

Starting a business– Economy - www.doingbusiness.org

Dear Contributor,

We would like to thank you for your cooperation with the *Doing Business* project. Your contribution and expertise in the field of *Starting a Business* in Economy are essential to the success of the *Doing Business* report, an annual publication of the World Bank and the IFC that benchmarks business regulation in 183 economies worldwide.

The *Starting a Business* indicator is one of the 11 indicators of the *Doing Business* report. It records all procedures that are officially required for an entrepreneur to start up and formally operate an industrial or commercial business. Since 2004 policy makers in more than 75% of the world's economies have made it easier for entrepreneurs to start a business in the formal sector.

In 2009/10, 42 economies made it easier to start a business, with streamlining registration formalities the most popular feature of business start-up reforms. Peru improved the ease of starting a business the most, establishing a one-stop shop and simplifying post-registration formalities at the district council level.

Since 2004, we estimate that *Doing Business* has informed over 300 reforms around the world. Governments around the world use the *Doing Business* data as an input for policy debate about regulatory reform. This is only possible thanks to the generous contribution of over 8,000 experts like you, in 183 economies.

The last edition of the report, *Doing Business 2011: Making a Difference for Entrepreneurs* was launched on November 4, 2010. The 2011 report received a record number of 2,744 media citations within one month of publication, including coverage from all major global, regional and local media outlets such as TV, print, broadcast and web.

For *Doing Business 2012*, we are honored to be able to count on your expertise:

- Before completing the survey, please review the standard scenario of the company that is being established. We ask that you update last year's information, included in the survey.
- Please describe in detail any reform that affects the business start-up process since June 01, 2010.

We would appreciate receiving the completed survey by March 4, 2011 to **sender's email**. Please make sure to complete your name and address, so we can mail you a complimentary copy of the report.

We thank you again for your invaluable contribution to the World Bank's work.

Sincerely,



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Primary Contributor Information

Unless requested otherwise, all information will be published. Please **check** the information you **do not** want us to **publish**. We do not publish mobile phone numbers.

Do not publish	Name	
	Title (Mr., Ms., Mrs., etc.)	[]
<input type="checkbox"/>	First Name	[]
	Last Name	[]
<i>Not published</i>	Position (e.g. manager, associate, partner)	[]
<i>Not published</i>	Profession (e.g. judge, lawyer, architect)	[]

Do not publish	Contact details	
<input type="checkbox"/>	Firm name	[]
<input type="checkbox"/>	E-Mail address	[]
<input type="checkbox"/>	Phone	[]
<input type="checkbox"/>	Fax	[]
<input type="checkbox"/>	Website	[]
<i>Not Published</i>	Mobile phone	[]

<input type="checkbox"/> Do not publish	Firm Address		
	Street	[]	P.O. Box []
	City	[]	State/Province []
	Zip/Postal code	[]	Country []

Please list all additional contributors who participated in this survey:
(They will also be acknowledged in the *Doing Business report*)

Name	Occupation	Email	Phone	Address, if different from above
[title] [first name] [last name]	[firm] [position] [profession]	[]	[phone] [mobile]	[street] [state/province] [city/country]
[title] [first name] [last name]	[firm] [position] [profession]	[]	[phone] [mobile]	[street] [state/province] [city/country]
[title] [first name] [last name]	[firm] [position] [profession]	[]	[phone] [mobile]	[street] [state/province] [city/country]
[title] [first name] [last name]	[firm] [position] [profession]	[]	[phone] [mobile]	[street] [state/province] [city/country]

Scenario

You are setting up the following company in **City**:

Type of limited liability company	Type of Company which has 5 owners and is 100% domestically owned
Located in	City , the largest business city in Economy.
Company Size	<ul style="list-style-type: none"> Start-up capital: LCU Start-up Capital (equivalent to USD amount); Annual sales (turnover): LCU Annual Sales (equivalent to USD amount); Number of employees: 10 to 50 employees (within 1 month of commencement of operations). All are nationals of Economy.
Activities	<ul style="list-style-type: none"> General industrial or commercial activities, such as the production or sale of products or services to the public. Does not qualify for investment incentives or any special benefits. <p><i>Note:</i> The business does not perform activities of foreign trade and does not handle products subject to a special tax regime, for example, liquor or tobacco. It is not using heavily polluting production processes.</p>
Assets	Does not own real estate. It leases the commercial plant and offices.
Company deed	10 pages long.

