

# DOING BUSINESS 2019

## Training for Reform

Regional Profile  
European Union (EU)



## Region Profile of European Union (EU)

Doing Business 2019 Indicators  
(in order of appearance in the document)

<b>Starting a business</b>	Procedures, time, cost and paid-in minimum capital to start a limited liability company
<b>Dealing with construction permits</b>	Procedures, time and cost to complete all formalities to build a warehouse and the quality control and safety mechanisms in the construction permitting system
<b>Getting electricity</b>	Procedures, time and cost to get connected to the electrical grid, the reliability of the electricity supply and the transparency of tariffs
<b>Registering property</b>	Procedures, time and cost to transfer a property and the quality of the land administration system
<b>Getting credit</b>	Movable collateral laws and credit information systems
<b>Protecting minority investors</b>	Minority shareholders' rights in related-party transactions and in corporate governance
<b>Paying taxes</b>	Payments, time and total tax rate for a firm to comply with all tax regulations as well as post-filing processes
<b>Trading across borders</b>	Time and cost to export the product of comparative advantage and import auto parts
<b>Enforcing contracts</b>	Time and cost to resolve a commercial dispute and the quality of judicial processes
<b>Resolving insolvency</b>	Time, cost, outcome and recovery rate for a commercial insolvency and the strength of the legal framework for insolvency

## About Doing Business

The Doing Business project provides objective measures of business regulations and their enforcement across 190 economies and selected cities at the subnational and regional level.

The Doing Business project, launched in 2002, looks at domestic small and medium-size companies and measures the regulations applying to them through their life cycle.

Doing Business captures several important dimensions of the regulatory environment as it applies to local firms. It provides quantitative indicators on regulation for starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting minority investors, paying taxes, trading across borders, enforcing contracts and resolving insolvency. Doing Business also measures features of labor market regulation. Although Doing Business does not present rankings of economies on the labor market regulation indicators or include the topic in the aggregate ease of doing business score or ranking on the ease of doing business, it does present the data for these indicators.

By gathering and analyzing comprehensive quantitative data to compare business regulation environments across economies and over time, Doing Business encourages economies to compete towards more efficient regulation; offers measurable benchmarks for reform; and serves as a resource for academics, journalists, private sector researchers and others interested in the business climate of each economy.

In addition, Doing Business offers detailed [subnational reports](#), which exhaustively cover business regulation and reform in different cities and regions within a nation. These reports provide data on the ease of doing business, rank each location, and recommend reforms to improve performance in each of the indicator areas. Selected cities can compare their business regulations with other cities in the economy or region and with the 190 economies that Doing Business has ranked.

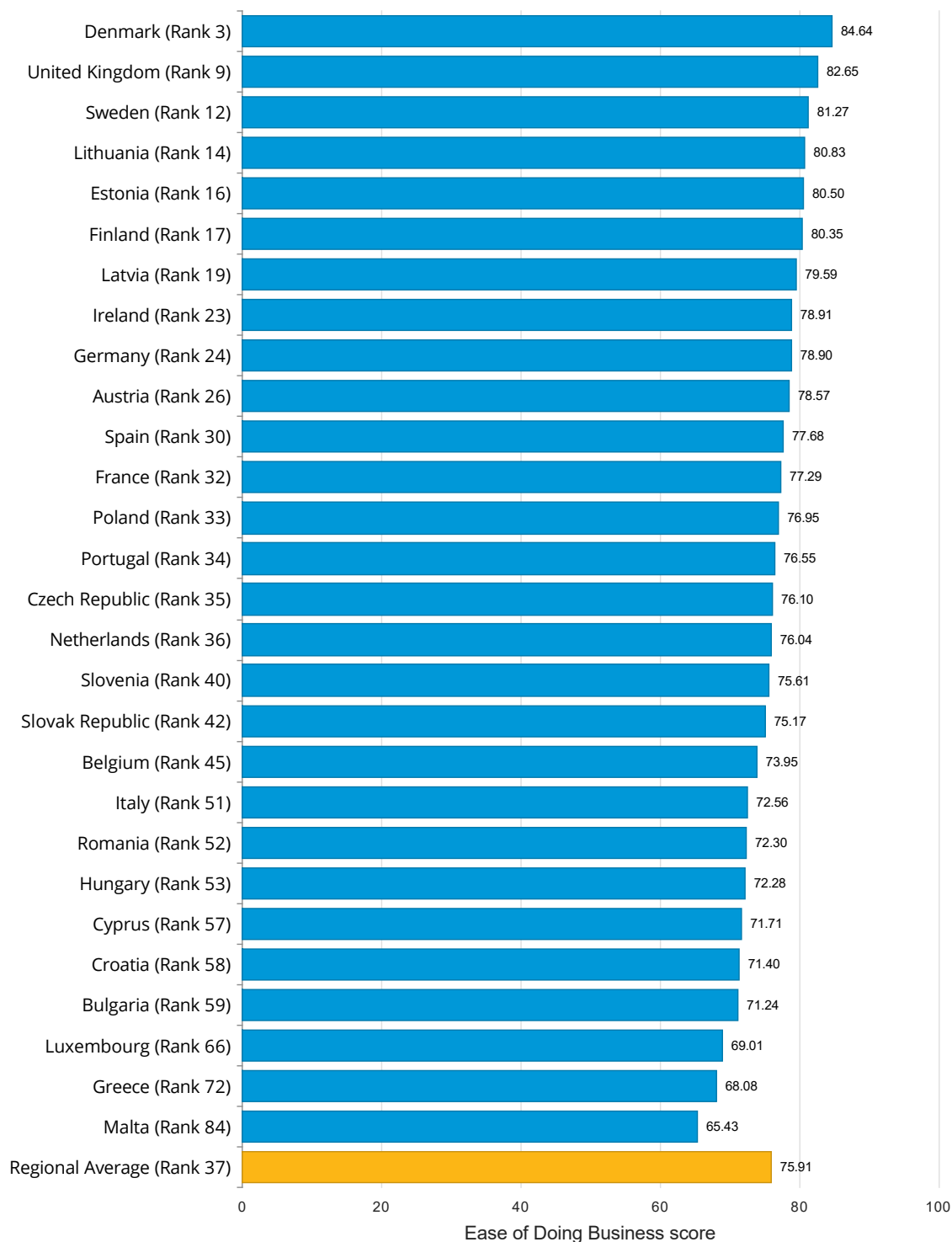
The first Doing Business report, published in 2003, covered 5 indicator sets and 133 economies. This year's report covers 11 indicator sets and 190 economies. Most indicator sets refer to a case scenario in the largest business city of each economy, except for 11 economies that have a population of more than 100 million as of 2013 (Bangladesh, Brazil, China, India, Indonesia, Japan, Mexico, Nigeria, Pakistan, the Russian Federation and the United States) where Doing Business also collected data for the second largest business city. The data for these 11 economies are a population-weighted average for the 2 largest business cities. The project has benefited from feedback from governments, academics, practitioners and reviewers. The initial goal remains: to provide an objective basis for understanding and improving the regulatory environment for business around the world.

More about [Doing Business](#)

## The Business Environment

For policy makers, knowing where their economy stands in the aggregate ranking on the ease of doing business is useful. Also useful is to know how it ranks compared with other economies in the region and compared with the regional average. Another perspective is provided by the regional average rankings on the topics included in the ease of doing business ranking and the ease of doing business score.

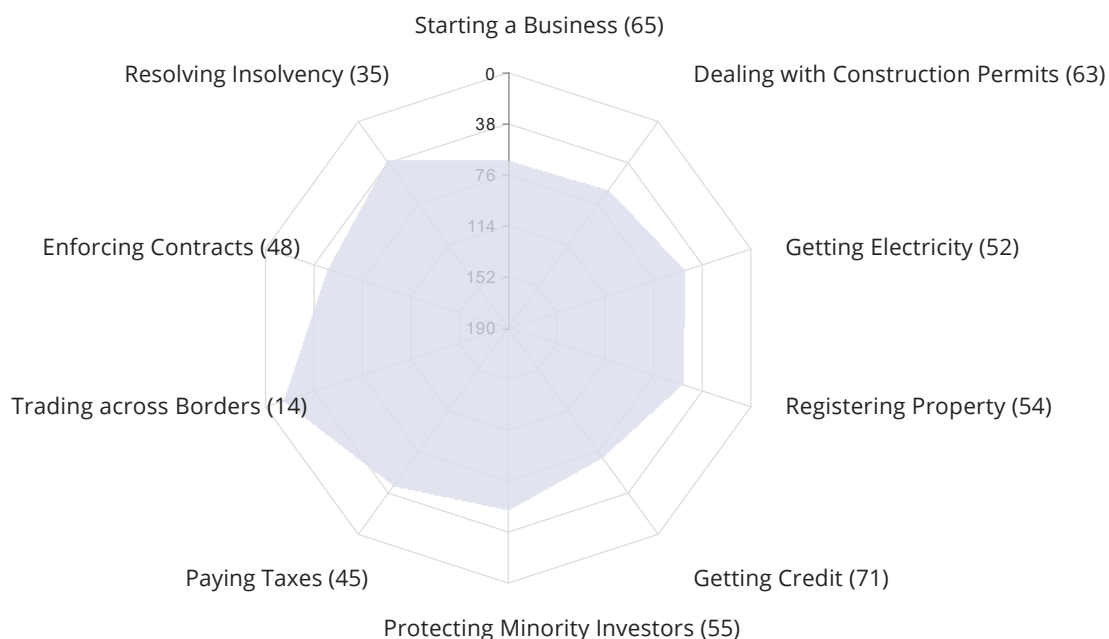
### How economies in European Union (EU) rank on the ease of doing business



Note: The ease of doing business score captures the gap of each economy from the best regulatory performance observed on each of the indicators across all economies in the Doing Business sample since 2005. An economy's ease of doing business score is reflected on a scale from 0 to 100, where 0 represents the lowest and 100 represents the best performance. The ease of doing business ranking ranges from 1 to 190.

