Smarter Regulatory Reforms Across Italy Offer Good Practices to Improve Business Environment

Rome, Italy, November 14, 2012—A new report by the World Bank and IFC compares business regulations affecting domestic firms in Italy and finds that local entrepreneurs face varying regulations across the country depending on where they establish their businesses. The report highlights good practices that can be leveraged to empower local entrepreneurs and firms.

Released today, Doing Business in Italy 2013 benchmarks 13 cities and seven ports on five Doing Business topics: starting a business, dealing with construction permits, registering property, enforcing contracts, and trading across borders. While no city does equally well in all areas, there are good practices to be found across many of the cities measured in Italy.

The report finds that it is easiest to deal with construction permits and register property in Bologna, start a business in Catanzaro or Padua, and enforce a contract in Turin. In trading across borders, Genoa is the most efficient large port, while Catania leads among regional and transshipment ports.

Regulatory differences from one city to another can be extreme. In the case of dealing with construction permits, the main delay is in obtaining a building permit from the municipality. In Catanzaro and Palermo, this step alone takes six months, while the same procedure takes half that time in Campobasso, Naples, and Potenza, and only one month in Milan.

The good news is that the regulatory environment for local entrepreneurs in Italy is improving, and the pace of change is picking up. When we compare Italy’s performance since 2005, the global Doing Business report shows how much the regulatory environment has changed for the better.

Despite a number of good practices documented in the report, challenges remain. Firms across Italy still face inefficient and lengthy procedures that carry a high cost, especially in the areas of dealing with construction permits and enforcing contracts.

“We hope the report can guide policy makers to areas where improvements are possible without major legislative changes,” said Janamitra Devan, Vice President, Financial and Private Sector Development, World Bank and IFC. “Cities can share experiences, learn from each other, and help promote needed business regulatory reform throughout Italy.”

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