



Doing Business 2015 Fact Sheet: Latin America and the Caribbean

- Sixteen of 32 economies in Latin America and the Caribbean implemented at least one regulatory reform making it easier to do business in the year from June 1, 2013, to June 1, 2014—29 reforms in total.¹
- Since 2005, **Colombia** has implemented the most regulatory reforms in the region, undertaking 29 such reforms aimed at removing obstacles for local entrepreneurs. **Mexico** follows with 21, and **Guatemala** with 20.
- **Trinidad and Tobago** is among the 10 top improvers worldwide in this year's report, thanks to three regulatory reforms making it easier to do business in 2013/14. The **Dominican Republic** and **Jamaica** were the other economies in the region implementing at least three such reforms in the past year.
- **Colombia** has the region's highest ranking on the ease of doing business, at 34 among 189 economies worldwide.
- For the first time this year, *Doing Business* collected data for a second city in the 11 economies with a population of more than 100 million. In **Brazil**, the report analyzes business regulations in São Paulo and Rio de Janeiro—and in **Mexico**, in Mexico City and Monterrey.

Summary of 2013/14 *Doing Business* Reforms in Latin America and the Caribbean²

Antigua and Barbuda

DB2015 ease of doing business rank: 89

DB2014 back-calculated ease of doing business rank: 83

DB2015 distance to frontier score: 62.6

DB2014 back-calculated distance to frontier score: 62.6; improvement: 0.0

Argentina

Argentina made dealing with construction permits more costly by increasing several fees.

Areas of business regulatory reform: Dealing with construction permits (making it more difficult)

DB2015 ease of doing business rank: 124

DB2014 back-calculated ease of doing business rank: 124

DB2015 distance to frontier score: 57.5

DB2014 back-calculated distance to frontier score: 57.3; improvement: 0.2

The Bahamas

The Bahamas made enforcing contracts easier by introducing new rules of civil procedure focused on streamlining and simplifying court proceedings and ensuring less costly resolution of disputes. On the other hand, it made dealing with construction permits more costly by increasing the building permit fees.

¹ Excludes Chile, which is classified as an OECD high-income economy.

² The *DB2014 ease of doing business rank* may differ from the one published in the *Doing Business 2014* report. The rank is adjusted to take into account the recent changes implemented by *Doing Business* in the calculation of the ranking, now based on the distance to frontier score; the inclusion of data for a second city in the 11 economies with a population of more than 100 million; the changes in methodology for different indicator sets; and any revisions in the data due to corrections.

The distance to frontier score shows the distance of each economy to the "frontier"—which represents the best performance observed on each of the *Doing Business* indicators. The measure is normalized to range between 0 and 100, with 100 representing the frontier. The difference between the scores shown for DB2015 (2014) and DB2014 (2013) may differ from the size of the improvement reported because of rounding.

Areas of business regulatory reform: Enforcing contracts, Dealing with construction permits (making it more difficult)

DB2015 ease of doing business rank: 97

DB2014 back-calculated ease of doing business rank: 96

DB2015 distance to frontier score: 61.4

DB2014 back-calculated distance to frontier score: 61.1; improvement: 0.3

Barbados

DB2015 ease of doing business rank: 106

DB2014 back-calculated ease of doing business rank: 103

DB2015 distance to frontier score: 60.6

DB2014 back-calculated distance to frontier score: 60.6; improvement: 0.0

Belize

DB2015 ease of doing business rank: 118

DB2014 back-calculated ease of doing business rank: 119

DB2015 distance to frontier score: 58.1

DB2014 back-calculated distance to frontier score: 58.0; improvement: 0.2

Bolivia

Bolivia made trading across borders more difficult by increasing customs clearance time.