Source: Doing Business database

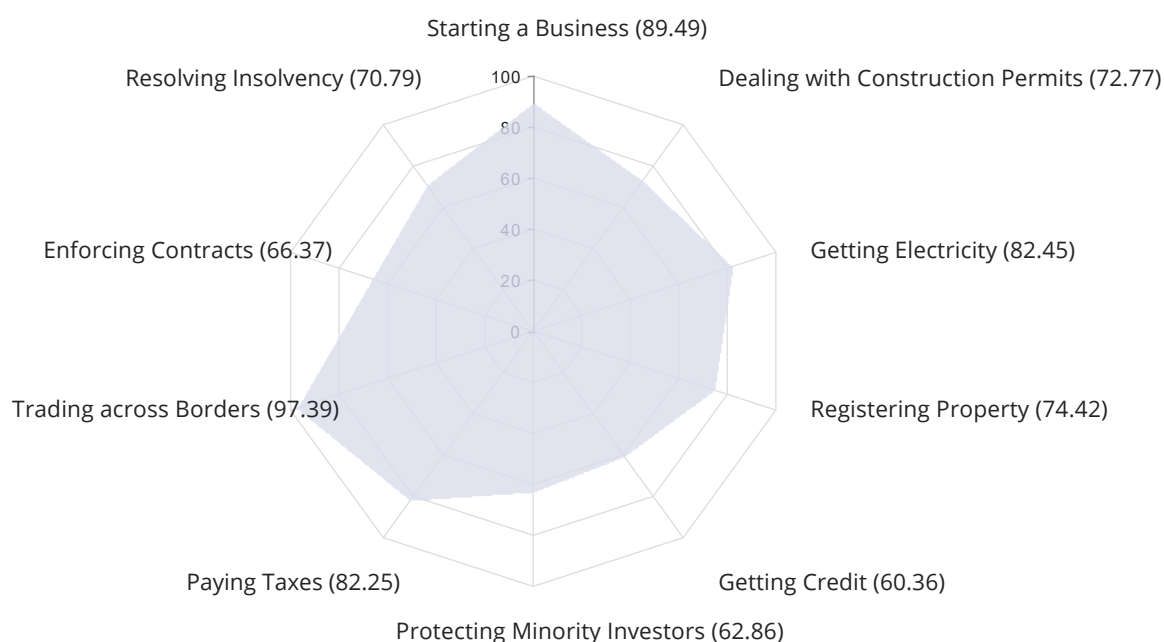
## Rankings on Doing Business topics - European Union (EU)



Regional average ranking (Scale: Rank 190 center, Rank 1 outer edge)

Source: Doing Business database.

## Ease of Doing Business scores on Doing Business topics - European Union (EU)



(Scale: Score 0 center, Score 100 outer edge)

Note: The ease of doing business score captures the gap of each economy from the best regulatory performance observed on each of the indicators across all economies in the Doing Business sample since 2005. An economy's ease of doing business score is reflected on a scale from 0 to 100, where 0 represents the lowest and 100 represents the best performance. The ease of doing business ranking ranges from 1 to 190. Source: Doing Business database

## Starting a Business

This topic measures the number of procedures, time, cost and paid-in minimum capital requirement for a small- to medium-sized limited liability company to start up and formally operate in economy's largest business city.

To make the data comparable across 190 economies, Doing Business uses a standardized business that is 100% domestically owned, has start-up capital equivalent to 10 times income per capita, engages in general industrial or commercial activities and employs between 10 and 50 people one month after the commencement of operations, all of whom are domestic nationals. Starting a Business considers two types of local limited liability companies that are identical in all aspects, except that one company is owned by 5 married women and the other by 5 married men. The doing business score for each indicator is the average of the scores obtained for each of the component indicators.

The most recent round of data collection for the project was completed in May 2018. [See the methodology for more information.](#)

### What the indicators measure

#### **Procedures to legally start and formally operate a company (number)**

- Preregistration (for example, name verification or reservation, notarization)
- Registration in the economy's largest business city
- Postregistration (for example, social security registration, company seal)
- Obtaining approval from spouse to start a business or to leave the home to register the company
- Obtaining any gender specific document for company registration and operation or national identification card

#### **Time required to complete each procedure (calendar days)**

- Does not include time spent gathering information
- Each procedure starts on a separate day (2 procedures cannot start on the same day)
- Procedures fully completed online are recorded as ½ day
- Procedure is considered completed once final document is received
- No prior contact with officials

#### **Cost required to complete each procedure (% of income per capita)**

- Official costs only, no bribes
- No professional fees unless services required by law or commonly used in practice

#### **Paid-in minimum capital (% of income per capita)**

- Funds deposited in a bank or with third party before registration or up to 3 months after incorporation

### Case study assumptions

To make the data comparable across economies, several assumptions about the business and the procedures are used. It is assumed that any required information is readily available and that the entrepreneur will pay no bribes.

#### **The business:**

- Is a limited liability company (or its legal equivalent). If there is more than one type of limited liability company in the economy, the most common among domestic firms is chosen. Information on the most common form is obtained from incorporation lawyers or the statistical office.
- Operates in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- The entire office space is approximately 929 square meters (10,000 square feet).
- Is 100% domestically owned and has five owners, none of whom is a legal entity; has a start-up capital of 10 times income per capita and has a turnover of at least 100 times income per capita.
- Performs general industrial or commercial activities, such as the production or sale of goods or services to the public. The business does not perform foreign trade activities and does not handle products subject to a special tax regime, for example, liquor or tobacco. It does not use heavily polluting production processes.
- Leases the commercial plant or offices and is not a proprietor of real estate and the amount of the annual lease for the office space is equivalent to the income per capita.
- Does not qualify for investment incentives or any special benefits.
- Has at least 10 and up to 50 employees one month after the commencement of operations, all of whom are domestic nationals.
- Has a company deed that is 10 pages long.

