados e desempregados, CAGED)** *Agency* : Ministry of Labor (Cadastro Geral de empregados e desempregados - CAGED) Pursuant to Law No. 4.923 of December 23, 1965, the employer must inform the Ministry of Labor's General Cadaster of Employed and Unemployed Workers (Cadastro Geral de Empregados e Desempregados - CAGED) of any new hires or employees dismissals. This must be done until the seventh day of the month after the hiring. A form shall be transmitted online to the Ministry of Labor, at https://caged.maisemprego.mte.gov.br/portalcaged/paginas/home/home.xhtml.	Less than one day (online, simultaneous with previous procedure)	no charge
⇉ 10	**Register with the Employers' Union and with the Employees' Union** *Agency* : Employers' Union and Employees' Union The requirements for company registration with the Employers' Union and Employees' Union (Sindicato Patronal and Sindicato dos Empregados) vary according to the representative Unions. Generally, in order to be registered with the unions, the company must present the following documents: company registration form, Federal Registry of Corporate Taxpayers, articles of association, employee's list etc. These documents can generally be submitted to the unions through their websites. Since the Labor Law was amended in July 2017, the payment of the contributions to the Unions was made optional. Most entrepreneurs opt to register with the Unions after a new company has been incorporated.	1 day (simultaneous with previous procedure)	no charge

⇉ Takes place simultaneously with previous procedure.

Dealing with Construction Permits

This topic tracks the procedures, time and cost to build a warehouse—including obtaining necessary the licenses and permits, submitting all required notifications, requesting and receiving all necessary inspections and obtaining utility connections. In addition, the Dealing with Construction Permits indicator measures the building quality control index, evaluating the quality of building regulations, the strength of quality control and safety mechanisms, liability and insurance regimes, and professional certification requirements. The most recent round of data collection was completed in May 2018. See the methodology for more information

What the indicators measure

Procedures to legally build a warehouse (number)

- Submitting all relevant documents and obtaining all necessary clearances, licenses, permits and certificates
- Submitting all required notifications and receiving all necessary inspections
- Obtaining utility connections for water and sewerage
- Registering and selling the warehouse after its completion

Time required to complete each procedure (calendar days)

- Does not include time spent gathering information
- Each procedure starts on a separate day—though procedures that can be fully completed online are an exception to this rule
- Procedure is considered 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

Building quality control index (0-15)

- Quality of building regulations (0-2)
- Quality control before construction (0-1)
- Quality control during construction (0-3)
- Quality control after construction (0-3)
- Liability and insurance regimes (0-2)
- Professional certifications (0-4)

Case study assumptions

To make the data comparable across economies, several assumptions about the construction company, the warehouse project and the utility connections are used.

The construction company (BuildCo):

- Is a limited liability company (or its legal equivalent) and operates in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Is 100% domestically and privately owned; has five owners, none of whom is a legal entity. Has a licensed architect and a licensed engineer, both registered with the local association of architects or engineers. BuildCo is not assumed to have any other employees who are technical or licensed experts, such as geological or topographical experts.
- Owns the land on which the warehouse will be built and will sell the warehouse upon its completion.

The warehouse:

- Will be used for general storage activities, such as storage of books or stationery.
- Will have two stories, both above ground, with a total constructed area of approximately 1,300.6 square meters (14,000 square feet). Each floor will be 3 meters (9 feet, 10 inches) high and will be located on a land plot of approximately 929 square meters (10,000 square feet) that is 100% owned by BuildCo, and the warehouse is valued at 50 times income per capita.
- Will have complete architectural and technical plans prepared by a licensed architect. If preparation of the plans requires such steps as obtaining further documentation or getting prior approvals from external agencies, these are counted as procedures.
- Will take 30 weeks to construct (excluding all delays due to administrative and regulatory requirements).

The water and sewerage connections:

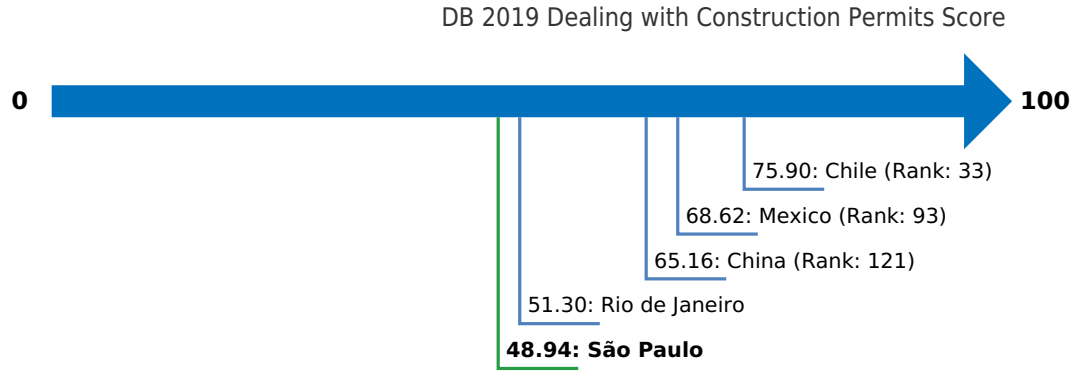
- Will be 150 meters (492 feet) from the existing water source and sewer tap. If there is no water delivery infrastructure in the economy, a borehole will be dug. If there is no sewerage infrastructure, a septic tank in the smallest size available will be installed or built.
- Will have an average water use of 662 liters (175 gallons) a day and an average wastewater flow of 568 liters (150 gallons) a day. Will have a peak water use of 1,325 liters (350 gallons) a day and a peak wastewater flow of 1,136 liters (300 gallons) a day.
- Will have a constant level of water demand and wastewater flow throughout the year; will be 1 inch in diameter for the water connection and 4 inches in diameter for the sewerage connection.

Dealing with Construction Permits - São Paulo

Standardized Warehouse	
Estimated value of warehouse	BRL 1,534,065.80
City Covered	São Paulo

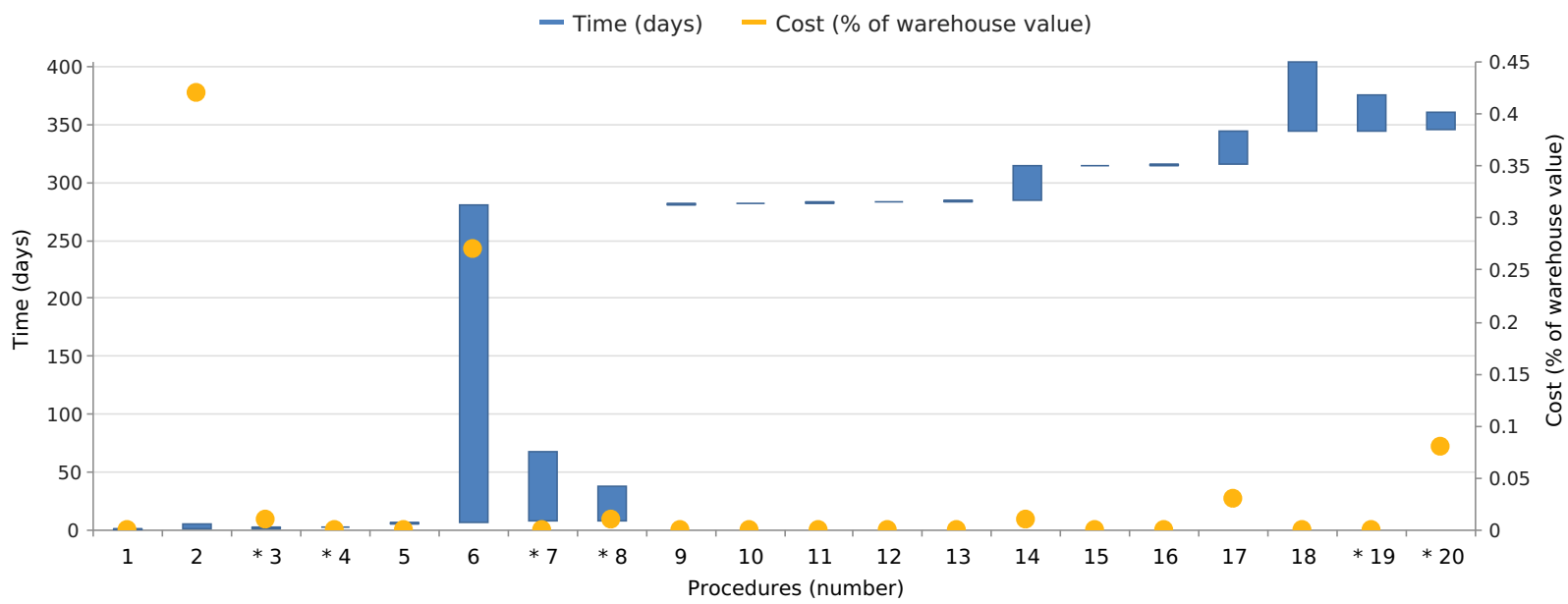
Indicator	São Paulo	Latin America & Caribbean	OECD high income	Best Regulatory Performance
Procedures (number)	20	15.4	12.7	None in 2017/18
Time (days)	404	199.0	153.1	None in 2017/18
Cost (% of warehouse value)	0.8	3.2	1.5	None in 2017/18
Building quality control index (0-15)	9.0	8.9	11.5	15.0 (3 Economies)

Figure – Dealing with Construction Permits in São Paulo and comparator economies – Ranking and Score



Note: The ranking of economies on the ease of dealing with construction permits is determined by sorting their scores for dealing with construction permits. These scores are the simple average of the scores for each of the component indicators.

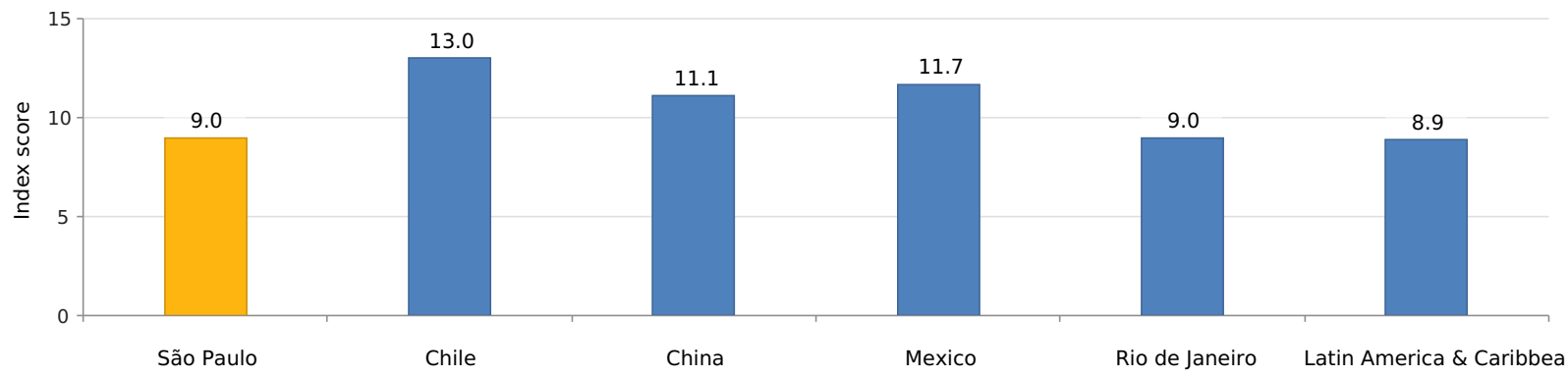
Figure – Dealing with Construction Permits in São Paulo – Procedure, Time and Cost



*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (http://doingbusiness.org/en/methodology). For details on the procedures reflected here, see the summary below.

Figure – Dealing with Construction Permits in São Paulo and comparator economies – Measure of Quality



Details – Dealing with Construction Permits in São Paulo – Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	**Request and obtain proof of land ownership from the Real Estate Registry** *Agency* : Real Estate Registry According to Art.1-Item IV of Federal Decree No. 93,240/86, Article 1, this certificate is valid for 30 days. According to the official fee schedule of the Property Registrars Agency, the fee is BRL 51.21	1 day	BRL 51
2	**Obtain results of topographical study** *Agency* : Private licensed company A topographical study is conducted prior to construction to measure the levels on the specific terrain. It is a general technical requirement when building a structure of this class. Cannot be simultaneous with the previous procedure, as a proof of land ownership is required before any field work can be conducted on the plot.	5 days	BRL 6,500
⇉ 3	**Obtain Technical Term of Responsibility -ART** *Agency* : Engineers Syndicate (Crea) Before the application process, the engineer and architect responsible for the project need to obtain an ART. An ART is a document required by the Engineers Syndicate (Crea) that defines, for legal purposes, who is responsible for the execution of works or services and provides an opportunity for professionals to register their works or services with Crea. The ART is required for each project according to Art. 1 of Federal Law N° 6.496 (December 1977) According to Plenary Decision N. 1096/2016 (September 22, 2016), for contracts or works of more than BRL 15,000.00, the fee is BRL 214.82	0.5 days	BRL 215
⇉ 4	**Request and obtain proof of land tax payment from the Treasury Department of the Municipality** *Agency* : Treasury (Municipality) Attesting to payment of land taxes, this certificate may be issued online and is valid for only 30 days. This request can be done in parallel with procedure 2.	0.5 days	no charge
5	**Register employees with the Social Security Office** *Agency* : Social Security Office For each construction site, BuildCo must register employees separately with the Social Security Office (Instituto Nacional do Seguro Social, INSS). This procedure can only be done whenever there is a proof of land tax payment,so it cannot be simultaneous with the previous one	0.5 days	no charge

6	**Request and obtain construction approval permit and construction execution permit** *Agency* : Municipality BuildCo must apply for construction approval permit and the construction execution permit with the Municipality. If the project conforms to municipal legislation, zoning laws, and the municipal building code, the Municipality will issue a document approving construction. To apply for these permits, BuildCo must submit the architectural drawings and real estate documentation (real estate title or real estate tax). The documentation for construction execution permit is set out in Article 24 of São Paulo's Municipality Building Code, Article 12 of São Paulo's Municipality Decree 57,776/17, and in Section 3.B of São Paulo's Municipality Ordinance No. 221/SMUL-G/2017. After examining the project's architecture and engineering and issuing the construction approval permit, the Municipality examines the practical and installation aspects and begins the process of issuing a construction execution permit. According to Article 29 of São Paulo's Municipality Building Code, and Article 22 of São Paulo's Municipality Decree No. 57,776/17, the construction execution permit is valid for: (i) 2 years from the date of publication of the order granting the application, if the work has not been started, or (ii) 1 year from stoppage in work, if the work has been started.	274 days	BRL 4,200
⇉ 7	**Request and obtain equipment operating permit** *Agency* : Municipality Article 34 of São Paulo's Municipality Decree No. 57,776/17 states which equipment operating permit is needed. The permit allows the use of construction equipment.	60 days	BRL 75
⇉ 8	**Submit project for analysis by Fire Department and obtain report** *Agency* : Fire Department Build Co must present the building project to the Fire department for approval and obtain a report which includes all the fire security measures that need to be implemented.	30 days	BRL 98
9	**Receive random inspection from Municipality** *Agency* : Municipality According to Law No. 11.228, annex 1, No. 6, Municipality is legally entitled to perform inspection required during the construction. The inspections can be carried out anytime, or upon complaint of a citizen. This can only happen once the construction has started.	1 day	no charge
10	**Receive labor inspection from Labor Public Attorneys' Office** *Agency* : Labor Public Attorneys' Office This submission happens whenever BuildCo. was granted authorization to start construction.	1 day	no charge
11	**Submit proof of payment to the Social Security Office** *Agency* : Social Security Office At the end of construction, BuildCo must submit proof of payment to its construction workers.	0.5 days	no charge
12	**Request inspection from Fire Department** *Agency* : Fire Department The fire department can receive a request from BuildCo whenever the construction of the warehouse has been finalized.	1 day	no charge
13	**Receive inspection from the Fire Department** *Agency* : Fire Department The Fire Department must approve the warehouse safety equipment. This inspection is valid for 3 years. This request is made by BuildCo. upon finalizing the construction.	1 day	no charge
14	**Obtain Fire Department Certificate (Certificado de Aprovação - AVCB)** *Agency* : Fire Department This certificate is only given when the Fire Department has already conducted its inspection.	29 days	BRL 130

15	**Request final inspection from Municipality** *Agency* : Municipality After construction is completed, BuildCo must request the certificate of occupancy ("Habite-se") from the Municipality to attest that the construction is finished and that the work was performed according to the construction approval permit and the construction execution permit. The approval is valid until the first amendment of the construction project. To request and obtain the conclusion approval, BuildCo must submit the following documents: • Application form, addressed to the São Paulo Municipal Secretariat of Housing and Urban Development (SEHAB) • First page of construction and territorial booklet • Construction permit • Engineering and CREA card • Receipt evidencing payment of construction work tax • Sets of approved plans (two) • Administrative tax • ART of chief engineer	1 day	no charge
16	**Receive final inspection from Municipality** *Agency* : Municipality The inspection is conducted once it has been requested by BuildCo.	1 day	no charge
17	**Obtain certificate of occupancy ("Habite-se")** *Agency* : Municipality According to Article 35 of São Paulo's Municipality Building Code, the request for the certificate of occupancy must be accompanied by (i) a statement of the professional responsible for the work, certifying its completion and execution in accordance with the applicable technical standards and provisions of municipal legislation, and (ii) documents and licenses related to the construction execution permit. In order to obtain the certificate of occupancy, the Municipality should have conducted its final inspection.	28 days	BRL 460
18	**Request and obtain operation license** *Agency* : Municipality Upon completing the construction and receiving the Fire Department inspection, BuildCo must apply for the relevant operation license at the Municipality and show evidence that the company can develop the specific business at the site. To obtain this license, the company must present all warehouse project documentation. If the warehouse is to be sold after completion, this procedure might be done by the buyer and not BuildCo. However, in order to do so, the occupancy permit must be issued.	60 days	BRL 25
⇉ 19	**Request and connect to water and sewage** *Agency* : Water and Sewerage Agencies (SABESP) The connection request is filed with the Waste Management Company (SABESP), a different organization regarding the operation license.	30 days	no charge
⇉ 20	**Register building with the Real Estate Registry** *Agency* : Real Estate Registry At the end of construction, BuildCo must register the warehouse at the Real Estate Registry. BuildCo must present the title of the land and the certificate from the Social Security Office.	15 days	BRL 1,273

⇉ Takes place simultaneously with previous procedure.

Details – Dealing with Construction Permits in São Paulo – Measure of Quality

	Answer	Score
Building quality control index (0-15)		**9.0**
Quality of building regulations index (0-2)		**2.0**
How accessible are building laws and regulations in your economy? (0-1)	Available online; Free of charge.	1.0
Which requirements for obtaining a building permit are clearly specified in the building regulations or on any accessible website, brochure or pamphlet? (0-1)	List of required documents; Fees to be paid; Required preapprovals.	1.0
Quality control before construction index (0-1)		**1.0**
Which third-party entities are required by law to verify that the building plans are in compliance with existing building regulations? (0-1)	Licensed architect; Licensed engineer.	1.0
Quality control during construction index (0-3)		**0.0**
What types of inspections (if any) are required by law to be carried out during construction? (0-2)	Unscheduled inspections.	0.0
Do legally mandated inspections occur in practice during construction? (0-1)	Mandatory inspections are not always done in practice during construction; Mandatory inspections are done most of the time during construction.	0.0
Quality control after construction index (0-3)		**3.0**
Is there a final inspection required by law to verify that the building was built in accordance with the approved plans and regulations? (0-2)	Yes, final inspection is done by government agency.	2.0
Do legally mandated final inspections occur in practice? (0-1)	Final inspection always occurs in practice.	1.0
Liability and insurance regimes index (0-2)		**1.0**
Which parties (if any) are held liable by law for structural flaws or problems in the building once it is in use (Latent Defect Liability or Decennial Liability)? (0-1)	Architect or engineer; Professional in charge of the supervision; Construction company.	1.0
Which parties (if any) are required by law to obtain an insurance policy to cover possible structural flaws or problems in the building once it is in use (Latent Defect Liability Insurance or Decennial Insurance)? (0-1)	No party is required by law to obtain insurance .	0.0
Professional certifications index (0-4)		**2.0**

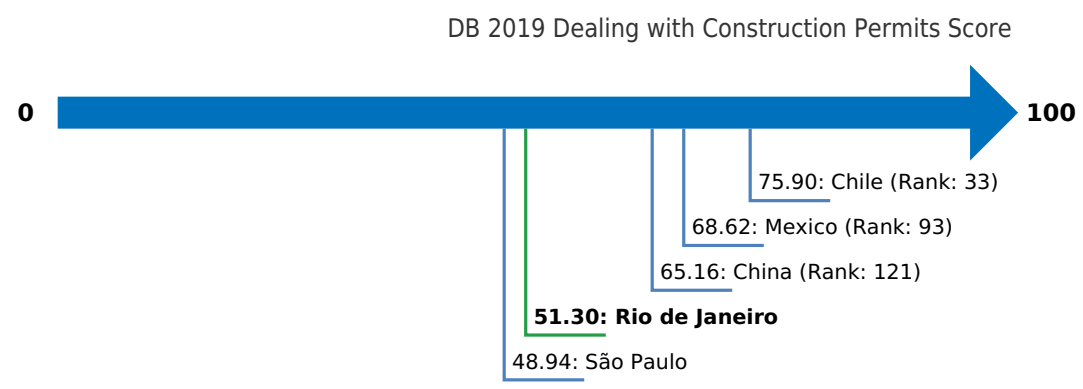
What are the qualification requirements for the professional responsible for verifying that the architectural plans or drawings are in compliance with existing building regulations? (0-2)	University degree in architecture or engineering; Being a registered architect or engineer; Passing a certification exam.	1.0
What are the qualification requirements for the professional who supervises the construction on the ground? (0-2)	University degree in engineering, construction or construction management; Being a registered architect or engineer.	1.0

Dealing with Construction Permits - Rio de Janeiro

Standardized Warehouse	
Estimated value of warehouse	BRL 1,534,065.80
City Covered	Rio de Janeiro

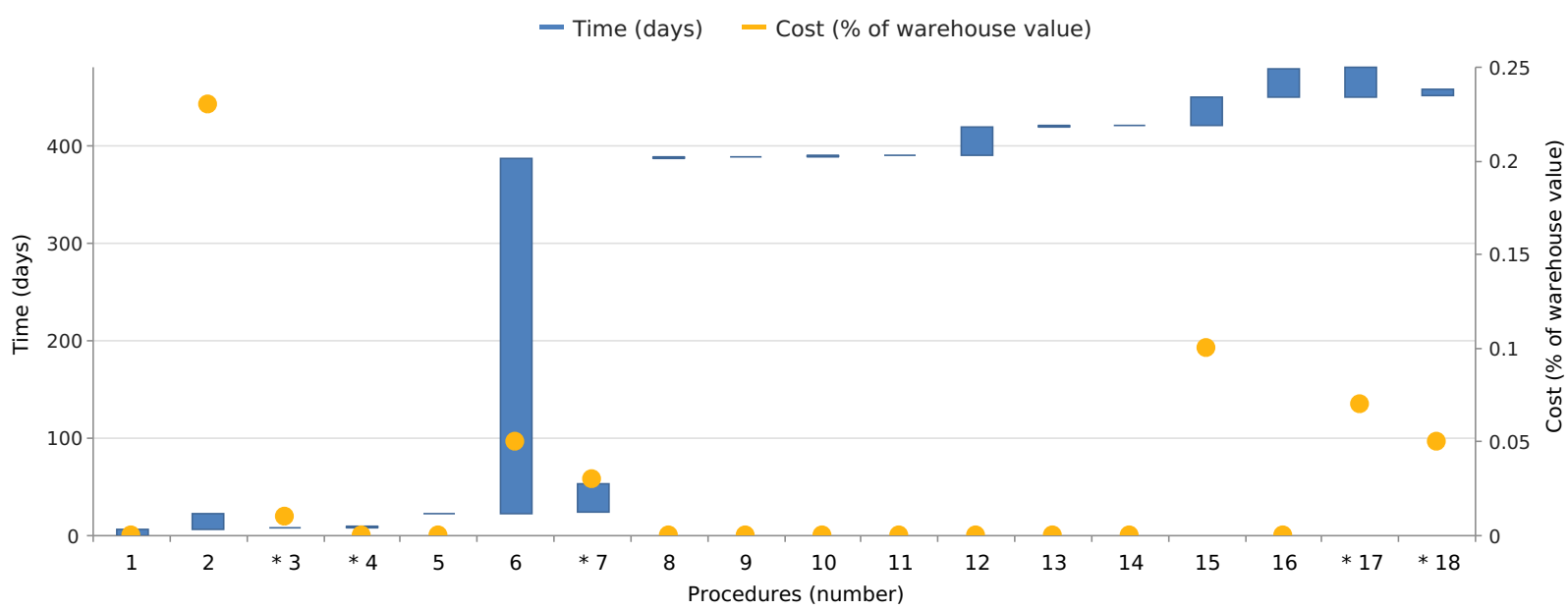
Indicator	Rio de Janeiro	Latin America & Caribbean	OECD high income	Best Regulatory Performance
Procedures (number)	18	15.4	12.7	None in 2017/18
Time (days)	481	199.0	153.1	None in 2017/18
Cost (% of warehouse value)	0.6	3.2	1.5	None in 2017/18
Building quality control index (0-15)	9.0	8.9	11.5	15.0 (3 Economies)

Figure – Dealing with Construction Permits in Rio de Janeiro and comparator economies – Ranking and Score



Note: The ranking of economies on the ease of dealing with construction permits is determined by sorting their scores for dealing with construction permits. These scores are the simple average of the scores for each of the component indicators.

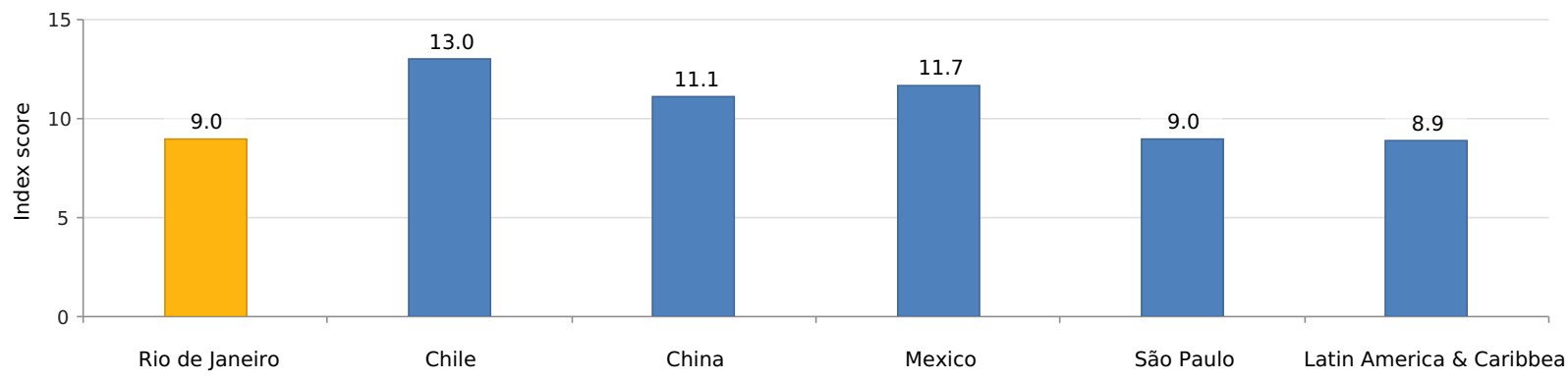
Figure – Dealing with Construction Permits in Rio de Janeiro – Procedure, Time and Cost



*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (http://doingbusiness.org/en/methodology). For details on the procedures reflected here, see the summary below.

Figure – Dealing with Construction Permits in Rio de Janeiro and comparator economies – Measure of Quality



Details – Dealing with Construction Permits in Rio de Janeiro – Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	**Request and obtain proof of land ownership from the Real Estate Registry** *Agency* : Real Estate Registry Attesting to proof of land ownership, this certificate is valid for only 30 days. This is one of the documents to be included in the application for the construction permit.	7 days	BRL 75
2	**Obtain a topographic map** *Agency* : Private licensed company A topographic map is obtained prior to development of the building plans to assess the levels on the specific terrain. It is a general technical requirement when building a structure of this class.Although the law does not specifically ask for a topographic map to be submitted to obtain a building permit, it is consistently conducted in practice by professionals.	15 days	BRL 3,500
⇄ 3	**Obtain Technical Term of Responsibility -ART** *Agency* : Engineers Syndicate (Crea) Before the application process, the engineer and architect responsible for the project need to obtain an ART. An ART is a document required by the Engineers Syndicate (Crea) that defines, for legal purposes, who is responsible for the execution of works or services and provides an opportunity for professionals to register their works or services with Crea. The ART is required for each project according to the Federal Law N° 6.496 of 7 December 1977. It is possible to obtain it online within a couple of hours. The value of the fee varies according to the value of the contract or the cost of the work.	0.5 days	BRL 219
⇄ 4	**Request and obtain proof of land tax payment from the Treasury Department of the Municipality** *Agency* : Treasury (Municipality) Attesting to payment of land taxes, this certificate may be issued online and is valid for only 30 days. This document needs to be included in the application sent to the municipality.	0.5 days	no charge
5	**Register employees with the Social Security Office** *Agency* : Social Security Office For each construction site, BuildCo must register employees separately with the Social Security Office (Instituto Nacional do Seguro Social, INSS). If the employer does not register all workers, it can get fined during the inspection. This can only be done once the previous documents have been issued.	0.5 days	no charge
6	**Request and obtain construction approval permit and construction execution permit** *Agency* : Municipality BuildCo must apply for construction approval permit and the construction execution permit with the Municipality. If the project conforms to municipal legislation, zoning laws, and the municipal building code, the Municipality will issue a document approving construction. To apply for these permits, BuildCo must submit the In order to apply for a construction approval permit, BuildCo must submit to the Municipality the following documents: (i) architectural drawings, (ii) real estate ownership certificate, (iii) debt clearance certificate (CND/IPTU), (iv) copy of location plan of the property, (v) an statement issued by the professional responsible for the works or for the project that the property is not located less than 50 meters from water courses or near slopes (Declaration of rivers and canals), (vi) copy of registry of the responsible professionals before Crea-RJ and CAU, (vii) statement of the author of the project in accordance with Annex I of the Decree 10,426/91; (viii) proof of payment of 50% of the license fee and (ix) declaration of vegetation suppression. Valid for a year, the construction approval permit is a prerequisite for subsequent procedures. The construction execution permit is valid for 3 years.	365 days	BRL 805

⇄ 7	**Submit project for analysis by Fire Department and obtain report** *Agency* : Fire Department Build Co must present the building project to the fire department for approval and obtain a report which includes all the fire security measures that need to be implemented. The applicant needs to send the design, the ART of the engineer, ownership ownership certificate and copy of ID to the fire department. The cost of this procedure is determined by a fee set by SEDEC, the annual fiscal unit of reference (UFIR) and the number of sq. m of the building.	30 days	BRL 386
8	**Receive labor inspection from Labor Public Attorneys' Office** *Agency* : Labor Public Attorneys' Office The Labor Public Attorneys' Office does random inspections in order to check whether all employees were registered and if the security measures are being undertaken. It will happen once, but may happen more than once in case the Labor Secretary receives any complaints. This can only happen once the construction is ongoing.	1 day	no charge
9	**Submit proof of payment to the Social Security Office** *Agency* : Social Security Office At the end of construction, BuildCo must submit proof of payment to its construction workers. The company should have passed the inspections conducted by the Labor Agency.	0.5 days	no charge
10	**Request inspection from Fire Department** *Agency* : Fire Department Once the works have been implemented according to the report, BuildCo must request an inspection so that the fire department verifies that the works were done according to their report. The inspection usually happens after 1 month of being requested. The fire department will then issue a certificate that approves the construction called " Certificado de Aprovação". This procedure happens once the proof of payment to the builders has been handed. Legal basis: Decree 897 of 21 of September,1976.	1 day	no charge
11	**Receive inspection from Fire Department** *Agency* : Fire Department The Fire Department must approve the warehouse safety equipment. This inspection is valid for 3 years. It can only be conducted upon request.	1 day	no charge
12	**Obtain Fire Department Certificate (Certificado de Aprovação - AVCB)** *Agency* : Fire Department The "Certificado de Aprovação" needs to be included in the application to obtain the operation License. This is issued after BuildCo. passes the inspection, so it cannot be simultaneous. The cost is determined by a fee set by SEDEC and the annual fiscal unit of reference (UFIR)	29 days	BRL 73
13	**Request final inspection from Municipality** *Agency* : Municipality After construction is completed, BuildCo must request the certificate of occupancy ("Habite-se") from the Municipality to attest that the construction is finished and that the work was performed according to the construction approval permit and the construction execution permit. The approval is valid until the first amendment of the construction project. In order to receive the certificate of occupancy, BuildCo. must request final inspection and submit the following additional documents: (i) declaration of completion of the facilities to be inhabited (attesting to the existence of sewage, water, gas and power connections); (ii) "Certificado de Aprovação" issued by the fire department; (iii) declaration of compliance with the approved project; and (iv) other documents indicated in the construction permit.	1 day	no charge
14	**Receive final inspection from Municipality** *Agency* : Municipality This inspection is conducted upon BuildCo.'s request.	1 day	no charge
15	**Obtain certificate of occupancy ("Habite-se")** *Agency* : Municipality This certificate can only be obtained once the final inspection has been successfully conducted.	28 days	BRL 1,610
16	**Request and connect to water and sewage** *Agency* : Water and Sewerage Agencies (CEDAE) The connection request is filed with the Waste Management Company (CEDAE). This line can be requested once the certificate of occupancy has been issued.	30 days	no charge

⇄ 17	**Register building with the Real Estate Registry** *Agency* : Real Estate Registry At the end of construction, BuildCo must register the warehouse at the Real Estate Registry. BuildCo must present the habite-se (occupation permit), the ownership certificate, and the ID of the parties in order to update the title. This procedure can be done ins simultaneity with the previous one, as they respond to different institutions.	30 days	BRL 1,129
⇄ 18	**Request and obtain operation license** *Agency* : Municipality Upon completing the construction and receiving the Fire Department inspection, BuildCo must apply for the relevant operation license at the Municipality and show evidence that the company can develop the specific business at the site. To obtain this license, the company must present all warehouse project documentation. If the warehouse is to be sold after completion, this procedure might be done by the buyer and not BuildCo.	7 days	BRL 826

⇄ Takes place simultaneously with previous procedure.