Areas of business regulatory reform: Trading across borders (making it more difficult)

DB2015 ease of doing business rank: 157

DB2014 back-calculated ease of doing business rank: 151

DB2015 distance to frontier score: 50.0

DB2014 back-calculated distance to frontier score: 49.9; improvement: 0.1

Brazil

DB2015 ease of doing business rank: 120

DB2014 back-calculated ease of doing business rank: 123

DB2015 distance to frontier score: 58.0

DB2014 back-calculated distance to frontier score: 57.4; improvement: 0.6

Chile

DB2015 ease of doing business rank: 41

DB2014 back-calculated ease of doing business rank: 39

DB2015 distance to frontier score: 71.2

DB2014 back-calculated distance to frontier score: 71.2; improvement: 0.1

Colombia

Colombia made transferring property easier by eliminating the need for a provisional registration. In addition, it improved access to credit by adopting a new secured transactions law that establishes a functional approach to secured transactions and a centralized, notice-based collateral registry. The law broadens the range of assets that can be used as collateral, allows a general description of assets granted as collateral, establishes clear priority rules inside bankruptcy for secured creditors, sets out grounds for relief from a stay of enforcement actions by secured creditors during reorganization procedures, and allows out-of-court enforcement of collateral. On the other hand, Colombia made paying taxes more complicated for companies by introducing a new profit tax (CREE), though it also reduced the corporate income tax rate and payroll taxes.

Areas of business regulatory reform: Registering property, Getting credit (legal rights), Paying taxes (making it more difficult)

DB2015 ease of doing business rank: 34

DB2014 back-calculated ease of doing business rank: 53

DB2015 distance to frontier score: 72.3

DB2014 back-calculated distance to frontier score: 68.0; improvement: 4.3

Costa Rica

Costa Rica reduced the time required for getting electricity by improving the coordination between different departments at the utility. In addition, it made paying taxes easier for companies by implementing an electronic system for filing corporate income tax and value added tax.

Areas of business regulatory reform: Getting electricity, Paying taxes

DB2015 ease of doing business rank: 83

DB2014 back-calculated ease of doing business rank: 78

DB2015 distance to frontier score: 63.7

DB2014 back-calculated distance to frontier score: 63.1; improvement: 0.6

Dominica

DB2015 ease of doing business rank: 97

DB2014 back-calculated ease of doing business rank: 94

DB2015 distance to frontier score: 61.4

DB2014 back-calculated distance to frontier score: 61.3; improvement: 0.1

Dominican Republic

The Dominican Republic improved its credit information system by enacting a new law regulating the protection of personal data and the operation of credit reporting institutions. And it strengthened minority investor protections by introducing greater shareholder rights and requirements for greater corporate transparency. In addition, the Dominican Republic made trading across borders easier by reducing the number of documents required for exports and imports. On the other hand, it made dealing with construction permits more costly by increasing the building permit fees.

Areas of business regulatory reform: Getting credit (credit information), Protecting minority investors, Trading across borders, Dealing with construction permits (making it more difficult)

DB2015 ease of doing business rank: 84

DB2014 back-calculated ease of doing business rank: 84

DB2015 distance to frontier score: 63.4

DB2014 back-calculated distance to frontier score: 62.3; improvement: 1.1

Ecuador

Ecuador strengthened minority investor protections by introducing greater requirements for disclosure of related-party transactions as well as a requirement that a potential acquirer make a tender offer to all shareholders upon acquiring voting shares. In addition, it made trading across borders easier by upgrading to a new electronic data interchange system called ECUAPASS.

Areas of business regulatory reform: Protecting minority investors, Trading across borders

DB2015 ease of doing business rank: 115

DB2014 back-calculated ease of doing business rank: 115

DB2015 distance to frontier score: 58.9

DB2014 back-calculated distance to frontier score: 58.3; improvement: 0.6

El Salvador

DB2015 ease of doing business rank: 109

DB2014 back-calculated ease of doing business rank: 106

DB2015 distance to frontier score: 59.9

DB2014 back-calculated distance to frontier score: 59.9; improvement: 0.0

Grenada

DB2015 ease of doing business rank: 126

DB2014 back-calculated ease of doing business rank: 125

DB2015 distance to frontier score: 57.4

DB2014 back-calculated distance to frontier score: 56.9; improvement: 0.4

Guatemala

Guatemala made starting a business easier by eliminating certain registration fees and reducing the time to publish a notice of incorporation. In addition, it made paying taxes easier and less costly for companies by enhancing the electronic system for filing and paying corporate income tax and value added tax and by reducing the capital gains and corporate income tax rates. On the other hand, it also made paying taxes more complicated by introducing a new form for capital gains tax.