#### **The owners:**

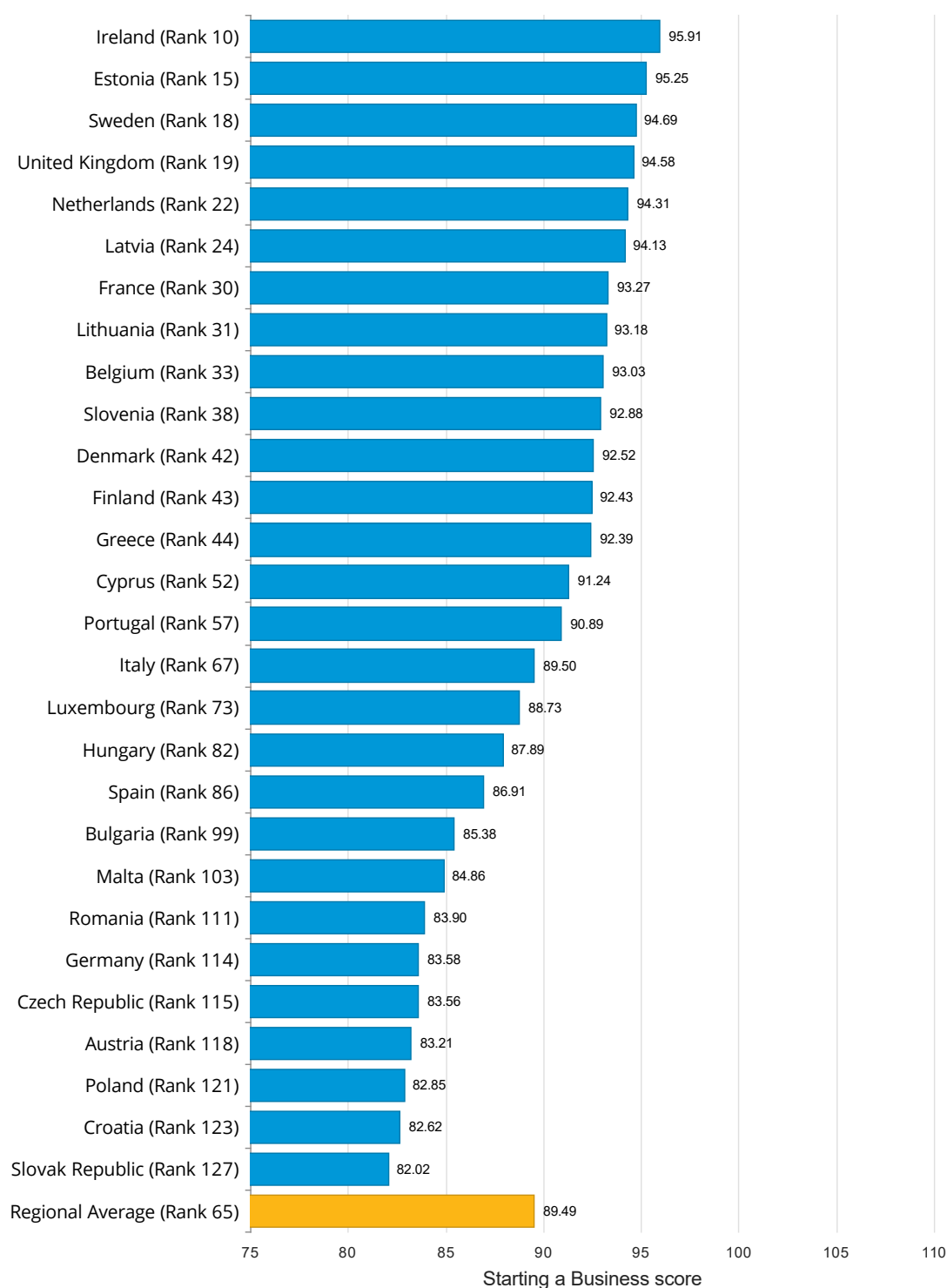
- Have reached the legal age of majority. If there is no legal age of majority, they are assumed to be 30 years old.
- Are sane, competent, in good health and have no criminal record.
- Are married and the marriage is monogamous and registered with the authorities.
- Where the answer differs according to the legal system applicable to the woman or man in question (as may be the case in economies where there is legal plurality), the answer used will be the one that applies to the majority of the population.

## Starting a Business

Where do the region's economies stand today?

How easy is it for entrepreneurs in economies in European Union (EU) to start a business? The global rankings of these economies on the ease of starting a business suggest an answer. The average ranking of the region and comparator regions provide a useful benchmark.

### How economies in European Union (EU) rank on the ease of starting a business



Source: Doing Business database.

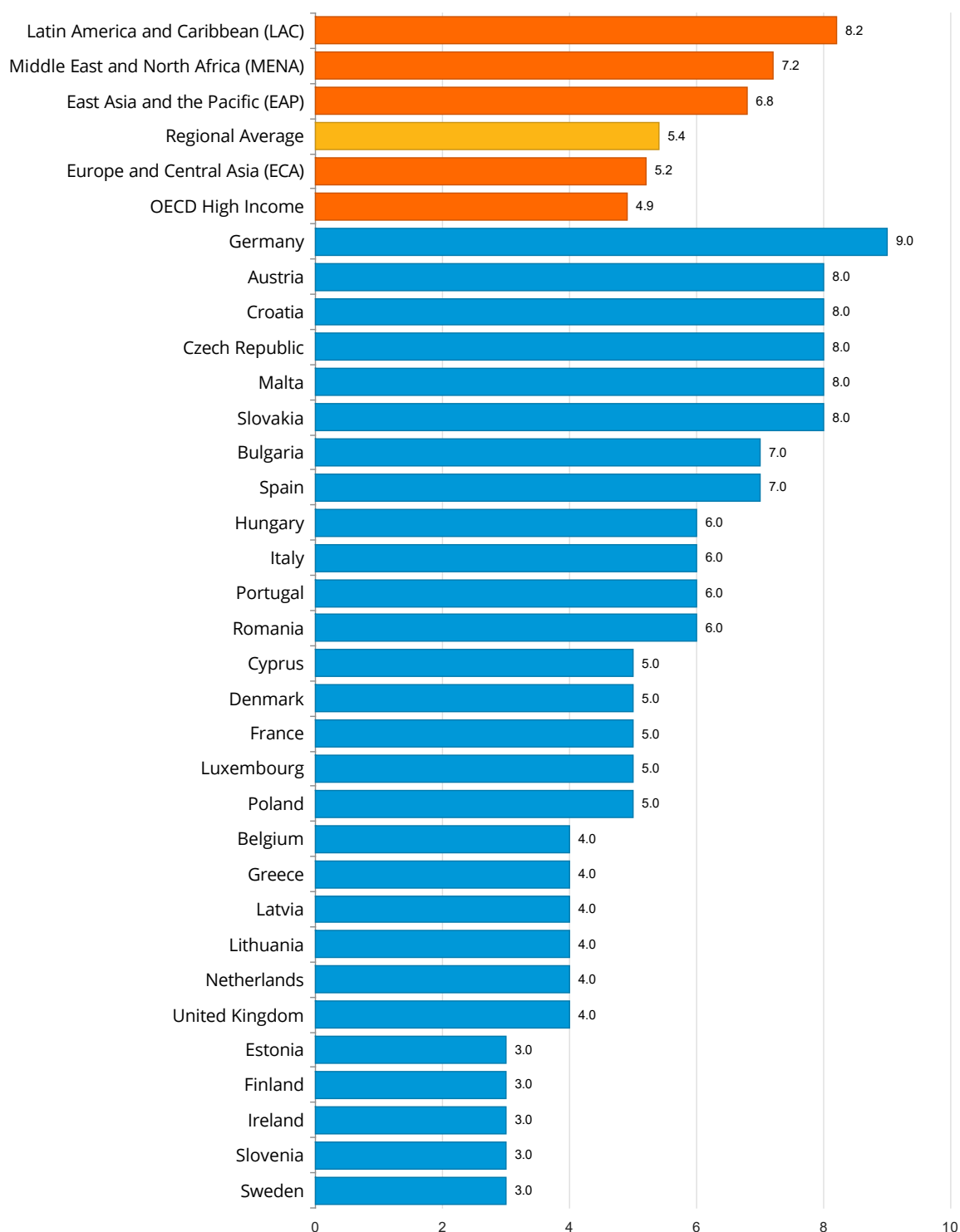


## Starting a Business

The indicators underlying the rankings may be more revealing. Data collected by Doing Business show what it takes to start a business in each economy in the region: the number of procedures, the time, the cost and the paid-in minimum capital requirement. Comparing these indicators across the region and with averages both for the region and for comparator regions can provide useful insights.