Details – Dealing with Construction Permits in Rio de Janeiro – Measure of Quality

	Answer	Score
Building quality control index (0-15)		**9.0**
Quality of building regulations index (0-2)		**2.0**
How accessible are building laws and regulations in your economy? (0-1)	Available online; Free of charge.	1.0
Which requirements for obtaining a building permit are clearly specified in the building regulations or on any accessible website, brochure or pamphlet? (0-1)	List of required documents; Fees to be paid; Required preapprovals.	1.0
Quality control before construction index (0-1)		**1.0**
Which third-party entities are required by law to verify that the building plans are in compliance with existing building regulations? (0-1)	Licensed architect; Licensed engineer.	1.0
Quality control during construction index (0-3)		**0.0**
What types of inspections (if any) are required by law to be carried out during construction? (0-2)	No inspections are legally required during construction..	0.0
Do legally mandated inspections occur in practice during construction? (0-1)	Mandatory inspections are not always done in practice during construction.	0.0
Quality control after construction index (0-3)		**3.0**
Is there a final inspection required by law to verify that the building was built in accordance with the approved plans and regulations? (0-2)	Yes, final inspection is done by government agency.	2.0
Do legally mandated final inspections occur in practice? (0-1)	Final inspection always occurs in practice.	1.0
Liability and insurance regimes index (0-2)		**1.0**
Which parties (if any) are held liable by law for structural flaws or problems in the building once it is in use (Latent Defect Liability or Decennial Liability)? (0-1)	Architect or engineer; Professional in charge of the supervision; Construction company; Owner or investor.	1.0
Which parties (if any) are required by law to obtain an insurance policy to cover possible structural flaws or problems in the building once it is in use (Latent Defect Liability Insurance or Decennial Insurance)? (0-1)	No party is required by law to obtain insurance .	0.0
Professional certifications index (0-4)		**2.0**
What are the qualification requirements for the professional responsible for verifying that the architectural plans or drawings are in compliance with existing building regulations? (0-2)	University degree in architecture or engineering; Being a registered architect or engineer; Passing a certification exam.	1.0

What are the qualification requirements for the professional who supervises the construction on the ground? (0-2)	University degree in engineering, construction or construction management; Being a registered architect or engineer; Passing a certification exam.	1.0

Getting Electricity

This topic measures the procedures, time and cost required for a business to obtain a permanent electricity connection for a newly constructed warehouse. Additionally, the reliability of supply and transparency of tariffs index measures reliability of supply, transparency of tariffs and the price of electricity. The most recent round of data collection for the project was completed in May 2018. See the methodology for more information.

What the indicators measure

Procedures to obtain an electricity connection (number)

- Submitting all relevant documents and obtaining all necessary clearances and permits
- Completing all required notifications and receiving all necessary inspections
- Obtaining external installation works and possibly purchasing material for these works
- Concluding any necessary supply contract and obtaining final supply

Time required to complete each procedure (calendar days)

- Is at least 1 calendar day
- Each procedure starts on a separate day
- Does not include time spent gathering information
- Reflects the time spent in practice, with little follow-up and no prior contact with officials

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

- Official costs only, no bribes
- Value added tax excluded

The reliability of supply and transparency of tariffs index (0-8)

- Duration and frequency of power outages (0–3)
- Tools to monitor power outages (0–1)
- Tools to restore power supply (0–1)
- Regulatory monitoring of utilities' performance (0–1)
- Financial deterrents limiting outages (0–1)
- Transparency and accessibility of tariffs (0–1)

Price of electricity (cents per kilowatt-hour)*

- Price based on monthly bill for commercial warehouse in case study

*Note: *Doing Business* measures the price of electricity, but it is not included in the ease of doing business score nor the ranking on the ease of getting electricity.

Case study assumptions

To make the data comparable across economies, several assumptions about the warehouse, the electricity connection and the monthly consumption are used.

The warehouse:

- Is owned by a local entrepreneur and is used for storage of goods.
- Is located in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Is located in an area where similar warehouses are typically located and is in an area with no physical constraints. For example, the property is not near a railway.
- Is a new construction and is being connected to electricity for the first time.
- Has two stories with a total surface area of approximately 1,300.6 square meters (14,000 square feet). The plot of land on which it is built is 929 square meters (10,000 square feet).

The electricity connection:

- Is a permanent one with a three-phase, four-wire Y connection with a subscribed capacity of 140-kilo-volt-ampere (kVA) with a power factor of 1, when 1 kVA = 1 kilowatt (kW).
- Has a length of 150 meters. The connection is to either the low- or medium-voltage distribution network and is either overhead or underground, whichever is more common in the area where the warehouse is located and requires works that involve the crossing of a 10-meter road (such as by excavation or overhead lines) but are all carried out on public land. There is no crossing of other owners' private property because the warehouse has access to a road.
- Does not require work to install the internal wiring of the warehouse. This has already been completed up to and including the customer's service panel or switchboard and the meter base.

The monthly consumption:

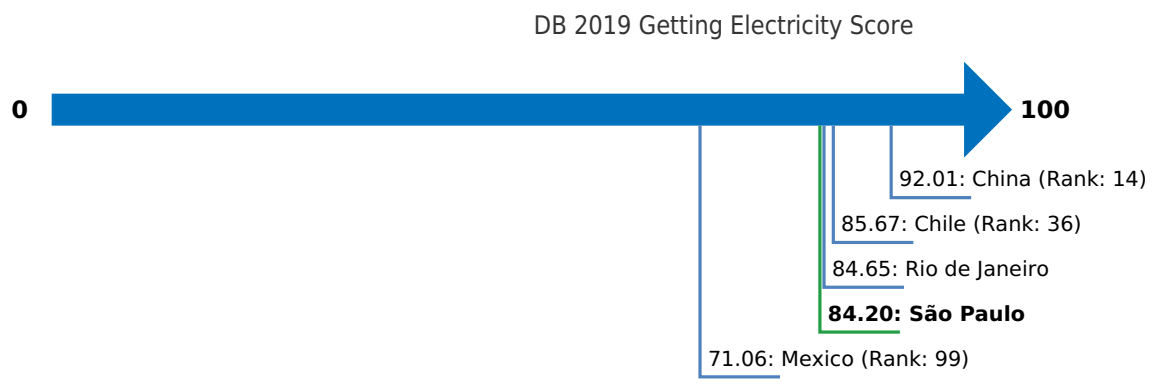
- It is assumed that the warehouse operates 30 days a month from 9:00 a.m. to 5:00 p.m. (8 hours a day), with equipment utilized at 80% of capacity on average and that there are no electricity cuts (assumed for simplicity reasons) and the monthly energy consumption is 26,880 kilowatt-hours (kWh); hourly consumption is 112 kWh.
- If multiple electricity suppliers exist, the warehouse is served by the cheapest supplier.
- Tariffs effective in January of the current year are used for calculation of the price of electricity for the warehouse. Although January has 31 days, for calculation purposes only 30 days are used.

Getting Electricity - São Paulo

Standardized Connection	
Price of electricity (US cents per kWh)	13.3
Name of utility	AES Eletropaulo
City Covered	São Paulo

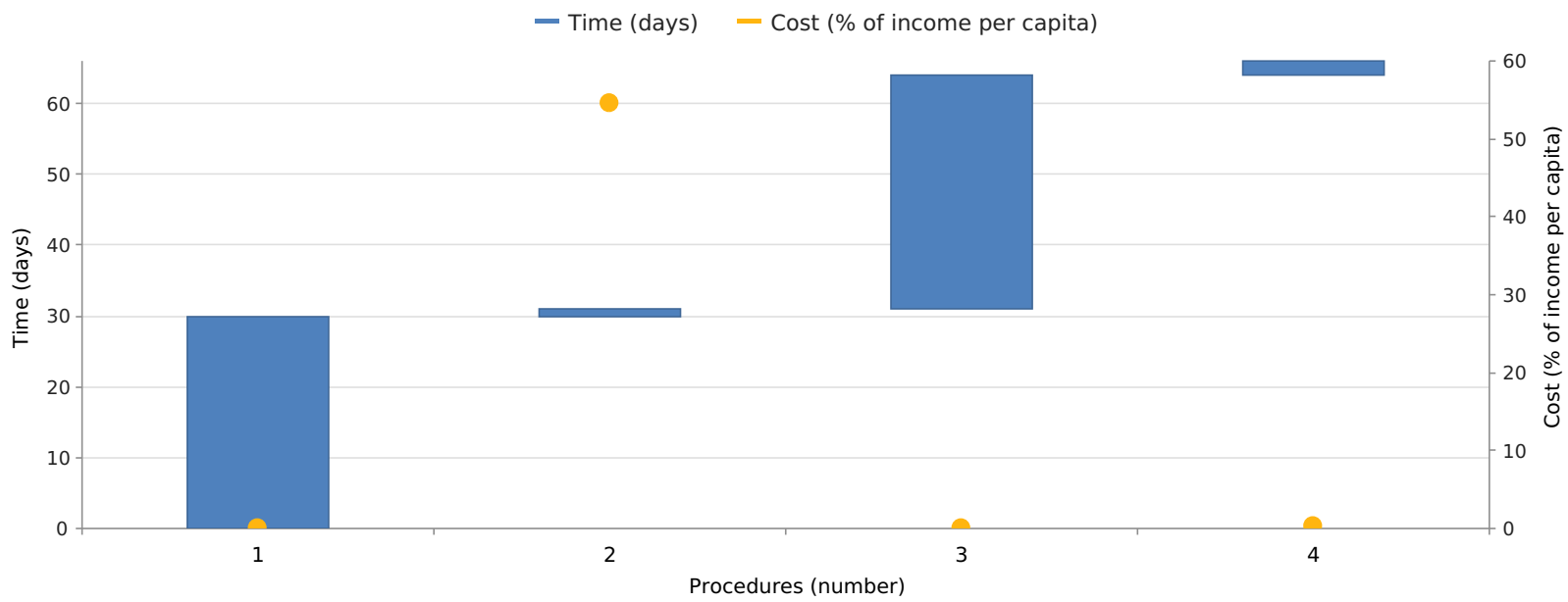
Indicator	São Paulo	Latin America & Caribbean	OECD high income	Best Regulatory Performance
Procedures (number)	4	5.5	4.5	3 (25 Economies)
Time (days)	66	65.5	77.2	18 (3 Economies)
Cost (% of income per capita)	54.8	946.3	64.2	0.0 (3 Economies)
Reliability of supply and transparency of tariff index (0-8)	6	4.3	7.5	8.0 (27 Economies)

Figure – Getting Electricity in São Paulo and comparator economies – Ranking and Score



Note: The ranking of economies on the ease of getting electricity is determined by sorting their scores for getting electricity. These scores are the simple average of the scores for all the component indicators except the price of electricity.

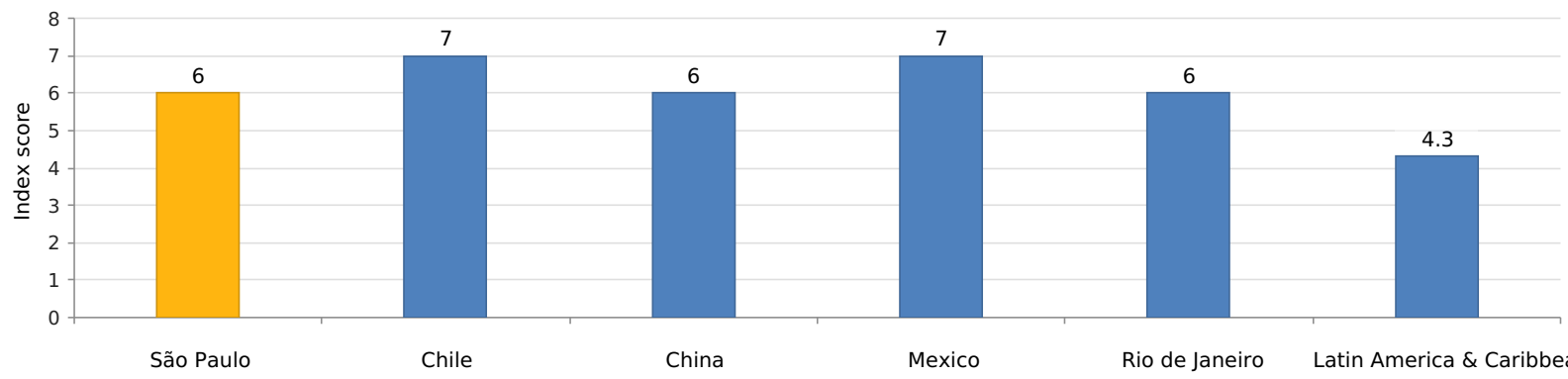
Figure – Getting Electricity in São Paulo – Procedure, Time and Cost



*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (http://doingbusiness.org/en/methodology). For details on the procedures reflected here, see the summary below.

Figure – Getting Electricity in São Paulo and comparator economies – Measure of Quality



Details - Getting Electricity in São Paulo - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	**Submit application to AES Electropaulo and receive service layout** *Agency* : AES Electropaulo The customer needs to submit, online or in person, a set of documents, including the electrical project, to AES Eletropaulo. After receiving the documents, AES Eletropaulo technicians will conduct an external site inspection and develop a work project to make the necessary adjustments in the network with estimated costs and time and send it back to the costumer. The site visit is done on the outside of the property and the customer need not be present during the site visit.	30 calendar days	BRL 0
2	**Sign energy supply agreement with utility** *Agency* : AES Electropaulo The costumer receives an invoice with the estimated value of the work, a contract and a service order. Once the contract and the service order are signed and the invoice is paid, AES Eletropaulo will make the necessary adjustments in its network.	1 calendar day	BRL 16,736.54
3	**Receive external works from utility** *Agency* : AES Electropaulo AES Eletropaulo executes the necessary adjustments to the electricity network and informs the costumer that the work is done and that a request for the external connection must be made to AES Eletropaulo	33 calendar days	BRL 0
4	**Receive meter installation and electricity flow from utility** *Agency* : AES Electropaulo The customer requests the external connection to AES Eletropaulo and, after no more than two days, the electricity is available at the switchboard/meter.	2 calendar days	BRL 83.19

⇉Takes place simultaneously with previous procedure.

Details – Getting Electricity in São Paulo – Measure of Quality

	Answer
Reliability of supply and transparency of tariff index (0-8)	6
Total duration and frequency of outages per customer a year (0-3)	1
System average interruption duration index (SAIDI)	11.7
System average interruption frequency index (SAIFI)	6.2
What is the minimum outage time (in minutes) that the utility considers for the calculation of SAIDI/SAIFI	3.0
Mechanisms for monitoring outages (0-1)	1
Does the distribution utility use automated tools to monitor outages?	Yes
Mechanisms for restoring service (0-1)	1
Does the distribution utility use automated tools to restore service?	Yes
Regulatory monitoring (0-1)	1
Does a regulator—that is, an entity separate from the utility—monitor the utility's performance on reliability of supply?	Yes
Financial deterrents aimed at limiting outages (0-1)	1
Does the utility either pay compensation to customers or face fines by the regulator (or both) if outages exceed a certain cap?	Yes
Communication of tariffs and tariff changes (0-1)	1
Are effective tariffs available online?	Yes
Link to the website, if available online	https://www.aeseletropaulo.com.br/para-seu-negocio/prazos-e-tarifas/conteudo/tarifa-de-energia-eletrica
Are customers notified of a change in tariff ahead of the billing cycle?	Yes

Note:

If the duration and frequency of outages is 100 or less, the economy is eligible to score on the Reliability of supply and transparency of tariff index.

If the duration and frequency of outages is not available, or is over 100, the economy is not eligible to score on the index.

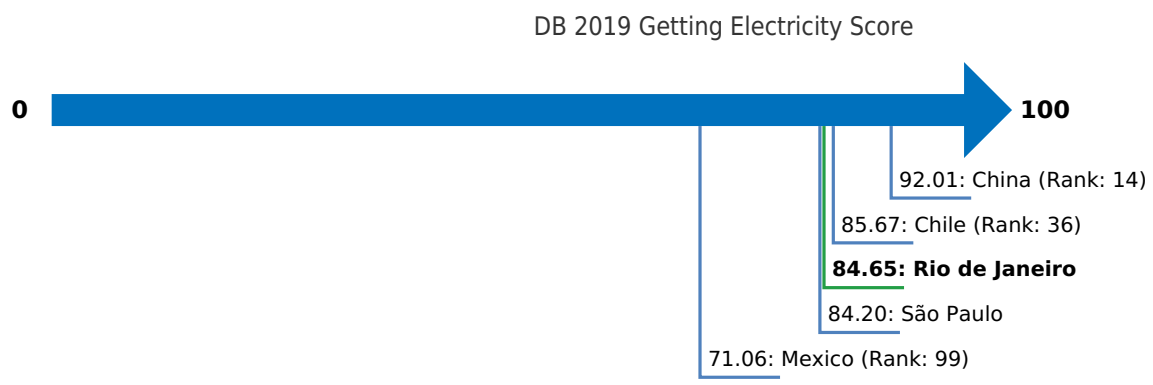
If the minimum outage time considered for SAIDI/SAIFI is over 5 minutes, the economy is not eligible to score on the index.

Getting Electricity - Rio de Janeiro

Standardized Connection	
Price of electricity (US cents per kWh)	21.1
Name of utility	Light
City Covered	Rio de Janeiro

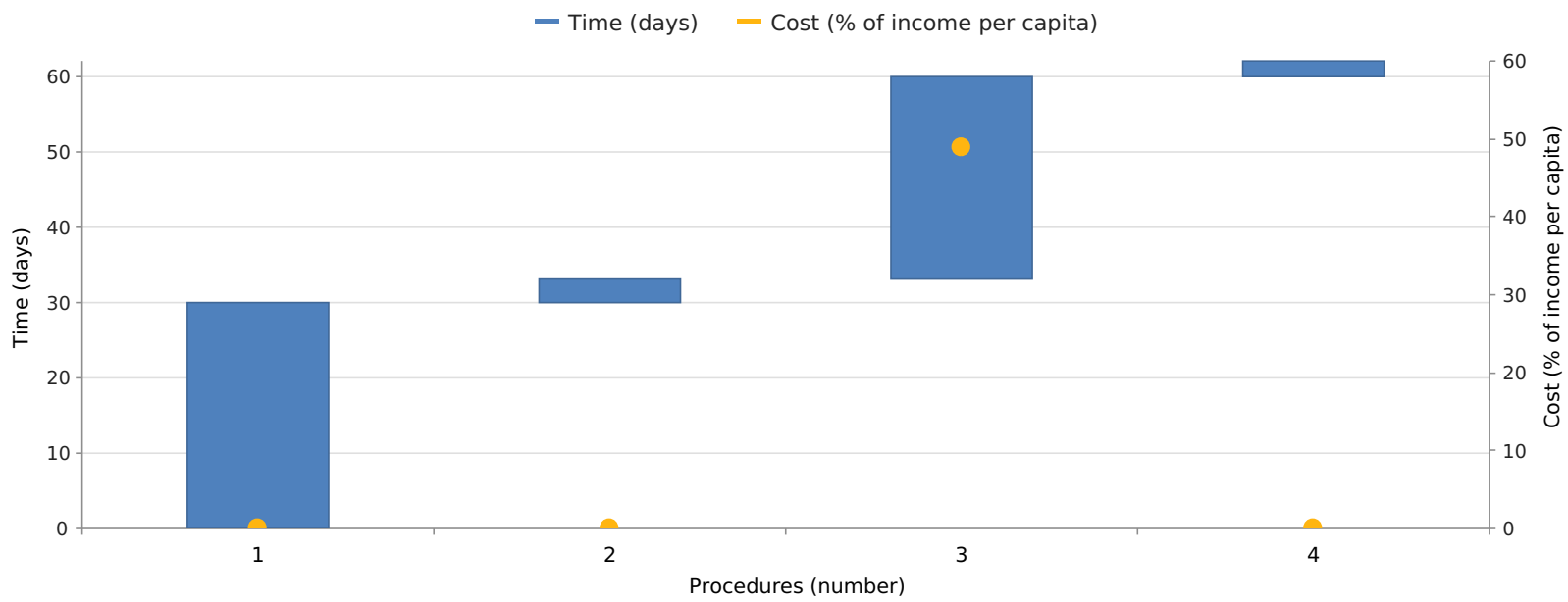
Indicator	Rio de Janeiro	Latin America & Caribbean	OECD high income	Best Regulatory Performance
Procedures (number)	4	5.5	4.5	3 (25 Economies)
Time (days)	62	65.5	77.2	18 (3 Economies)
Cost (% of income per capita)	48.9	946.3	64.2	0.0 (3 Economies)
Reliability of supply and transparency of tariff index (0-8)	6	4.3	7.5	8.0 (27 Economies)

Figure – Getting Electricity in Rio de Janeiro and comparator economies – Ranking and Score



Note: The ranking of economies on the ease of getting electricity is determined by sorting their scores for getting electricity. These scores are the simple average of the scores for all the component indicators except the price of electricity.

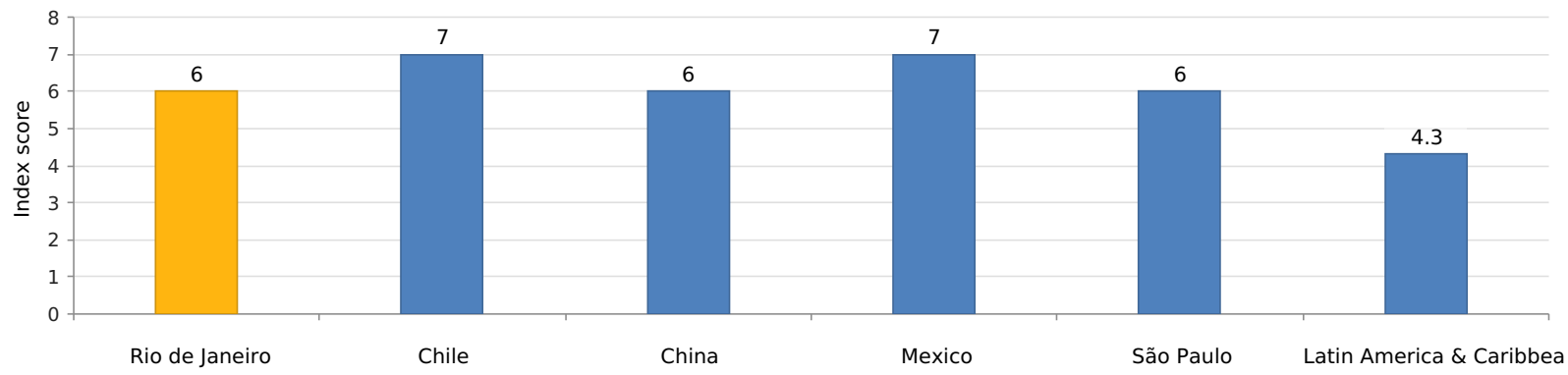
Figure – Getting Electricity in Rio de Janeiro – Procedure, Time and Cost



*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (http://doingbusiness.org/en/methodology). For details on the procedures reflected here, see the summary below.

Figure – Getting Electricity in Rio de Janeiro and comparator economies – Measure of Quality



Details - Getting Electricity in Rio de Janeiro - Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	**Submit application to Light and await estimate** *Agency* : Light The customer submits an application along with the following documentation: Sign Up Form Technical Information - Substations Simplified - duly completed and with ALL data and assessed the installed load demand; Descriptive loads (2 copies); Plant Situation / Location (4 copies) listed; Technical Responsibility - ART duly repaid (1 copies); Power of Attorney, on letterhead and notarization as attached model (1 copy) ; Charter Service Request (2 copies); Letter of no parallelism with the network of LIGHT (2 copies). Copy of the contract or bylaws in force, or the like, according to the type of legal entity, and subsequent changes, together with the election of its current directors, duly registered with the competent agency documents; Copy of card from the National Register of Legal Entities - CNPJ; Copies of Identity and Registration of Individuals (CPF) of the Legal Representatives; Power of Attorney with notarized, if applicable ; Copy of Lease Agreement or similar, if the customer is not the owner of the property; Copy of proof of ownership of the property (certificate of encumbrances); All documents have to be notarized. Each notarization costs BRL 10. All documents should be already in possession of the applicant except for the ART and the proof of ownership. The utility has a deadline of 30 days to respond, according to Art. 31 of Resolution 414 of ANEEL.	30 calendar days	BRL 0
2	**Receive internal wiring inspection by utility** *Agency* : Light This inspection happens within 3 business days after the request is made and is free of charge. It is advisable that the electric engineer responsible for the works is present, in case the technician conducting the inspection has questions about the process. This avoids further delays.	3 calendar days	BRL 0
3	**Receive external works from utility** *Agency* : Light Once the internal inspection is completed, Light undertakes the necessary works to connect the warehouse to the network.	27 calendar days	BRL 15,000
4	**Receive meter installation and electricity flow from utility** *Agency* : Light The client or a representative has to be present for the meter to be installed. The client starts to receive energy within 1 day.	2 calendar days	BRL 0

⇉Takes place simultaneously with previous procedure.

Details – Getting Electricity in Rio de Janeiro – Measure of Quality

	Answer
Reliability of supply and transparency of tariff index (0-8)	6
Total duration and frequency of outages per customer a year (0-3)	1
System average interruption duration index (SAIDI)	11.7
System average interruption frequency index (SAIFI)	6.5
What is the minimum outage time (in minutes) that the utility considers for the calculation of SAIDI/SAIFI	3.0
Mechanisms for monitoring outages (0-1)	1
Does the distribution utility use automated tools to monitor outages?	Yes
Mechanisms for restoring service (0-1)	1
Does the distribution utility use automated tools to restore service?	Yes
Regulatory monitoring (0-1)	1
Does a regulator—that is, an entity separate from the utility—monitor the utility's performance on reliability of supply?	Yes
Financial deterrents aimed at limiting outages (0-1)	1
Does the utility either pay compensation to customers or face fines by the regulator (or both) if outages exceed a certain cap?	Yes
Communication of tariffs and tariff changes (0-1)	1
Are effective tariffs available online?	Yes
Link to the website, if available online	http://www.light.com.br/para-residencias/Sua-Conta/composicao-da-tarifa.aspx
Are customers notified of a change in tariff ahead of the billing cycle?	Yes

Note:

If the duration and frequency of outages is 100 or less, the economy is eligible to score on the Reliability of supply and transparency of tariff index.

If the duration and frequency of outages is not available, or is over 100, the economy is not eligible to score on the index.

If the minimum outage time considered for SAIDI/SAIFI is over 5 minutes, the economy is not eligible to score on the index.

Registering Property

This topic examines the steps, time and cost involved in registering property, assuming a standardized case of an entrepreneur who wants to purchase land and a building that is already registered and free of title dispute. In addition, the topic also measures the quality of the land administration system in each economy. The quality of land administration index has five dimensions: reliability of infrastructure, transparency of information, geographic coverage, land dispute resolution, and equal access to property rights. The most recent round of data collection for the project was completed in May 2018. See the methodology for more information.

What the indicators measure

Procedures to legally transfer title on immovable property (number)

- Preregistration procedures (for example, checking for liens, notarizing sales agreement, paying property transfer taxes)
- Registration procedures in the economy's largest business city.
- Postregistration procedures (for example, filling title with municipality)

Time required to complete each procedure (calendar days)

- Does not include time spent gathering information
- Each procedure starts on a separate day - though procedures that can be fully completed online are an exception to this rule
- Procedure is considered completed once final document is received
- No prior contact with officials

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

- Official costs only (such as administrative fees, duties and taxes).
- Value Added Tax, Capital Gains Tax and illicit payments are excluded

Quality of land administration index (0-30)

- Reliability of infrastructure index (0-8)
- Transparency of information index (0–6)
- Geographic coverage index (0–8)
- Land dispute resolution index (0–8)
- Equal access to property rights index (-2–0)

Case study assumptions

To make the data comparable across economies, several assumptions about the parties to the transaction, the property and the procedures are used.

The parties (buyer and seller):

- Are limited liability companies (or the legal equivalent).
- Are located in the periurban area of the economy’s largest business city. For 11 economies the data are also collected for the second largest business city.
- Are 100% domestically and privately owned.
- Have 50 employees each, all of whom are nationals.
- Perform general commercial activities.

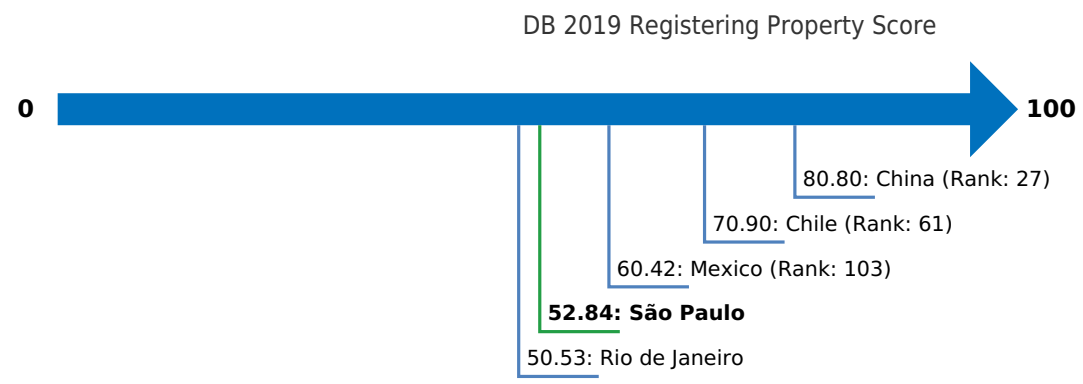
The property (fully owned by the seller):

- Has a value of 50 times income per capita, which equals the sale price.
- Is fully owned by the seller.
- 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 land and a building. The land area is 557.4 square meters (6,000 square feet). A two-story warehouse of 929 square meters (10,000 square feet) is located on the land. The warehouse is 10 years old, is in good condition, has no heating system and complies with all safety standards, building codes and legal requirements. The property, consisting of land and building, will be transferred in its entirety.
- Will not be subject to renovations or additional construction following the purchase.
- Has no trees, natural water sources, natural reserves or historical monuments of any kind.
- Will not be used for special purposes, and no special permits, such as for residential use, industrial plants, waste storage or certain types of agricultural activities, are required.
- Has no occupants, and no other party holds a legal interest in it.

