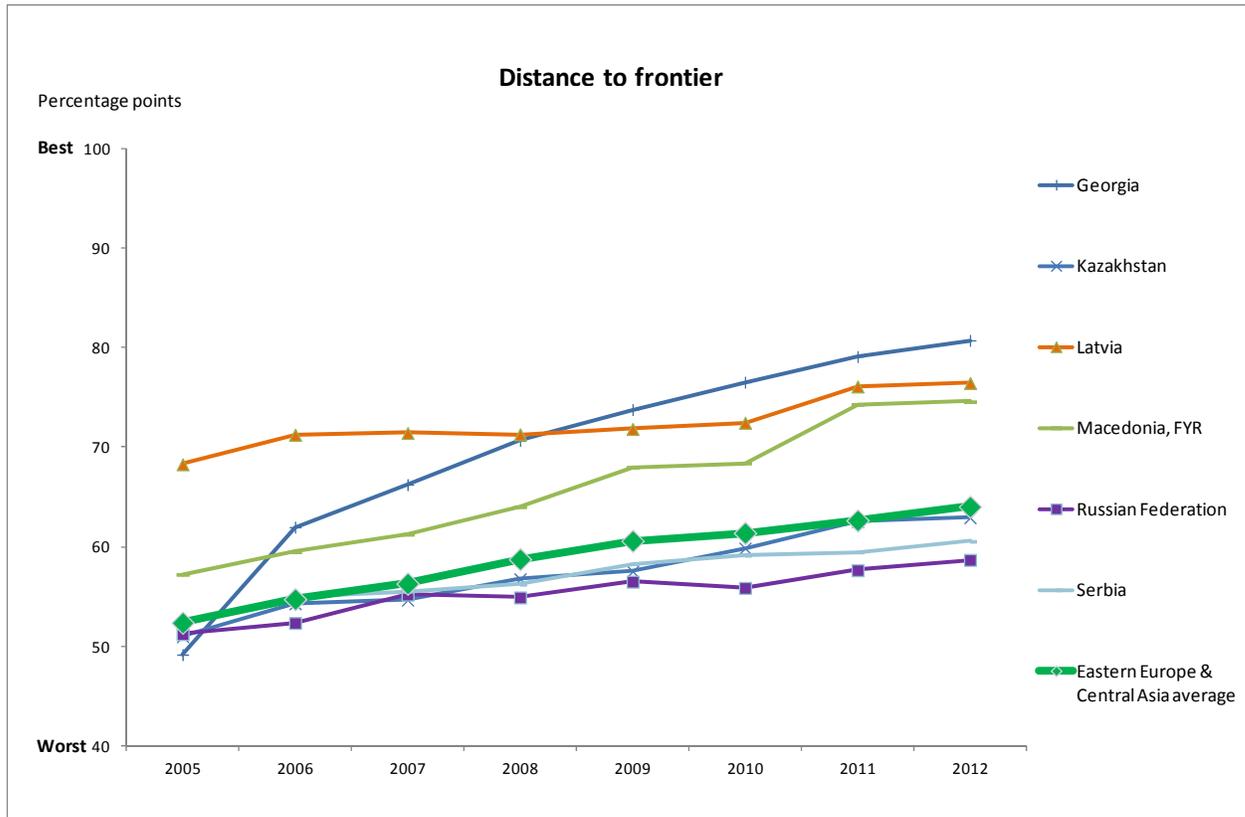


Doing Business 2013 Fact Sheet: Eastern Europe and Central Asia

- Eastern Europe and Central Asia leads the world in enhancing the business climate for local firms since 2005. The region overtook East Asia and the Pacific to become the world’s second most business-friendly, after OECD high-income economies.
- In the past year, Eastern Europe and Central Asia had the largest share of economies implementing regulatory reforms—with 88 percent reforming in at least one of the areas measured by *Doing Business*.
- Four regional economies were among the 10 worldwide to improve the most in the past year across three or more areas of regulation measured by *Doing Business*: Ukraine, Uzbekistan, Serbia, and Kazakhstan.
- Georgia joined the top 10 economies in the global ease of doing business ranking.



Note: The distance to frontier measure shows how far on average an economy is from the best performance achieved by any economy on each *Doing Business* indicator since 2005. The measure is normalized to range between 0 and 100, with 100 representing the best performance (the frontier). The data refer to the 174 economies included in *Doing Business 2006* (2005). Eleven economies were added in subsequent years.

Source: *Doing Business* database.

Summary of 2011/12 *Doing Business* Reforms in Eastern Europe and Central Asia

Albania made starting a business easier by making the notarization of incorporation documents optional. It made paying taxes easier for companies by abolishing the vehicle tax and encouraging electronic filing for taxes.