### What it takes to start a business in economies in European Union (EU)

#### Procedure – Men (number)

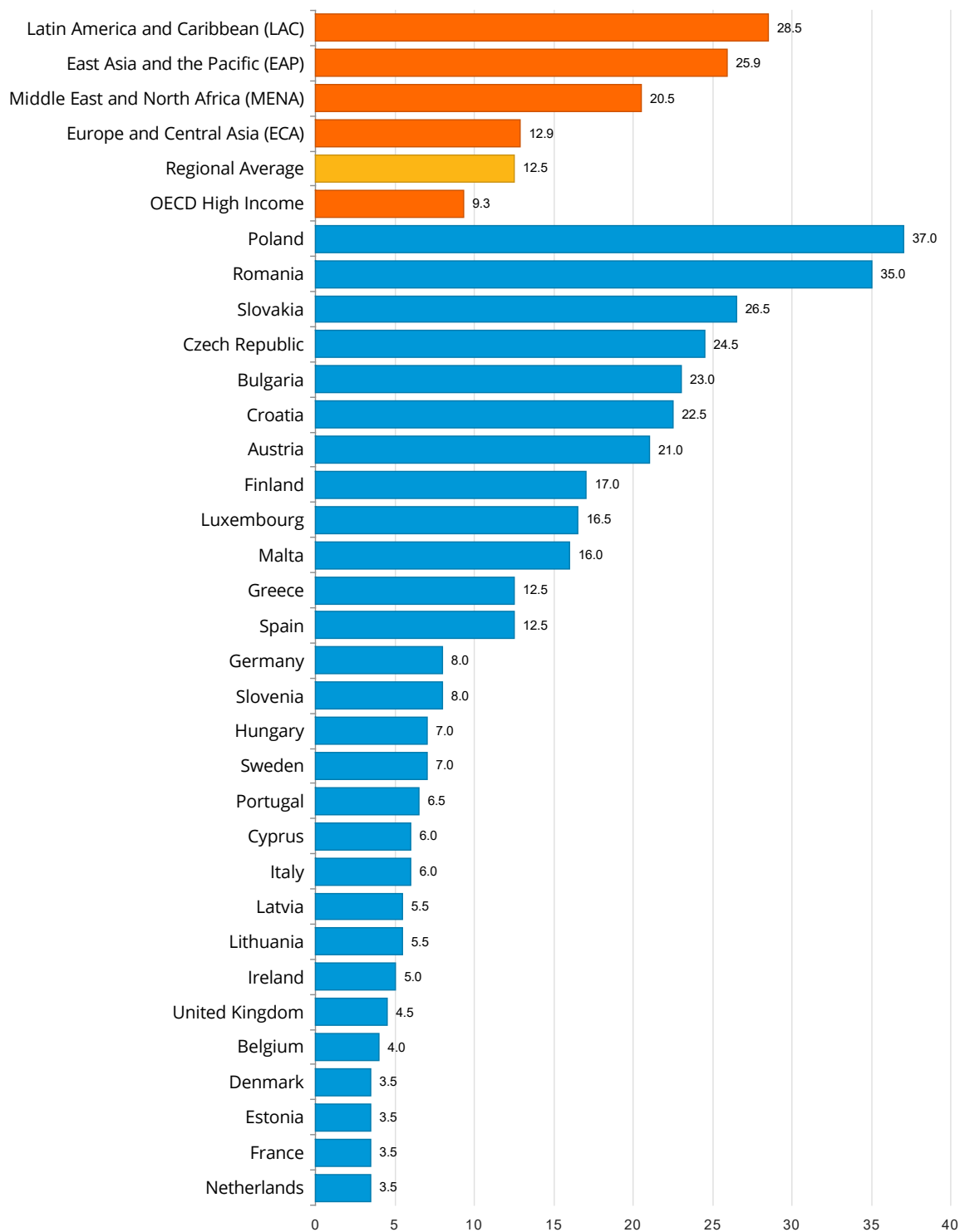


Source: Doing Business database.



## Starting a Business

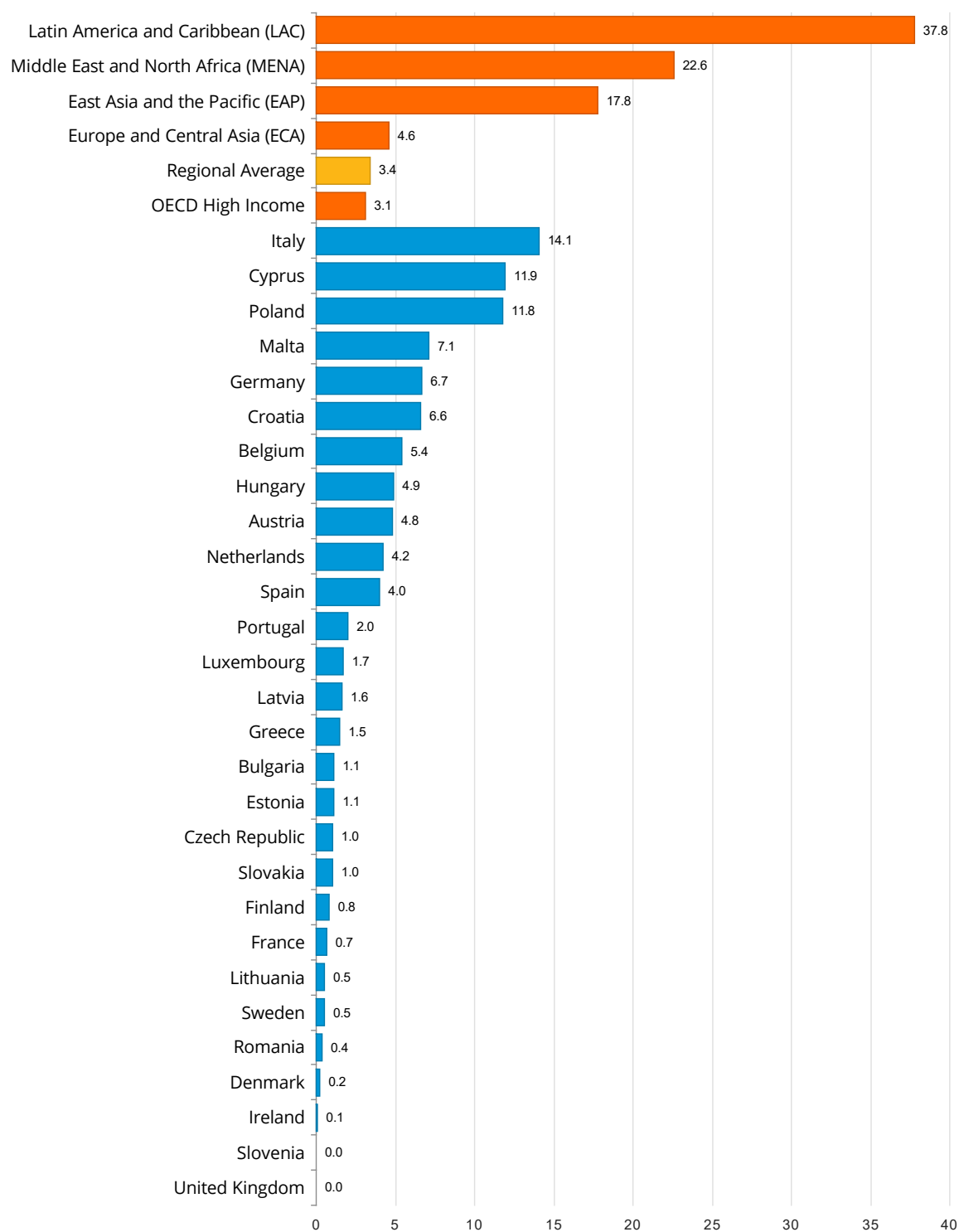
## Time – Men (days)



Source: Doing Business database.

## Starting a Business

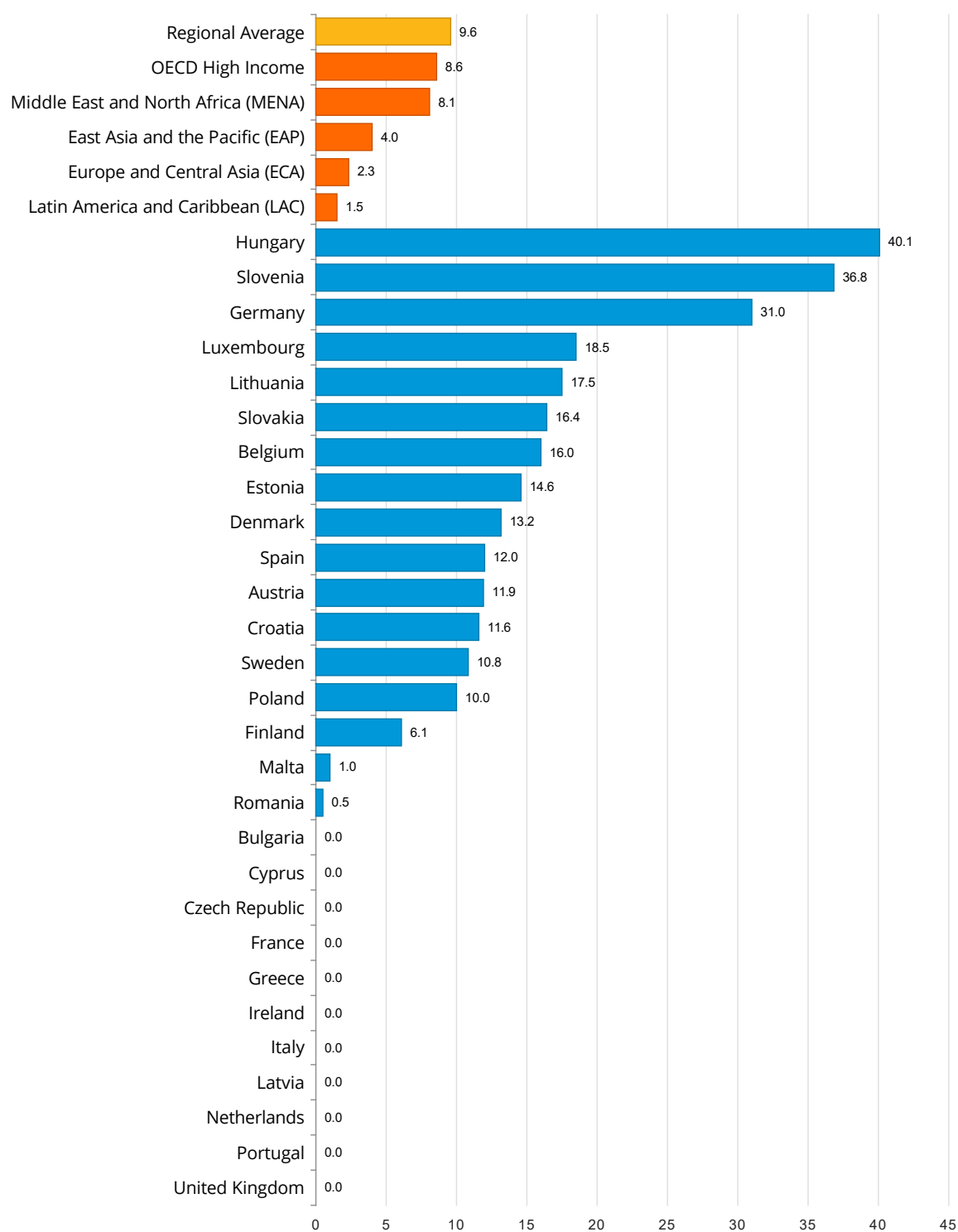
## Cost – Men (% of income per capita)



Source: Doing Business database.