Registering Property - São Paulo

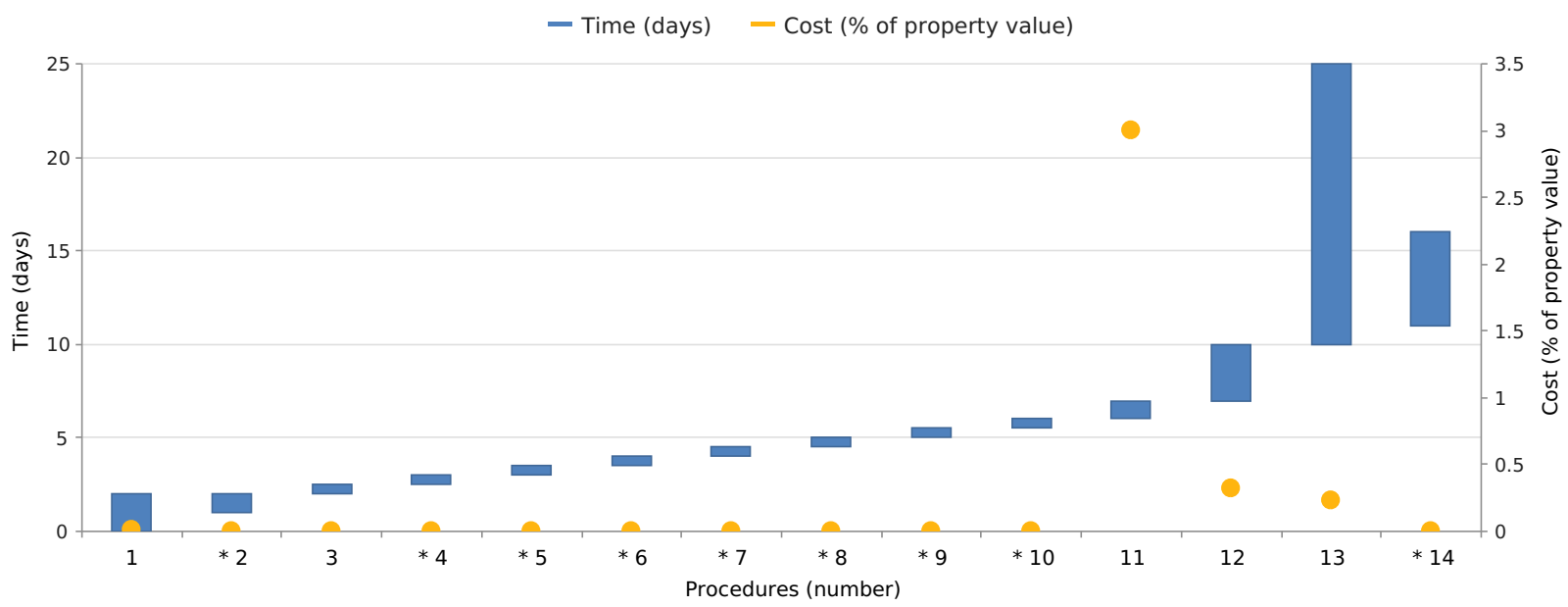
Indicator	São Paulo	Latin America & Caribbean	OECD high income	Best Regulatory Performance
Procedures (number)	14	7.2	4.7	1 (4 Economies)
Time (days)	25	63.3	20.1	1 (New Zealand)
Cost (% of property value)	3.6	5.8	4.2	0.0 (Saudi Arabia)
Quality of the land administration index (0-30)	14.0	11.9	23.0	None in 2017/18

Figure – Registering Property in São Paulo and comparator economies – Ranking and Score



Note: The ranking of economies on the ease of registering property is determined by sorting their scores for registering property. These scores are the simple average of the scores for each of the component indicators.

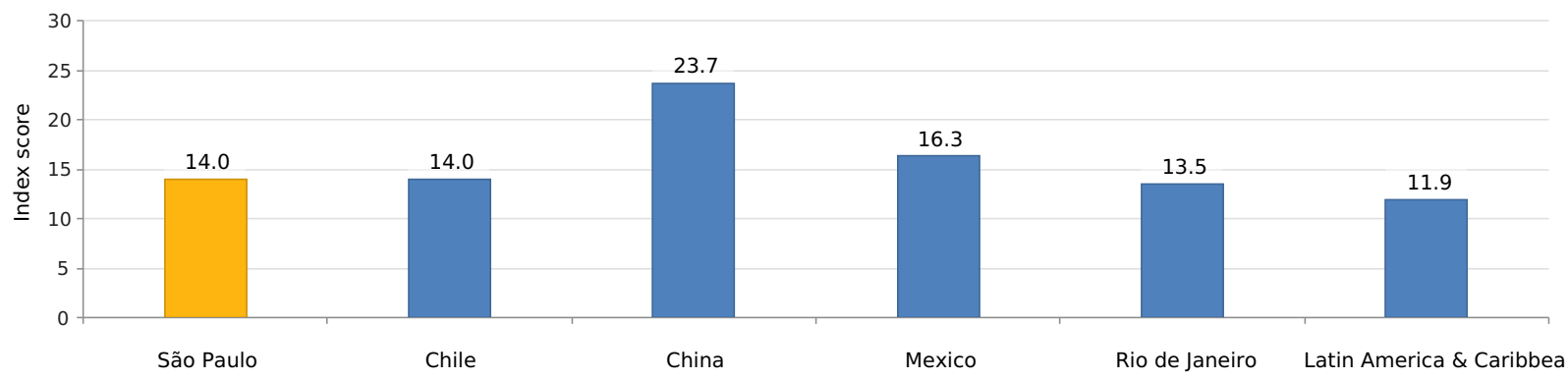
Figure – Registering Property in São Paulo – Procedure, Time and Cost



*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (http://doingbusiness.org/en/methodology). For details on the procedures reflected here, see the summary below.

Figure – Registering Property in São Paulo and comparator economies – Measure of Quality



Details – Registering Property in São Paulo – Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	**Acquire 10 Certificates of Registries and Disputes (Certidão dos Cartórios de Protestos) from the Distributor of Disputes Registry** *Agency* : Disputes Registry (Cartórios de protesto) The buyer can request the certificates on the existence of debts on the website: https://www.protesto.net.br/index.php?act=certidao. Although this certificate is not required by law, it is common practice to request it particularly in transactions between companies that tend to be more conservative and are usually assisted by lawyers. The seller will usually request 5-year certificates. 10-year certificates are also available for higher fees. There are 10 Protest Notaries in São Paulo, and it is necessary to research them all.	2 days	BRL 129.2; (BRL 12.92 each (the total is BRL 129.20))
⇄ 2	**Acquire a Civil Distributor's Certificate (Certidão dos Distribuidores Cívies), a Fiscal Executive Certificate (Certidão de Executivos Fiscais) and a Bankruptcy Certificate (Certidão de Falencias e Concordatas) from the City Court Office** *Agency* : Distributor of the State Courts (Tribunal de Justiça de São Paulo) These three certificates guarantee that the seller does not owe any payment as a result of a civil, fiscal, and commercial legal dispute. Additionally, it states that no pending sentences or legal proceedings are linked to the seller. These certificates can be retrieve online since August 2015 at https://esaj.tjsp.jus.br/sco/abrirCadastro.do. It takes around 1 day for the certificate to be issued if it is negative (that is, that the seller does not have any pending payment nor legal proceedings) Certificates are issued immediately when requested in person at the Fórum do Tribunal de Justiça.	1 day	BRL 58.2; (BRL 19.4 (x 3 certificates) + BRL 5.6 for every additional sheet (Physical application))
3	**Obtain a Labor Justice Certificate (Certidão da Justiça do Trabalho) from the Regional Labor Court** *Agency* : Regional Labor Court (Tribunal Regional de Trabalho No. 2) This document is not required by law. Technically, the buyer and seller can agree to trust that all these checks are represented and warranted by the seller without needing to submit the certificate to the public notary. In practice, however, for transactions between companies, the seller will provide these documents. Since January 2016, the Labor Justice certificate can be retrieved online immediately according to Act GP/CR No. 1/2016. This certificate identifies all the ongoing procedures at the Regional Labor Court in which the company (buyer) is a defendant. The certificate is valid for 90 days, and its authenticity can be verified online as well.	Less than one day, online	no charge
⇄ 4	**Obtain a Certificate of Good Standing on Labor Debts (Certidão Negativa de Débitos Trabalhistas)** *Agency* : High Labor Court (Tribunal Superior do Trabalho) The Certificate of Good Standing on Labor Debts is not required by law and therefore does not prevent the registration of real estate transactions. It is, however, common practice and highly recommended to check the standing on labor debts of the seller.	Less than one day, online	no charge
⇄ 5	**Obtain a 20-year certificate (Certidão Vintenária)** *Agency* : Real Estate Property Registry (Cartório de Registro de Imóveis) The 20-year certificate (Certidão Vintenária) needs to be obtained in order to (i) certify the successive chain of owners (and ownership titles) of the plot in the past 20 years; (ii) check if the seller is really the owner of the property; and (iii) check about any encumbrances over the land. The certificate might be requested online at https://www.registradores.org.br/Servicos/frmTabelaCustas.aspx. The digital certificate has the same legal validity as the one issued on paper format.	Less than one day, online	BRL 51.21

⇄ 6	**Request a Land-Tax Certificate and a Cadastral Certificate (Certidão de Dados Cadastrais do Imovel) from City Hall** *Agency* : Municipal Prefecture of Sao Paulo (Prefeitura Municipal de São Paulo) These certificates can be obtained in the website: www.prefeitura.sp.gov.br They will establish if there is any pending tax debt affecting the property. The certificate is free if obtained online. The buyer can waive this certificate if he assumes the obligation to pay all pending land tax debt related to the real state according to § 2 of Art. 1 of Decree 93.240/86.	Less than one day, online	no cost if obtained online
⇄ 7	**Acquire a Clearance Certificate from Tax Agency and a Federal Tax Clearance Certificate (Certidão de Débitos Relativos a Créditos Tributários Federais e à Dívida Ativa da União)** *Agency* : Federal Tax agency (Ministério da Fazenda, Procuradoria Geral da Fazenda Nacional, Secretaria da Receita Federal do Brasil - RFB) The joint certificate (Certidão de Débitos Relativos a Créditos Tributários Federais e à Dívida Ativa da União) can be obtained online at www.receita.fazenda.gov.br since November 2014. The joint certificate includes: (i) Clearance Certificate (Certidão Conjunta Negativa de Débitos relativos aos Tributos Federais e à Dívida Ativa da União emitida pelo Ministério da Fazenda – Procuradoria Geral da Fazenda Nacional – Secretaria da Receita Federal do Brasil) from the Tax Agency: this certificate includes the debts related to taxes administered by the Internal Revenue Service of Brazil (RFB) and the inscriptions on Union Debts with the General Attorney of National Treasury (PGFN). This certificate, which is issued in the name of the headquarters and applies to all its subsidiaries, refers only to the information of the taxpayer within the RFB and PGFN, and does not include social security contributions and the contributions due, by law, to third parties, including those debts enrolled in the National Social Security Institute (INSS), that are object of the second certificate. (ii) The Federal Tax Clearance Certificate (Certidão Negativa de Débitos relativos às Contribuições Previdenciárias e às de Terceiros emitida pelo Ministério da Fazenda, Secretaria da Receita Federal do Brasil) refers exclusively to social security contributions and the contributions owed by law, to third parties, including those enrolled in Union Debts (Dívida Ativa da União - DAU) and does not include other taxes administered by RFB and the remaining debts in the DAU, administered by the General Attorney of National Treasury (PGFN) object PGFN Joint Certificate / RFB. If one is a certified representative of the company with a passcode, one can obtain this certificate online at www.receita.fazenda.gov.br/previdencia/CND free of charge. The certificate was formerly provided by the National Social Security Institute (INSS), but is now provided by the Internal Revenue Service, after both agencies were partially unified according to Law N° 11.457/07.	Less than one day, online	no charge
⇄ 8	**Acquire a Worker's Fund Certificate (Certidão de Regularidade de Situação do FGTS) at the federal bank- Caixa Economica Federal** *Agency* : Federal bank (Caixa Economica Federal) The Worker's Fund Certificate assures that the company has kept its pension fund plan up to date with payments. This certificate is obtained online at the site Caixa Economica (https://webp.caixa.gov.br/cidadao/Crf/FgeCfSCriteriosPesquisa.asp) free of charge. It is not required by law, but in practice it is usually requested by the buyer in transactions between companies.	Less than one day, online	no charge
⇄ 9	**Acquire a Federal Justice Certificate (Certidão da Justiça Federal) from the Receita Federal - (Certidão de Distribuição de Ações e Execuções Cíveis, Fiscais, Criminais e dos Juizados Especiais Federais Criminais Adjuntos junto ao Poder Judiciário – Justiça Federal de Primeiro Grau em São Paulo)** *Agency* : Justiça Federal This certificate is obtained online at (http://www.jfsp.jus.br/certidoes-emissaoonline/). The certificate will show if there are any pending cases at civil, tax, criminal and special federal criminal courts. If the company has any pending claims, the certificate will have to be picked up in person by a representative at the Justiça Federal.	Less than one day, online	no charge
⇄ 10	**Notary obtains company information** *Agency* : Company Registry (Junta Comercial de Estado de São Paulo) The notary will check the website of the Company Registry (Junta Comercial) to make sure that (i) the articles of association presented by the parties and (ii) the legal representatives mentioned in the articles of association correspond with the most recent ones registered.	Less than one day, online	no charge

11	**Pay transfer tax (ITB I) and other fees at a commercial Bank** *Agency* : Municipal Prefecture of Sao Paulo (Prefeitura Municipal de São Paulo) The buyer has to pay the transfer tax before the parties can sign the transfer deed. The majority of notaries prefer to receive the tax payment themselves and then take care of transferring it to the Municipality because they are responsible for checking that the tax payment is correct. Notaries also have to file to the tax authorities a declaration of all the transactions that they were part of, given that they are jointly liable. For the ITBI, it is common practice for the notary to provide the payment form obtained online (http://www.prefeitura.sp.gov.br/cidade/secretarias/financas/servicos/itbi/) to the buyer.	1 day	BRL 46,021.97; (3% of the property value registered with the cadastre of the Prefecture for ITBI)
12	**Drafting of Public Deed of Purchase and Sale (Escritura Pública de Venda e Compra) by a Public Notary (Tabelião de Notas)** *Agency* : Public Notary (Tabelião de Notas do Estado de São Paulo) The notary will review all the documents obtained in the previous Procedures and proceed to notarize the sale deed. Notary fees are incurred for the notarization of the sale and purchase agreement.	3 days	BRL 4,939.49; (BRL 4,939.49 (according to scale on http://www.cnbsp.org.br/__Documentos/Upload_Conteudo/arquivos/Tabela_Custas/cnb_tabela_versao_imp_2018_a4_2_capital_iss_sobre_iss_tabmp.pdf))
13	**Register the escritura (transfer deed) at the appropriate Real Estate Registry with jurisdiction over the property to finalize registration and name change** *Agency* : Real Estate Registry (Cartório de Registro de Imóveis) There are 18 Real Estate Registries in São Paulo. The registration of the deed at the corresponding Real Estate Registry is required for the transfer of ownership of the property. It can be arranged directly by the parties or by the notary if the notary offers this supplementary service. By law, the Real Estate Registry has 30 days to analyze the documents and register the transfer deed. Usually, the registry will come back with some issues that need to be fixed prior to registration.	15 days	BRL 3,596.16; (BRL 3,596.16 (according to the schedule in https://www.registradores.org.br/Servicos/frmTabelaCustas.aspx))
⇄ 14	**Update the land taxation records (IPTU – Imposto Predial e Territorial Urbano) to the new owner's name at City Hall** *Agency* : Municipal Prefecture of Sao Paulo (Prefeitura Municipal de São Paulo) Theoretically, the Real Estate Registry should inform the Municipality about the transfer of the real estate and the Municipality should automatically update its land taxation records. In practice, however, this automatic system does not really work. The Municipality updates the records a few times a year, sometimes even only once a year. Therefore, in practice, the parties need to go to the Municipality and request the update.	5 days	no charge

⇄ Takes place simultaneously with previous procedure.

Details - Registering Property in São Paulo - Measure of Quality

	Answer	Score
Reliability of infrastructure index (0-8)		**5.0**
What is the institution in charge of immovable property registration?	Cartórios de Registro de Imóveis de São Paulo	
In what format are the majority of title or deed records kept in the largest business city—in a paper format or in a computerized format (scanned or fully digital)?	Computer/Scanned	1.0
Is there an electronic database for checking for encumbrances (liens, mortgages, restrictions and the like)?	Yes	1.0
Institution in charge of the plans showing legal boundaries in the largest business city:	Prefeitura Municipal de São Paulo	
In what format are the majority of maps of land plots kept in the largest business city—in a paper format or in a computerized format (scanned or fully digital)?	Computer/Fully digital	2.0
Is there an electronic database for recording boundaries, checking plans and providing cadastral information (geographic information system)?	Yes	1.0
Is the information recorded by the immovable property registration agency and the cadastral or mapping agency kept in a single database, in different but linked databases or in separate databases?	Separate databases	0.0
Do the immovable property registration agency and cadastral or mapping agency use the same identification number for properties?	No	0.0
Transparency of information index (0-6)		**3.5**
Who is able to obtain information on land ownership at the agency in charge of immovable property registration in the largest business city?	Anyone who pays the official fee	1.0
Is the list of documents that are required to complete any type of property transaction made publicly available–and if so, how?	Yes, online	0.5
Link for online access:	http://www.cnbsp.org.br/index.php?pG=X19wYWdpbmFz&idPagina=6009	
Is the applicable fee schedule for any property transaction at the agency in charge of immovable property registration in the largest business city made publicly available–and if so, how?	Yes, online	0.5
Link for online access:	For Notaries fees: http://www.cnbsp.org.br/index.php?pG=X190YWJIbGFzX2Vtb2x1bWVudG9z For Land Registry fees: https://www.registradores.org.br/Servicos/frmTabelaCustas.aspx	
Does the agency in charge of immovable property registration commit to delivering a legally binding document that proves property ownership within a specific time frame–and if so, how does it communicate the service standard?	Yes, online	0.5

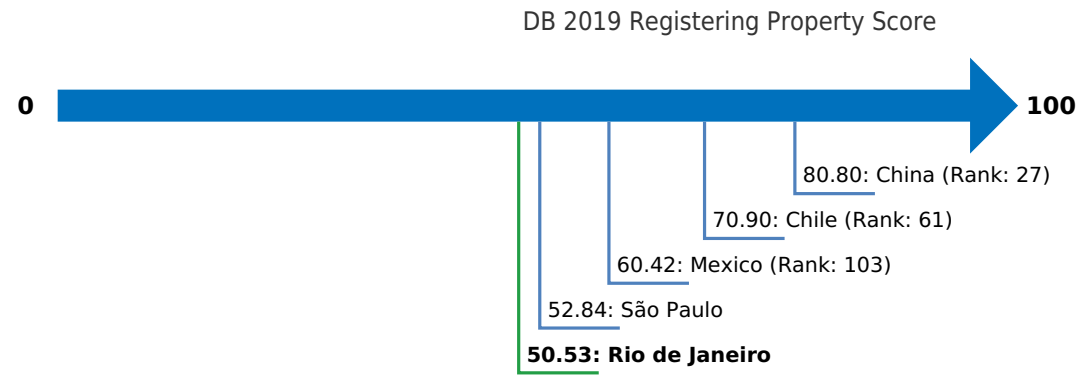
Link for online access:	http://www.planalto.gov.br/CCIVIL_03/leis/L6015compilada.htm (capitulo III law 6015) https://api.tjsp.jus.br/Handlers/Handler/FileFetch.ashx?codigo=101773	
Is there a specific and separate mechanism for filing complaints about a problem that occurred at the agency in charge of immovable property registration?	No	0.0
Contact information:		
Are there publicly available official statistics tracking the number of transactions at the immovable property registration agency?	No	0.0
Number of property transfers in the largest business city in 2017:		
Who is able to consult maps of land plots in the largest business city?	Freely accessible by anyone	0.5
Is the applicable fee schedule for accessing maps of land plots made publicly available—and if so, how?	Yes, online	0.5
Link for online access:	Free of charge (http://www.prefeitura.sp.gov.br/cidade/secretarias/financas/servicos/certidoes/index.php?p=2404)	
Does the cadastral or mapping agency commit to delivering an updated map within a specific time frame—and if so, how does it communicate the service standard?	No	0.0
Link for online access:	http://www.prefeitura.sp.gov.br/cidade/secretarias/financas/servicos/certidoes/index.php?p=2404	
Is there a specific and separate mechanism for filing complaints about a problem that occurred at the cadastral or mapping agency?	No	0.0
Contact information:		
Geographic coverage index (0-8)		**2.0**
Are all privately held land plots in the economy formally registered at the immovable property registry?	No	0.0
Are all privately held land plots in the largest business city formally registered at the immovable property registry?	No	0.0
Are all privately held land plots in the economy mapped?	No	0.0
Are all privately held land plots in the largest business city mapped?	Yes	2.0
Land dispute resolution index (0-8)		**3.5**
Does the law require that all property sale transactions be registered at the immovable property registry to make them opposable to third parties?	Yes	1.5
Is the system of immovable property registration subject to a state or private guarantee?	No	0.0
Is there a specific compensation mechanism to cover for losses incurred by parties who engaged in good faith in a property transaction based on erroneous information certified by the immovable property registry?	No	0.0
Does the legal system require a control of legality of the documents necessary for a property transaction (e.g., checking the compliance of contracts with requirements of the law)?	Yes	0.5
If yes, who is responsible for checking the legality of the documents?	Registrar; Notary;	

Does the legal system require verification of the identity of the parties to a property transaction?	Yes	0.5
If yes, who is responsible for verifying the identity of the parties?	Registrar; Notary;	
Is there a national database to verify the accuracy of identity documents?	No	0.0
For a standard land dispute between two local businesses over tenure rights of a property worth 50 times gross national income (GNI) per capita and located in the largest business city, what court would be in charge of the case in the first instance?	Tribunal de justica do estado de Sao Paulo	
How long does it take on average to obtain a decision from the first-instance court for such a case (without appeal)?	Between 2 and 3 years	1.0
Are there any statistics on the number of land disputes in the first instance?	No	0.0
Number of land disputes in the largest business city in 2017:		
Equal access to property rights index (-2-0)		**0.0**
Do unmarried men and unmarried women have equal ownership rights to property?	Yes	
Do married men and married women have equal ownership rights to property?	Yes	0.0

Registering Property - Rio de Janeiro

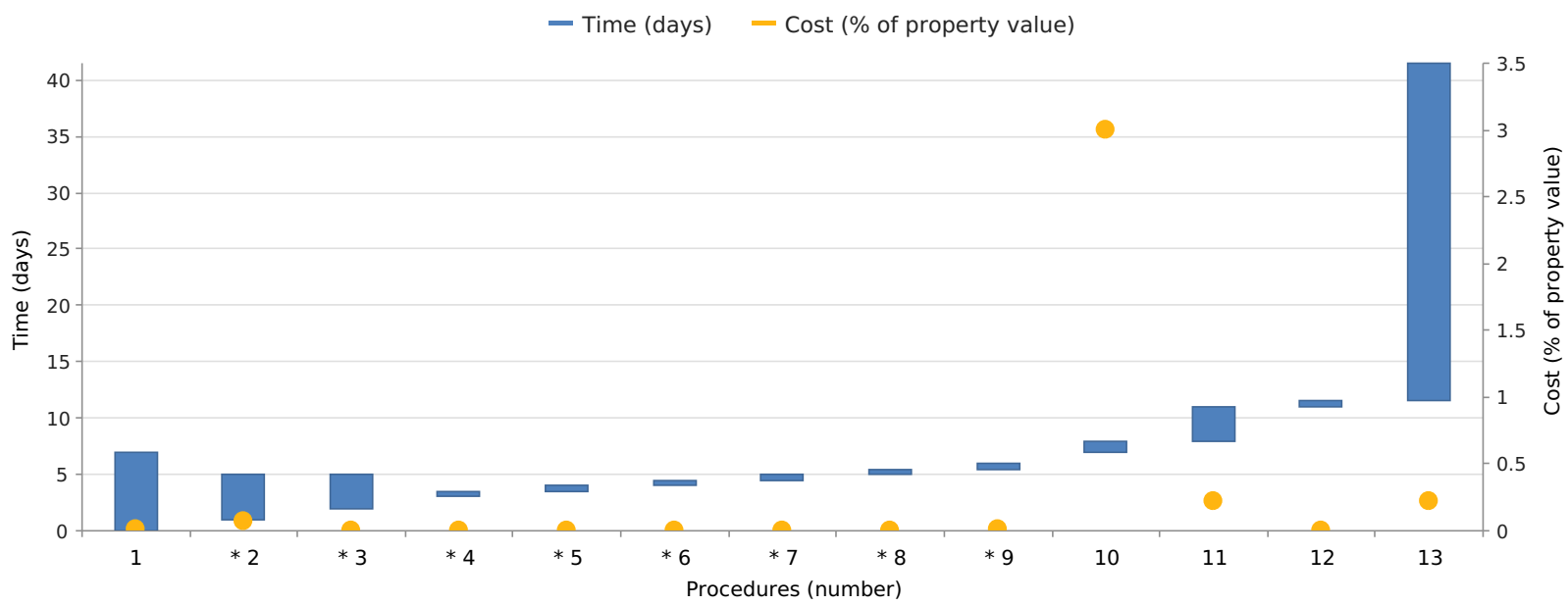
Indicator	Rio de Janeiro	Latin America & Caribbean	OECD high income	Best Regulatory Performance
Procedures (number)	13	7.2	4.7	1 (4 Economies)
Time (days)	41.5	63.3	20.1	1 (New Zealand)
Cost (% of property value)	3.5	5.8	4.2	0.0 (Saudi Arabia)
Quality of the land administration index (0-30)	13.5	11.9	23.0	None in 2017/18

Figure – Registering Property in Rio de Janeiro and comparator economies – Ranking and Score



Note: The ranking of economies on the ease of registering property is determined by sorting their scores for registering property. These scores are the simple average of the scores for each of the component indicators.

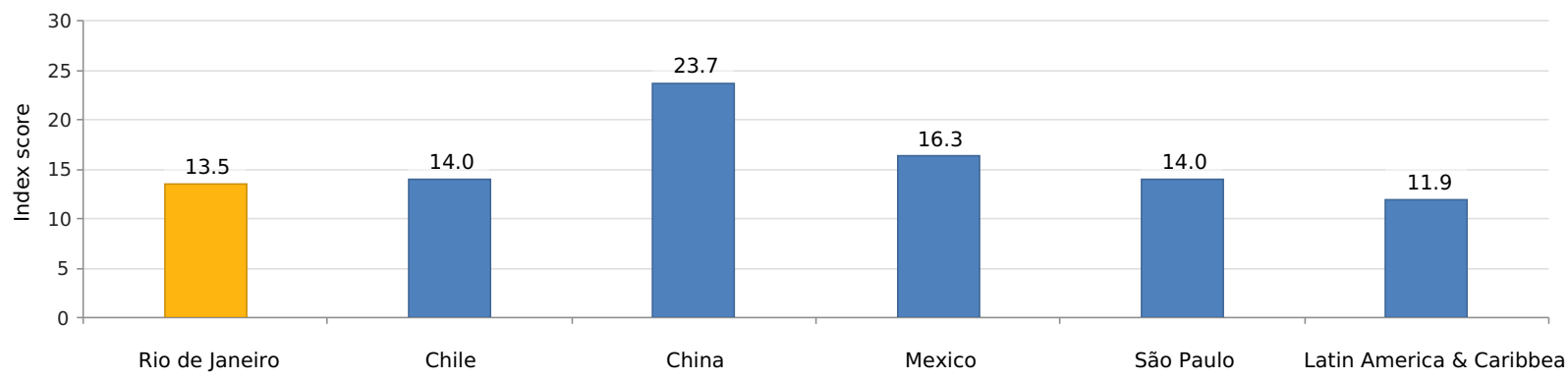
Figure – Registering Property in Rio de Janeiro – Procedure, Time and Cost



*This symbol is shown beside procedure numbers that take place simultaneously with the previous procedure.

Note: Online procedures account for 0.5 days in the total time calculation. For economies that have a different procedure list for men and women, the graph shows the time for women. For more information on methodology, see the *Doing Business* website (http://doingbusiness.org/en/methodology). For details on the procedures reflected here, see the summary below.