Areas of business regulation reform: Starting a business, Paying taxes
Rank in Doing Business 2013: 85

Armenia strengthened investor protections by introducing a requirement for shareholder approval of related-party transactions, requiring greater disclosure of such transactions in the annual report, and making it easier to sue directors when such transactions are prejudicial. In addition, it made getting electricity easier by streamlining procedures and reducing connection fees.

Areas of business regulation reform: Protecting investors, Getting electricity
Rank in Doing Business 2013: 32

Belarus made paying taxes easier and less costly for companies by reducing the profit tax rate and encouraging the use of electronic filing and payment systems. In addition, it enhanced its insolvency process by exempting the previously state-owned property of a privatized company from the bankruptcy proceeding, requiring that immovable property not sold in the auction be offered to creditors for purchase, and allowing immovable property to be sold without proof of state registration in a bankruptcy auction if there are no funds to pay for the registration. Belarus made starting a business more difficult by increasing the cost of business registration and the cost to obtain a company seal.

Areas of business regulation reform: Paying taxes, Resolving insolvency, Starting a business (making it more difficult)
Rank in Doing Business 2013: 58

Bosnia and Herzegovina eased the administrative burden of filing and paying social security contributions by implementing electronic filing and payment systems. In addition, it made it easier to transfer property between companies by computerizing the commercial registry. At the same time, Bosnia and Herzegovina made access to credit information more difficult by stopping the private credit bureau's collection of credit information on individuals.

Areas of business regulation reform: Paying taxes, Registering property, Getting credit (credit information) (making it more difficult)
Rank in Doing Business 2013: 126

Bulgaria made starting a business easier by reducing the cost of registration.

Areas of business regulation reform: Starting a business
Rank in Doing Business 2013: 66

Croatia made paying taxes less costly for companies by reducing the health insurance contribution rate.

Areas of business regulation reform: Paying taxes
Rank in Doing Business 2013: 84

Cyprus made property transfers faster by computerizing its land registry. At the same time, Cyprus made paying taxes more costly for companies by increasing the special defense contribution rate on interest income and introducing a private sector special contribution and a fixed annual fee for companies registered in the country—though it also simplified tax compliance by introducing electronic filing for corporate income tax.

Areas of business regulation reform: Registering property, Paying taxes (making it more difficult)
Rank in Doing Business 2013: 36

Georgia made enforcing contracts easier by simplifying and speeding up the proceedings for commercial disputes. It strengthened its secured transactions system through an amendment to the civil code allowing a security interest to extend to the products, proceeds, and replacements of collateral. Georgia made getting electricity easier by simplifying the process of connecting new customers to the distribution network and reducing connection fees. It made paying taxes easier for companies by enhancing the use of electronic systems and providing more services to taxpayers. In addition, Georgia expedited the process of resolving insolvency by establishing or tightening time limits for all insolvency-related procedures, including auctions. Finally, it reduced the time to export and import by creating customs clearance zones.

Areas of business regulation reform: Enforcing contracts, Getting credit (legal rights), Getting electricity, Paying taxes, Resolving insolvency, Trading across borders
Rank in Doing Business 2013: 9

Kazakhstan strengthened its insolvency process by introducing an accelerated rehabilitation proceeding, extending the period for rehabilitation, expanding the powers of and improving qualification requirements for insolvency administrators, changing requirements for bankruptcy filings, extending the rights of creditors, changing regulations related to the continuation of operations, introducing a time limit for adopting a rehabilitation plan, and adding court supervision requirements. In addition, it strengthened secured creditors' rights by introducing new grounds for relief from an automatic stay during rehabilitation proceedings. Finally, Kazakhstan made starting a business easier by eliminating the requirement to pay in minimum capital within three months after incorporation.

Areas of business regulation reform: Resolving insolvency, Getting credit (legal rights), Starting a business

Rank in Doing Business 2013: 49

Kosovo strengthened investor protections by introducing a requirement for shareholder approval of related-party transactions, requiring greater disclosure of such transactions in the annual report, and making it easier to sue directors when such transactions are prejudicial. It made starting a business easier by eliminating the minimum capital requirement and business registration fee and streamlining the business registration process.

Areas of business regulation reform: Protecting investors, Starting a business

Rank in Doing Business 2013: 98

Lithuania made resolving insolvency easier by establishing which cases against the company's property shall be taken to the bankruptcy court, tightening the time frame for decisions on appeals, abolishing the court's obligation to individually notify creditors and other stakeholders about restructuring proceedings, and setting new time limits for creditors to file claims. It made starting a business easier by introducing online registration for limited liability companies and eliminating the notarization requirement for incorporation documents.

Areas of business regulation reform: Resolving insolvency, Starting a business

Rank in Doing Business 2013: 27

The **former Yugoslav Republic of Macedonia** made starting a business easier by simplifying the process for obtaining a company seal.