## Starting a Business

## Paid-in min. capital (% of income per capita)



Source: Doing Business database.

## Dealing with Construction Permits

This topic tracks the procedures, time and cost to build a warehouse—including obtaining necessary the licenses and permits, submitting all required notifications, requesting and receiving all necessary inspections and obtaining utility connections. In addition, the Dealing with Construction Permits indicator measures the building quality control index, evaluating the quality of building regulations, the strength of quality control and safety mechanisms, liability and insurance regimes, and professional certification requirements. The most recent round of data collection was completed in May 2018. [See the methodology for more information](#)

### What the indicators measure

#### Procedures to legally build a warehouse (number)

- Submitting all relevant documents and obtaining all necessary clearances, licenses, permits and certificates
- Submitting all required notifications and receiving all necessary inspections
- Obtaining utility connections for water and sewerage
- Registering and selling the warehouse after its completion

#### Time required to complete each procedure (calendar days)

- Does not include time spent gathering information
- Each procedure starts on a separate day—though procedures that can be fully completed online are an exception to this rule
- Procedure is considered completed once final document is received
- No prior contact with officials

#### Cost required to complete each procedure (% of income per capita)

- Official costs only, no bribes

#### Building quality control index (0-15)

- Quality of building regulations (0-2)
- Quality control before construction (0-1)
- Quality control during construction (0-3)
- Quality control after construction (0-3)
- Liability and insurance regimes (0-2)
- Professional certifications (0-4)

### Case study assumptions

To make the data comparable across economies, several assumptions about the construction company, the warehouse project and the utility connections are used.

#### The construction company (BuildCo):

- Is a limited liability company (or its legal equivalent) and operates in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Is 100% domestically and privately owned; has five owners, none of whom is a legal entity. Has a licensed architect and a licensed engineer, both registered with the local association of architects or engineers. BuildCo is not assumed to have any other employees who are technical or licensed experts, such as geological or topographical experts.
- Owns the land on which the warehouse will be built and will sell the warehouse upon its completion.

#### The warehouse:

- Will be used for general storage activities, such as storage of books or stationery.
- Will have two stories, both above ground, with a total constructed area of approximately 1,300.6 square meters (14,000 square feet). Each floor will be 3 meters (9 feet, 10 inches) high and will be located on a land plot of approximately 929 square meters (10,000 square feet) that is 100% owned by BuildCo, and the warehouse is valued at 50 times income per capita.
- Will have complete architectural and technical plans prepared by a licensed architect. If preparation of the plans requires such steps as obtaining further documentation or getting prior approvals from external agencies, these are counted as procedures.
- Will take 30 weeks to construct (excluding all delays due to administrative and regulatory requirements).

#### The water and sewerage connections:

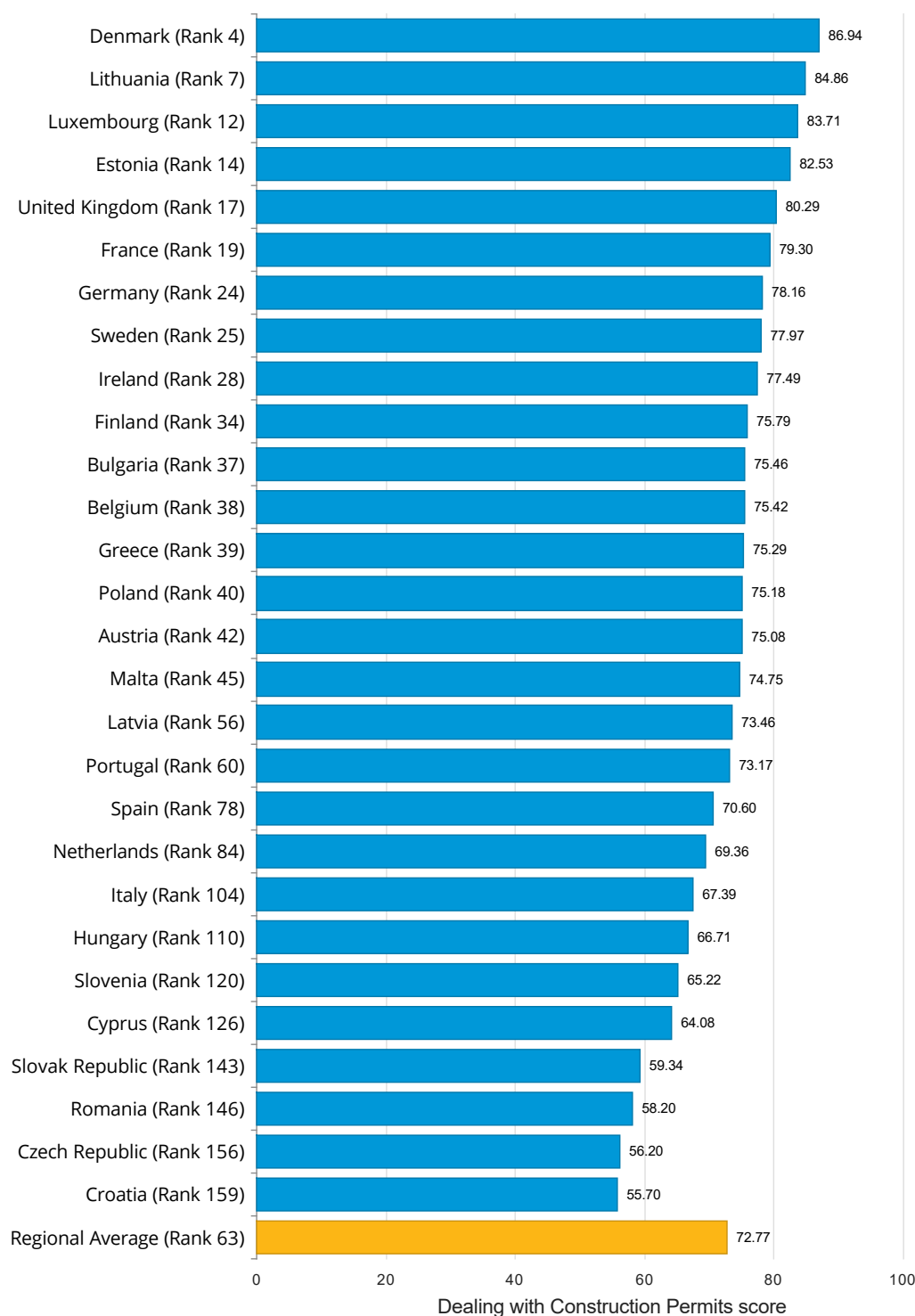
- Will be 150 meters (492 feet) from the existing water source and sewer tap. If there is no water delivery infrastructure in the economy, a borehole will be dug. If there is no sewerage infrastructure, a septic tank in the smallest size available will be installed or built.
- Will have an average water use of 662 liters (175 gallons) a day and an average wastewater flow of 568 liters (150 gallons) a day. Will have a peak water use of 1,325 liters (350 gallons) a day and a peak wastewater flow of 1,136 liters (300 gallons) a day.
- Will have a constant level of water demand and wastewater flow throughout the year; will be 1 inch in diameter for the water connection and 4 inches in diameter for the sewerage connection.

## Dealing with Construction Permits

Where do the region's economies stand today?

How easy it is for entrepreneurs in economies in European Union (EU) to legally build a warehouse? The global rankings of these economies on the ease of dealing with construction permits suggest an answer. The average ranking of the region and comparator regions provide a useful benchmark.