Figure – Registering Property in Rio de Janeiro and comparator economies – Measure of Quality



Details – Registering Property in Rio de Janeiro – Procedure, Time and Cost

No.	Procedures	Time to Complete	Associated Costs
1	**Obtain a 20-year certificate (Certidão Vintenária)** *Agency* : Real Estate Registry (Cartório de Registro de Imóveis) The 20-year certificate (Certidão Vintenária) needs to be obtained in order to (i) certify the successive chain of owners (and ownership titles) of the plot in the past 20 years; (ii) check if the seller is really the owner of the property; and (iii) check about any encumbrances over the land. The Internal Affairs Bureau of the State Court of Rio de Janeiro ("Corregedoria Geral da Justiça do Tribunal de Justiça do Rio de Janeiro") together with the Association of Public Notaries and Public Registry Offices in the State of Rio de Janeiro ("ANOREG-RJ") have implemented E-Cartorios RJ (https://e-cartoriorj.com.br/Home/View/Default.aspx#/kitcertidoes) which is an online platform that aims to concentrate the issuance of all certificates for transferring property, in order to make the process of issuing and registering public deeds faster. The 20-year certificate is one of the certificates that may be obtained online, but only in connection with Real Estate Registries in the City of Rio de Janeiro. The digital certificate has the same legal validity as the one issued in physical format.	7 days	BRL 99.77
⇉ 2	**Obtain the certificates of Certificates of Registries and Disputes (Certidão dos Cartórios de Protestos), Acquire a Civil Distributor's Certificate (Certidão dos Distribuidores Cívies), a Fiscal Executive Certificate (Certidão de Executivos Fiscais) and a Bankruptcy Certificate (Certidão de Falencias e Concordatas) from the City Court Office** *Agency* : Rio Rapido These certificates guarantee that all civil, fiscal, and commercial legal settlements have been finalized and no pending sentences or legal proceedings are linked to the seller. In Rio de Janeiro, it is possible to request these certificates online via a centralized certification office named "Rio Rapido". Although they can be requested online, they need to be picked up personally. Additionally, since December 2017 it is possible to request and receive these certificates online through E-Cartorios RJ (https://e-cartoriorj.com.br/Home/View/Default.aspx#/kitcertidoes. The majority of practitioners are still using Rio Rapido as of May 1, 2018.	4 days	BRL 1,070.31; ((i) BRL 110.01 for each Civil Distributor's Certificate issued by the 1st, 2nd and 4th Distributor's and BRL 105.84 for each certificate issued by the 3rd Distributor; (ii) BRL 113.90 for the Fiscal Executive Certificate; (iii) BRL 110.01 for each Bankruptcy Distributor's Certificate issued by the 1st, 2nd and 4th Distributor's and BRL 105.84 for each certificate issued by the 3rd Distributor; (iv) BRL 84.67 for the Certificate of Registries and Disputes)

⇉ 3	**Obtain a Labor Justice Certificate (Certidão da Justiça do Trabalho) from the Regional Labor Court** *Agency* : Regional Labor Court (Tribunal Regional do Trabalho No. 1) This document is not required by law. Technically, the buyer and seller can agree to trust that all these checks are represented and warranted by the seller without needing to submit the certificate to the public notary. In practice, however, for transactions between companies, the seller will provide these documents. The Labor Justice Certificate (Certidão de Feitos Trabalhistas) may have one or several sheets. It will depend on the quantity of suits against the company under analysis. The cost for a one page certificate is BRL 5.53 and for each additional page BRL 5.53. There are 24 Regional Labor Courts in Brazil. The certificates must be issued by the Regional Labor Court of seller's headquarters and of the location of the real estate. Some practitioners request two certificates, one about 1st instance cases and another on 2nd instance cases at the Regional Labor Court.	3 days	BRL 5.53
⇉ 4	**Obtain a Certificate of Good Standing on Labor Debts (Certidão Negativa de Débitos Trabalhistas)** *Agency* : High Labor Court (Tribunal Superior do Trabalho) The Certificate of Good Standing on Labor Debts is not required by law and therefore does not prevent the registration of real estate transactions. It is, however, common practice and highly recommended to check the standing on labor debts of the seller.	Less than one day, online	no charge
⇉ 5	**Request a Land-Tax Certificate and a Cadastral Certificate (Certidão de Dados Cadastrais do Imovel)from City Hall** *Agency* : Municipality of Rio de Janeiro (Prefeitura do Rio de Janeiro) These certificates will establish if there is any pending tax debt affecting the property. The certificate is free if obtained online, or BRL 11.85 if obtained in person. The buyer can waive this certificate if he assumes the obligation to pay all pending land tax debt related to the real state according to § 2 of Art. 1 of Decree 93.240/86.	Less than one day, online	no charge
⇉ 6	**Acquire a Clearance Certificate from Tax Agency and a Federal Tax Clearance Certificate** *Agency* : Federal Tax agency (Ministério da Fazenda, Procuradoria Geral da Fazenda Nacional, Secretaria da Receita Federal do Brasil - RFB) The joint certificate (Certidão de Débitos Relativos a Créditos Tributários Federais e à Dívida Ativa da União) can be obtained online at www.receita.fazenda.gov.br since November 2014. The joint certificate includes: (i) Clearance Certificate (Certidão Conjunta Negativa de Débitos relativos aos Tributos Federais e à Dívida Ativa da União emitida pelo Ministério da Fazenda – Procuradoria Geral da Fazenda Nacional – Secretaria da Receita Federal do Brasil) from the Tax Agency: this certificate includes the debts related to taxes administered by the Internal Revenue Service of Brazil (RFB) and the inscriptions on Union Debts with the General Attorney of National Treasury (PGFN). This certificate, which is issued in the name of the headquarters and applies to all its subsidiaries, refers only to the information of the taxpayer within the RFB and PGFN, and does not include social security contributions and the contributions due, by law, to third parties, including those debts enrolled in the National Social Security Institute (INSS), that are object of the second certificate. (ii) The Federal Tax Clearance Certificate (Certidão Negativa de Débitos relativos às Contribuições Previdenciárias e às de Terceiros emitida pelo Ministério da Fazenda, Secretaria da Receita Federal do Brasil) refers exclusively to social security contributions and the contributions owed by law, to third parties, including those enrolled in Union Debts (Dívida Ativa da União - DAU) and does not include other taxes administered by RFB and the remaining debts in the DAU, administered by the General Attorney of National Treasury (PGFN) object PGFN Joint Certificate / RFB. If one is a certified representative of the company with a passcode, one can obtain this certificate online at www.receita.fazenda.gov.br/previdencia/CND free of charge. The certificate was formerly provided by the National Social Security Institute (INSS), but is now provided by the Internal Revenue Service, after both agencies were partially unified according to Law N° 11.457/07. The certificate is electronically issued with negative effects if there are no pending debts. If the company has any pending debts with suspended collection (exigibilidade suspensa), a representative of the company must show up to the Revenue Service of Brazil to obtain a positive certificate with negative effects or, if the company has any pending debts in charge, a positive certificate may be issued, according to Joint Ordinance RFB/PGFN 1,14015751 of October 2, 2014.	Less than one day, online	no charge

⇄ 7	**Acquire a Worker's Fund Certificate (Certidão de Regularidade de Situação do FGTS) at the federal bank- Caixa Economica Federal** *Agency* : Federal bank (Caixa Economica Federal) The Worker's Fund Certificate assures that the company has kept its pension fund plan up to date with payments. This certificate is obtained online at the site Caixa Economica (https://webp.caixa.gov.br/cidadao/Crf/FgeCfSCriteriosPesquisa.asp) free of charge. It is not required by law, but in practice it is usually requested by the buyer in transactions between companies.	Less than one day, online	no charge
⇄ 8	**Acquire a Federal Justice Certificate (Certidão da Justiça Federal) from the Receita Federal - (Certidão de Distribuição de Ações e Execuções Cíveis, Fiscais, Criminais e dos Juizados Especiais Federais Criminais Adjuntos junto ao Poder Judiciário – Justiça Federal de Primeiro Grau no Rio de Janeiro** *Agency* : Justiça Federal da Seção Judiciária do Rio de de Janeiro (Federal Justice of Rio de Janeiro) This certificate is obtained online at (http://www10.trf2.jus.br/consultas/certidao-eletronica). The certificate will show if there are any pending cases at civil, tax, criminal and special federal criminal courts. If the company has any pending claims, the certificate will have to be picked up in person by a representative at the Justiça Federal. The Federal Justice Court in Brazil is divided in 5 sections per zone of group of States. In practice, for the risk assessment of real estate property transfer, the certificate from the Federal Justice Court of the location of company's headquarters address for the last 10 years shall be analyzed.	Less than one day, online	no charge
⇄ 9	**Obtain company name certificate** *Agency* : Company Registry (Junta Comercial do Estado do Rio de Janeiro) The notary will check the website of the Company Registry (Junta Comercial) to make sure that (i) the articles of association presented by the parties and (ii) the legal representatives mentioned in the articles of association correspond with the most recent ones registered.	Less than one day, online	BRL 119
10	**Pay transfer tax (ITB I) at the Bank** *Agency* : Commercial bank The buyer has to pay the transfer tax before the parties can sign the transfer deed. The majority of notaries prefer to receive the tax payment themselves and then take care of transferring it to the Municipality because they are responsible for checking that the tax payment is correct. Notaries also have to file to the tax authorities a declaration of all the transactions that they were part of, given that they are jointly liable. Therefore, the notary provides the payment on behalf of the buyer and the parties pay at the notary. The payment slip in most cases can be issued online at http://smfonlineitbi.rio.rj.gov.br/cgi-bin/itbi2simulacao_cgi.exe/EntSimulacao. Payment can only be made at Banco Santander's office in the City Hall.	1 day	BRL 46,021.97; (3% of the property value)

11	**Drafting of Public Deed of Purchase and Sale (Escritura Pública de Venda e Compra) by a Public Notary (Tabelião de Notas)** *Agency* : Notary's office (Tabelião de Notas) The notary will review all the documents obtained in the previous Procedures and proceed to notarize the sale deed. Notary fees are incurred for the notarization of the sale and purchase agreement. An electronic platform to issue electronic public deeds through a Notary has been tested in several Notary offices of Rio de Janeiro, however it has not been implemented widely as of May 1, 2018.	3 days	BRL 3,380.24; (BRL 3,235.49, based on the following fee schedule: Public deed with a declared amount up to R$ 15,000.00 costs BRL 191.38. From R$ 15,000.01 to R$ 30,000.00 - BRL 316.22/ From R$ 30,000.01 to R$ 45,000.00- BRL 441.09/ From 45,000.01 to R$ 60,000.00 - BRL 540.95/ From 60,000.001 to R$ 80,000.00 - BRL 958.80/ From 80,000.01 to R$ 100,000.00 - BRL 1.131.92/ From 100,000.01 to R$ 200,000.00 - BRL 1,531.41 / From 200,000.01 to R$ 400,000.00 - BRL 1,643.24. For properties valued at R$ 400,000.01 and higher - BRL 144.75 for each additional R$ 100,000.00.)
12	**Update the land taxation records (IPTU – Imposto Predial e Territorial Urbano) to the new owner's name at City Hall** *Agency* : Tax Deparment of the Municipality of Rio de Janeiro (Secretaria municipal da fazenda) Before presenting the title to the Real Estate Registry Office, the new owner needs to update his name on the municipality's records. The information is submitted online to the Municipality. Once the information is submitted, a protocol number for the name change request is issued, which needs to be informed to the registrar. The registrar will verify the information submitted and attach the number of registration of the property (numero de matricula) and then sends the information to the municipality via the internet portal (https://dief.rio.rj.gov.br/dief/asp/mcriweb/login_usuri.asp)	Less than one day, online	no charge

13	**Register the escritura (transfer deed) at the appropriate Real Estate Registry with jurisdiction over the property to finalize registration and name change** *Agency* : Real Estate Registry (Cartório de Registro de Imóveis) There are 12 Real Estate Registries in Rio de Janeiro. The registration of the deed at the competent Real Estate Registry is required for the transfer of ownership of the property. It can be arranged directly by the parties or by the notary if the notary offers this supplementary service. By law, the Real Estate Registry has 30 days to analyze the documents and register the transfer deed. Usually, the registry will come back with some issues that need to be fixed prior to registration. Since December 2017, the request to register the property transfer can be done online at https://www.registradores.org.br/eProtocolo/DefaultAC.aspx	30 days	BRL 3,384.97; (As of Jan, 2017 the fee for registration is BRL 3,240.22 based on the following fee schedule: Registration of economic content to R$ 15,000.00 costs BRL 191.38. From R$ 15,000.01 to R$ 30,000.00 - BRL 316.22/ From R$ 30,000.01 to R$ 45,000.00- BRL 441.09/ From 45,000.01 to R$ 60,000.00 - BRL 540.95/ From 60,000.001 to R$ 80,000.00 - BRL 958.80/ From 80,000.01 to R$ 100,000.00 - BRL 1.131.92/ From 100,000.01 to R$ 200,000.00 - BRL 1,531.41 / From 200,000.01 to R$ 400,000.00 - BRL 1,647,97. For properties valued at R$ 400,000.01 and higher - BRL 144.75 for each additional R$ 100,000.00.)

⇄ Takes place simultaneously with previous procedure.

Details – Registering Property in Rio de Janeiro – Measure of Quality

	Answer	Score
Reliability of infrastructure index (0-8)		**4.0**
What is the institution in charge of immovable property registration?	Cartórios de Registro de Imóveis do Rio de Janeiro (Real Estate Registry Office)	
In what format are the majority of title or deed records kept in the largest business city—in a paper format or in a computerized format (scanned or fully digital)?	Computer/Scanned	1.0
Is there an electronic database for checking for encumbrances (liens, mortgages, restrictions and the like)?	No	0.0
Institution in charge of the plans showing legal boundaries in the largest business city:	Prefeitura do Rio de Janeiro - Secretaria Municipal de Urbanismo (Rio de Janeiro City Hall)	
In what format are the majority of maps of land plots kept in the largest business city—in a paper format or in a computerized format (scanned or fully digital)?	Computer/Fully digital	2.0
Is there an electronic database for recording boundaries, checking plans and providing cadastral information (geographic information system)?	Yes	1.0
Is the information recorded by the immovable property registration agency and the cadastral or mapping agency kept in a single database, in different but linked databases or in separate databases?	Separate databases	0.0
Do the immovable property registration agency and cadastral or mapping agency use the same identification number for properties?	No	0.0
Transparency of information index (0-6)		**4.0**
Who is able to obtain information on land ownership at the agency in charge of immovable property registration in the largest business city?	Anyone who pays the official fee	1.0
Is the list of documents that are required to complete any type of property transaction made publicly available–and if so, how?	Yes, online	0.5
Link for online access:	http://www.1sri-rj.com.br/Compraevendadoacao.pdf	
Is the applicable fee schedule for any property transaction at the agency in charge of immovable property registration in the largest business city made publicly available–and if so, how?	Yes, online	0.5
Link for online access:	http://cgj.tjrj.jus.br/documents/1017893/1415195/portaria-custas-judiciais-extrajudiciais.pdf	
Does the agency in charge of immovable property registration commit to delivering a legally binding document that proves property ownership within a specific time frame–and if so, how does it communicate the service standard?	Yes, online	0.5
Link for online access:	http://www.planalto.gov.br/CCIVIL_03/leis/L6015compilada.htm	
Is there a specific and separate mechanism for filing complaints about a problem that occurred at the agency in charge of immovable property registration?	No	0.0
Contact information:		

Are there publicly available official statistics tracking the number of transactions at the immovable property registration agency?	No	0.0
Number of property transfers in the largest business city in 2017:		
Who is able to consult maps of land plots in the largest business city?	Freely accessible by anyone	0.5
Is the applicable fee schedule for accessing maps of land plots made publicly available—and if so, how?	No cost	0.5
Link for online access:	http://www2.rio.rj.gov.br/smu/acervoimagens/principal.asp http://www.rio.rj.gov.br/web/smf/exibeconteudo?id=142219 http://www.rio.rj.gov.br/web/ipp/siurb	
Does the cadastral or mapping agency commit to delivering an updated map within a specific time frame—and if so, how does it communicate the service standard?	Yes, online	0.5
Link for online access:	http://www.rio.rj.gov.br/web/smf/exibeconteudo?id=142219 http://www2.rio.rj.gov.br/smu/acervoimagens/principal.asp	
Is there a specific and separate mechanism for filing complaints about a problem that occurred at the cadastral or mapping agency?	No	0.0
Contact information:		
Geographic coverage index (0-8)		**2.0**
Are all privately held land plots in the economy formally registered at the immovable property registry?	No	0.0
Are all privately held land plots in the largest business city formally registered at the immovable property registry?	No	0.0
Are all privately held land plots in the economy mapped?	No	0.0
Are all privately held land plots in the largest business city mapped?	Yes	2.0
Land dispute resolution index (0-8)		**3.5**
Does the law require that all property sale transactions be registered at the immovable property registry to make them opposable to third parties?	Yes	1.5
Is the system of immovable property registration subject to a state or private guarantee?	No	0.0
Is there a specific compensation mechanism to cover for losses incurred by parties who engaged in good faith in a property transaction based on erroneous information certified by the immovable property registry?	No	0.0
Does the legal system require a control of legality of the documents necessary for a property transaction (e.g., checking the compliance of contracts with requirements of the law)?	Yes	0.5
If yes, who is responsible for checking the legality of the documents?	Registrar; Notary;	
Does the legal system require verification of the identity of the parties to a property transaction?	Yes	0.5
If yes, who is responsible for verifying the identity of the parties?	Registrar; Notary;	
Is there a national database to verify the accuracy of identity documents?	No	0.0
For a standard land dispute between two local businesses over tenure rights of a property worth 50 times gross national income (GNI) per capita and located in the largest business city, what court would be in charge of the case in the first instance?	Tribunal de Justiça do Estado do Rio de Janeiro	

How long does it take on average to obtain a decision from the first-instance court for such a case (without appeal)?	Between 2 and 3 years	1.0
Are there any statistics on the number of land disputes in the first instance?	No	0.0
Number of land disputes in the largest business city in 2017:		
Equal access to property rights index (-2-0)		**0.0**
Do unmarried men and unmarried women have equal ownership rights to property?	Yes	
Do married men and married women have equal ownership rights to property?	Yes	0.0

Getting Credit

This topic explores two sets of issues—the strength of credit reporting systems and the effectiveness of collateral and bankruptcy laws in facilitating lending. The most recent round of data collection for the project was completed in May 2018. See the methodology for more information.

What the indicators measure

Strength of legal rights index (0–12)

- Rights of borrowers and lenders through collateral laws (0-10)
- Protection of secured creditors' rights through bankruptcy laws (0-2)

Depth of credit information index (0–8)

- Scope and accessibility of credit information distributed by credit bureaus and credit registries (0-8)

Credit bureau coverage (% of adults)

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

Credit registry coverage (% of adults)

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

Case study assumptions

Doing Business assesses the sharing of credit information and the legal rights of borrowers and lenders with respect to secured transactions through 2 sets of indicators. The depth of credit information index measures rules and practices affecting the coverage, scope and accessibility of credit information available through a credit registry or a credit bureau. The strength of legal rights index measures the degree to which collateral and bankruptcy laws protect the rights of borrowers and lenders and thus facilitate lending. For each economy it is first determined whether a unitary secured transactions system exists. Then two case scenarios, case A and case B, are used to determine how a nonpossessory security interest is created, publicized and enforced according to the law. Special emphasis is given to how the collateral registry operates (if registration of security interests is possible). The case scenarios involve a secured borrower, company ABC, and a secured lender, BizBank.

In some economies the legal framework for secured transactions will allow only case A or case B (not both) to apply. Both cases examine the same set of legal provisions relating to the use of movable collateral.

Several assumptions about the secured borrower (ABC) and lender (BizBank) are used:

- ABC is a domestic limited liability company (or its legal equivalent).
- ABC has up to 50 employees.
- ABC has its headquarters and only base of operations in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Both ABC and BizBank are 100% domestically owned.

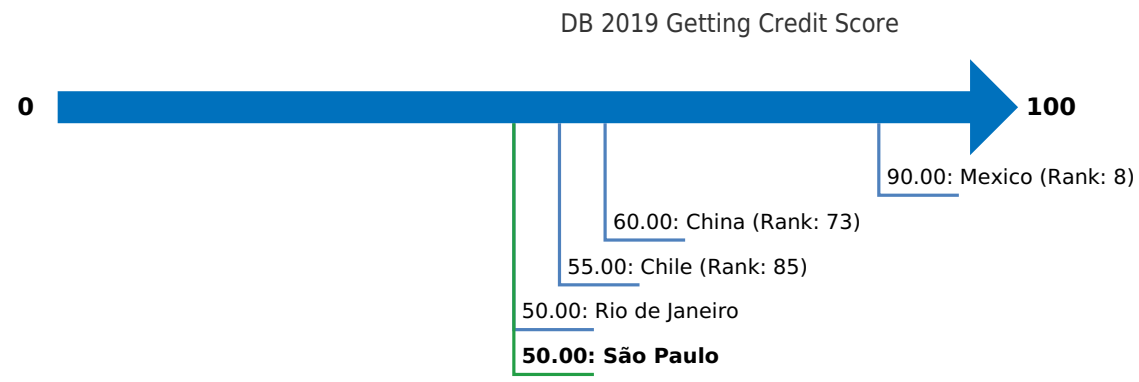
The case scenarios also involve assumptions. In case A, as collateral for the loan, ABC grants BizBank a nonpossessory security interest in one category of movable assets, for example, its machinery or its inventory. ABC wants to keep both possession and ownership of the collateral. In economies where the law does not allow nonpossessory security interests in movable property, ABC and BizBank use a fiduciary transfer-of-title arrangement (or a similar substitute for nonpossessory security interests).

In case B, ABC grants BizBank a business charge, enterprise charge, floating charge or any charge that gives BizBank a security interest over ABC's combined movable assets (or as much of ABC's movable assets as possible). ABC keeps ownership and possession of the assets.

Getting Credit - São Paulo

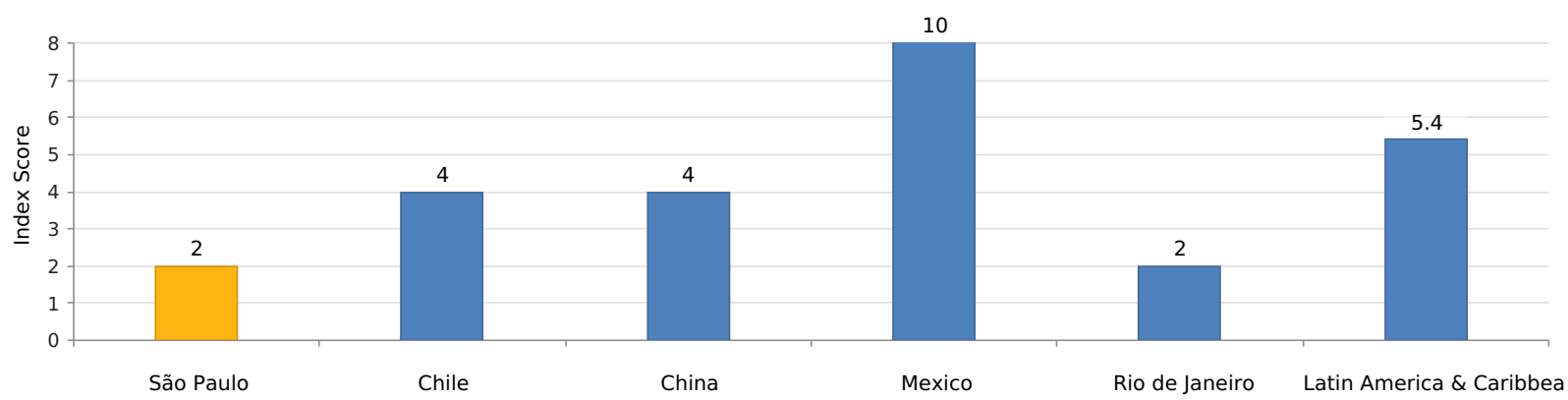
Indicator	São Paulo	Latin America & Caribbean	OECD high income	Best Regulatory Performance
Strength of legal rights index (0-12)	2	5.4	6.1	12 (5 Economies)
Depth of credit information index (0-8)	8	4.9	6.7	8 (42 Economies)
Credit registry coverage (% of adults)	78.7	14.6	21.8	100.0 (4 Economies)
Credit bureau coverage (% of adults)	80.5	44.5	65.3	100.0 (25 Economies)

Figure – Getting Credit in São Paulo and comparator economies – Ranking and Score



Note: The ranking of economies on the ease of getting credit is determined by sorting their scores for getting credit. These scores are the sum of the scores for the strength of legal rights index and the depth of credit information index.

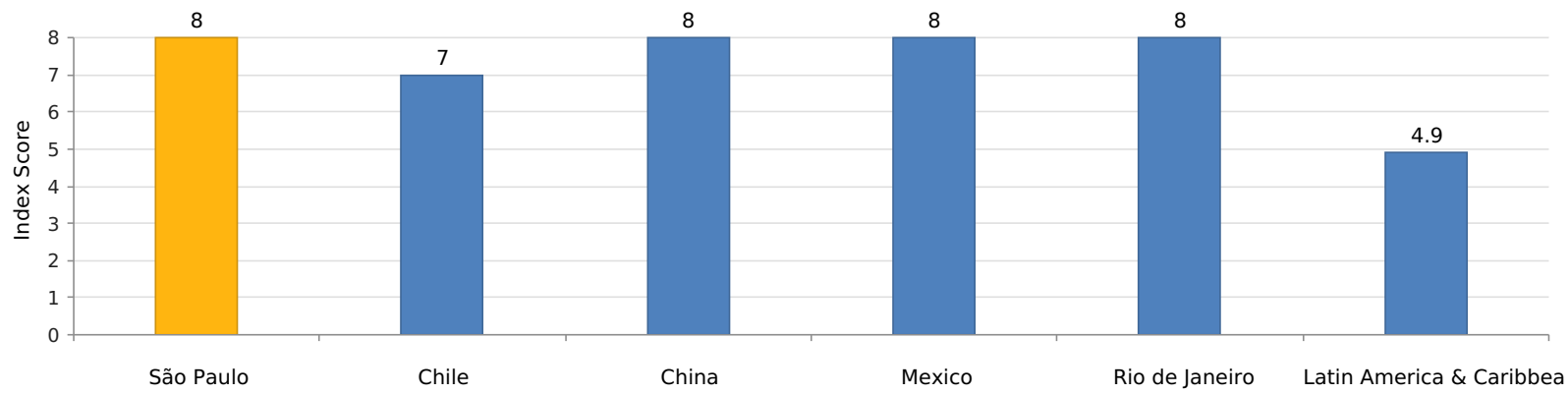
Figure – Legal Rights in São Paulo and comparator economies



Details – Legal Rights in São Paulo

Strength of legal rights index (0-12)	2
Does an integrated or unified legal framework for secured transactions that extends to the creation, publicity and enforcement of functional equivalents to security interests in movable assets exist in the economy?	No
Does the law allow businesses to grant a non possessory security right in a single category of movable assets, without requiring a specific description of collateral?	No
Does the law allow businesses to grant a non possessory security right in substantially all of its assets, without requiring a specific description of collateral?	No
May a security right extend to future or after-acquired assets, and does it extend automatically to the products, proceeds and replacements of the original assets?	No
Is a general description of debts and obligations permitted in collateral agreements; can all types of debts and obligations be secured between parties; and can the collateral agreement include a maximum amount for which the assets are encumbered?	No
Is a collateral registry in operation for both incorporated and non-incorporated entities, that is unified geographically and by asset type, with an electronic database indexed by debtor's name?	No
Does a notice-based collateral registry exist in which all functional equivalents can be registered?	No
Does a modern collateral registry exist in which registrations, amendments, cancellations and searches can be performed online by any interested third party?	No
Are secured creditors paid first (i.e. before tax claims and employee claims) when a debtor defaults outside an insolvency procedure?	No
Are secured creditors paid first (i.e. before tax claims and employee claims) when a business is liquidated?	No
Are secured creditors subject to an automatic stay on enforcement when a debtor enters a court-supervised reorganization procedure? Does the law protect secured creditors' rights by providing clear grounds for relief from the stay and sets a time limit for it?	Yes
Does the law allow parties to agree on out of court enforcement at the time a security interest is created? Does the law allow the secured creditor to sell the collateral through public auction or private tender, as well as, for the secured creditor to keep the asset in satisfaction of the debt?	Yes

Figure – Credit Information in São Paulo and comparator economies



Details – Credit Information in São Paulo

Depth of credit information index (0-8)	Credit bureau	Credit registry	Score
Are data on both firms and individuals distributed?	Yes	Yes	1
Are both positive and negative credit data distributed?	No	Yes	1
Are data from retailers or utility companies - in addition to data from banks and financial institutions - distributed?	Yes	No	1
Are at least 2 years of historical data distributed? (Credit bureaus and registries that distribute more than 10 years of negative data or erase data on defaults as soon as they are repaid obtain a score of 0 for this component.)	No	Yes	1
Are data on loan amounts below 1% of income per capita distributed?	Yes	Yes	1
By law, do borrowers have the right to access their data in the credit bureau or credit registry?	Yes	Yes	1
Can banks and financial institutions access borrowers' credit information online (for example, through an online platform, a system-to-system connection or both)?	Yes	Yes	1
Are bureau or registry credit scores offered as a value-added service to help banks and financial institutions assess the creditworthiness of borrowers?	Yes	No	1
Total Score ("yes" to either public bureau or private registry)			**8**

Note: An economy receives a score of 1 if there is a "yes" to either bureau or registry. If the credit bureau or registry is not operational or covers less than 5% of the adult population, the total score on the depth of credit information index is 0.

Coverage	Credit bureau	Credit registry
Number of individuals	107,324,744	109,542,511
Number of firms	10,175,900	5,299,132
Total	117,500,644	114,841,643
Percentage of adult population	**80.5**	**78.7**

Getting Credit - Rio de Janeiro

Indicator	Rio de Janeiro	Latin America & Caribbean	OECD high income	Best Regulatory Performance
Strength of legal rights index (0-12)	2	5.4	6.1	12 (5 Economies)
Depth of credit information index (0-8)	8	4.9	6.7	8 (42 Economies)
Credit registry coverage (% of adults)	78.7	14.6	21.8	100.0 (4 Economies)
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Figure – Getting Credit in Rio de Janeiro and comparator economies – Ranking and Score

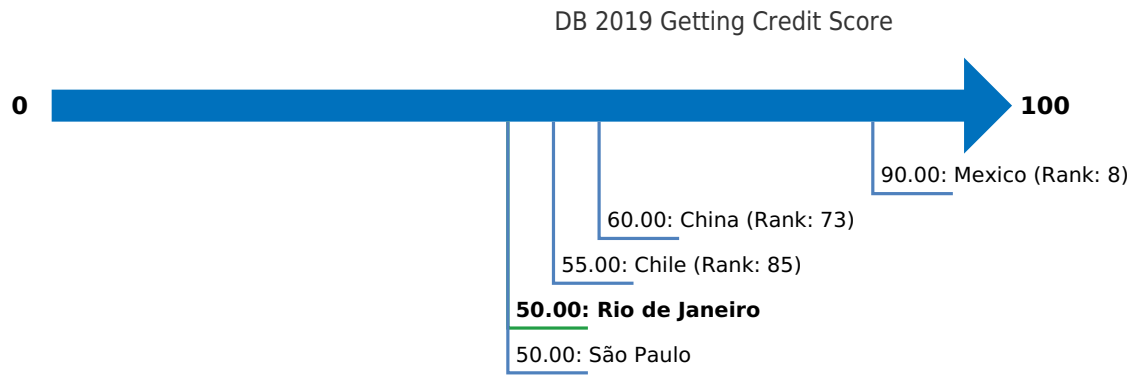

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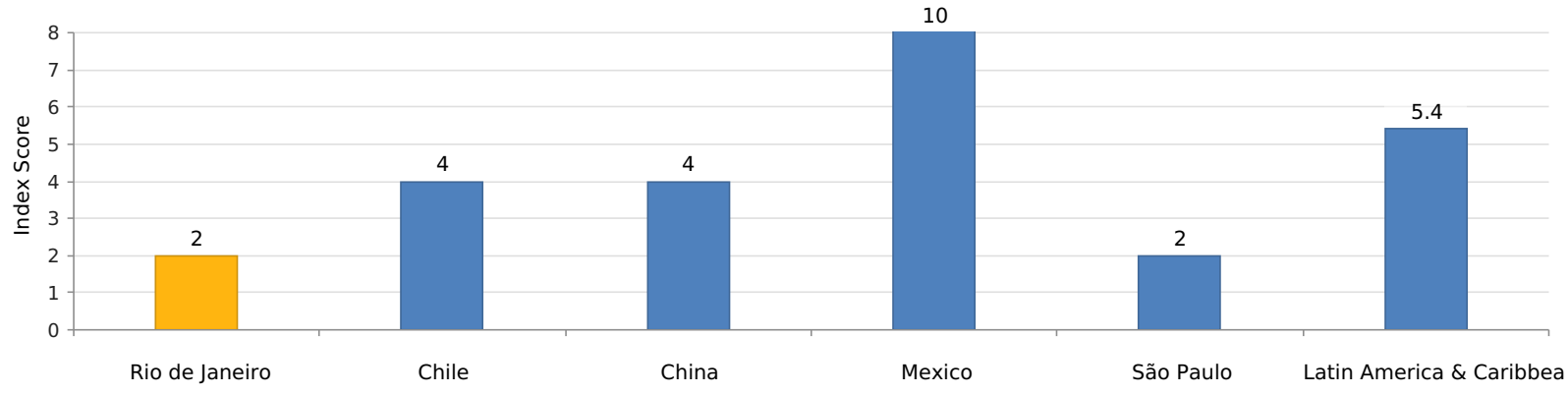
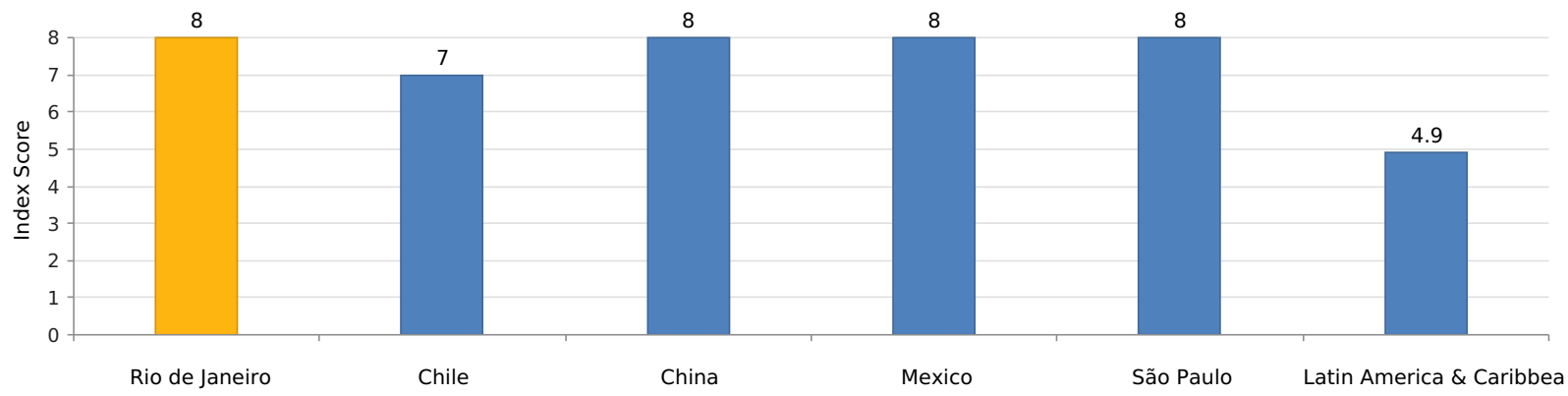
Figure – Legal Rights in Rio de Janeiro and comparator economies



Details – Legal Rights in Rio de Janeiro

Strength of legal rights index (0-12)	2
Does an integrated or unified legal framework for secured transactions that extends to the creation, publicity and enforcement of functional equivalents to security interests in movable assets exist in the economy?	No
Does the law allow businesses to grant a non possessory security right in a single category of movable assets, without requiring a specific description of collateral?	No
Does the law allow businesses to grant a non possessory security right in substantially all of its assets, without requiring a specific description of collateral?	No
May a security right extend to future or after-acquired assets, and does it extend automatically to the products, proceeds and replacements of the original assets?	No
Is a general description of debts and obligations permitted in collateral agreements; can all types of debts and obligations be secured between parties; and can the collateral agreement include a maximum amount for which the assets are encumbered?	No
Is a collateral registry in operation for both incorporated and non-incorporated entities, that is unified geographically and by asset type, with an electronic database indexed by debtor's name?	No
Does a notice-based collateral registry exist in which all functional equivalents can be registered?	No
Does a modern collateral registry exist in which registrations, amendments, cancellations and searches can be performed online by any interested third party?	No
Are secured creditors paid first (i.e. before tax claims and employee claims) when a debtor defaults outside an insolvency procedure?	No
Are secured creditors paid first (i.e. before tax claims and employee claims) when a business is liquidated?	No
Are secured creditors subject to an automatic stay on enforcement when a debtor enters a court-supervised reorganization procedure? Does the law protect secured creditors' rights by providing clear grounds for relief from the stay and sets a time limit for it?	Yes
Does the law allow parties to agree on out of court enforcement at the time a security interest is created? Does the law allow the secured creditor to sell the collateral through public auction or private tender, as well as, for the secured creditor to keep the asset in satisfaction of the debt?	Yes

Figure – Credit Information in Rio de Janeiro and comparator economies



Details – Credit Information in Rio de Janeiro

Depth of credit information index (0-8)	Credit bureau	Credit registry	Score
Are data on both firms and individuals distributed?	Yes	Yes	1
Are both positive and negative credit data distributed?	No	Yes	1
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Total Score ("yes" to either public bureau or private registry)			**8**

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Percentage of adult population	**80.5**	**78.7**

Protecting Minority Investors

This topic measures the strength of minority shareholder protections against misuse of corporate assets by directors for their personal gain as well as shareholder rights, governance safeguards and corporate transparency requirements that reduce the risk of abuse. The most recent round of data collection for the project was completed in May 2018. See the methodology for more information.