Areas of business regulatory reform: Starting a business, Paying taxes

DB2015 ease of doing business rank: 73

DB2014 back-calculated ease of doing business rank: 71

DB2015 distance to frontier score: 64.9

DB2014 back-calculated distance to frontier score: 64.2; improvement: 0.7

Guyana

DB2015 ease of doing business rank: 123

DB2014 back-calculated ease of doing business rank: 121

DB2015 distance to frontier score: 57.8

DB2014 back-calculated distance to frontier score: 57.8; improvement: 0.0

Haiti

DB2015 ease of doing business rank: 180

DB2014 back-calculated ease of doing business rank: 181

DB2015 distance to frontier score: 42.2

DB2014 back-calculated distance to frontier score: 41.5; improvement: 0.7

Honduras

Honduras made dealing with construction permits more costly by increasing the building permit fees.

Areas of business regulatory reform: Dealing with construction permits (making it more difficult)

DB2015 ease of doing business rank: 104

DB2014 back-calculated ease of doing business rank: 100

DB2015 distance to frontier score: 60.6

DB2014 back-calculated distance to frontier score: 60.8; improvement: -0.2

Jamaica

Jamaica made starting a business easier by consolidating forms, but also made it more time-consuming as a result of delays in the implementation of the electronic interface with different agencies. Jamaica made getting electricity less expensive by reducing the cost of external connection works. In addition, it improved access to credit by establishing credit bureaus and by adopting a new secured transactions law that implements a functional approach to secured transactions, broadens the range of assets that can be used as collateral, allows a general description of assets granted as collateral, and establishes a modern, notice-based collateral registry. On the other hand, Jamaica made paying taxes more costly for companies by introducing a new minimum business tax.

Areas of business regulatory reform: Starting a business, Getting electricity, Getting credit (legal rights and credit information), Paying taxes (making it more difficult)

DB2015 ease of doing business rank: 58

DB2014 back-calculated ease of doing business rank: 85

DB2015 distance to frontier score: 67.8

DB2014 back-calculated distance to frontier score: 62.2; improvement: 5.6

Mexico

Mexico improved access to credit by amending its insolvency proceedings law and establishing clear grounds for relief from a stay of enforcement actions by secured creditors during reorganization procedures—a reform applying to both Mexico City and Monterrey. In addition, it made resolving insolvency easier by clarifying several rules, shortening the time extensions allowed during reorganization, facilitating the electronic submission of documents, and improving the legal rights of creditors and other parties involved in bankruptcy procedures—a reform that also applies to both Mexico City and Monterrey.

Areas of business regulatory reform: Getting credit (legal rights), Resolving insolvency

DB2015 ease of doing business rank: 39

DB2014 back-calculated ease of doing business rank: 43

DB2015 distance to frontier score: 71.5

DB2014 back-calculated distance to frontier score: 70.6; improvement: 0.9

Nicaragua

Nicaragua made starting a business easier by combining multiple registration procedures. In addition, it improved access to credit information by starting to provide credit scores to banks and financial institutions.

Areas of business regulatory reform: Starting a business, Getting credit (credit information)

DB2015 ease of doing business rank: 119

DB2014 back-calculated ease of doing business rank: 126

DB2015 distance to frontier score: 58.1

DB2014 back-calculated distance to frontier score: 56.9; improvement: 1.2

Panama

Panama improved access to credit through a new law broadening the range of assets that can be used as collateral, allowing a general description of assets granted as collateral, and allowing out-of-court enforcement of collateral.

Areas of business regulatory reform: Getting credit (legal rights)

DB2015 ease of doing business rank: 52

DB2014 back-calculated ease of doing business rank: 55

DB2015 distance to frontier score: 69.2

DB2014 back-calculated distance to frontier score: 67.7; improvement: 1.5

Paraguay

DB2015 ease of doing business rank: 92

DB2014 back-calculated ease of doing business rank: 92

DB2015 distance to frontier score: 62.5

DB2014 back-calculated distance to frontier score: 61.6; improvement: 0.9

Peru

DB2015 ease of doing business rank: 35

DB2014 back-calculated ease of doing business rank: 34

DB2015 distance to frontier score: 72.1

DB2014 back-calculated distance to frontier score: 72.0; improvement: 0.1

Puerto Rico (U.S.)