### How economies in European Union (EU) rank on the ease of dealing with construction permits



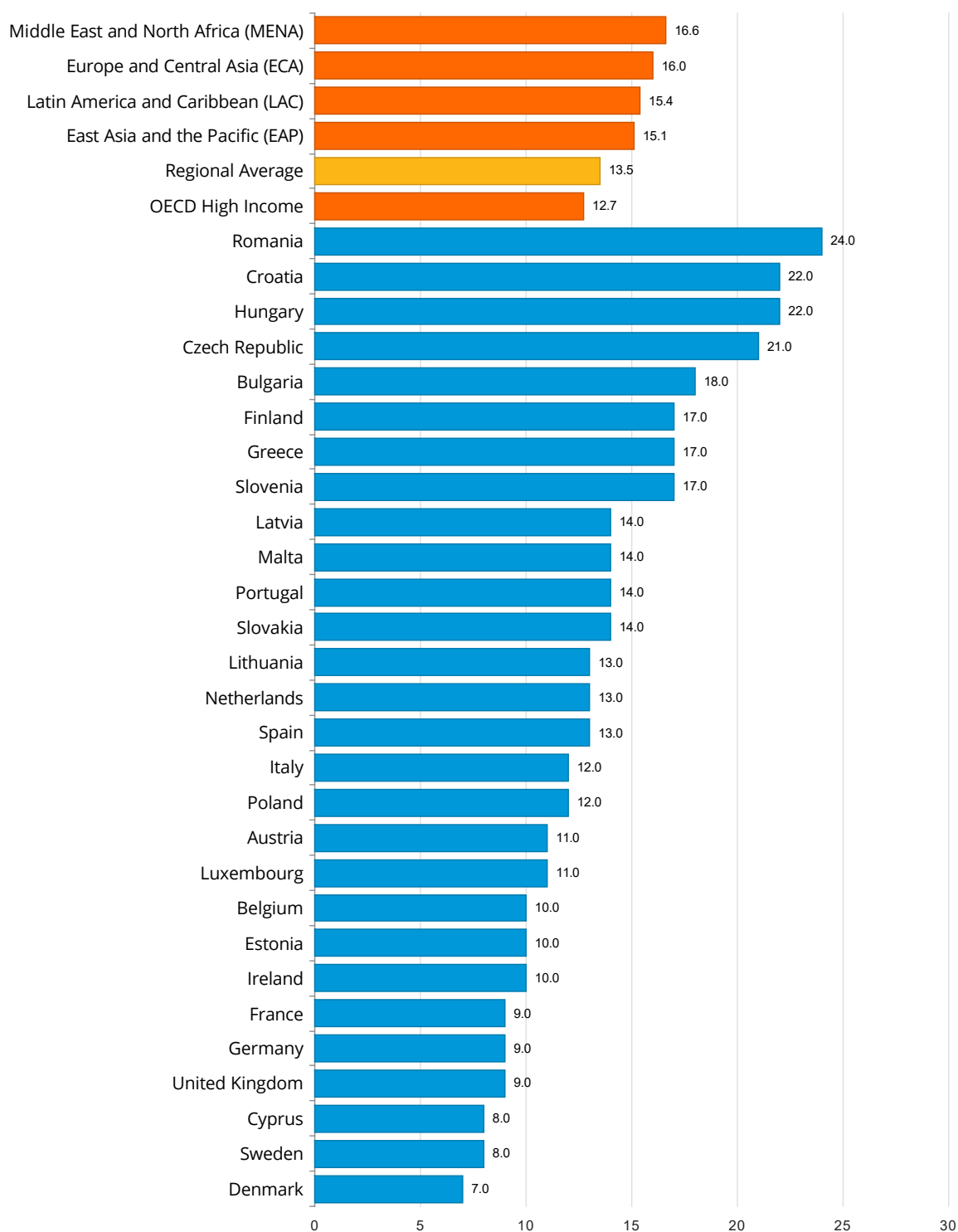
Source: Doing Business database.

## Dealing with Construction Permits

The indicators underlying the rankings may be more revealing. Data collected by Doing Business show what it takes to comply with formalities to build a warehouse in each economy in the region: the number of procedures, the time and the cost. Comparing these indicators across the region and with averages both for the region and for comparator regions can provide useful insights.

### What it takes to comply with formalities to build a warehouse in economies in European Union (EU)

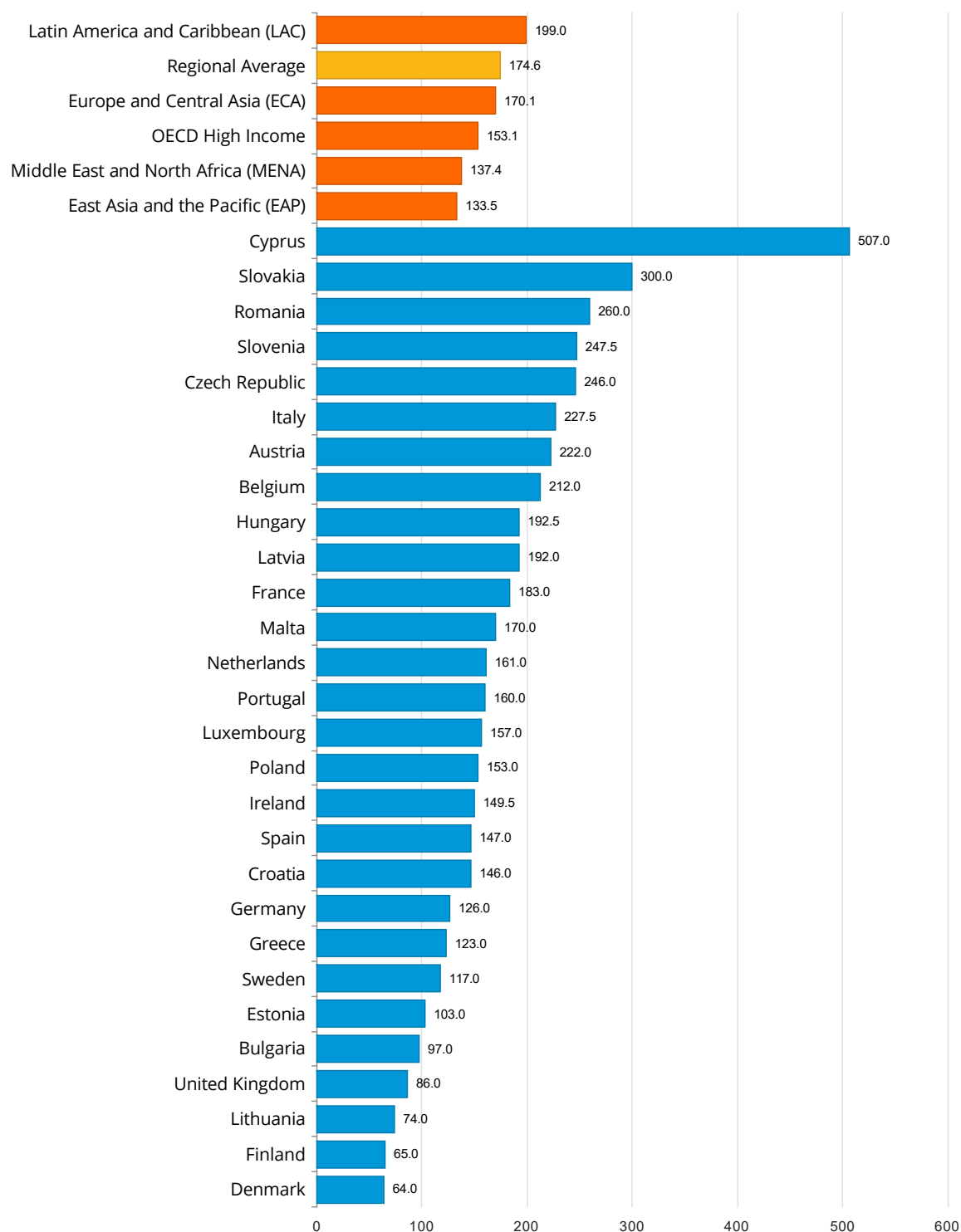
#### Procedures (number)



Source: Doing Business database.

## Dealing with Construction Permits

Time (days)