What the indicators measure

- **Extent of disclosure index (0–10)**: Review and approval requirements for related-party transactions; Disclosure requirements for related-party transactions
- **Extent of director liability index (0-10)**: Ability of minority shareholders to sue and hold interested directors liable for prejudicial related-party transactions; Available legal remedies (damages, disgorgement of profits, fines, imprisonment, rescission of the transaction)
- **Ease of shareholder suits index (0-10)**: Access to internal corporate documents; Evidence obtainable during trial and allocation of legal expenses
- **Extent of conflict of interest regulation index (0-10)**: Simple average of the extent of disclosure, extent of director liability and ease of shareholder indices
- **Extent of shareholder rights index (0-10)**: Shareholders' rights and role in major corporate decisions
- **Extent of ownership and control index (0-10)**: Governance safeguards protecting shareholders from undue board control and entrenchment
- **Extent of corporate transparency index (0-10)**: Corporate transparency on ownership stakes, compensation, audits and financial prospects
- **Extent of shareholder governance index (0-10)**: Simple average of the extent of shareholders rights, extent of ownership and control and extent of corporate transparency indices
- **Strength of minority investor protection index (0–10)**: Simple average of the extent of conflict of interest regulation and extent of shareholder governance indices

Case study assumptions

To make the data comparable across economies, a case study uses several assumptions about the business and the transaction.

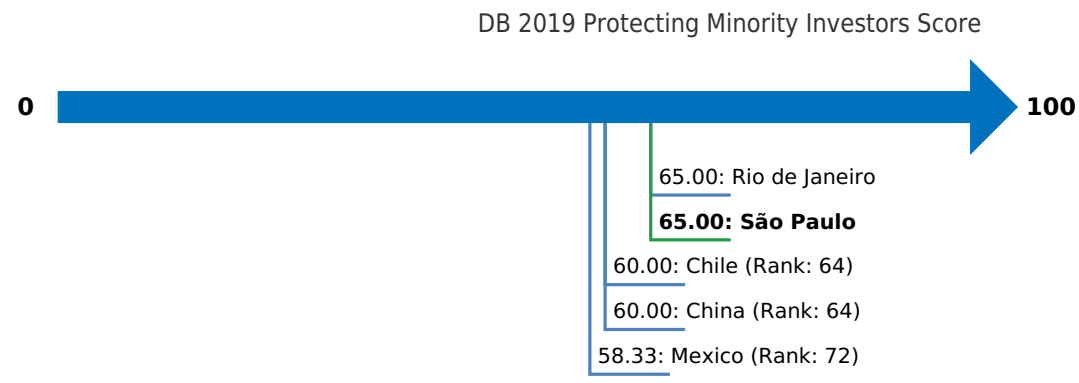
The business (Buyer):
- Is a publicly traded corporation listed on the economy's most important stock exchange. If there are fewer than ten listed companies or if there is no stock exchange in the economy, it is assumed that Buyer is a large private company with multiple shareholders.
- Has a board of 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.
- Has a supervisory board in economies with a two-tier board system on which Mr. James appointed 60% of the shareholder-elected members.
- Has not adopted bylaws or articles of association that go beyond the minimum requirements. Does not follow codes, principles, recommendations or guidelines that are not mandatory.
- Is a manufacturing company with its own distribution network.

The transaction involves the following details:
- Mr. James owns 60% of Buyer, sits on Buyer's board of directors and elected two directors to Buyer's five-member board.
- Mr. James also owns 90% of Seller, a company that operates a chain of retail hardware stores. Seller recently closed a large number of its stores.
- Mr. James proposes that Buyer purchase Seller's unused fleet of trucks to expand Buyer's distribution of its food products, a proposal to which Buyer agrees. The price is equal to 10% of Buyer's assets and is higher than the market value.
- The proposed transaction is part of the company's principal activity and is not outside the authority of the company.
- Buyer enters into the transaction. All required approvals are obtained, and all required disclosures made—that is, the transaction was not entered into fraudulently.
- The transaction causes damages to Buyer. Shareholders sue Mr. James and the executives and directors that approved the transaction.

Protecting Minority Investors - São Paulo

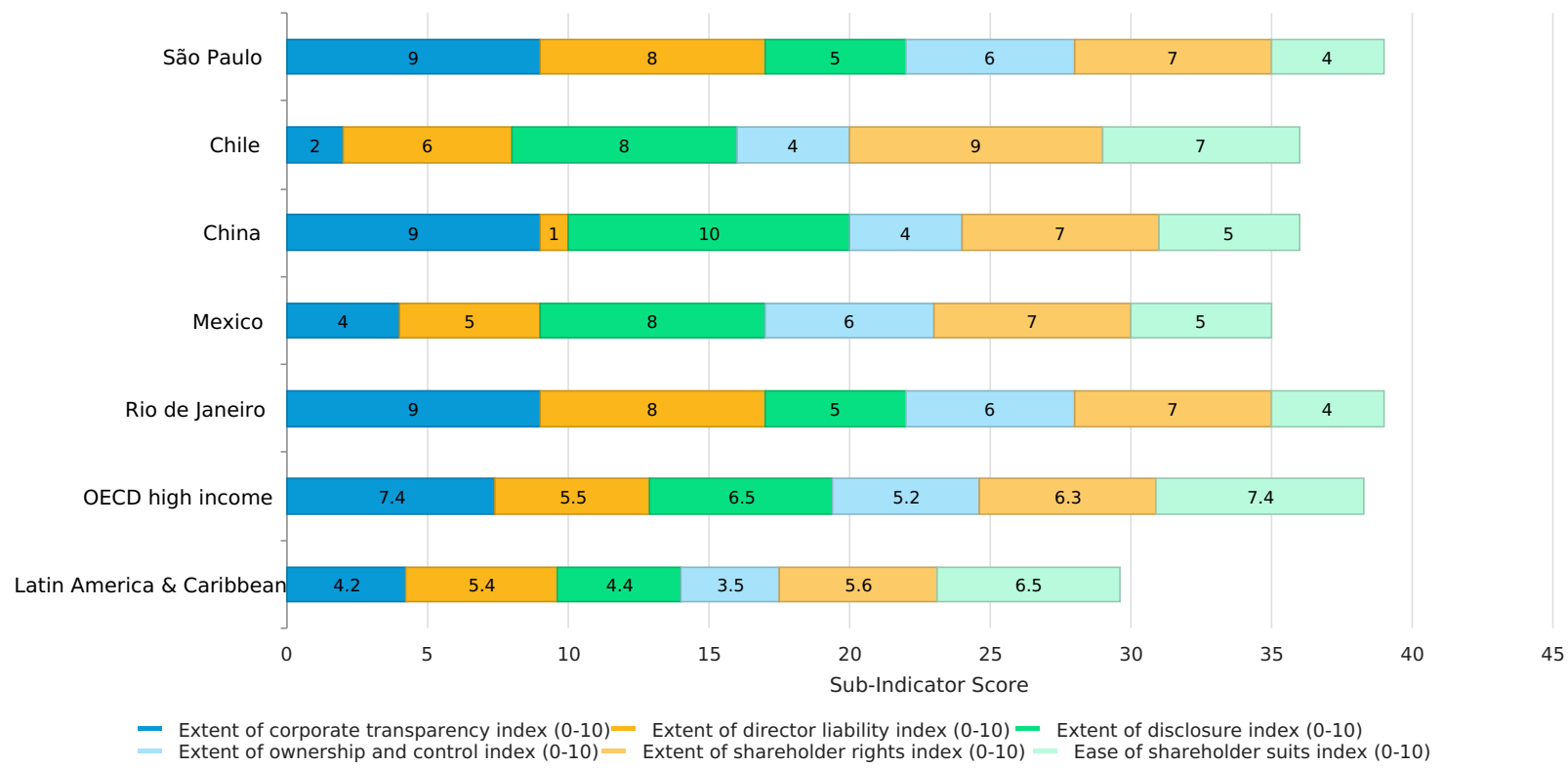
Indicator	São Paulo	Latin America & Caribbean	OECD high income	Best Regulatory Performance
Extent of disclosure index (0-10)	5.0	4.1	6.5	10 (13 Economies)
Extent of director liability index (0-10)	8.0	5.2	5.3	10 (Cambodia)
Ease of shareholder suits index (0-10)	4.0	6.7	7.3	10 (Djibouti)
Extent of shareholder rights index (0-10)	7.0	5.4	6.4	10 (Kazakhstan)
Extent of ownership and control index (0-10)	6.0	3.2	5.4	None in 2017/18
Extent of corporate transparency index (0-10)	9.0	3.9	7.6	10 (6 Economies)

Figure – Protecting Minority Investors in São Paulo and comparator economies – Ranking and Score



Note: The ranking of economies on the strength of minority investor protections is determined by sorting their scores for protecting minority investors. These scores are the simple average of the scores for the extent of conflict of interest regulation index and the extent of shareholder governance index.

Figure – Protecting Minority Investors in São Paulo and comparator economies – Measure of Quality



Details - Protecting Minority Investors in São Paulo - Measure of Quality

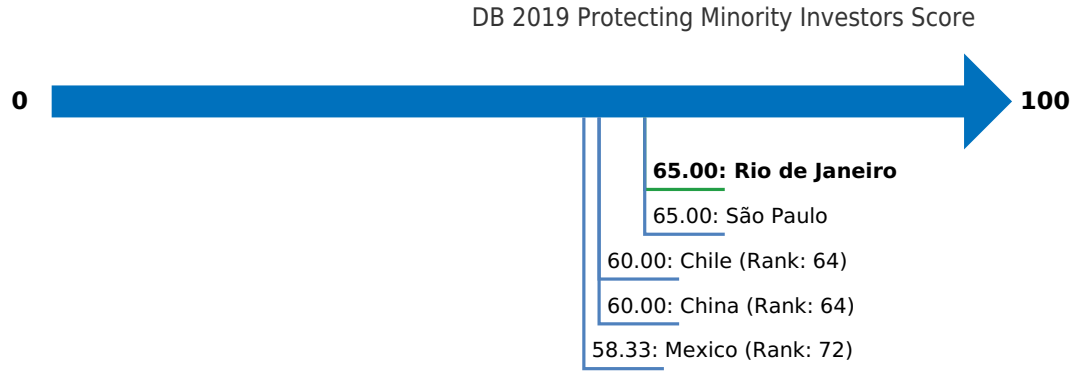
	Answer	Score
Extent of conflict of interest regulation index (0-10)		**5.7**
Extent of disclosure index (0-10)		**5.0**
Whose decision is sufficient to approve the Buyer-Seller transaction? (0-3)	CEO alone	0.0
Must an external body review the terms of the transaction before it takes place? (0-1)	No	0.0
Must Mr. James disclose his conflict of interest to the board of directors? (0-2)	Full disclosure of all material facts	2.0
Must Buyer disclose the transaction in periodic filings (e.g. annual reports)? (0-2)	Disclosure on the transaction and on the conflict of interest	2.0
Must Buyer immediately disclose the transaction to the public? (0-2)	Disclosure on the transaction only	1.0
Extent of director liability index (0-10)		**8.0**
Can shareholders representing 10% of Buyer's share capital sue for the damage the transaction caused to Buyer? (0-1)	Yes	1.0
Can shareholders hold Mr. James liable for the damage the transaction caused to Buyer? (0-2)	Liable if unfair or prejudicial	2.0
Can shareholders hold the other directors liable for the damage the transaction caused to Buyer (0-2)	Liable if negligent	1.0
Must Mr. James pay damages for the harm caused to Buyer upon a successful claim by shareholders? (0-1)	Yes	1.0
Must Mr. James repay profits made from the transaction upon a successful claim by shareholders? (0-1)	Yes	1.0
Is Mr. James disqualified upon a successful claim by shareholders? (0-1)	No	0.0
Can a court void the transaction upon a successful claim by shareholders? (0-2)	Voidable if unfair or prejudicial	2.0
Ease of shareholder suits index (0-10)		**4.0**
Before suing, can shareholders representing 10% of Buyer's share capital inspect the transaction documents? (0-1)	No	0.0
Can the plaintiff obtain any documents from the defendant and witnesses at trial? (0-3)	Any relevant document	3.0
Can the plaintiff request categories of documents from the defendant without identifying specific ones? (0-1)	No	0.0
Can the plaintiff directly question the defendant and witnesses at trial? (0-2)	No	0.0
Is the level of proof required for civil suits lower than that of criminal cases? (0-1)	No	0.0
Can shareholder plaintiffs recover their legal expenses from the company? (0-2)	Yes if successful	1.0
Extent of shareholder governance index (0-10)		**7.3**
Extent of shareholder rights index (0-10)		**7.0**
Does the sale of 51% of Buyer's assets require shareholder approval?	No	0.0
Can shareholders representing 10% of Buyer's share capital call for a meeting of shareholders?	Yes	1.0
Must Buyer obtain its shareholders' approval every time it issues new shares?	Yes	1.0
Do shareholders automatically receive preemption rights every time Buyer issues new shares?	Yes	1.0
Must shareholders approve the election and dismissal of the external auditor?	No	0.0

Are changes to the rights of a class of shares only possible if the holders of the affected shares approve?	Yes	1.0
Assuming that Buyer is a limited company, does the sale of 51% of its assets require member approval?	No	0.0
Assuming that Buyer is a limited company, can members representing 10% call for a meeting of members?	Yes	1.0
Assuming that Buyer is a limited company, must all or almost all members consent to add a new member?	Yes	1.0
Assuming that Buyer is a limited company, must a member first offer to sell their interest to the existing members before they can sell to non-members?	Yes	1.0
Extent of ownership and control index (0-10)		**6.0**
Is it forbidden to appoint the same individual as CEO and chairperson of the board of directors?	No	0.0
Must the board of directors include independent and nonexecutive board members?	No	0.0
Can shareholders remove members of the board of directors without cause before the end of their term?	Yes	1.0
Must the board of directors include a separate audit committee exclusively comprising board members?	Yes	1.0
Must a potential acquirer make a tender offer to all shareholders upon acquiring 50% of Buyer?	Yes	1.0
Must Buyer pay declared dividends within a maximum period set by law?	Yes	1.0
Is a subsidiary prohibited from acquiring shares issued by its parent company?	Yes	1.0
Assuming that Buyer is a limited company, must Buyer have a mechanism to resolve disagreements among members?	Yes	1.0
Assuming that Buyer is a limited company, must a potential acquirer make a tender offer to all shareholders upon acquiring 50% of Buyer?	No	0.0
Assuming that Buyer is a limited company, must Buyer distribute profits within a maximum period set by law?	No	0.0
Extent of corporate transparency index (0-10)		**9.0**
Must Buyer disclose direct and indirect beneficial ownership stakes representing 5%?	Yes	1.0
Must Buyer disclose information about board members' primary employment and directorships in other companies?	Yes	1.0
Must Buyer disclose the compensation of individual managers?	Yes	1.0
Must a detailed notice of general meeting be sent 21 days before the meeting?	No	0.0
Can shareholders representing 5% of Buyer's share capital put items on the general meeting agenda?	Yes	1.0
Must Buyer's annual financial statements be audited by an external auditor?	Yes	1.0
Must Buyer disclose its audit reports to the public?	Yes	1.0
Assuming that Buyer is a limited company, must members meet at least once a year?	Yes	1.0
Assuming that Buyer is a limited company, can members representing 5% put items on the meeting agenda?	Yes	1.0
Assuming that Buyer is a limited company, must Buyer's annual financial statements be audited by an external auditor?	Yes	1.0

Protecting Minority Investors - Rio de Janeiro

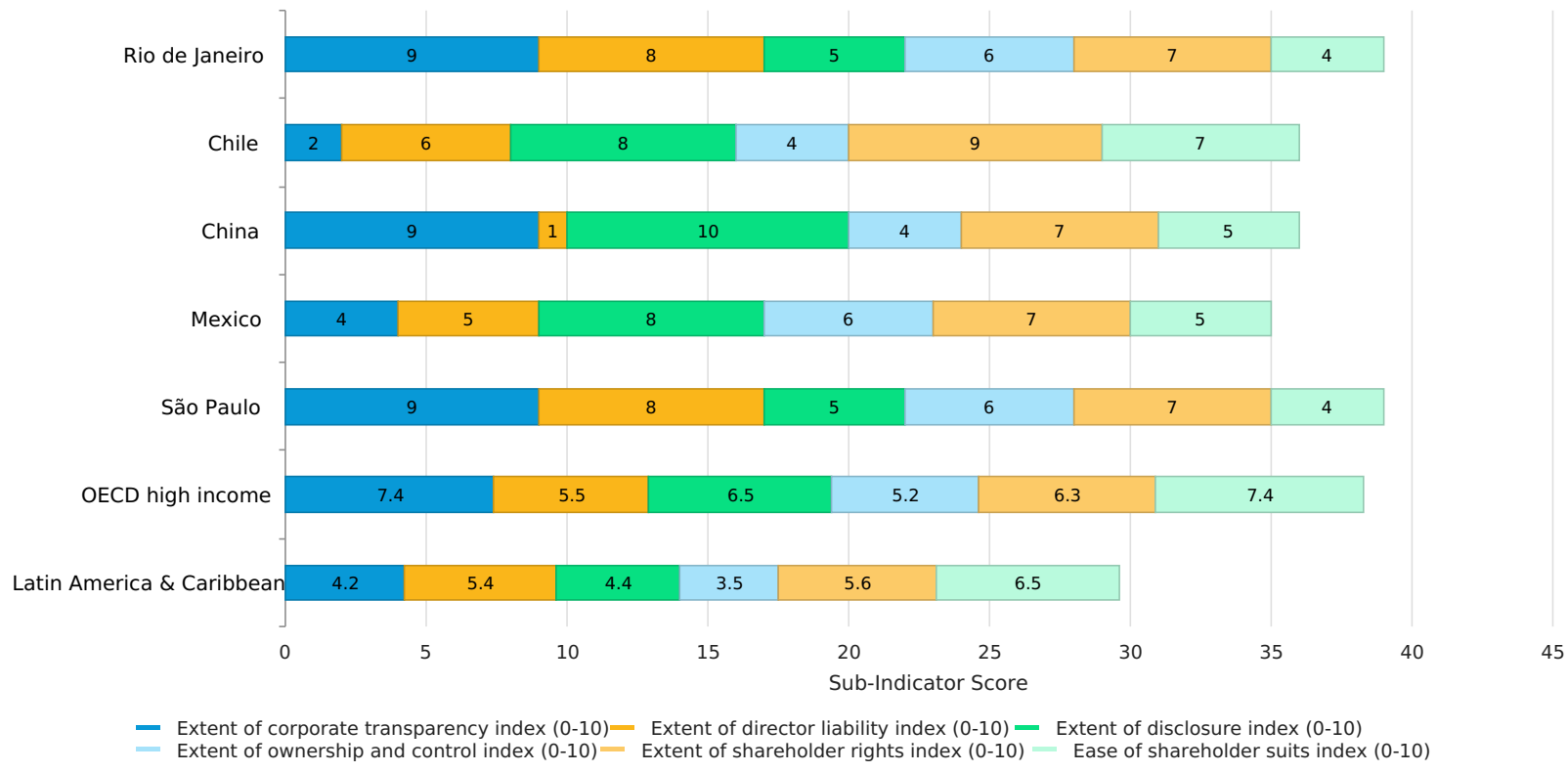
Indicator	Rio de Janeiro	Latin America & Caribbean	OECD high income	Best Regulatory Performance
Extent of disclosure index (0-10)	5.0	4.1	6.5	10 (13 Economies)
Extent of director liability index (0-10)	8.0	5.2	5.3	10 (Cambodia)
Ease of shareholder suits index (0-10)	4.0	6.7	7.3	10 (Djibouti)
Extent of shareholder rights index (0-10)	7.0	5.4	6.4	10 (Kazakhstan)
Extent of ownership and control index (0-10)	6.0	3.2	5.4	None in 2017/18
Extent of corporate transparency index (0-10)	9.0	3.9	7.6	10 (6 Economies)

Figure – Protecting Minority Investors in Rio de Janeiro and comparator economies – Ranking and Score



Note: The ranking of economies on the strength of minority investor protections is determined by sorting their scores for protecting minority investors. These scores are the simple average of the scores for the extent of conflict of interest regulation index and the extent of shareholder governance index.

Figure – Protecting Minority Investors in Rio de Janeiro and comparator economies – Measure of Quality



Details – Protecting Minority Investors in Rio de Janeiro – Measure of Quality

	Answer	Score
Extent of conflict of interest regulation index (0-10)		**5.7**
Extent of disclosure index (0-10)		**5.0**
Whose decision is sufficient to approve the Buyer-Seller transaction? (0-3)	CEO alone	0.0
Must an external body review the terms of the transaction before it takes place? (0-1)	No	0.0
Must Mr. James disclose his conflict of interest to the board of directors? (0-2)	Full disclosure of all material facts	2.0
Must Buyer disclose the transaction in periodic filings (e.g. annual reports)? (0-2)	Disclosure on the transaction and on the conflict of interest	2.0
Must Buyer immediately disclose the transaction to the public? (0-2)	Disclosure on the transaction only	1.0
Extent of director liability index (0-10)		**8.0**
Can shareholders representing 10% of Buyer's share capital sue for the damage the transaction caused to Buyer? (0-1)	Yes	1.0
Can shareholders hold Mr. James liable for the damage the transaction caused to Buyer? (0-2)	Liable if unfair or prejudicial	2.0
Can shareholders hold the other directors liable for the damage the transaction caused to Buyer (0-2)	Liable if negligent	1.0
Must Mr. James pay damages for the harm caused to Buyer upon a successful claim by shareholders? (0-1)	Yes	1.0
Must Mr. James repay profits made from the transaction upon a successful claim by shareholders? (0-1)	Yes	1.0
Is Mr. James disqualified upon a successful claim by shareholders? (0-1)	No	0.0
Can a court void the transaction upon a successful claim by shareholders? (0-2)	Voidable if unfair or prejudicial	2.0
Ease of shareholder suits index (0-10)		**4.0**
Before suing, can shareholders representing 10% of Buyer's share capital inspect the transaction documents? (0-1)	No	0.0
Can the plaintiff obtain any documents from the defendant and witnesses at trial? (0-3)	Any relevant document	3.0
Can the plaintiff request categories of documents from the defendant without identifying specific ones? (0-1)	No	0.0
Can the plaintiff directly question the defendant and witnesses at trial? (0-2)	No	0.0
Is the level of proof required for civil suits lower than that of criminal cases? (0-1)	No	0.0
Can shareholder plaintiffs recover their legal expenses from the company? (0-2)	Yes if successful	1.0
Extent of shareholder governance index (0-10)		**7.3**
Extent of shareholder rights index (0-10)		**7.0**
Does the sale of 51% of Buyer's assets require shareholder approval?	No	0.0
Can shareholders representing 10% of Buyer's share capital call for a meeting of shareholders?	Yes	1.0
Must Buyer obtain its shareholders' approval every time it issues new shares?	Yes	1.0
Do shareholders automatically receive preemption rights every time Buyer issues new shares?	Yes	1.0
Must shareholders approve the election and dismissal of the external auditor?	No	0.0

Are changes to the rights of a class of shares only possible if the holders of the affected shares approve?	Yes	1.0
Assuming that Buyer is a limited company, does the sale of 51% of its assets require member approval?	No	0.0
Assuming that Buyer is a limited company, can members representing 10% call for a meeting of members?	Yes	1.0
Assuming that Buyer is a limited company, must all or almost all members consent to add a new member?	Yes	1.0
Assuming that Buyer is a limited company, must a member first offer to sell their interest to the existing members before they can sell to non-members?	Yes	1.0
Extent of ownership and control index (0-10)		**6.0**
Is it forbidden to appoint the same individual as CEO and chairperson of the board of directors?	No	0.0
Must the board of directors include independent and nonexecutive board members?	No	0.0
Can shareholders remove members of the board of directors without cause before the end of their term?	Yes	1.0
Must the board of directors include a separate audit committee exclusively comprising board members?	Yes	1.0
Must a potential acquirer make a tender offer to all shareholders upon acquiring 50% of Buyer?	Yes	1.0
Must Buyer pay declared dividends within a maximum period set by law?	Yes	1.0
Is a subsidiary prohibited from acquiring shares issued by its parent company?	Yes	1.0
Assuming that Buyer is a limited company, must Buyer have a mechanism to resolve disagreements among members?	Yes	1.0
Assuming that Buyer is a limited company, must a potential acquirer make a tender offer to all shareholders upon acquiring 50% of Buyer?	No	0.0
Assuming that Buyer is a limited company, must Buyer distribute profits within a maximum period set by law?	No	0.0
Extent of corporate transparency index (0-10)		**9.0**
Must Buyer disclose direct and indirect beneficial ownership stakes representing 5%?	Yes	1.0
Must Buyer disclose information about board members' primary employment and directorships in other companies?	Yes	1.0
Must Buyer disclose the compensation of individual managers?	Yes	1.0
Must a detailed notice of general meeting be sent 21 days before the meeting?	No	0.0
Can shareholders representing 5% of Buyer's share capital put items on the general meeting agenda?	Yes	1.0
Must Buyer's annual financial statements be audited by an external auditor?	Yes	1.0
Must Buyer disclose its audit reports to the public?	Yes	1.0
Assuming that Buyer is a limited company, must members meet at least once a year?	Yes	1.0
Assuming that Buyer is a limited company, can members representing 5% put items on the meeting agenda?	Yes	1.0
Assuming that Buyer is a limited company, must Buyer's annual financial statements be audited by an external auditor?	Yes	1.0

Paying Taxes

This topic records the taxes and mandatory contributions that a medium-size company must pay or withhold in a given year, as well as the administrative burden of paying taxes and contributions and complying with postfiling procedures (VAT refund and tax audit). The most recent round of data collection for the project was completed in May 2018 covering for the Paying Taxes indicator calendar year 2017 (January 1, 2017 – December 31, 2017). See the methodology for more information.

What the indicators measure

Tax payments for a manufacturing company in 2017 (number per year adjusted for electronic and joint filing and payment)

- Total number of taxes and contributions paid or withheld, 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, computing tax payable
- Preparing separate tax accounting books, if required
- Completing tax return, filing with agencies
- Arranging payment or withholding

Total tax and contribution rate (% of commercial profits)

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

Postfiling Index

- Time to comply with a VAT refund (hours)
- Time to obtain a VAT refund (weeks)
- Time to comply with a corporate income tax correction (hours)
- Time to complete a corporate income tax correction (weeks)

Case study assumptions

Using a case scenario, *Doing Business* records taxes and mandatory contributions a medium size company must pay in a year, and measures the administrative burden of paying taxes, contributions and dealing with postfiling processes. Information is also compiled on frequency of filing and payments, time taken to comply with tax laws, time taken to comply with the requirements of postfiling processes and time waiting.

To make data comparable across economies, several assumptions are used:
- TaxpayerCo is a medium-size business that started operations on January 1, 2016. It produces ceramic flowerpots and sells them at retail. All taxes and contributions recorded are paid in the second year of operation (calendar year 2017). Taxes and mandatory contributions are measured at all levels of government.

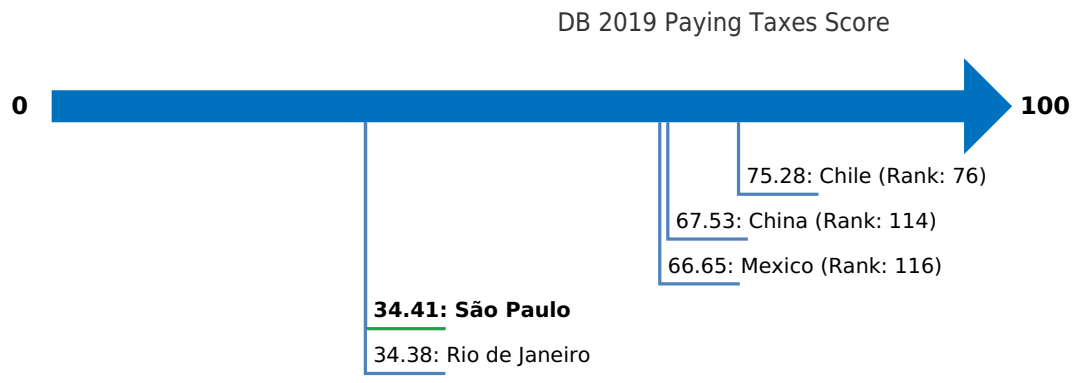
The VAT refund process:
- In June 2017, TaxpayerCo. makes a large capital purchase: the value of the machine is 65 times income per capita of the economy. Sales are equally spread per month (1,050 times income per capita divided by 12) and cost of goods sold are equally expensed per month (875 times income per capita divided by 12). The machinery seller is registered for VAT and excess input VAT incurred in June will be fully recovered after four consecutive months if the VAT rate is the same for inputs, sales and the machine and the tax reporting period is every month. Input VAT will exceed Output VAT in June 2017.

The corporate income tax audit process:
- An error in calculation of income tax liability (for example, use of incorrect tax depreciation rates, or incorrectly treating an expense as tax deductible) leads to an incorrect income tax return and a corporate income tax underpayment. TaxpayerCo. discovered the error and voluntarily notified the tax authority. The value of the underpaid income tax liability is 5% of the corporate income tax liability due. TaxpayerCo. submits corrected information after the deadline for submitting the annual tax return, but within the tax assessment period.

