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Latin American and Caribbean Economies Adopt Reforms to Improve their Business Climate, Guatemala among the Global Top Ten Improvers in Business Regulation

Washington, D.C., October 29, 2013—More than half of Latin American and Caribbean economies implemented reforms in the past year aimed at facilitating business activity by local entrepreneurs, a new World Bank Group report finds. Panama, Guatemala, Jamaica, and Mexico reformed business regulations in at least three areas measured by the report.

The most common types of reforms implemented in the region were those making it easier to start a new company or to pay taxes, according to *Doing Business 2014: Understanding Regulations for Small and Medium-Size Enterprises*.

Regionally, Colombia has improved business regulation the most since 2005—by undertaking 27 reforms. Colombia is among the 20 economies globally making the most progress over that period. Among 189 economies around the world, Colombia has a ranking of 43 on the ease of doing business as measured by the *Doing Business* indicators. Chile retains the region's highest ranking on the ease of doing business. Guatemala, Peru, Costa Rica, and Mexico are among the top 50 economies making the most progress since 2005.

"The reform momentum in the region is very encouraging. In the past year, 17 economies in Latin America and the Caribbean reformed their business regulatory environment—the highest number in the past four years—by adopting global good practices," said Augusto Lopez-Claros, Director, Global Indicators and Analysis, World Bank Group. "In Chile, several reforms over the past five years have reduced the time to start a business in Santiago from 27 days to less than 6. Other good practices include the gradual implementation of a single window for facilitating trade in Colombia and a new payment scheme designed to tackle high electricity connection costs in Trinidad and Tobago."

Guatemala was among the global top 10 improvers in business regulation in 2012/13. Guatemala created a one-stop shop for construction permitting, introduced a new system for filing and paying taxes, and launched an online platform allowing entrepreneurs to simultaneously register a new business with different government agencies.

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 regulations are Hong Kong SAR, China; New Zealand; the United States; Denmark; Malaysia; the Republic of Korea; Georgia; Norway; and the United Kingdom.

In addition to the global rankings, every year *Doing Business* reports the economies that have improved the most on the indicators since the previous year. The 10 economies topping that list this year are (in order of improvement) Ukraine, Rwanda, the Russian Federation, the Philippines, Kosovo, Djibouti, Côte d'Ivoire, Burundi, the former Yugoslav Republic of Macedonia, and Guatemala. Yet challenges persist: five of this year's top improvers—Burundi, Côte d'Ivoire, Djibouti, the Philippines, and Ukraine—are still in the bottom half of the global ranking on the ease of doing business.

About the *Doing Business* report series

The joint World Bank and IFC 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 10 indicators 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. This year's report marks the 11th edition of the global *Doing Business* report series and covers 189 economies. For more information about the *Doing Business* reports, please visit doingbusiness.org and join us on doingbusiness.org/Facebook.

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