You will undertake every procedure that is officially required to set up this hypothetical domestic company. These include obtaining all necessary licenses and permits and completing any required notifications, verifications or inscriptions for the company and employees with relevant authorities.

Please always refer to this scenario when describing the *Starting a Business* process.

The Business Start-up Process

For your convenience, last year's answers are included in this survey. They represent a unified answer, based on the answers we received from various contributors. Please see below the aggregate estimates:

Summary of Starting a business in City	
Number of procedures	number
Time (calendar days)	Time
Cost (% of income per capita)	Cost
Paid-in minimum capital (% of income per capita)	Mincap

Definitions

Procedure: any interaction of the company founder with external parties; for example, government agencies, lawyers, auditors, or notaries. Interactions between company founders or company officers and their employees are not considered separate procedures. Both pre- and post-incorporation procedures that are officially required for an entrepreneur to legally operate a business are recorded.

Time: is recorded in **calendar days** and captures the median duration of each procedure. The time span for each procedure starts with the first filing of the application or request, and ends once the company has received the final document, such as the company registration certificate or tax number (for example : it includes the time to make an appointment with the notary or any waiting time once the documents are filed). It is assumed that the entrepreneur has had no prior contact with any of the officials. The minimum time for a procedure is 1 day.

Costs: only include **official fees and taxes**. Bribes are excluded. If possible, please indicate the relevant fee schedule or calculation formula (for example, as a percentage of the company's capital). Professional fees (notaries, lawyers or accountants) are only included if the company is required to use such services by law.

Paid-in Minimum Capital Requirement: the amount that the entrepreneur needs to deposit in a bank or with a notary prior to or within 3 months of company registration.

Please update the data below, taking into account the scenario of the company you are hypothetically setting up.

- Please describe in detail any change to the data and indicate since when the change has taken effect.
- Please specify if the information is erroneous (“**correction**”), or if the change resulted from a modification in practice or by law which occurred after June 1, 2010 (“**reform**”).

		If the information is incorrect or has changed, please provide us with updated information:
Most common type of domestic limited liability company in Country	Type of Company	[]
Minimum capital requirement	LCU Amount	[]
Paid-in minimum capital requirement (minimum amount to be paid prior to or within 3 months of company registration)	LCU Amount	[] Please indicate whether it is a correction or reform <input type="checkbox"/> Correction or <input type="checkbox"/> Reform Please provide an explanation: []
If your country has a minimum capital requirement, please provide us with the legal basis (eg: article in law): []		
When can the paid-in capital be withdrawn? (eg. immediately after incorporation or registration, 1 year after registration, after dissolution of business) []		

Please revise the procedures to start a company in City based on the scenario previously described.

Procedure	Name
Time	Time update
Cost	Cost update
Agency	Agency update
	Government level :
	Government level update: 1 Municipal/City 2 Regional/State 3 National 4 Private professional
Details	Additional details:
Please indicate whether the changes above are due to: a) 1 Correction (i.e. incorrect data) OR b) 2 Reform (i.e. modification in practice or by law since June1, 2010)	
Please explain the changes and provide the legal basis when applicable:	

Additional procedures to start a business

Please specify any new or existing procedures that have not been included in the above list.

Procedure	[]
Time	[]
Cost	[]
Agency	[]
Government level (Municipal/ Regional/ National/ Private)	[]
Comments	[]
Is this additional procedure a <input type="checkbox"/> Correction or a <input type="checkbox"/> Reform?	
Since when has this procedure been in place? Please cite the legal basis and wherever possible provide us with a copy of the legal text []	
Please indicate the sequence of this new procedure (ex: between procedures 2 and 3) or describe when it takes place []	
Can this procedure take place simultaneously with another procedure? If so, which one(s)? []	

Reform Update

1. Has there been any reform (in practice or in laws and regulations) related to the process of starting a business since June 1, 2010?

Yes No

Please indicate the name and date of the law (if applicable please provide online link to the text): []

Has this reform simplified or complicated the process of starting a business? Please explain : []

2. Are you aware of any reform (in practice or in laws and regulations) related to the process of starting a business that is expected to be adopted PRIOR TO June 1, 2011?

Yes No

If Yes, please describe: []

3. Are you aware of any reform (in practice or in laws and regulations) related to the process of starting a business that is ongoing and is expected to be adopted AFTER June 1, 2011?