Paying Taxes - São Paulo

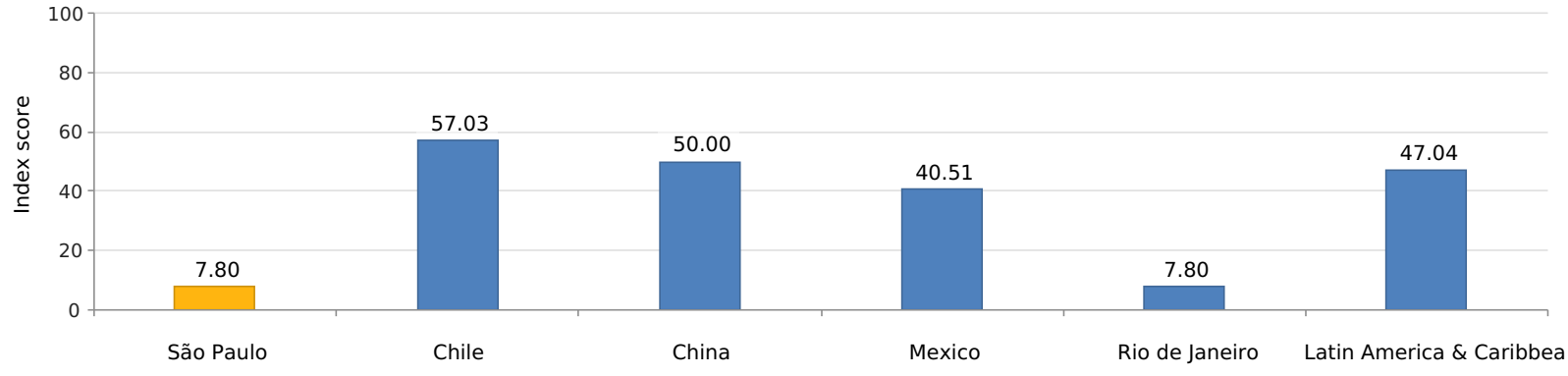
Indicator	São Paulo	Latin America & Caribbean	OECD high income	Best Regulatory Performance
Payments (number per year)	10	27.1	11.2	3 (Hong Kong SAR, China)
Time (hours per year)	1958	330.0	159.4	49 (Singapore)
Total tax and contribution rate (% of profit)	64.7	46.7	39.8	26.1% (32 Economies)
Postfiling index (0-100)	7.80	47.04	84.41	None in 2017/18

Figure – Paying Taxes in São Paulo and comparator economies – Ranking and Score



Note: The ranking of economies on the ease of paying taxes is determined by sorting their scores for paying taxes. These scores are the simple average of the scores for each of the component indicators, with a threshold and a nonlinear transformation applied to one of the component indicators, the total tax and contribution rate. The threshold is defined as the total tax and contribution rate at the 15th percentile of the overall distribution for all years included in the analysis up to and including Doing Business 2015, which is 26.1%. All economies with a total tax and contribution rate below this threshold receive the same score as the economy at the threshold.

Figure – Paying Taxes in São Paulo and comparator economies – Measure of Quality



Details – Paying Taxes in São Paulo

Tax or mandatory contribution	Payments (number)	Notes on Payments	Time (hours)	Statutory tax rate	Tax base	Total tax and contribution rate (% of profit)	Notes on TTCR
Employer paid - Social security contributions (INSS)	1.0	online	335.0	20%	gross salaries	22.56	
Corporate income tax (IRPJ)	1.0	online	462.0	15%+10% (surcharge applies on annual taxable income exceeding R$ 240,000)	taxable profit	16.62	
Employer paid - Payroll tax	1.0	online		8.8%	net salaries	8.84	
Employer paid - Severance contribution (FGTS)	0.0	online and jointly		8%	net salaries	8.04	
Social contribution (CSLL)	1.0	online		9%	taxable profit	5.98	
Property tax	1.0			1,9%- R$ 4500,00	Market value of property, with additions and discounts defined by bands of market value (for São Paulo).	2.47	
Tax on interest	0.0	withheld		20%	interest income	0.51	not included
Vehicle tax	1.0			1.5%	market value of vehicle	0.13	
Establishment inspection fee (TFE)	1.0			fee schedule	type of activity	0.07	
ICMS (similar to VAT)	1.0	online	1161.0	18%	value added (including taxes)	0.00	not included
IPI (similar to VAT)	1.0	online		20%	value added (including taxes)	0.00	not included
PIS/COFINS (similar to VAT)	1.0	online		9.25%	value added	0.00	not included
Employee paid - Social security contributions (INSS)	0.0	online and jointly		11%	gross salaries	0.00	withheld

Totals	10	1958	64.7

Details - Paying Taxes in São Paulo - Tax by Type

Taxes by type	Answer
Profit tax (% of profit)	22.6
Labor tax and contributions (% of profit)	39.4
Other taxes (% of profit)	2.7

Details - Paying Taxes in São Paulo - Measure of Quality

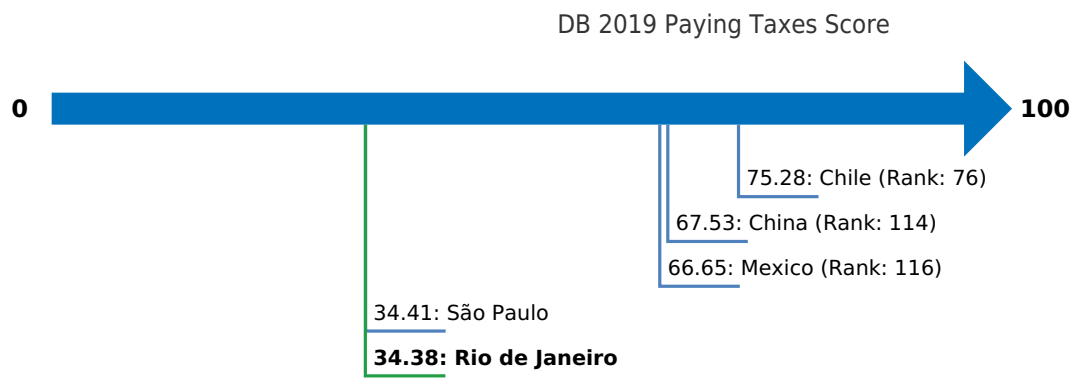
	Answer	Score
Postfiling index (0-100)		**7.80**
VAT refunds		
Does VAT exist?	Yes	
Does a VAT refund process exist per the case study?	No	
Restrictions on VAT refund process	ICIMS: in case of overpayment due to a mistake in the calculation of taxes due IPI: no IPI VAT credit on capital purchase is allowed PIS and COFINS: restricted international traders and others	
Percentage of cases exposed to a VAT audit (%)	Not applicable	
Is there a mandatory carry forward period?	No	
Time to comply with VAT refund (hours)	No VAT refund per case study scenario	0
Time to obtain a VAT refund (weeks)	No VAT refund per case study scenario	0
Corporate income tax audits		
Does corporate income tax exist?	Yes	
Percentage of cases exposed to a corporate income tax audit (%)	25% - 49%	
Time to comply with a corporate income tax correction (hours)	39.0	31.19
Time to complete a corporate income tax correction (weeks)	86.6	0

Notes: Names of taxes have been standardized. For instance income tax, profit tax, tax on company's income are all named corporate income tax in this table.
The hours for VAT include all the VAT and sales taxes applicable.
The hours for Social Security include all the hours for labor taxes and mandatory contributions in general.
The postfiling index is the average of the scores on time to comply with VAT refund, time to obtain a VAT refund, time to comply with a corporate income tax correction and time to complete a corporate income tax correction.
N/A = Not applicable.

Paying Taxes - Rio de Janeiro

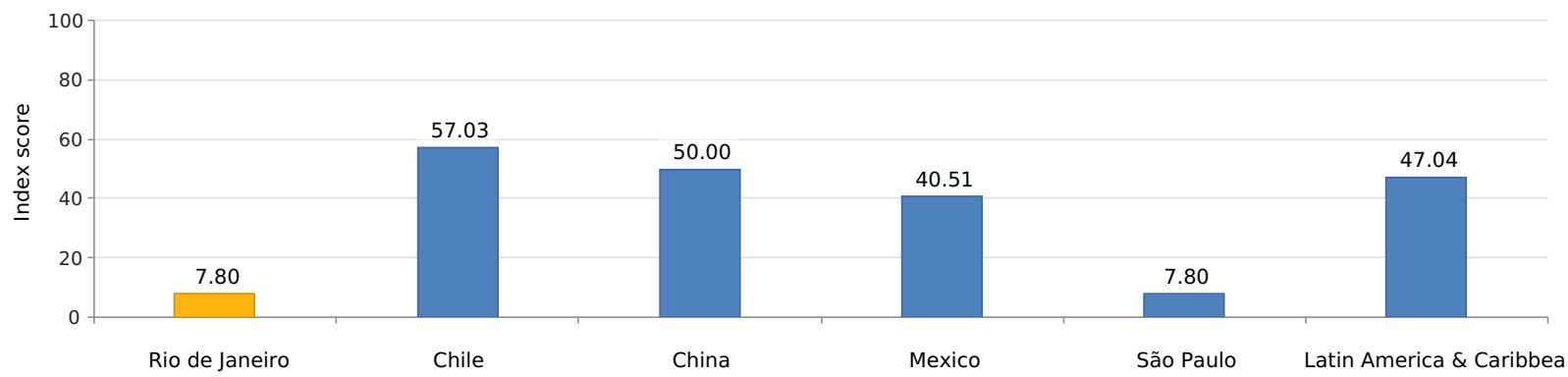
Indicator	Rio de Janeiro	Latin America & Caribbean	OECD high income	Best Regulatory Performance
Payments (number per year)	9	27.1	11.2	3 (Hong Kong SAR, China)
Time (hours per year)	1958	330.0	159.4	49 (Singapore)
Total tax and contribution rate (% of profit)	65.7	46.7	39.8	26.1% (32 Economies)
Postfiling index (0-100)	7.80	47.04	84.41	None in 2017/18

Figure – Paying Taxes in Rio de Janeiro and comparator economies – Ranking and Score



Note: The ranking of economies on the ease of paying taxes is determined by sorting their scores for paying taxes. These scores are the simple average of the scores for each of the component indicators, with a threshold and a nonlinear transformation applied to one of the component indicators, the total tax and contribution rate. The threshold is defined as the total tax and contribution rate at the 15th percentile of the overall distribution for all years included in the analysis up to and including Doing Business 2015, which is 26.1%. All economies with a total tax and contribution rate below this threshold receive the same score as the economy at the threshold.

Figure – Paying Taxes in Rio de Janeiro and comparator economies – Measure of Quality



Details – Paying Taxes in Rio de Janeiro

Tax or mandatory contribution	Payments (number)	Notes on Payments	Time (hours)	Statutory tax rate	Tax base	Total tax and contribution rate (% of profit)	Notes on TTCR
Employer paid - Social security contributions (INSS)	1.0	online	335.0	20%	gross salaries	22.56	
Corporate income tax (IRPJ)	1.0	online	462.0	15%+10% (surcharge applies on annual taxable income exceeding R$ 240,000)	taxable profit	16.22	
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Employer paid - Severance contribution (FGTS)	0.0	online and jointly		8%	net salaries	8.04	
Social contribution (CSLL)	1.0	online		9%	taxable profit	5.84	
Property tax	1.0			2.8%	market value of property	4.15	
Tax on interest	0.0	withheld		20%	interest income	0.51	not included
Vehicle tax	1.0			1%	market value of vehicle	0.08	
Employee paid - Social security contributions (INSS)	0.0	online and jointly		11%	gross salaries	0.00	withheld
ICMS (similar to VAT)	1.0	online	1161.0	20%	value added (including taxes)	0.00	not included
IPI (similar to VAT)	1.0	online		20%	value added (including taxes)	0.00	not included
PIS/COFINS (similar to VAT)	1.0	online		9.25%	value added	0.00	not included
Totals	9		1958			65.7	

Details - Paying Taxes in Rio de Janeiro - Tax by Type

Taxes by type	Answer
Profit tax (% of profit)	22.1
Labor tax and contributions (% of profit)	39.4
Other taxes (% of profit)	4.2

Details – Paying Taxes in Rio de Janeiro – Measure of Quality

	Answer	Score
Postfiling index (0-100)		**7.80**
VAT refunds		
Does VAT exist?	Yes	
Does a VAT refund process exist per the case study?	No	
Restrictions on VAT refund process	ICIMS: in case of overpayment due to a mistake in the calculation of taxes due IPI: no IPI VAT credit on capital purchase is allowed PIS and COFINS: restricted international traders and others	
Percentage of cases exposed to a VAT audit (%)	Not applicable	
Is there a mandatory carry forward period?	No	
Time to comply with VAT refund (hours)	No VAT refund per case study scenario	0
Time to obtain a VAT refund (weeks)	No VAT refund per case study scenario	0
Corporate income tax audits		
Does corporate income tax exist?	Yes	
Percentage of cases exposed to a corporate income tax audit (%)	25% - 49%	
Time to comply with a corporate income tax correction (hours)	39.0	31.19
Time to complete a corporate income tax correction (weeks)	86.6	0

Notes: Names of taxes have been standardized. For instance income tax, profit tax, tax on company's income are all named corporate income tax in this table.
The hours for VAT include all the VAT and sales taxes applicable.
The hours for Social Security include all the hours for labor taxes and mandatory contributions in general.
The postfiling index is the average of the scores on time to comply with VAT refund, time to obtain a VAT refund, time to comply with a corporate income tax correction and time to complete a corporate income tax correction.
N/A = Not applicable.

Trading across Borders

Doing Business records the time and cost associated with the logistical process of exporting and importing goods. *Doing Business* measures the time and cost (excluding tariffs) associated with three sets of procedures—documentary compliance, border compliance and domestic transport—within the overall process of exporting or importing a shipment of goods. The most recent round of data collection for the project was completed in May 2018. See the methodology for more information.

What the indicators measure

Documentary compliance

- Obtaining, preparing and submitting documents during transport, clearance, inspections and port or border handling in origin economy
- Obtaining, preparing and submitting documents required by destination economy and any transit economies
- Covers all documents required by law and in practice, including electronic submissions of information

Border compliance

- Customs clearance and inspections
- Inspections by other agencies (if applied to more than 20% of shipments)
- Handling and inspections that take place at the economy's port or border

Domestic transport

- Loading or unloading of the shipment at the warehouse or port/border
- Transport between warehouse and port/border
- Traffic delays and road police checks while shipment is en route

Case study assumptions

To make the data comparable across economies, a few assumptions are made about the traded goods and the transactions:

Time: Time is measured in hours, and 1 day is 24 hours (for example, 22 days are recorded as 22×24=528 hours). If customs clearance takes 7.5 hours, the data are recorded as is. Alternatively, suppose documents are submitted to a customs agency at 8:00a.m., are processed overnight and can be picked up at 8:00a.m. the next day. The time for customs clearance would be recorded as 24 hours because the actual procedure took 24 hours.

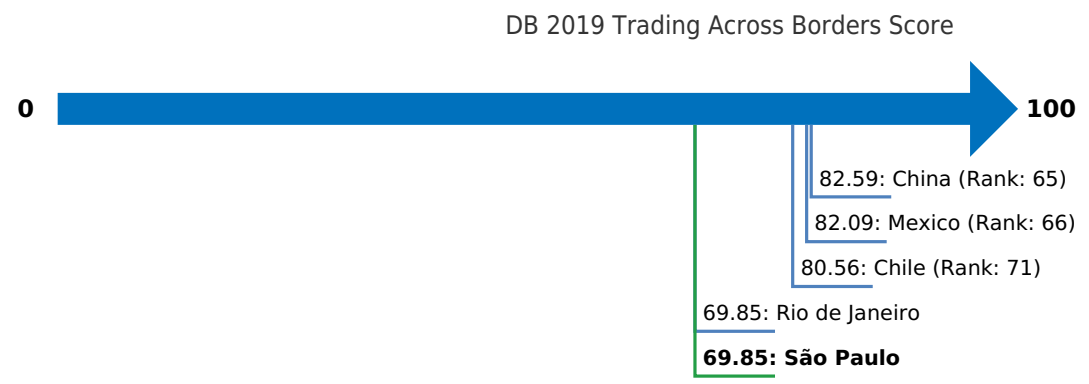
Cost: Insurance cost and informal payments for which no receipt is issued are excluded from the costs recorded. Costs are reported in U.S. dollars. Contributors are asked to convert local currency into U.S. dollars based on the exchange rate prevailing on the day they answer the questionnaire. Contributors are private sector experts in international trade logistics and are informed about exchange rates.

Assumptions of the case study:
- For all 190 economies covered by *Doing Business*, it is assumed a shipment is in a warehouse in the largest business city of the exporting economy and travels to a warehouse in the largest business city of the importing economy.
- It is assumed each economy imports 15 metric tons of containerized auto parts (HS 8708) from its natural import partner—the economy from which it imports the largest value (price times quantity) of auto parts. It is assumed each economy exports the product of its comparative advantage (defined by the largest export value) to its natural export partner—the economy that is the largest purchaser of this product. Shipment value is assumed to be $50,000.
- The mode of transport is the one most widely used for the chosen export or import product and the trading partner, as is the seaport or land border crossing.
- All electronic information submissions requested by any government agency in connection with the shipment are considered to be documents obtained, prepared and submitted during the export or import process.
- A port or border is a place (seaport or land border crossing) where merchandise can enter or leave an economy.
- Relevant government agencies include customs, port authorities, road police, border guards, standardization agencies, ministries or departments of agriculture or industry, national security agencies and any other government authorities.

Trading across Borders - São Paulo

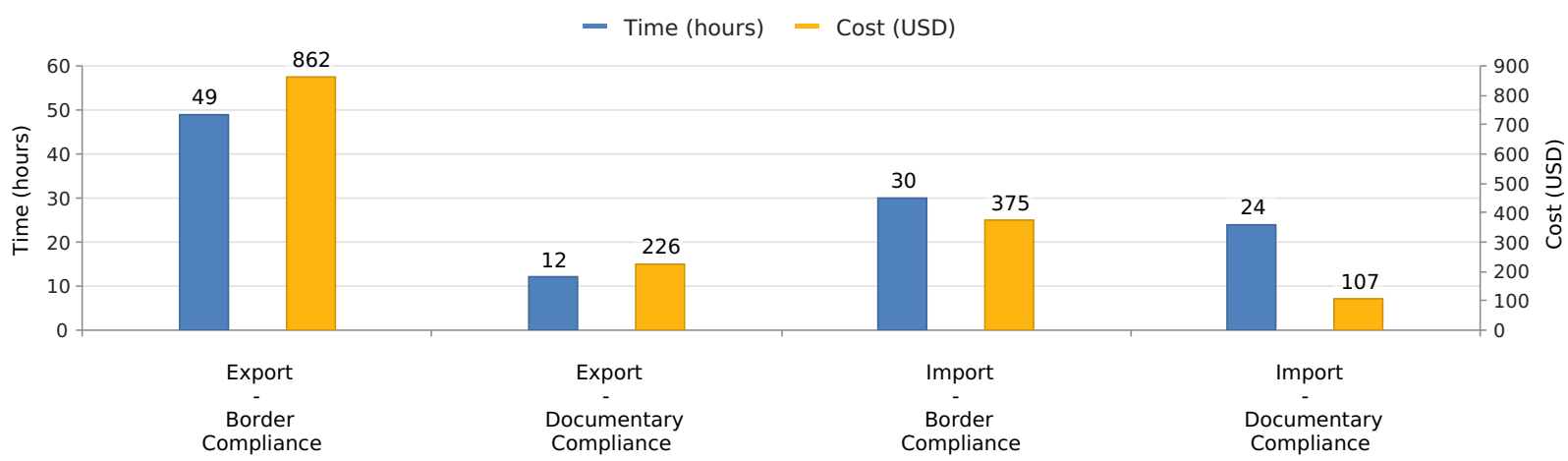
Indicator	São Paulo	Latin America & Caribbean	OECD high income	Best Regulatory Performance
Time to export: Border compliance (hours)	49	61.9	12.5	1 (19 Economies)
Cost to export: Border compliance (USD)	862	529.8	139.1	0 (19 Economies)
Time to export: Documentary compliance (hours)	12	52.5	2.4	1 (26 Economies)
Cost to export: Documentary compliance (USD)	226	110.4	35.2	0 (20 Economies)
Time to import: Border compliance (hours)	30	62.6	8.5	0 (25 Economies)
Cost to import: Border compliance (USD)	375	647.2	100.2	0 (28 Economies)
Time to import: Documentary compliance (hours)	24	79.1	3.4	1 (30 Economies)
Cost to import: Documentary compliance (USD)	107	116.3	24.9	0 (30 Economies)

Figure – Trading across Borders in São Paulo and comparator economies – Ranking and Score



Note: The ranking of economies on the ease of trading across borders is determined by sorting their scores for trading across borders. These scores are the simple average of the scores for the time and cost for documentary compliance and border compliance to export and import.

Figure – Trading across Borders in São Paulo – Time and Cost



Details – Trading across Borders in São Paulo

Characteristics	Export	Import
Product	HS 12 : Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial or medicinal plants; straw and fodder	HS 8708: Parts and accessories of motor vehicles
Trade partner	China	Argentina
Border	Santos port	Uruguaiana border
Distance (km)	84	1560
Domestic transport time (hours)	9	48
Domestic transport cost (USD)	763	1900

Details – Trading across Borders in São Paulo – Components of Border Compliance

	Time to Complete (hours)	Associated Costs (USD)
Export: Clearance and inspections required by customs authorities	7.0	232.6
Export: Clearance and inspections required by agencies other than customs	24.0	125.0
Export: Port or border handling	47.0	504.3
Import: Clearance and inspections required by customs authorities	18.0	225.0
Import: Clearance and inspections required by agencies other than customs	0.0	0.0
Import: Port or border handling	30.0	150.0

Details - Trading across Borders in São Paulo - Trade Documents

Export	Import
Bill of lading	Commercial Invoice
Commercial invoice	Packing list
Customs export declaration	Conhecimento de carga CRT
Export Invoice (Nota Fiscal)	Bank document
Packing list	Certificado de Origem Digital
Health certificate	Nota fiscal
SOLAS certificate	Customs import declaration

Trading across Borders - Rio de Janeiro

Indicator	Rio de Janeiro	Latin America & Caribbean	OECD high income	Best Regulatory Performance
Time to export: Border compliance (hours)	49	61.9	12.5	1 (19 Economies)
Cost to export: Border compliance (USD)	862	529.8	139.1	0 (19 Economies)
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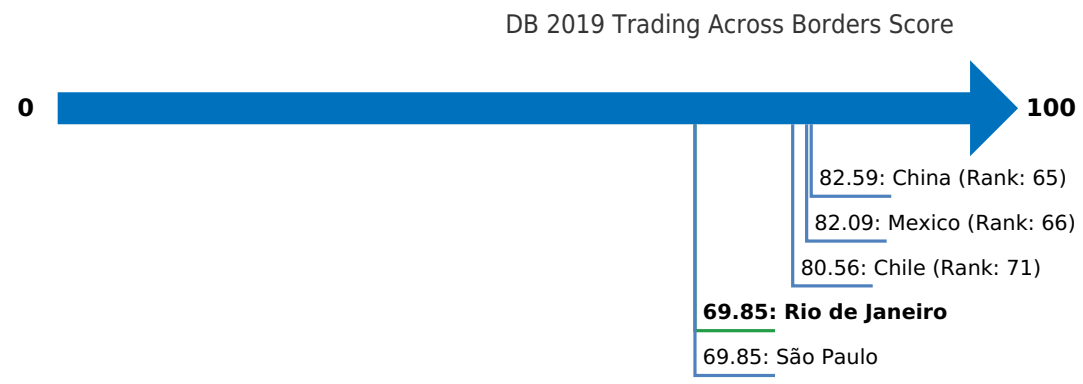
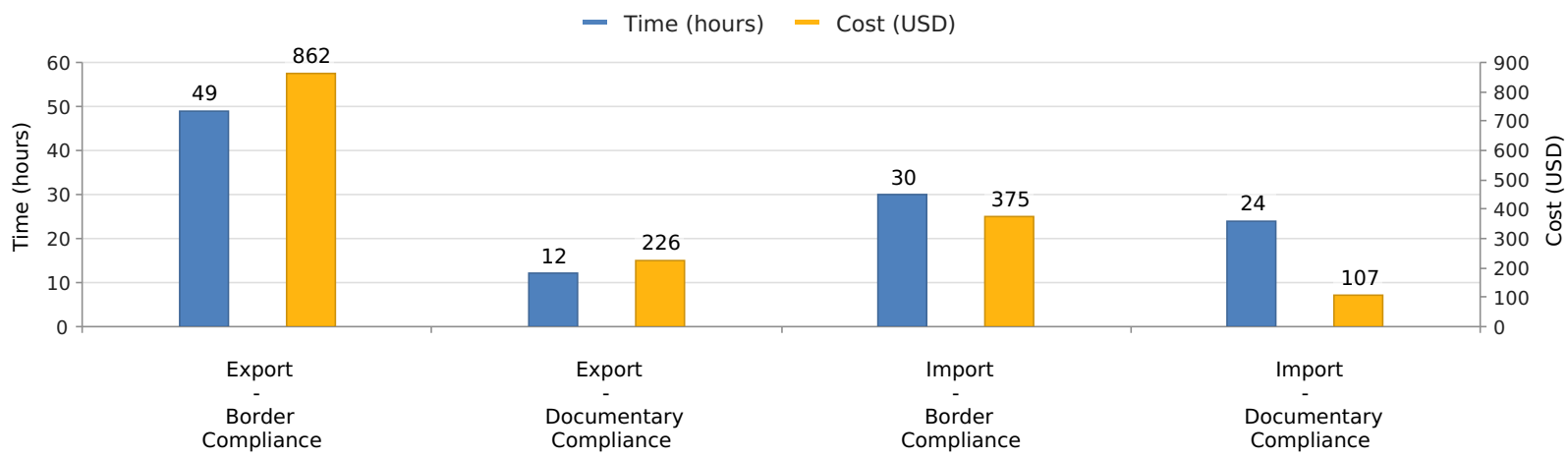
Time to import: Border compliance (hours)	30	62.6	8.5	0 (25 Economies)
Cost to import: Border compliance (USD)	375	647.2	100.2	0 (28 Economies)
Time to import: Documentary compliance (hours)	24	79.1	3.4	1 (30 Economies)
Cost to import: Documentary compliance (USD)	107	116.3	24.9	0 (30 Economies)

Figure – Trading across Borders in Rio de Janeiro and comparator economies – Ranking and Score



Note: The ranking of economies on the ease of trading across borders is determined by sorting their scores for trading across borders. These scores are the simple average of the scores for the time and cost for documentary compliance and border compliance to export and import.

Figure – Trading across Borders in Rio de Janeiro – Time and Cost



Details – Trading across Borders in Rio de Janeiro

Characteristics	Export	Import
Product	HS 12 : Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial or medicinal plants; straw and fodder	HS 8708: Parts and accessories of motor vehicles
Trade partner	China	Argentina
Border	Santos port	Uruguaiana border
Distance (km)	513	1970
Domestic transport time (hours)	16	60
Domestic transport cost (USD)	1779	2450

Details – Trading across Borders in Rio de Janeiro – Components of Border Compliance

	Time to Complete (hours)	Associated Costs (USD)
Export: Clearance and inspections required by customs authorities	7.0	232.6
Export: Clearance and inspections required by agencies other than customs	24.0	125.0
Export: Port or border handling	47.0	504.3
Import: Clearance and inspections required by customs authorities	18.0	225.0
Import: Clearance and inspections required by agencies other than customs	0.0	0.0
Import: Port or border handling	30.0	150.0

Details - Trading across Borders in Rio de Janeiro - Trade Documents

Export	Import
Bill of lading	Commercial invoice
Commercial invoice	Packing list
Customs export declaration	Conhecimento de carga CRT
Export Invoice (Nota Fiscal)	Bank document
Packing list	Certificado de Origem Digital
Health certificate	Nota fiscal
SOLAS certificate	Customs import declaration

Enforcing Contracts

The enforcing contracts indicator measures the time and cost for resolving a commercial dispute through a local first-instance court, and the quality of judicial processes index, evaluating whether each economy has adopted a series of good practices that promote quality and efficiency in the court system. The most recent round of data collection was completed in May 2018. See the methodology for more information.

What the indicators measure

Time required to enforce a contract through the courts (calendar days)

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

Cost required to enforce a contract through the courts (% of claim)

- Attorney fees
- Court fees
- Enforcement fees

Quality of judicial processes index (0-18)

- Court structure and proceedings (-1-5)
- Case management (0-6)
- Court automation (0-4)
- Alternative dispute resolution (0-3)

Case study assumptions

The dispute in the case study involves the breach of a sales contract between 2 domestic businesses. The case study assumes that the court hears an expert on the quality of the goods in dispute. This distinguishes the case from simple debt enforcement.

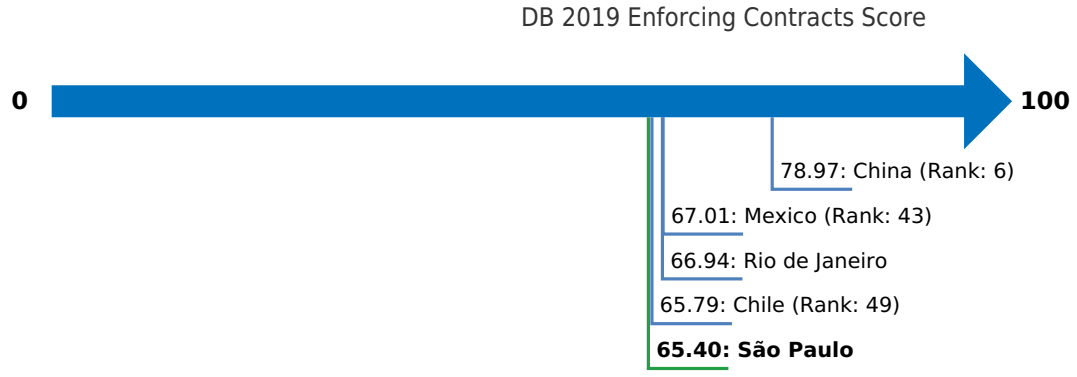
To make the data comparable across economies, *Doing Business* uses several assumptions about the case:
- The dispute concerns a lawful transaction between two businesses (Seller and Buyer), both located in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- The buyer orders custom-made goods, then fails to pay alleging that the goods are not of adequate quality.
- The value of the dispute is 200% of the income per capita or the equivalent in local currency of USD 5,000, whichever is greater.
- The seller sues the buyer before the court with jurisdiction over commercial cases worth 200% of income per capita or $5,000.
- The seller requests the pretrial attachment of the defendant's movable assets to secure the claim.
- The dispute on the quality of the goods requires an expert opinion.
- The judge decides in favor of the seller; there is no appeal.
- The seller enforces the judgment through a public sale of the buyer's movable assets.

Enforcing Contracts - São Paulo

Standardized Case	
Claim value	BRL 59,083
Court name	São Paulo Civil District Court
City Covered	São Paulo

Indicator	São Paulo	Latin America & Caribbean	OECD high income	Best Regulatory Performance
Time (days)	731	768.5	582.4	None in 2017/18
Cost (% of claim value)	20.7	31.4	21.2	None in 2017/18
Quality of judicial processes index (0-18)	12.5	8.5	11.5	None in 2017/18

Figure – Enforcing Contracts in São Paulo and comparator economies – Ranking and Score



Note: The ranking of economies on the ease of enforcing contracts is determined by sorting their scores for enforcing contracts. These scores are the simple average of the scores for each of the component indicators.

