



In Washington, D.C.:

Nadine Ghannam
Phone: +1 (202) 473-3011
E-mail: nsghannam@ifc.org

Merrell J. Tuck-Primdahl
Phone: +1 (202) 473-9516
E-mail: Mtuckprimdahl@worldbank.org

Europe and Central Asia Continues to Set the Pace in Business Regulatory Reform

Washington, D.C., October 29, 2014—A new World Bank Group report finds that 85 percent of economies in Europe and Central Asia implemented at least one regulatory reform aimed at making it easier for local entrepreneurs to do business in 2013/14, a larger percentage than in any other region.

Doing Business 2015: Going Beyond Efficiency shows that in the past year, economies in Europe and Central Asia further improved the regulatory environment for local entrepreneurs, adding to the gains recorded in the past decade. For example, 10 years ago, starting a new business took a Macedonian entrepreneur 48 days. Today, the process can be completed in 2 days.

“Economies in Europe and Central Asia have consistently led the world in the pace of regulatory reform,” said Rita Ramalho, *Doing Business* report lead author, World Bank Group. *“Governments’ commitment to improving the regulatory environment for entrepreneurs has allowed them to close the gap with the top performers in some areas. For example, the average time to register property in the region has fallen by 14 days since 2010, making the process faster than in OECD high-income economies.”*

Doing Business finds that Azerbaijan and Tajikistan were among the top improvers worldwide in 2013/14 in the areas of business regulation measured by the report. Challenges continue in both countries, however. For example, obtaining an electricity connection takes longer for entrepreneurs in these two countries than it does for their counterparts in most other economies in Europe and Central Asia.

Challenges persist across the region’s economies even as the regulatory framework for entrepreneurs continues to improve, emphasizing the need for further regulatory reforms. This is particularly so in such areas as construction permitting, getting electricity, and trading across borders, all areas in which the region’s economies are in the bottom half of the global ranking on average.

This year, for the first time, *Doing Business* collected data for a second city in the 11 economies with a population of more than 100 million. In the Russian Federation, the report now analyzes business regulations in both Moscow and St. Petersburg. Differences between cities are common in indicators measuring the steps, time, and cost to complete regulatory transactions where local agencies play a larger role, finds the report.

The report this year expands the data for three of the 10 topics covered, and there are plans to do so for five more topics next year. In addition, the ease of doing business ranking is now based on the distance to frontier score. This measure shows how close each economy is to global best practices in business regulation. A higher score indicates a more efficient business environment and stronger legal institutions.

The report finds that Singapore tops the global ranking on the ease of doing business. Joining it on the list of the top 10 economies with the most business-friendly regulatory environments are New Zealand; Hong Kong SAR, China; Denmark; the Republic of Korea; Norway; the United States; the United Kingdom; Finland; and Australia.

About the Doing Business report series

The annual World Bank Group flagship *Doing Business* report analyzes regulations that apply to an economy's businesses during their life cycle, including start-up and operations, trading across borders, paying taxes, and resolving insolvency. The aggregate ease of doing business rankings are based on the distance to frontier scores for 10 topics and cover 189 economies. *Doing Business* does not measure all aspects of the business environment that matter to firms and investors. For example, it does not measure the quality of fiscal management, other aspects of macroeconomic stability, the level of skills in the labor force, or the resilience of financial systems. Its findings have stimulated policy debates worldwide and enabled a growing body of research on how firm-level regulation relates to economic outcomes across economies. Each year the report team works to improve the methodology and to enhance their data collection, analysis and output. The project has benefited from feedback from many stakeholders over the years. With a key goal to provide an objective basis for understanding and improving the local regulatory environment for business around the world, the project goes through rigorous reviews to ensure its quality and effectiveness. This year's report marks the 12th edition of the global *Doing Business* report series. For more information about the *Doing Business* reports, please visit doingbusiness.org and join us on [doingbusiness.org/Facebook](https://www.facebook.com/doingbusiness.org).

About the World Bank Group

The World Bank Group plays a key role in the global effort to end extreme poverty and boost shared prosperity. It consists of five institutions: the World Bank, including the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA); the International Finance Corporation (IFC); the Multilateral Investment Guarantee Agency (MIGA); and the International Centre for Settlement of Investment Disputes (ICSID). Working together in more than 100 countries, these institutions provide financing, advice, and other solutions that enable countries to address the most urgent challenges of development. For more information, please visit www.worldbank.org, www.miga.org, and ifc.org.

Regional Media Contacts:

Europe & Central Asia

Nezhdanan Bukova +7 (985) 411-3986
Email: nbukova@ifc.org

Kristyn Schrader +1 (202) 458-2736
Email: kschrader@worldbank.org

Slobodan Brkic +381 (11) 30-23-750
Email: sbrkic@ifc.org

Elena Karaban +1 (202) 473-9277
Email: ekaraban@worldbank.org