

## **Irish Cities Can Learn from Each Other to Improve Ease of Doing Business**

*First World Bank study of 5 cities in 5 areas highlights different regulatory hurdles*

**DUBLIN, November 26, 2019** – Irish cities are among the best performers in the European Union in the areas of *starting a business* and *dealing with construction permits*, but they remain behind in the areas of *registering property* and *enforcing contracts*, a new World Bank study says.

For the first time, *Doing Business in the European Union 2020: Greece, Ireland and Italy* benchmarks *Doing Business* indicators in five areas in four Irish cities in addition to Dublin: Cork, Galway, Limerick and Waterford. Globally, Ireland has been among the top performers in the ease of *Doing Business* rankings, represented by Dublin, but this subnational study shows that entrepreneurs face different regulatory hurdles depending on where they establish their businesses, highlighting opportunities for cities to do better by learning from each other.

*“Ireland has consistently been among the top performers globally on the ease of doing business, but this first study, which looks at regulatory performance in five cities, identifies areas where the country can do better for local firms, to provide more opportunities not only for their domestic growth but to help them compete in the global economy,”* said **Jakob Kopperud, World Bank Special Representative to the UK and Ireland.**

The five areas measured are *starting a business*, *dealing with construction permits*, *getting electricity*, *registering property*, and *enforcing contracts*. Despite the country’s centralized legal framework, disparities in regulatory performance remain in four out of these five areas, except for *starting a business*. In the area of *starting a business*, performance is more even but common bottlenecks remain, such as the registration for value added tax.

Each city stands out in some areas and falls behind in others, according to the study. For instance, Cork and Dublin lead in the areas of *enforcing contracts* and *getting electricity*, but are behind in the area of *dealing with construction permits*. Galway and Limerick lead on the *ease of registering property*, but are behind in *contract enforcement*. Waterford leads on the *dealing with construction permits* area, but is behind in *registering property*.

*“The disparities in performance brought to light by this study can help the government identify which cities have good practices. Local policy makers can look to other cities to see how they implement the national law more efficiently, and improve their own performance,”* said **Rita Ramalho, Senior Manager of the World Bank’s Global Indicators Group**, which produces the report.

For example, the time to deal with construction permits varies from about 5 months in Waterford to almost seven months in Cork while the cost varies from 1.1% of the warehouse value in Galway to almost four times as much in Dublin. There are variations in the time it takes to conduct preplanning meetings and obtain fire safety and disability access certificates with local planning departments, as well as the time to obtain utility connections. The differences in cost are driven mainly by the development contribution fee, which is set independently by each city council.

*Doing Business in the European Union* is a series of subnational reports being produced by the World Bank Group at the request of and funded by the European Commission. This edition also benchmarks 6 cities in Greece and 13 cities in Italy, besides the 5 cities in Ireland. The report will be published in full in December 2019. A first edition, covering 22 cities in Bulgaria, Hungary and Romania, was released in 2017. A second edition, covering 25 cities in Croatia, the Czech Republic, Portugal and Slovakia, was released in 2018.

The work on Ireland, carried out with the support of the Department of Finance, is based on the same methodology as the global *Doing Business* report published annually by the World Bank Group.

**Contacts:**

**In Washington:**

Chisako Fukuda

Tel: +1 (202) 473-9424

[cfukuda@worldbankgroup.org](mailto:cfukuda@worldbankgroup.org)

**In London:**

Melissa Bryant

Tel: +44 2075928402

[mbryant@worldbankgroup.org](mailto:mbryant@worldbankgroup.org)

Website: [www.doingbusiness.org/EU3](http://www.doingbusiness.org/EU3)

Facebook: [www.facebook.com/DoingBusiness.org](http://www.facebook.com/DoingBusiness.org)

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