Puerto Rico (territory of the United States) made dealing with construction permits easier by introducing the option of hiring authorized private professionals to carry out the fire safety recommendations and issue the fire safety and environmental health certificates.

Areas of business regulatory reform: Dealing with construction permits

DB2015 ease of doing business rank: 47

DB2014 back-calculated ease of doing business rank: 41

DB2015 distance to frontier score: 70.4

DB2014 back-calculated distance to frontier score: 70.8; improvement: -0.5

St. Kitts and Nevis

St. Kitts and Nevis made paying taxes less costly for companies by reducing the corporate income tax rate. On the other hand, it made dealing with construction permits more costly by increasing the building permit fees.

Areas of business regulatory reform: Paying taxes, Dealing with construction permits (making it more difficult)

DB2015 ease of doing business rank: 121
DB2014 back-calculated ease of doing business rank: 120
DB2015 distance to frontier score: 58.0
DB2014 back-calculated distance to frontier score: 57.9; improvement: 0.1

St. Lucia

St. Lucia made trading across borders easier by implementing an electronic system—ASYCUDA (Automated System for Customs Data) World—for the submission of export and import documents and by reducing the number of export documents required.

Areas of business regulatory reform: Trading across borders

DB2015 ease of doing business rank: 100
DB2014 back-calculated ease of doing business rank: 95
DB2015 distance to frontier score: 61.4
DB2014 back-calculated distance to frontier score: 61.1; improvement: 0.3

St. Vincent and the Grenadines

DB2015 ease of doing business rank: 103
DB2014 back-calculated ease of doing business rank: 101
DB2015 distance to frontier score: 60.7
DB2014 back-calculated distance to frontier score: 60.7; improvement: 0.0

Suriname

Suriname made starting a business easier by introducing an online system for obtaining trade licenses.

Areas of business regulatory reform: Starting a business

DB2015 ease of doing business rank: 162
DB2014 back-calculated ease of doing business rank: 159
DB2015 distance to frontier score: 49.3
DB2014 back-calculated distance to frontier score: 48.9; improvement: 0.4

Trinidad and Tobago

Trinidad and Tobago made starting a business easier by introducing online systems for employer registration and tax registration. It improved access to credit by adopting the Bankruptcy and Insolvency Act, which establishes clear grounds for relief from a stay of enforcement actions by secured creditors during reorganization procedures as well as a time limit for the stay. In addition, Trinidad and Tobago made resolving insolvency easier by introducing a formal mechanism for rehabilitation, establishing a public office responsible for the general administration of insolvency proceedings, and clarifying the rules on appointment of trustees.

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

DB2015 ease of doing business rank: 79
DB2014 back-calculated ease of doing business rank: 91
DB2015 distance to frontier score: 64.2
DB2014 back-calculated distance to frontier score: 61.9; improvement: 2.4

Uruguay

Uruguay made trading across borders easier by implementing a risk-based inspection system that reduced customs clearance time for both exports and imports. In addition, it made enforcing contracts easier by simplifying and speeding up the proceedings for commercial disputes.

Areas of business regulatory reform: Trading across borders, Enforcing contracts

DB2015 ease of doing business rank: 82
DB2014 back-calculated ease of doing business rank: 74
DB2015 distance to frontier score: 63.9
DB2014 back-calculated distance to frontier score: 63.8; improvement: 0.1

Venezuela, RB

República Bolivariana de Venezuela made starting a business more difficult by increasing incorporation costs.

Areas of business regulatory reform: Starting a business (making it more difficult)

DB2015 ease of doing business rank: 182

DB2014 back-calculated ease of doing business rank: 183

DB2015 distance to frontier score: 41.4

DB2014 back-calculated distance to frontier score: 40.4; improvement: 1.0

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.

For more information on *Doing Business 2015*, please contact:

Nadine Ghannam +1 (202) 473-3011

E-mail: nsghannam@ifc.org

Hyun Kyong Lee +1 (202) 473-8725

E-mail: hlee9@worldbank.org

Contacts for region-specific queries on *Doing Business 2015*:

Latin America and the Caribbean

Adriana Gomez +1 (202) 458-5204

E-mail: agomez@ifc.org

Marcela Sanchez-Bender +1 (202) 473-5863

E-mail: msanchezbender@worldbank.org