Yes No

If Yes, please describe:[]

Additional information

The following questions are part of the research *Doing Business* conducts. Please disregard the case study assumptions to complete this section of the survey.

1. Setting up a Sole-proprietorship

- a) Does the process of establishing a **sole-proprietorship** (a company owned and run by a single individual in which there is no legal distinction between the individual and the company and the owner has unlimited liability) differ from the process to start a **domestically-owned limited liability** company? Yes No

If yes, how does the formal process differ for a sole-proprietorship?

	Less	Same	More
Procedures	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Time	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cost	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Paid-in minimum capital requirement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- b) Please explain in detail any differences in the start-up procedures, time and cost between the sole-proprietorship and the limited liability company: []

2. Regulatory requirements related to changes in business activity

- a) Are domestic limited liability companies required to specify the **exact** industry or nature of their business (eg: SIC Code 3523- Farm Machinery and Equipment) in their incorporation documents, or is a general description (eg: commercial activity) allowed? Specific General
- b) If the domestic limited liability company changes its business activity after its initial registration, what is the regulatory requirement to continue operations? (eg: file annual update to company registry, re-register the company, etc.): []

3. Availability of company information and official fees

- a) Please indicate below the type of company information available to the **general public (i.e. individuals with no ties to the company or its shareholders)** at the Company Registry:

	Is this piece of information publicly available?	If any, what is the specific cost associated with this document?
Incorporation date	<input type="checkbox"/> Yes <input type="checkbox"/> No	[]
Company status (registered/dissolved/in liquidation)	<input type="checkbox"/> Yes <input type="checkbox"/> No	[]
Company type	<input type="checkbox"/> Yes <input type="checkbox"/> No	[]
Company address	<input type="checkbox"/> Yes <input type="checkbox"/> No	[]

Name and address of shareholders	<input type="checkbox"/> Yes <input type="checkbox"/> No	[]
Shareholding information	<input type="checkbox"/> Yes <input type="checkbox"/> No	[]
Name and address of Directors	<input type="checkbox"/> Yes <input type="checkbox"/> No	[]
Company annual filing documents	<input type="checkbox"/> Yes <input type="checkbox"/> No	[]
Financial accounts	<input type="checkbox"/> Yes <input type="checkbox"/> No	[]
Nature of business activity	<input type="checkbox"/> Yes <input type="checkbox"/> No	[]
Other: []	<input type="checkbox"/> Yes <input type="checkbox"/> No	[]
In your experience, what is the average time required to obtain all the available documents?		[] calendar days

b) Please indicate whether or not **official fees** are **publicly available** (Any entrepreneur can have easy access to them):

	Is the official fee publicly available?	If yes, where is it available?
Registration (eg: registration at the company's registry)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not applicable*	[]
Taxes applicable to new business start-up (eg: "patente", VAT registration, new tax number, etc.)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not applicable*	[]
Company's name search	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not applicable*	[]
Business/Operations licence	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not applicable*	[]
Notary fees	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not applicable*	[]
Lawyer fees	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not applicable*	[]
Occupancy permit	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not applicable*	[]
Other: []	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not applicable*	[]

*No cost associated with this procedure or this step does not exist in Economy.

Referrals

Please help us expand our list of contributors by referring us to other experts in the private and public sector who can answer the Starting a Business Survey.

	First name	Last name	Firm	Position	Phone	E-mail
Corporate lawyers	[<input type="text"/>]	[<input type="text"/>]	[<input type="text"/>]	[<input type="text"/>]	[<input type="text"/>]	[<input type="text"/>]
Notaries	[<input type="text"/>]	[<input type="text"/>]	[<input type="text"/>]	[<input type="text"/>]	[<input type="text"/>]	[<input type="text"/>]
Other experts in Starting a business	[<input type="text"/>]	[<input type="text"/>]	[<input type="text"/>]	[<input type="text"/>]	[<input type="text"/>]	[<input type="text"/>]
Other experts in Starting a business	[<input type="text"/>]	[<input type="text"/>]	[<input type="text"/>]	[<input type="text"/>]	[<input type="text"/>]	[<input type="text"/>]

Thank you very much for completing the Starting a Business survey!

We sincerely appreciate your contribution to the Doing Business project.

The results will appear in *Doing Business 2012* and on our website: www.doingbusiness.org.

Your work will be gratefully acknowledged in both.