Figure – Enforcing Contracts in São Paulo – Time and Cost

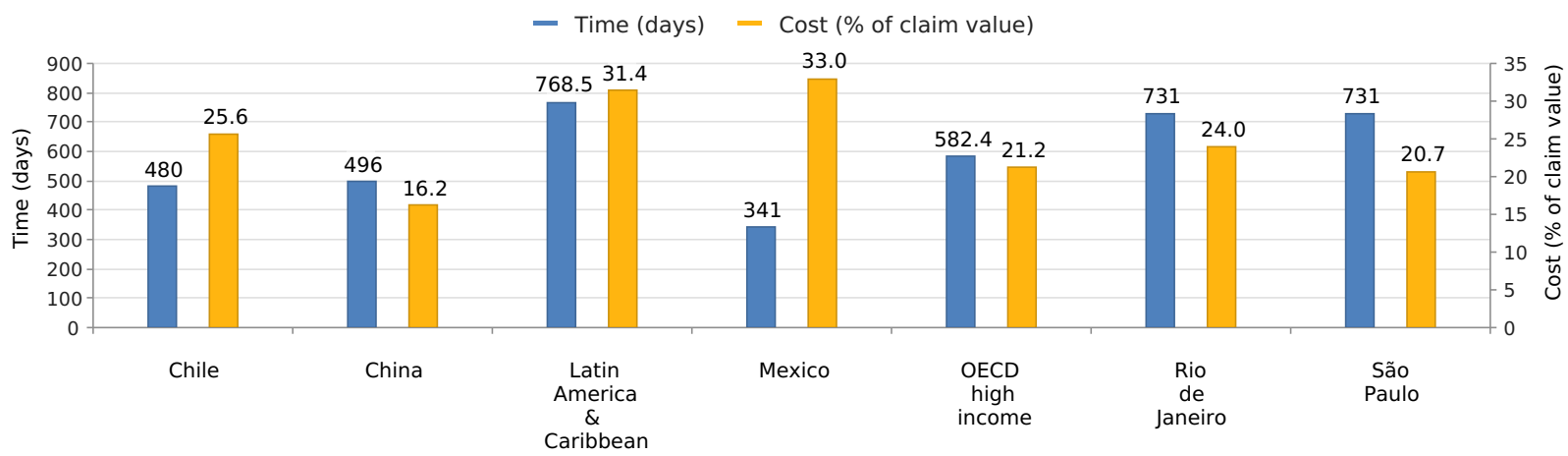
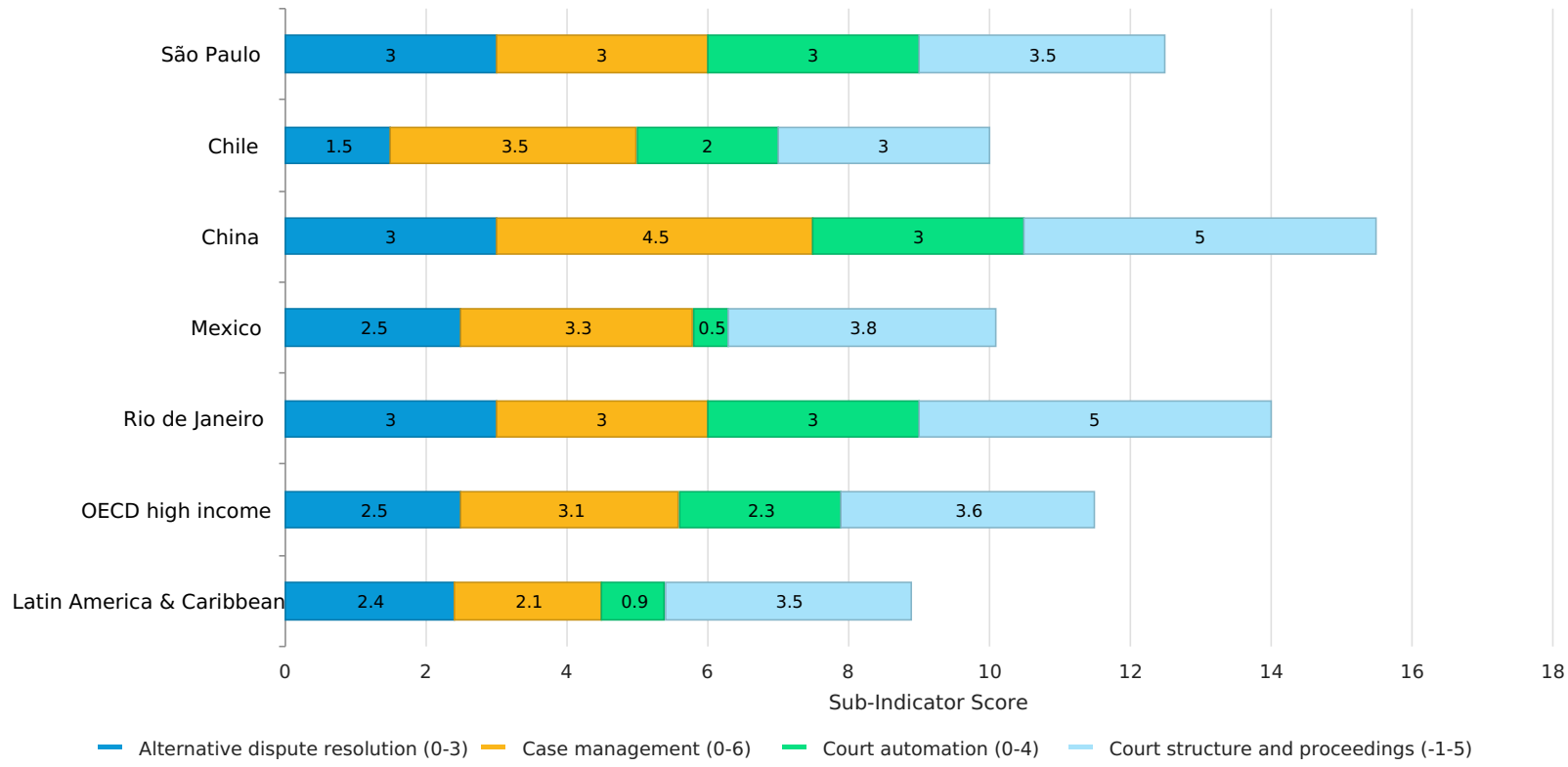


Figure – Enforcing Contracts in São Paulo and comparator economies – Measure of Quality



Details – Enforcing Contracts in São Paulo

	Indicator
Time (days)	**731**
Filing and service	41
Trial and judgment	480
Enforcement of judgment	210
Cost (% of claim value)	**20.7**
Attorney fees	12.6
Court fees	7
Enforcement fees	1.1
Quality of judicial processes index (0-18)	**12.5**
Court structure and proceedings (-1-5)	3.5
Case management (0-6)	3.0
Court automation (0-4)	3.0
Alternative dispute resolution (0-3)	3.0

Details – Enforcing Contracts in São Paulo – Measure of Quality

	Answer	Score
Quality of judicial processes index (0-18)		**12.5**
Court structure and proceedings (-1-5)		**3.5**
1. Is there a court or division of a court dedicated solely to hearing commercial cases?	No	0.0
2. Small claims court		1.5
2.a. Is there a small claims court or a fast-track procedure for small claims?	Yes	
2.b. If yes, is self-representation allowed?	Yes	
3. Is pretrial attachment available?	Yes	1.0
4. Are new cases assigned randomly to judges?	Yes, automatic	1.0
5. Does a woman's testimony carry the same evidentiary weight in court as a man's?	Yes	0.0
Case management (0-6)		**3.0**
1. Time standards		0.0
1.a. Are there laws setting overall time standards for key court events in a civil case?	Yes	
1.b. If yes, are the time standards set for at least three court events?	No	
1.c. Are these time standards respected in more than 50% of cases?	No	
2. Adjournments		0.0
2.a. Does the law regulate the maximum number of adjournments that can be granted?	No	
2.b. Are adjournments limited to unforeseen and exceptional circumstances?	No	
2.c. If rules on adjournments exist, are they respected in more than 50% of cases?	n.a.	
3. Can two of the following four reports be generated about the competent court: (i) time to disposition report; (ii) clearance rate report; (iii) age of pending cases report; and (iv) single case progress report?	Yes	1.0
4. Is a pretrial conference among the case management techniques used before the competent court?	No	0.0
5. Are there any electronic case management tools in place within the competent court for use by judges?	Yes	1.0
6. Are there any electronic case management tools in place within the competent court for use by lawyers?	Yes	1.0
Court automation (0-4)		**3.0**
1. Can the initial complaint be filed electronically through a dedicated platform within the competent court?	yes	1.0
2. Is it possible to carry out service of process electronically for claims filed before the competent court?	No	0.0
3. Can court fees be paid electronically within the competent court?	Yes	1.0
4. Publication of judgments		1.0
4.a Are judgments rendered in commercial cases at all levels made available to the general public through publication in official gazettes, in newspapers or on the internet or court website?	Yes	
4.b. Are judgments rendered in commercial cases at the appellate and supreme court level made available to the general public through publication in official gazettes, in newspapers or on the internet or court website?	Yes	
Alternative dispute resolution (0-3)		**3.0**
1. Arbitration		1.5

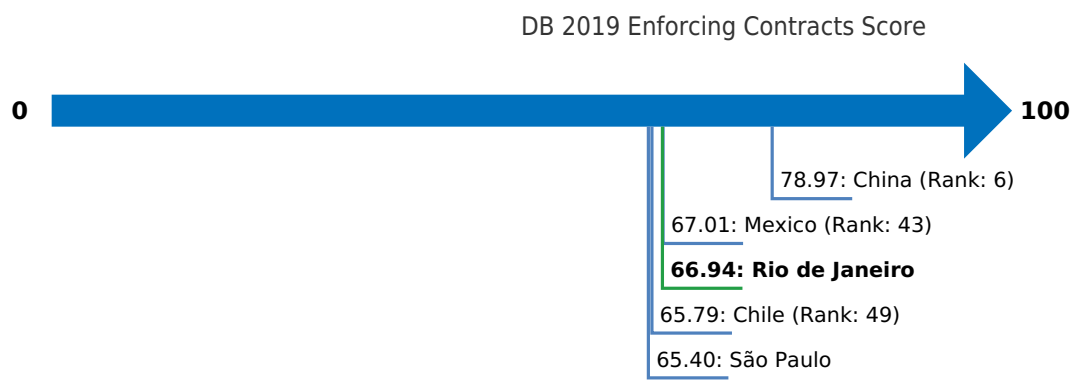
1.a. Is domestic commercial arbitration governed by a consolidated law or consolidated chapter or section of the applicable code of civil procedure encompassing substantially all its aspects?	Yes	
1.b. Are there any commercial disputes—aside from those that deal with public order or public policy—that cannot be submitted to arbitration?	No	
1.c. Are valid arbitration clauses or agreements usually enforced by the courts?	Yes	
2. Mediation/Conciliation		1.5
2.a. Is voluntary mediation or conciliation available?	Yes	
2.b. Are mediation, conciliation or both governed by a consolidated law or consolidated chapter or section of the applicable code of civil procedure encompassing substantially all their aspects?	Yes	
2.c. Are there financial incentives for parties to attempt mediation or conciliation (i.e., if mediation or conciliation is successful, a refund of court filing fees, income tax credits or the like)?	Yes	

Enforcing Contracts - Rio de Janeiro

Standardized Case	
Claim value	BRL 59,083
Court name	Rio de Janeiro Civil Court (Vara Cível)
City Covered	Rio de Janeiro

Indicator	Rio de Janeiro	Latin America & Caribbean	OECD high income	Best Regulatory Performance
Time (days)	731	768.5	582.4	None in 2017/18
Cost (% of claim value)	24.0	31.4	21.2	None in 2017/18
Quality of judicial processes index (0-18)	14.0	8.5	11.5	None in 2017/18

Figure – Enforcing Contracts in Rio de Janeiro and comparator economies – Ranking and Score



Note: The ranking of economies on the ease of enforcing contracts is determined by sorting their scores for enforcing contracts. These scores are the simple average of the scores for each of the component indicators.

Figure – Enforcing Contracts in Rio de Janeiro – Time and Cost

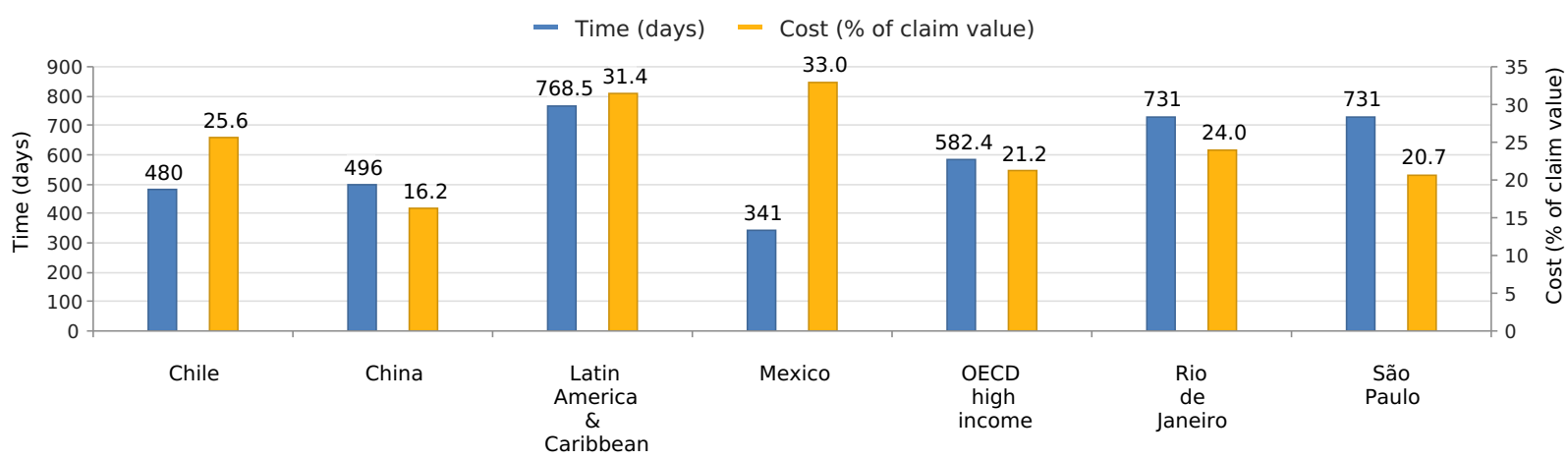
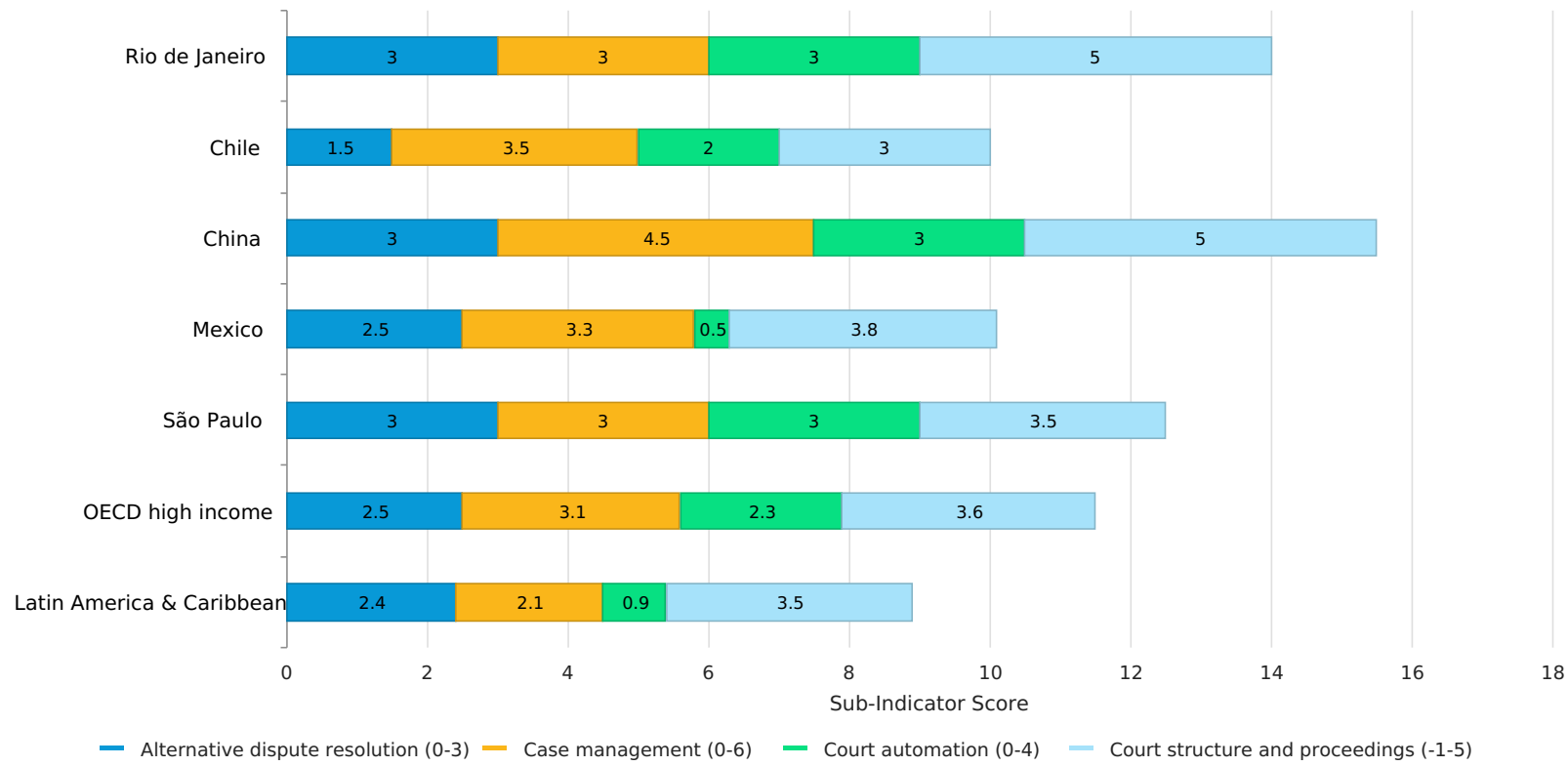


Figure – Enforcing Contracts in Rio de Janeiro and comparator economies – Measure of Quality



Details – Enforcing Contracts in Rio de Janeiro

	Indicator
Time (days)	**731**
Filing and service	41
Trial and judgment	480
Enforcement of judgment	210
Cost (% of claim value)	**24.0**
Attorney fees	15.9
Court fees	7
Enforcement fees	1.1
Quality of judicial processes index (0-18)	**14.0**
Court structure and proceedings (-1-5)	5.0
Case management (0-6)	3.0
Court automation (0-4)	3.0
Alternative dispute resolution (0-3)	3.0

Details – Enforcing Contracts in Rio de Janeiro – Measure of Quality

	Answer	Score
Quality of judicial processes index (0-18)		**14.0**
Court structure and proceedings (-1-5)		**5.0**
1. Is there a court or division of a court dedicated solely to hearing commercial cases?	Yes	1.5
2. Small claims court		1.5
2.a. Is there a small claims court or a fast-track procedure for small claims?	Yes	
2.b. If yes, is self-representation allowed?	Yes	
3. Is pretrial attachment available?	Yes	1.0
4. Are new cases assigned randomly to judges?	Yes, automatic	1.0
5. Does a woman's testimony carry the same evidentiary weight in court as a man's?	Yes	0.0
Case management (0-6)		**3.0**
1. Time standards		0.0
1.a. Are there laws setting overall time standards for key court events in a civil case?	Yes	
1.b. If yes, are the time standards set for at least three court events?	No	
1.c. Are these time standards respected in more than 50% of cases?	No	
2. Adjournments		0.0
2.a. Does the law regulate the maximum number of adjournments that can be granted?	No	
2.b. Are adjournments limited to unforeseen and exceptional circumstances?	No	
2.c. If rules on adjournments exist, are they respected in more than 50% of cases?	n.a.	
3. Can two of the following four reports be generated about the competent court: (i) time to disposition report; (ii) clearance rate report; (iii) age of pending cases report; and (iv) single case progress report?	Yes	1.0
4. Is a pretrial conference among the case management techniques used before the competent court?	No	0.0
5. Are there any electronic case management tools in place within the competent court for use by judges?	Yes	1.0
6. Are there any electronic case management tools in place within the competent court for use by lawyers?	Yes	1.0
Court automation (0-4)		**3.0**
1. Can the initial complaint be filed electronically through a dedicated platform within the competent court?	yes	1.0
2. Is it possible to carry out service of process electronically for claims filed before the competent court?	No	0.0
3. Can court fees be paid electronically within the competent court?	Yes	1.0
4. Publication of judgments		1.0
4.a Are judgments rendered in commercial cases at all levels made available to the general public through publication in official gazettes, in newspapers or on the internet or court website?	Yes	
4.b. Are judgments rendered in commercial cases at the appellate and supreme court level made available to the general public through publication in official gazettes, in newspapers or on the internet or court website?	Yes	
Alternative dispute resolution (0-3)		**3.0**
1. Arbitration		1.5

1.a. Is domestic commercial arbitration governed by a consolidated law or consolidated chapter or section of the applicable code of civil procedure encompassing substantially all its aspects?	Yes	
1.b. Are there any commercial disputes—aside from those that deal with public order or public policy—that cannot be submitted to arbitration?	No	
1.c. Are valid arbitration clauses or agreements usually enforced by the courts?	Yes	
2. Mediation/Conciliation		1.5
2.a. Is voluntary mediation or conciliation available?	Yes	
2.b. Are mediation, conciliation or both governed by a consolidated law or consolidated chapter or section of the applicable code of civil procedure encompassing substantially all their aspects?	Yes	
2.c. Are there financial incentives for parties to attempt mediation or conciliation (i.e., if mediation or conciliation is successful, a refund of court filing fees, income tax credits or the like)?	Yes	

Resolving Insolvency

Doing Business studies the time, cost and outcome of insolvency proceedings involving domestic legal entities. These variables are used to calculate the recovery rate, which is recorded as cents on the dollar recovered by secured creditors through reorganization, liquidation or debt enforcement (foreclosure or receivership) proceedings. To determine the present value of the amount recovered by creditors, *Doing Business* uses the lending rates from the International Monetary Fund, supplemented with data from central banks and the Economist Intelligence Unit. The most recent round of data collection was completed in May 2018. See the methodology for more information.

What the indicators measure

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)

- Measured as percentage of estate value
- Court fees
- Fees of insolvency administrators
- Lawyers' fees
- Assessors' and auctioneers' fees
- Other related fees

Outcome

- Whether business continues operating as a going concern or business assets are sold piecemeal

Recovery rate for creditors

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

Strength of insolvency framework index (0- 16)

- Sum of the scores of four component indices:
- Commencement of proceedings index (0-3)
- Management of debtor's assets index (0-6)
- Reorganization proceedings index (0-3)
- Creditor participation index (0-4)

Case study assumptions

To make the data on the time, cost and outcome comparable across economies, several assumptions about the business and the case are used:

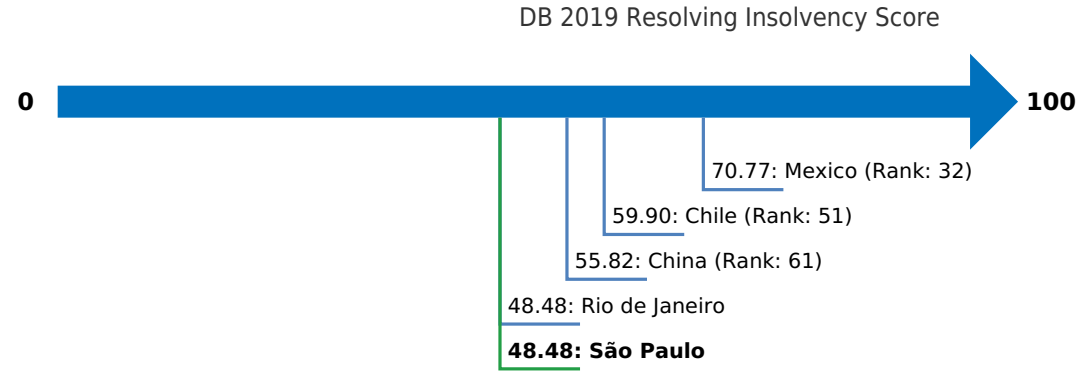
- A hotel located in the largest city (or cities) has 201 employees and 50 suppliers. The hotel experiences financial difficulties.
- The value of the hotel is 100% of the income per capita or the equivalent in local currency of USD 200,000, whichever is greater.
- The hotel has a loan from a domestic bank, secured by a mortgage over the hotel's real estate. The hotel cannot pay back the loan, but makes enough money to operate otherwise.

In addition, *Doing Business* evaluates the quality of legal framework applicable to judicial liquidation and reorganization proceedings and the extent to which best insolvency practices have been implemented in each economy covered.

Resolving Insolvency - São Paulo

Indicator	São Paulo	Latin America & Caribbean	OECD high income	Best Regulatory Performance
Recovery rate (cents on the dollar)	14.6	30.9	70.5	None in 2017/18
Time (years)	4.0	2.9	1.7	0.4 (Ireland)
Cost (% of estate)	12.0	16.8	9.3	1.0 (Norway)
Outcome (0 as piecemeal sale and 1 as going concern)	1	..	..	..
Strength of insolvency framework index (0-16)	13.0	7.1	11.9	None in 2017/18

Figure – Resolving Insolvency in São Paulo and comparator economies – Ranking and Score



Note: The ranking of economies on the ease of resolving insolvency is determined by sorting their scores for resolving insolvency. These scores are the simple average of the scores for the recovery rate and the strength of insolvency framework index.

Figure – Resolving Insolvency in São Paulo – Time and Cost

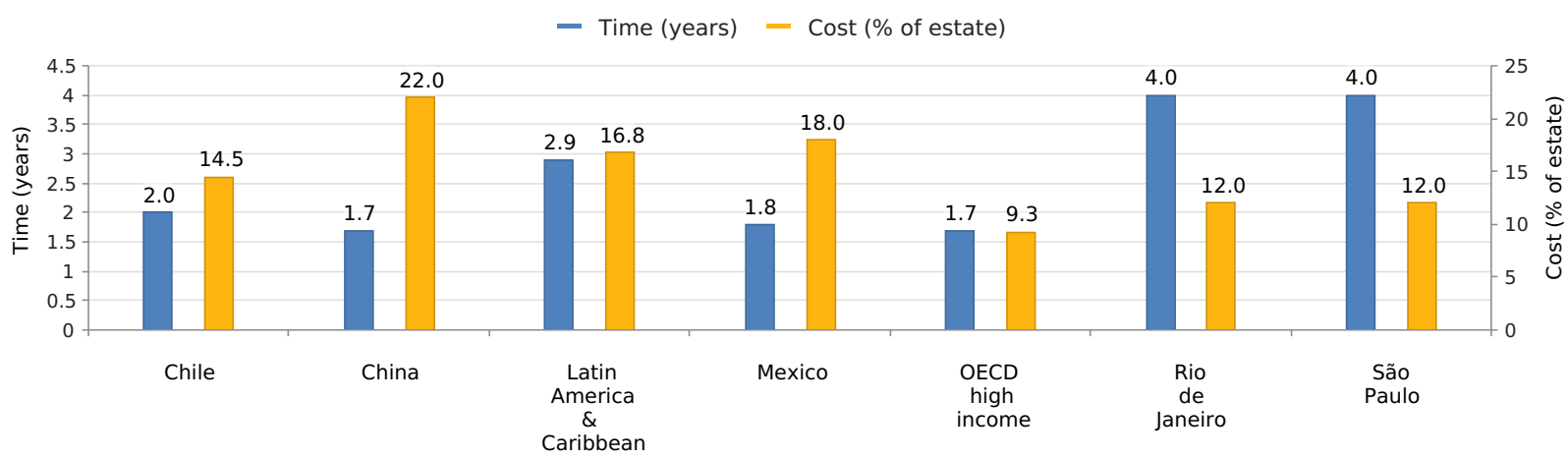
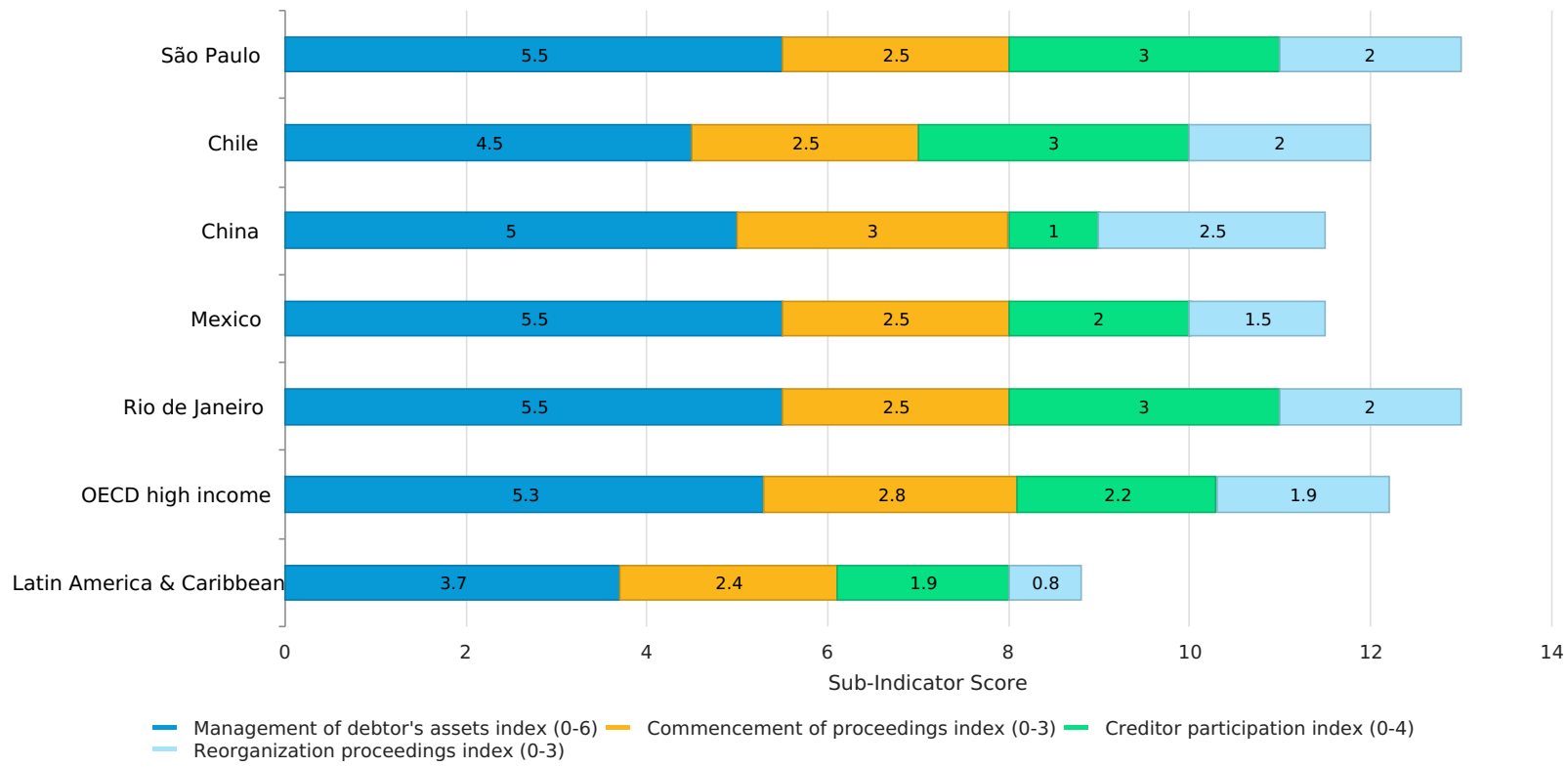
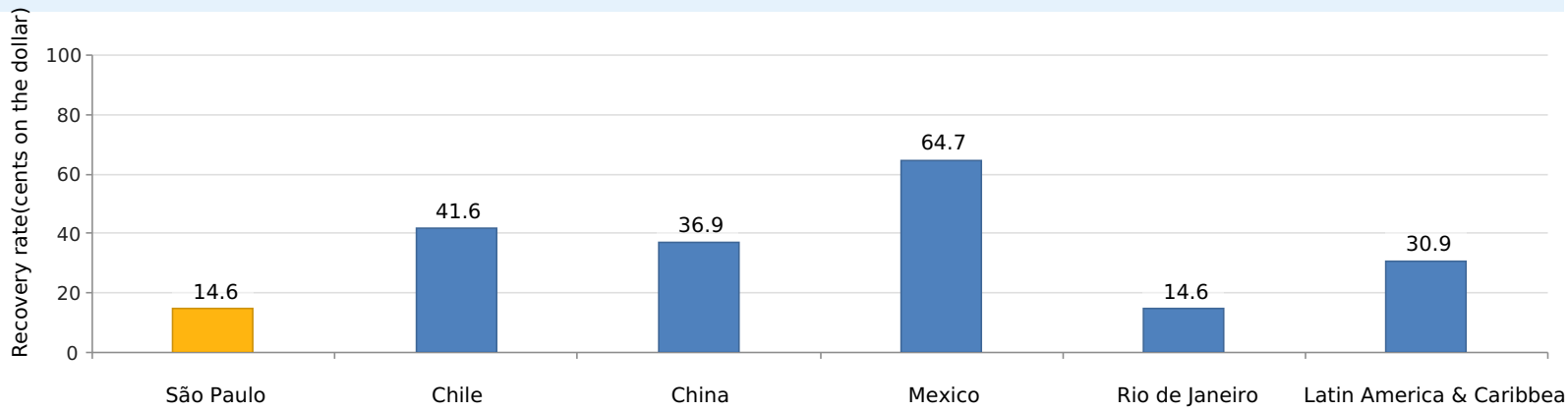


Figure – Resolving Insolvency in São Paulo and comparator economies – Measure of Quality



Note: Even if the economy's legal framework includes provisions related to insolvency proceedings (liquidation or reorganization), the economy receives 0 points for the strength of insolvency framework index, if time, cost and outcome indicators are recorded as "no practice."