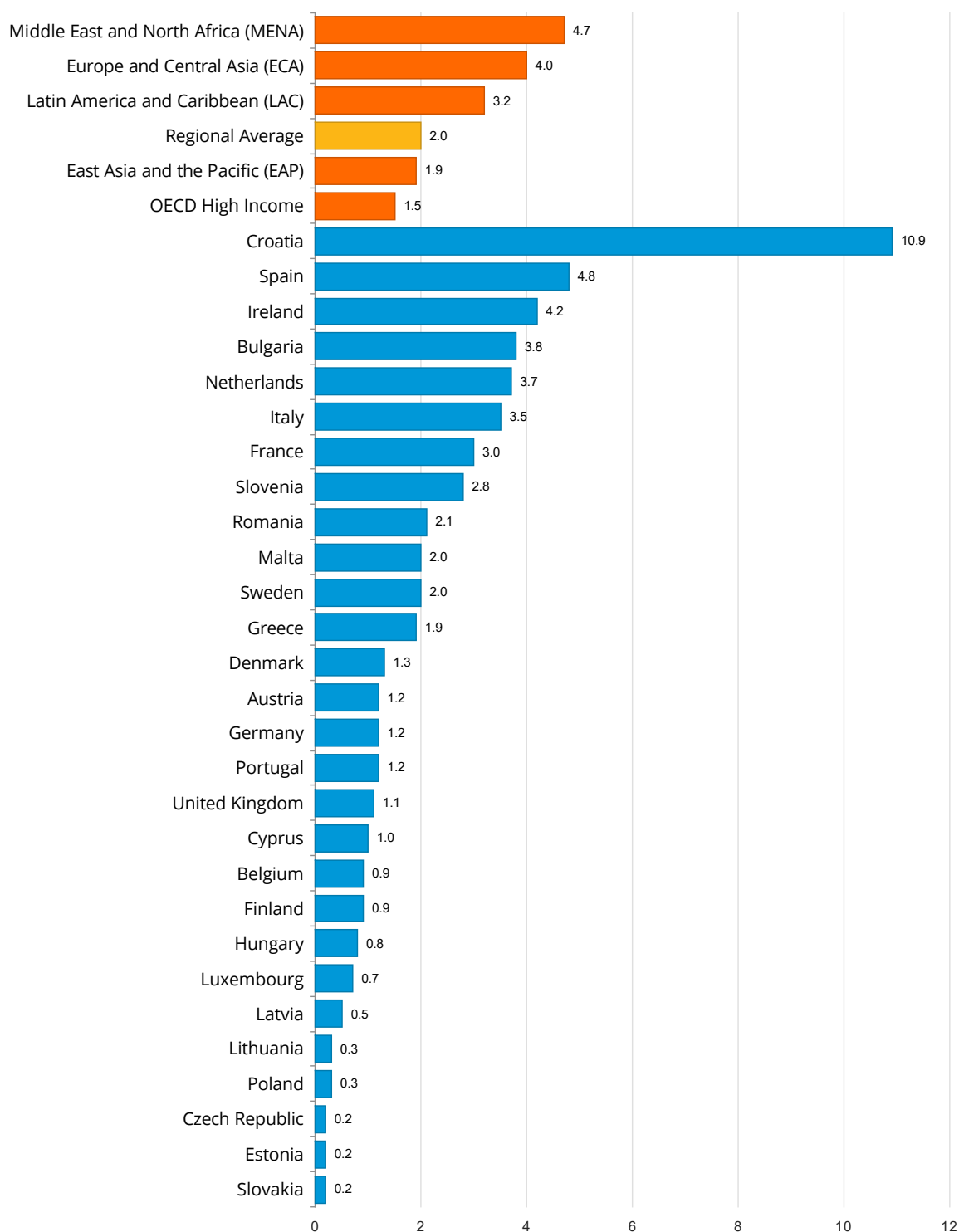


Source: Doing Business database.



## Dealing with Construction Permits

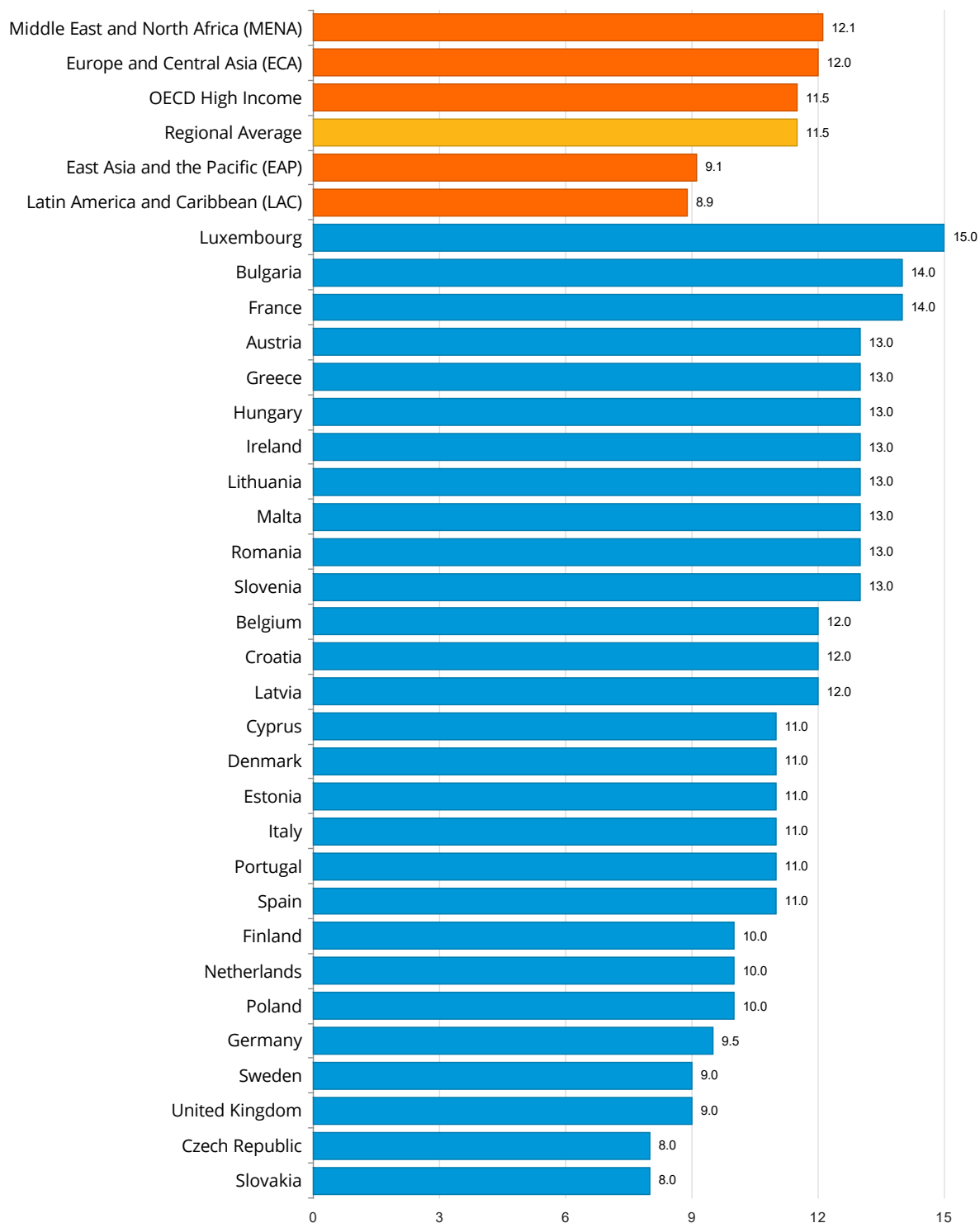
Cost (% of warehouse value)



Source: Doing Business database.

## Dealing with Construction Permits

## Building quality control index (0-15)



Source: Doing Business database.

## Getting Electricity

This topic tracks the procedures, time and cost required for a business to obtain a permanent electricity connection for a newly constructed warehouse. In addition to assessing efficiency of connection process, Reliability of supply and transparency of tariff index measures reliability of power supply and transparency of tariffs and the price of electricity. The most recent round of data collection for the project was completed in May 2018. [See the methodology for more information.](#)

### What the indicators measure

#### Procedures to obtain an electricity connection (number)

- Submitting all relevant documents and obtaining all necessary clearances and permits
- Completing all required notifications and receiving all necessary inspections
- Obtaining external installation works and possibly purchasing material for these works
- Concluding any necessary supply contract and obtaining final supply

#### Time required to complete each procedure (calendar days)

- Is at least 1 calendar day
- Each procedure starts on a separate day
- Does not include time spent gathering information

#### • Reflects the time spent in practice, with little follow-up and no prior contact with officials

Cost required to complete each procedure (% of income per capita)

- Official costs only, no bribes
- Value added tax excluded

#### The reliability of supply and transparency of tariffs index (0-8)

- Duration and frequency of power outages (0-3)
- Tools to monitor power outages (0-1)
- Tools to restore power supply (0-1)
- Regulatory monitoring of utilities' performance (0-1)
- Financial deterrents limiting outages (0-1)
- Transparency and accessibility of tariffs (0-1)

#### Price of electricity (cents per kilowatt-hour)\*

- Price based on monthly bill for commercial warehouse in case study

\*Note: Doing Business measures the price of electricity, but it is not included in the ease of doing business score nor the ranking on the ease of getting electricity.

### Case study assumptions

To make the data comparable across economies, several assumptions about the warehouse, the electricity connection and the monthly consumption are used.

#### The warehouse:

- Is owned by a local entrepreneur and is used for storage of goods.
- Is located in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Is located in an area where similar warehouses are typically located and is in an area with no physical constraints. For example, the property is not near a railway.
- Is a new construction and is being connected to electricity for the first time.

- Has two stories with a total surface area of approximately 1,300.6 square meters (14,000 square feet). The plot of land on which it is built is 929 square meters (10,000 square feet).

#### The electricity connection:

- Is a permanent one with a three-phase, four-wire Y connection with a subscribed capacity of 140-kilo-volt-ampere (kVA) with a power factor of 1, when 1 kVA = 1 kilowatt (kW).
- Has a length of 150 meters. The connection is to either the low- or medium-voltage distribution network and is either overhead or underground, whichever is more common in the area where the warehouse is located and requires works that involve the crossing of a 10-meter road (such as by excavation or overhead lines) but are all carried out on public land. There is no crossing of other owners' private property because the warehouse has access to a road.
- Does not require work to install the internal wiring of the warehouse. This has already been completed up to and including the customer's service panel or switchboard and the meter base.