Areas of business regulation reform: Starting a business

Rank in Doing Business 2013: 23

Moldova strengthened investor protections by allowing the rescission of prejudicial related-party transactions. In addition, it strengthened its insolvency process by extending the duration of the reorganization proceeding and refining the qualification requirements for insolvency administrators. However, Moldova made enforcing contracts more difficult by abolishing the specialized economic court. And it made paying taxes more costly for companies by reintroducing the corporate income tax—though it also made tax compliance easier by encouraging electronic filing and payment.

Areas of business regulation reform: Protecting investors, Resolving insolvency, Enforcing contracts (making it more difficult), Paying taxes (making it more difficult)

Rank in Doing Business 2013: 83

Montenegro improved access to credit information by guaranteeing borrowers' right to inspect their personal data. And it made dealing with construction permits less expensive by reducing the cost of pre- and postconstruction procedures.

Areas of business regulation reform: Getting credit (credit information), Dealing with construction permits

Rank in Doing Business 2013: 51

Poland made enforcing contracts easier by amending the civil procedure code and appointing more judges to commercial courts. It made paying taxes easier for companies by promoting the use of electronic filing and payment systems—though it also increased social security contributions. Poland made property registration faster by introducing a new caseload management system for the land and mortgage registries and by continuing to digitize the records of the registries. Finally, Poland strengthened its insolvency process by updating guidelines on the information and documents that need to be included in the bankruptcy petition and by granting secured creditors the right to take over claims encumbered with financial pledges in case of liquidation.

Areas of business regulation reform: Enforcing contracts, Paying taxes, Registering property, Resolving insolvency

Rank in Doing Business 2013: 55

Romania strengthened its legal framework for secured transactions by allowing the automatic extension of security interests to the products, proceeds, and replacements of collateral. In addition, it made starting a business easier by reducing the time required to obtain a clearance certificate from the fiscal administration agency.

Areas of business regulation reform: Getting credit (legal rights), Starting a business

Rank in Doing Business 2013: 72

The **Russian Federation** made obtaining a construction permit simpler by eliminating requirements for several preconstruction approvals. It eased the administrative burden of taxes for firms by simplifying compliance procedures for value added tax and by promoting the use of tax accounting software and electronic services.

Areas of business regulation reform: Dealing with construction permits, Paying taxes

Rank in Doing Business 2013: 112

Serbia strengthened its insolvency process by introducing private bailiffs, reducing the starting prices for the sale of assets, prohibiting appeals, expediting service of process, and adopting an electronic registry for injunctions to make public all prohibitions on the disposal or pledge of movable or immovable property. The new private bailiff system also made enforcing contracts easier. In addition, Serbia made starting a business easier by eliminating the paid-in minimum capital requirement.

Areas of business regulation reform: Resolving insolvency, Enforcing contracts, Starting a business

Rank in Doing Business 2013: 86

Tajikistan strengthened investor protections by making it easier to sue directors in cases of prejudicial related-party transactions.

Areas of business regulation reform: Protecting investors

Rank in Doing Business 2013: 141

Turkey made dealing with construction permits easier by eliminating the requirement to build a shelter in nonresidential buildings with a total area of less than 1,500 square meters. It made enforcing contracts easier by introducing a new civil procedure law.

Areas of business regulation reform: Dealing with construction permits, Enforcing contracts

Rank in Doing Business 2013: 71

Ukraine made starting a business easier by eliminating the minimum capital requirement for company incorporation as well as the requirement to have incorporation documents notarized. It made paying taxes easier by implementing electronic filing and payment for medium-size and large enterprises. Finally, Ukraine made property transfers faster by introducing an effective time limit for processing transfer applications at the land cadastre in Kiev.

Areas of business regulation reform: Starting a business, Paying taxes, Registering property

Rank in Doing Business 2013: 137

Uzbekistan strengthened its insolvency process by introducing new time limits for insolvency proceedings and new time limits and procedures for the second auction and by making it possible for businesses to continue operating throughout the liquidation proceeding. It made starting a business easier by introducing an online facility for name reservation and eliminating the fee to open a bank account for small businesses. In addition, Uzbekistan improved access to credit information by guaranteeing borrowers' right to inspect their personal data. Finally, Uzbekistan reduced the time to export by introducing a single window for customs clearance and reduced the number of documents needed for each import transaction.

Areas of business regulation reform: Resolving insolvency, Starting a business, Getting credit (credit information), Trading across borders

Rank in Doing Business 2013: 154

About the *Doing Business* report series

Doing Business analyzes regulations that apply to an economy's businesses during their life cycle, including start-up and operations, trading across borders, paying taxes, and protecting investors. The aggregate ease of doing business rankings are based on 10 indicators and cover 185 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. This year's report marks the 10th edition of the global *Doing Business* report series. For more information about the *Doing Business* report series, please visit www.doingbusiness.org. Join us on [Facebook](#).

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