Figure – Resolving Insolvency in São Paulo and comparator economies – Recovery Rate



Details – Resolving Insolvency in São Paulo

Indicator	Answer	Score
Proceeding	liquidation (after an attempt at reorganization)	The most likely procedure applicable to our case study would be a reorganization, which will then be converted into a liquidation. Mirage may use the reorganization proceeding to gain time, find a new investor, or renegotiate its debt. Insolvency proceedings will therefore start with Mirage (debtor) filing for court-supervised reorganization (recuperação judicial) with the Bankruptcy Court of the District of São Paulo. Mirage will benefit from the automatic stay / moratorium (article 6 of the Bankruptcy Law) and Mirage's managers will draft a plan that foresees the continuation of Mirage's operations as a going concern, where Mirage's management will stay in control. However, it is very likely that this plan is not approved, and that the case will be converted into liquidation, for the following reasons: (i) BizBank will most likely vote against the plan, since for BizBank the most efficient outcome is the sale of the business as a going concern, free and clear of labor and tax claims (which cannot be achieved through a reorganization), and (ii) no plan can be approved without Mirage's consent, as it is the only creditor holding secured debt (class II claims), and holds 70% of Mirage's total debt.
Outcome	going concern	Yes, the hotel will continue operating as a going concern, since as a result of liquidation proceedings, Mirage is likely to be sold as a going concern, free and clear of labor and tax claims, according to article 141.II.
Time (in years)	4.0	A reorganization procedure that is then converted into liquidation will approximately take 4 years in total. According to the Bankruptcy Law, the reorganization plan must be approved by the creditors within 180 days from commencement of reorganization proceedings (this is the maximum period for which the individual actions are stayed). However, this time will probably be extended several times, because the creditors are not likely to approve the reorganization plan during the first meeting. In practice, it will take almost 2 years to prepare the creditors list, draft and vote the plan, which would be rejected under our case study assumptions. The case will then be converted into liquidation (where the assets would be sold as a going concern), taking the formal conversion and the organization and execution of the sale 2 additional years (until the proceeds of the sale are finally distributed among creditors).
Cost (% of estate)	12.0	The costs associated with the case would amount to approximately 12% of the value of the debtor's estate. The main components of this total cost would be the attorney's fees, which would amount to 6% of the value of the estate, and the insolvency administrator fees, which would amount to 4%, plus 2% related to court fees.
Recovery rate (cents on the dollar)		14.6

Details – Resolving Insolvency in São Paulo – Measure of Quality

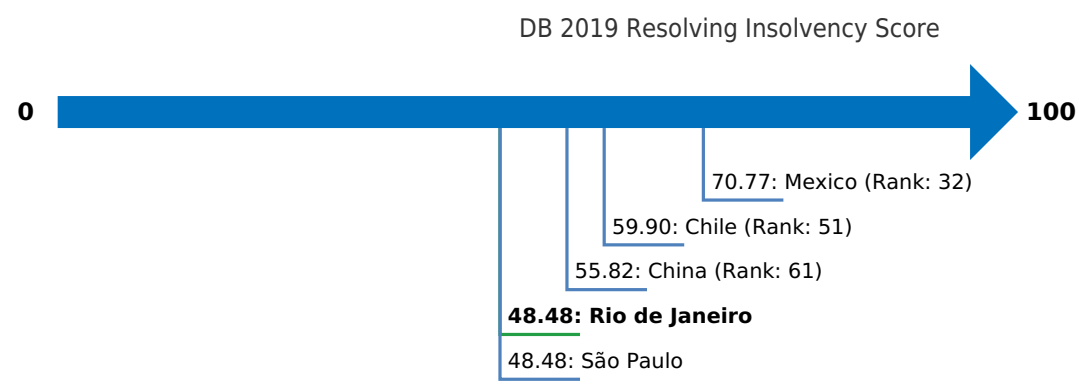
	Answer	Score
Strength of insolvency framework index (0-16)		**13.0**
Commencement of proceedings index (0-3)		**2.5**
What procedures are available to a DEBTOR when commencing insolvency proceedings?	(a) Debtor may file for both liquidation and reorganization	1.0
Does the insolvency framework allow a CREDITOR to file for insolvency of the debtor?	(b) Yes, but a creditor may file for liquidation only	0.5
What basis for commencement of the insolvency proceedings is allowed under the insolvency framework?	(c) Both (a) and (b) options are available, but only one of them needs to be complied with	1.0
Management of debtor's assets index (0-6)		**5.5**
Does the insolvency framework allow the continuation of contracts supplying essential goods and services to the debtor?	Yes	1.0
Does the insolvency framework allow the rejection by the debtor of overly burdensome contracts?	Yes	1.0
Does the insolvency framework allow avoidance of preferential transactions?	Yes	1.0
Does the insolvency framework allow avoidance of undervalued transactions?	Yes	1.0
Does the insolvency framework provide for the possibility of the debtor obtaining credit after commencement of insolvency proceedings?	Yes	1.0
Does the insolvency framework assign priority to post-commencement credit?	(a) Yes over all pre-commencement creditors, secured or unsecured	0.5
Reorganization proceedings index (0-3)		**2.0**
Which creditors vote on the proposed reorganization plan?	(b) Only creditors whose rights are affected by the proposed plan	1.0
Does the insolvency framework require that dissenting creditors in reorganization receive at least as much as what they would obtain in a liquidation?	No	0.0
Are the creditors divided into classes for the purposes of voting on the reorganization plan, does each class vote separately and are creditors in the same class treated equally?	Yes	1.0
Creditor participation index (0-4)		**3.0**
Does the insolvency framework require approval by the creditors for selection or appointment of the insolvency representative?	Yes	1.0
Does the insolvency framework require approval by the creditors for sale of substantial assets of the debtor?	No	0.0
Does the insolvency framework provide that a creditor has the right to request information from the insolvency representative?	Yes	1.0
Does the insolvency framework provide that a creditor has the right to object to decisions accepting or rejecting creditors' claims?	Yes	1.0

Note: Even if the economy's legal framework includes provisions related to insolvency proceedings (liquidation or reorganization), the economy receives 0 points for the strength of insolvency framework index, if time, cost and outcome indicators are recorded as "no practice."

Resolving Insolvency - Rio de Janeiro

Indicator	Rio de Janeiro	Latin America & Caribbean	OECD high income	Best Regulatory Performance
Recovery rate (cents on the dollar)	14.6	30.9	70.5	None in 2017/18
Time (years)	4.0	2.9	1.7	0.4 (Ireland)
Cost (% of estate)	12.0	16.8	9.3	1.0 (Norway)
Outcome (0 as piecemeal sale and 1 as going concern)	1	..	..	..
Strength of insolvency framework index (0-16)	13.0	7.1	11.9	None in 2017/18

Figure – Resolving Insolvency in Rio de Janeiro and comparator economies – Ranking and Score



Note: The ranking of economies on the ease of resolving insolvency is determined by sorting their scores for resolving insolvency. These scores are the simple average of the scores for the recovery rate and the strength of insolvency framework index.

Figure – Resolving Insolvency in Rio de Janeiro – Time and Cost

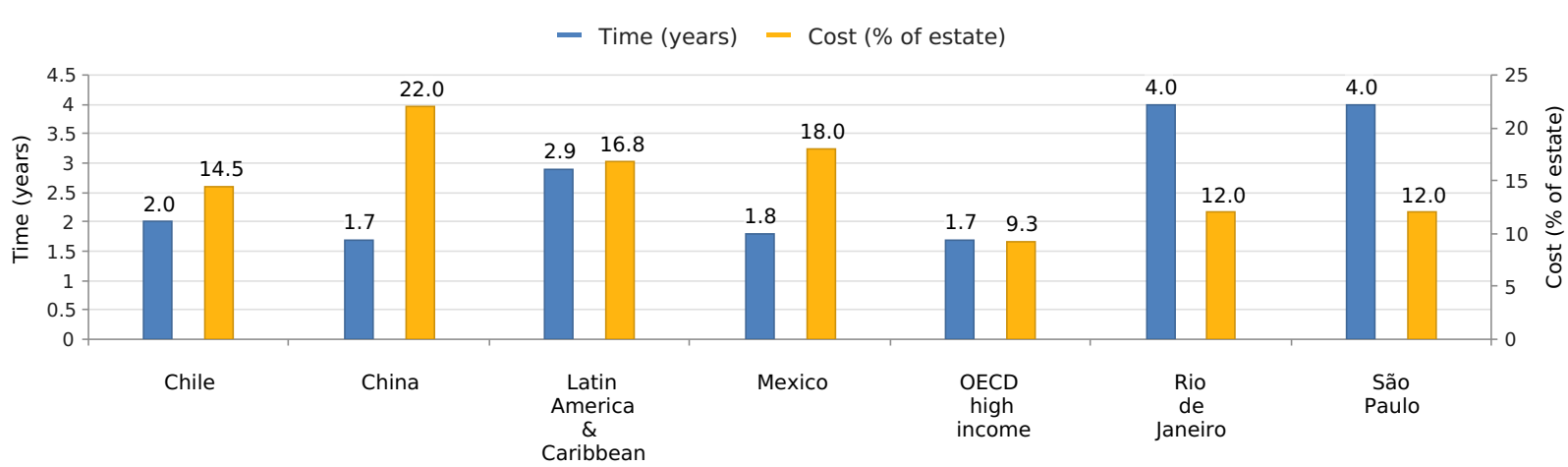
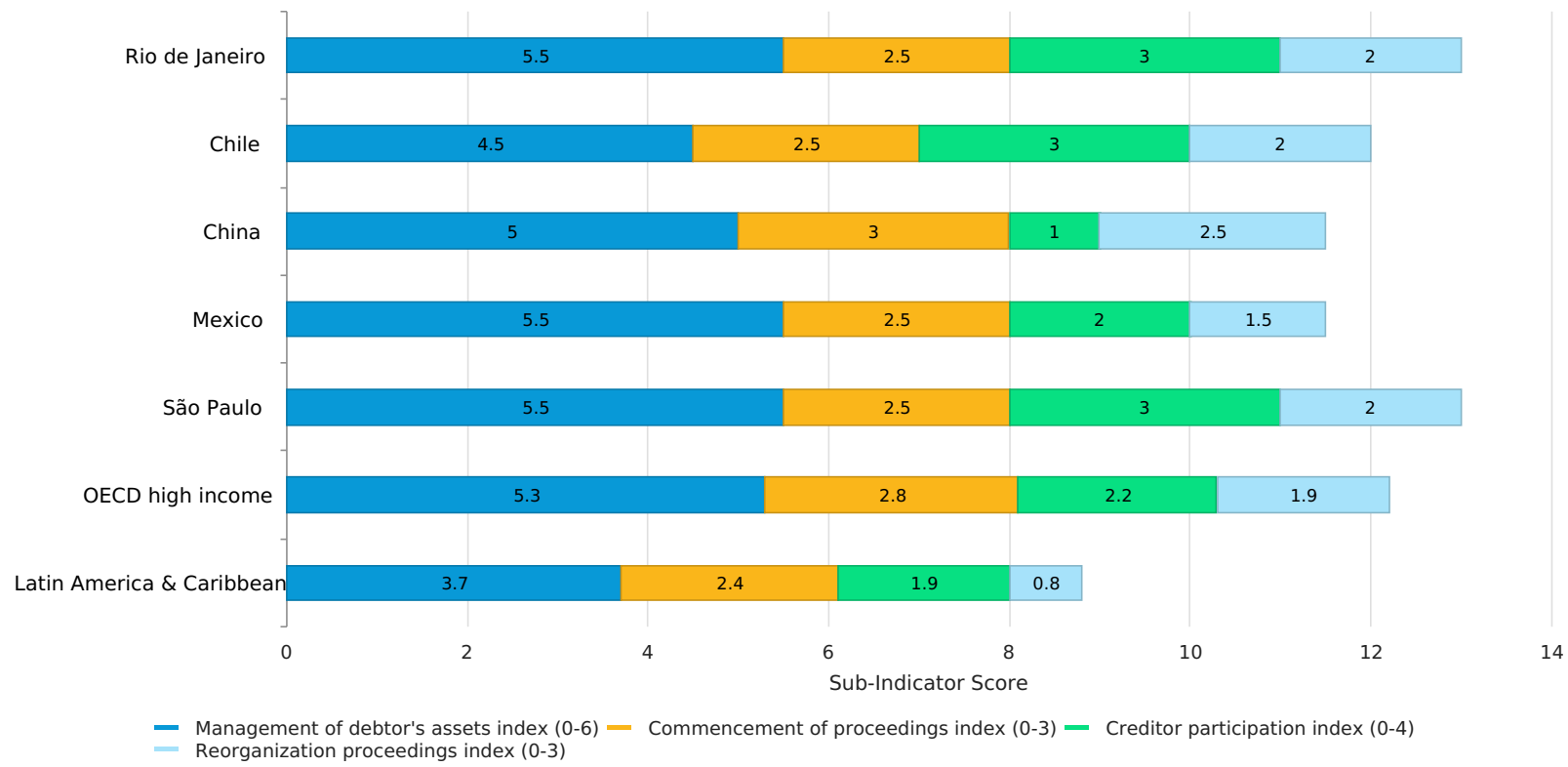
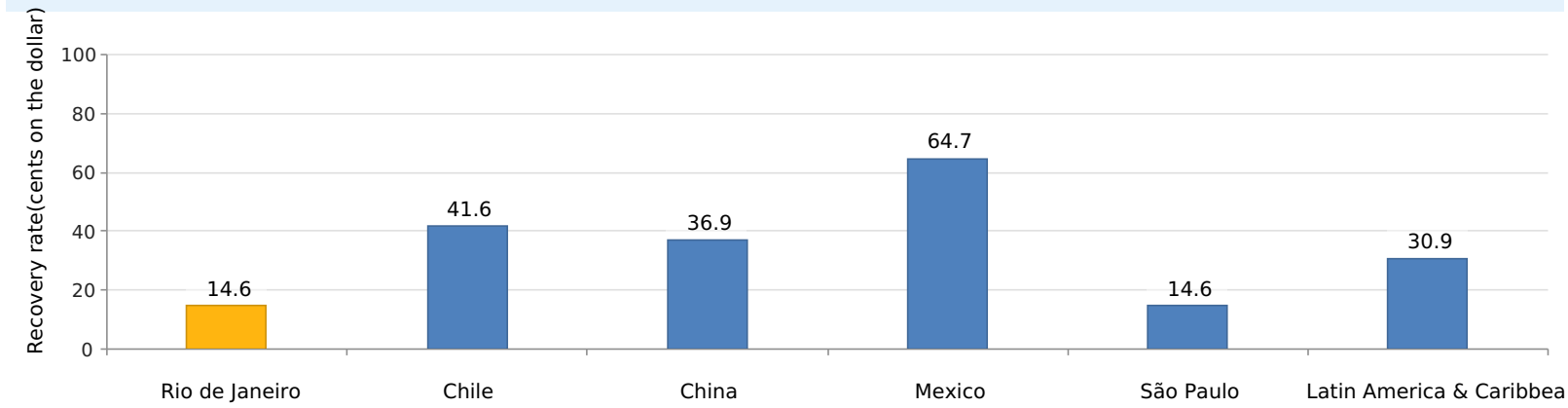


Figure – Resolving Insolvency in Rio de Janeiro and comparator economies – Measure of Quality



Note: Even if the economy's legal framework includes provisions related to insolvency proceedings (liquidation or reorganization), the economy receives 0 points for the strength of insolvency framework index, if time, cost and outcome indicators are recorded as "no practice."

Figure – Resolving Insolvency in Rio de Janeiro and comparator economies – Recovery Rate



Details – Resolving Insolvency in Rio de Janeiro

Indicator	Answer	Score
Proceeding	liquidation (after an attempt at reorganization)	The most likely procedure applicable to our case study would be a reorganization, which will then be converted into a liquidation. Mirage may use the reorganization proceeding to gain time, find a new investor, or renegotiate its debt. Insolvency proceedings will therefore start with Mirage (debtor) filing for court-supervised reorganization (recuperação judicial) with the Bankruptcy Court of the District of Rio de Janeiro. Mirage will benefit from the automatic stay / moratorium (article 6 of the Bankruptcy Law) and Mirage's managers will draft a plan that foresees the continuation of Mirage's operations as a going concern, where Mirage's management will stay in control. However, it is very likely that this plan is not approved, and that the case will be converted into liquidation, for the following reasons: (i) BizBank will most likely vote against the plan, since for BizBank the most efficient outcome is the sale of the business as a going concern, free and clear of labor and tax claims (which cannot be achieved through a reorganization), and (ii) no plan can be approved without Mirage's consent, as it is the only creditor holding secured debt (class II claims), and holds 70% of Mirage's total debt.
Outcome	going concern	The hotel will continue operating as a going concern, since as a result of liquidation proceedings, Mirage is likely to be sold as a going concern, free and clear of labor and tax claims, according to article 141.II.
Time (in years)	4.0	A reorganization procedure that is then converted into liquidation will approximately take 4 years in total. According to the Bankruptcy Law, the reorganization plan must be approved by the creditors within 180 days from commencement of reorganization proceedings (this is the maximum period for which the individual actions are stayed). However, this time will probably be extended several times, because the creditors are not likely to approve the reorganization plan during the first meeting. In practice, it will take almost 2 years to prepare the creditors list, draft and vote the plan, which would be rejected under our case study assumptions. The case will then be converted into liquidation (where the assets would be sold as a going concern), taking the formal conversion and the organization and execution of the sale 2 additional years (until the proceeds of the sale are finally distributed among creditors).
Cost (% of estate)	12.0	The costs associated with the case would amount to approximately 12% of the value of the debtor's estate. The main components of this total cost would be the attorney's fees, which would amount to 6% of the value of the estate, and the insolvency administrator fees, which would amount to 4%, plus 2% related to court fees.
Recovery rate (cents on the dollar)		14.6

Details – Resolving Insolvency in Rio de Janeiro – Measure of Quality

	Answer	Score
Strength of insolvency framework index (0-16)		**13.0**
Commencement of proceedings index (0-3)		**2.5**
What procedures are available to a DEBTOR when commencing insolvency proceedings?	(a) Debtor may file for both liquidation and reorganization	1.0
Does the insolvency framework allow a CREDITOR to file for insolvency of the debtor?	(b) Yes, but a creditor may file for liquidation only	0.5
What basis for commencement of the insolvency proceedings is allowed under the insolvency framework?	(c) Both (a) and (b) options are available, but only one of them needs to be complied with	1.0
Management of debtor's assets index (0-6)		**5.5**
Does the insolvency framework allow the continuation of contracts supplying essential goods and services to the debtor?	Yes	1.0
Does the insolvency framework allow the rejection by the debtor of overly burdensome contracts?	Yes	1.0
Does the insolvency framework allow avoidance of preferential transactions?	Yes	1.0
Does the insolvency framework allow avoidance of undervalued transactions?	Yes	1.0
Does the insolvency framework provide for the possibility of the debtor obtaining credit after commencement of insolvency proceedings?	Yes	1.0
Does the insolvency framework assign priority to post-commencement credit?	(a) Yes over all pre-commencement creditors, secured or unsecured	0.5
Reorganization proceedings index (0-3)		**2.0**
Which creditors vote on the proposed reorganization plan?	(b) Only creditors whose rights are affected by the proposed plan	1.0
Does the insolvency framework require that dissenting creditors in reorganization receive at least as much as what they would obtain in a liquidation?	No	0.0
Are the creditors divided into classes for the purposes of voting on the reorganization plan, does each class vote separately and are creditors in the same class treated equally?	Yes	1.0
Creditor participation index (0-4)		**3.0**
Does the insolvency framework require approval by the creditors for selection or appointment of the insolvency representative?	Yes	1.0
Does the insolvency framework require approval by the creditors for sale of substantial assets of the debtor?	No	0.0
Does the insolvency framework provide that a creditor has the right to request information from the insolvency representative?	Yes	1.0
Does the insolvency framework provide that a creditor has the right to object to decisions accepting or rejecting creditors' claims?	Yes	1.0

Note: Even if the economy's legal framework includes provisions related to insolvency proceedings (liquidation or reorganization), the economy receives 0 points for the strength of insolvency framework index, if time, cost and outcome indicators are recorded as "no practice."

Labor Market Regulation

Doing Business presents detailed data for the labor market regulation indicators on the *Doing Business* website (http://www.doingbusiness.org). The report does not present rankings of economies on these indicators or include the topic in the aggregate ease of doing business score or ranking on the ease of doing business.

The most recent round of data collection was completed in May 2018. See the methodology for more information.

What the indicators measure

Hiring
(i) whether fixed-term contracts are prohibited for permanent tasks; (ii) maximum cumulative duration of fixed-term contracts; (iii) length of the probationary period; (iv) minimum wage.

Working hours
(i) maximum number of working days allowed per week; (ii) premiums for work: at night, on a weekly rest day and overtime; (iii) whether there are restrictions on work at night, work on a weekly rest day and for overtime work; (iv) whether nonpregnant and nonnursing women can work same night hours as men; (v) length of paid annual leave.

Redundancy rules
(i) whether redundancy can be basis for terminating workers; (ii) whether employer needs to notify and/or get approval from third party to terminate 1 redundant worker and a group of 9 redundant workers; (iii) whether law requires employer to reassign or retrain a worker before making worker redundant; (iv) whether priority rules apply for redundancies and reemployment.

Redundancy cost
(i) notice period for redundancy dismissal; (ii) severance payments due when terminating a redundant worker.

Job quality
(i) whether law mandates equal remuneration for work of equal value and nondiscrimination based on gender in hiring; (ii) whether law mandates paid or unpaid maternity leave; (iii) length of paid maternity leave; (iv) whether employees on maternity leave receive 100% of wages; (v) availability of five fully paid days of sick leave a year; (vi) eligibility requirements for unemployment protection.

Case study assumptions

To make the data comparable across economies, several assumptions about the worker and the business are used.

The worker:
- Is a cashier in a supermarket or grocery store, age 19, with one year of work experience.
- Is a full-time employee.
- Is not a member of the labor union, unless membership is mandatory.

The business:
- Is a limited liability company (or the equivalent in the economy).
- Operates a supermarket or grocery store in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Has 60 employees.
- Is subject to collective bargaining agreements if such agreements cover more than 50% of the food retail sector and they apply even to firms that are not party to them.
- Abides by every law and regulation but does not grant workers more benefits than those mandated by law, regulation or (if applicable) collective bargaining agreements.

Labor Market Regulation - São Paulo

Details – Labor Market Regulation in São Paulo

	Answer
Hiring	
Fixed-term contracts prohibited for permanent tasks?	Yes
Maximum length of a single fixed-term contract (months)	24.0
Maximum length of fixed-term contracts, including renewals (months)	24.0
Minimum wage applicable to the worker assumed in the case study (US$/month)	373.5
Ratio of minimum wage to value added per worker	0.4
Maximum length of probationary period (months)	3.0
Working hours	
Standard workday	8.0
Maximum number of working days per week	6.0
Premium for night work (% of hourly pay)	20.0
Premium for work on weekly rest day (% of hourly pay)	0.0
Premium for overtime work (% of hourly pay)	60.0
Restrictions on night work?	Yes
Whether nonpregnant and nonnursing women can work the same night hours as men	Yes
Restrictions on weekly holiday?	No
Restrictions on overtime work?	No
Paid annual leave for a worker with 1 year of tenure (working days)	26.0
Paid annual leave for a worker with 5 years of tenure (working days)	26.0
Paid annual leave for a worker with 10 years of tenure (working days)	26.0
Paid annual leave (average for workers with 1, 5 and 10 years of tenure, in working days)	26.0
Redundancy rules	
Dismissal due to redundancy allowed by law?	Yes
Third-party notification if one worker is dismissed?	No
Third-party approval if one worker is dismissed?	No
Third-party notification if nine workers are dismissed?	No
Third-party approval if nine workers are dismissed?	No
Retraining or reassignment obligation before redundancy?	No
Priority rules for redundancies?	No
Priority rules for reemployment?	No
Redundancy cost	
Notice period for redundancy dismissal for a worker with 1 year of tenure	4.7
Notice period for redundancy dismissal for a worker with 5 years of tenure	6.4
Notice period for redundancy dismissal for a worker with 10 years of tenure	8.6
Notice period for redundancy dismissal (average for workers with 1, 5 and 10 years of tenure)	6.6
Severance pay for redundancy dismissal for a worker with 1 year of tenure	1.7

Severance pay for redundancy dismissal for a worker with 5 years of tenure	8.3
Severance pay for redundancy dismissal for a worker with 10 years of tenure	16.6
Severance pay for redundancy dismissal (average for workers with 1, 5 and 10 years of tenure)	8.9
Job quality	
Equal remuneration for work of equal value?	No
Gender nondiscrimination in hiring?	Yes
Paid or unpaid maternity leave mandated by law?	Yes
Minimum length of maternity leave (calendar days)?	120.0
Receive 100% of wages on maternity leave?	Yes
Five fully paid days of sick leave a year?	Yes
Unemployment protection after one year of employment?	Yes
Minimum contribution period for unemployment protection (months)?	12.0

Labor Market Regulation - Rio de Janeiro

Details – Labor Market Regulation in Rio de Janeiro

	Answer
Hiring	
Fixed-term contracts prohibited for permanent tasks?	Yes
Maximum length of a single fixed-term contract (months)	24.0
Maximum length of fixed-term contracts, including renewals (months)	24.0
Minimum wage applicable to the worker assumed in the case study (US$/month)	361.5
Ratio of minimum wage to value added per worker	0.4
Maximum length of probationary period (months)	3.0
Working hours	
Standard workday	8.0
Maximum number of working days per week	6.0
Premium for night work (% of hourly pay)	20.0
Premium for work on weekly rest day (% of hourly pay)	0.0
Premium for overtime work (% of hourly pay)	50.0
Restrictions on night work?	Yes
Whether nonpregnant and nonnursing women can work the same night hours as men	Yes
Restrictions on weekly holiday?	No
Restrictions on overtime work?	No
Paid annual leave for a worker with 1 year of tenure (working days)	26.0
Paid annual leave for a worker with 5 years of tenure (working days)	26.0
Paid annual leave for a worker with 10 years of tenure (working days)	26.0
Paid annual leave (average for workers with 1, 5 and 10 years of tenure, in working days)	26.0
Redundancy rules	
Dismissal due to redundancy allowed by law?	Yes
Third-party notification if one worker is dismissed?	No
Third-party approval if one worker is dismissed?	No
Third-party notification if nine workers are dismissed?	No
Third-party approval if nine workers are dismissed?	No
Retraining or reassignment obligation before redundancy?	No
Priority rules for redundancies?	No
Priority rules for reemployment?	No
Redundancy cost	
Notice period for redundancy dismissal for a worker with 1 year of tenure	4.7
Notice period for redundancy dismissal for a worker with 5 years of tenure	6.4
Notice period for redundancy dismissal for a worker with 10 years of tenure	8.6
Notice period for redundancy dismissal (average for workers with 1, 5 and 10 years of tenure)	6.6
Severance pay for redundancy dismissal for a worker with 1 year of tenure	1.6

Severance pay for redundancy dismissal for a worker with 5 years of tenure	8.3
Severance pay for redundancy dismissal for a worker with 10 years of tenure	16.6
Severance pay for redundancy dismissal (average for workers with 1, 5 and 10 years of tenure)	8.9
Job quality	
Equal remuneration for work of equal value?	No
Gender nondiscrimination in hiring?	Yes
Paid or unpaid maternity leave mandated by law?	Yes
Minimum length of maternity leave (calendar days)?	120.0
Receive 100% of wages on maternity leave?	Yes
Five fully paid days of sick leave a year?	Yes
Unemployment protection after one year of employment?	Yes
Minimum contribution period for unemployment protection (months)?	12.0

Business Reforms in Brazil

In the past year, *Doing Business* observed a peaking of reform activity worldwide. From June 2, 2017, to May 1, 2018, 128 economies implemented a record 314 regulatory reforms improving the business climate. Reforms inspired by *Doing Business* have been implemented by economies in all regions. The following are reforms implemented since *Doing Business* 2008.

✓ =*Doing Business* reform making it easier to do business. ✕ = Change making it more difficult to do business.

DB2019

✓ **Starting a Business:** Brazil made starting a business easier by launching online systems for company registration, licensing and employment notifications. This reform applies to both Rio de Janeiro and São Paulo.

✓ **Getting Electricity:** Brazil (São Paulo) improved the reliability of electricity by modernizing its grid network and introducing new software programs allowing better outage management and distribution planning.

✕ **Registering Property:** Brazil (Rio de Janeiro) made registering property more expensive by increasing the municipal property transfer tax.

✓ **Getting Credit:** Brazil improved access to credit information by distributing at least two years of historical data. This reform applies to both São Paulo and Rio de Janeiro.

✓ **Trading across Borders:** Brazil reduced the time required for import documentary compliance by introducing electronic certificates of origin. This reform applies to both Rio de Janeiro and São Paulo.

Labor Market Regulation: Brazil changed regulations pertaining to intermittent work, work scheduling, compensation, employee termination and union representation. This reform applies to both Rio de Janeiro and São Paulo.

DB2018

✓ **Trading across Borders:** Brazil reduced the time for documentary compliance for both exporting and importing by enhancing its electronic data interchange system. This reform applies to both Rio de Janeiro and São Paulo.

DB2017

✓ **Starting a Business:** Brazil reduced the time needed to start a business by implementing an online portal for business licenses in Rio de Janeiro. However, Brazil also made starting a business more difficult by shortening the opening hours of the business registry in Rio de Janeiro.

✓ **Trading across Borders:** Brazil made trading across borders easier by implementing an electronic system for importing, which reduced the time required for documentary compliance. This reform applies to both Rio de Janeiro and São Paulo.

✓ **Enforcing Contracts:** Brazil made enforcing contracts easier through a new mediation law—that includes financial incentives for parties to attempt mediation—and a new code of civil procedure. These reforms apply to both Rio de Janeiro and São Paulo.

Labor Market Regulation: Brazil expanded eligibility for unemployment benefits to employees with one year of continuous work experience. This reform applies to both Rio de Janeiro and São Paulo.

DB2016

✕ **Registering Property:** Brazil made transferring property in São Paulo more expensive by increasing the property transfer tax.

✓ **Trading across Borders:** Brazil reduced the time for documentary and border compliance for exporting by implementing the electronic SISCOMEX Portal system. This reform applies to both Rio de Janeiro and São Paulo.

DB2013

✕ **Registering Property:** Brazil made transferring property more difficult by introducing a new certificate on good standing on labor debts, adding to the number of due diligence procedures.

✓ **Enforcing Contracts:** Brazil made enforcing contracts easier by implementing an electronic system for filing initial complaints at the São Paulo civil district court.

Labor Market Regulation: Brazil increased the notice period applicable in cases of redundancy dismissal of employees.

DB2012

✓ **Getting Credit:** Brazil improved its credit information system by allowing private credit bureaus to collect and share positive information.

DB2011

✓ **Starting a Business:** Brazil eased business start-up by further enhancing the electronic synchronization between federal and state tax authorities.

DB2010

✓ **Starting a Business:** Brazil made starting a business easier by eliminating the requirement to obtain a fire brigade license and inspection before obtaining an operating permit from the municipality.

✓ **Paying Taxes:** Brazil made paying taxes less costly for companies by abolishing the tax on check transactions.

DB2009

✓ **Trading across Borders:** Brazil reduced the time for exporting and importing by implementing the electronic data interchange systems SISCARGA and SISCOMEX CARGA as well as a risk-based inspection system for cargo. An increase in the number of banks offering letters of credit also contributed to the reduction in time.

DB2008

✓ **Trading across Borders:** Brazil made trading across borders easier by updating its electronic data interchange system for customs.

✓ **Enforcing Contracts:** Brazil made enforcing contracts easier by updating and streamlining its civil procedure rules.

Doing Business 2019 is the 16th in a series of annual reports investigating the regulations that enhance business activity and those that constrain it. The report provides quantitative indicators covering 11 areas of the business environment in 190 economies. The goal of the *Doing Business* series is to provide objective data for use by governments in designing sound business regulatory policies and to encourage research on the important dimensions of the regulatory environment for firms.

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