#### The monthly consumption:

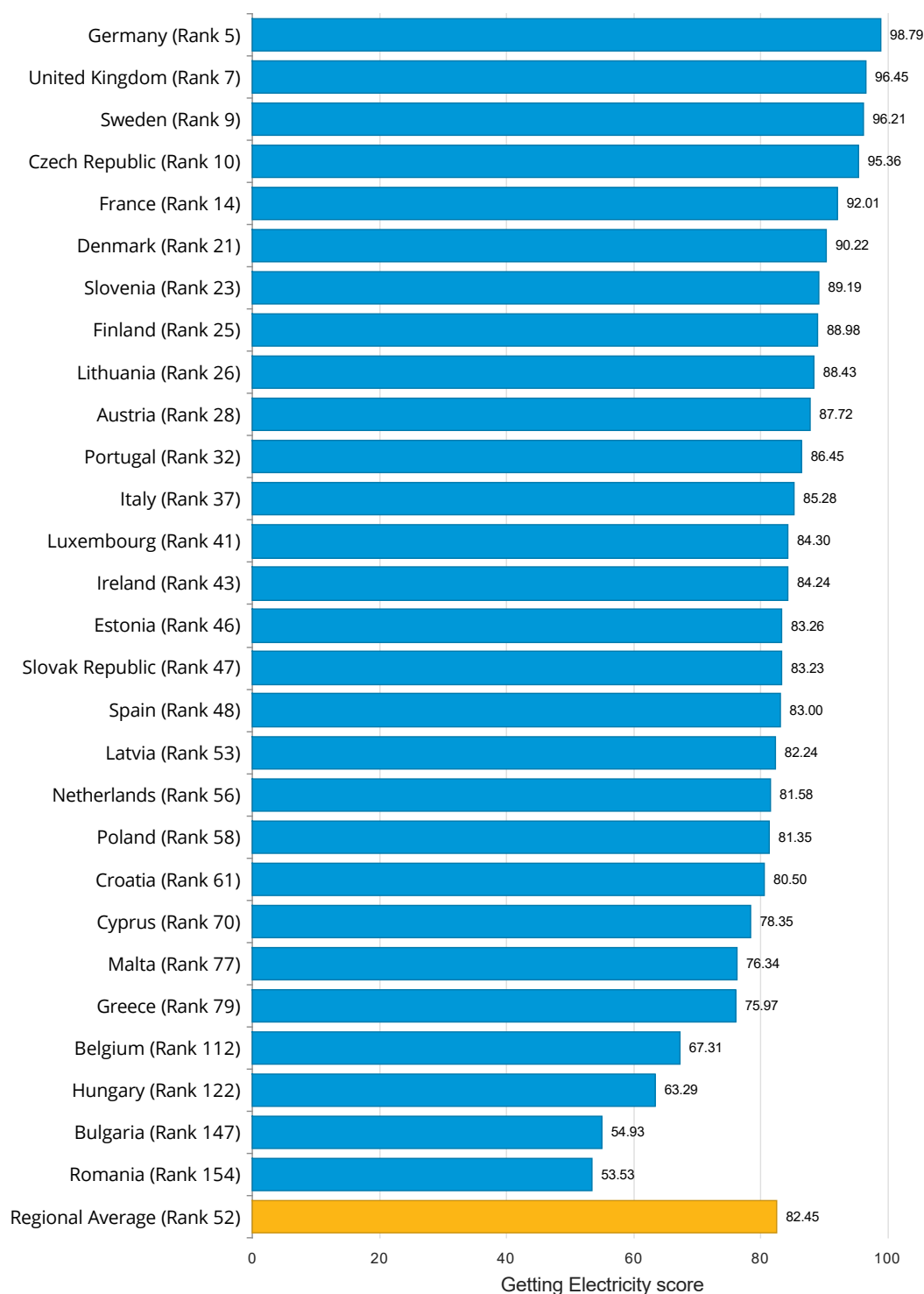
- It is assumed that the warehouse operates 30 days a month from 9:00 a.m. to 5:00 p.m. (8 hours a day), with equipment utilized at 80% of capacity on average and that there are no electricity cuts (assumed for simplicity reasons) and the monthly energy consumption is 26,880 kilowatt-hours (kWh); hourly consumption is 112 kWh.
- If multiple electricity suppliers exist, the warehouse is served by the cheapest supplier.
- Tariffs effective in January of the current year are used for calculation of the price of electricity for the warehouse. Although January has 31 days, for calculation purposes only 30 days are used.

## Getting Electricity

Where do the region's economies stand today?

How easy it is for entrepreneurs in economies in European Union (EU) to connect a warehouse to electricity? The global rankings of these economies on the ease of getting electricity suggest an answer. The average ranking of the region and comparator regions provide a useful benchmark.

### How economies in European Union (EU) rank on the ease of getting electricity



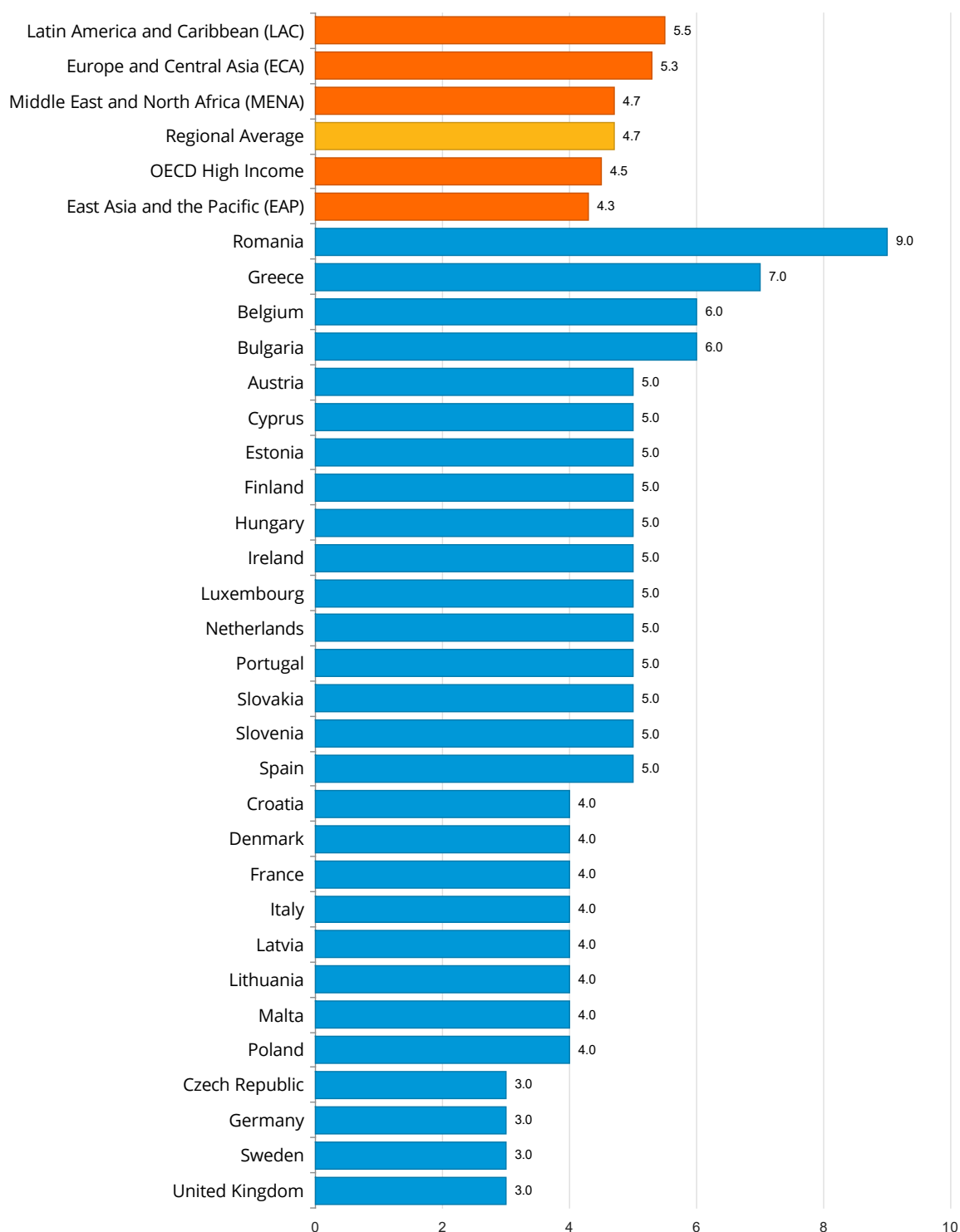
Source: Doing Business database.

## Getting Electricity

The indicators underlying the rankings may be more revealing. Data collected by Doing Business show what it takes to get a new electricity connection in each economy in the region: the number of procedures, the time and the cost. Comparing these indicators across the region and with averages both for the region and for comparator regions can provide useful insights.

### What it takes to get an electricity connection in economies in European Union (EU)

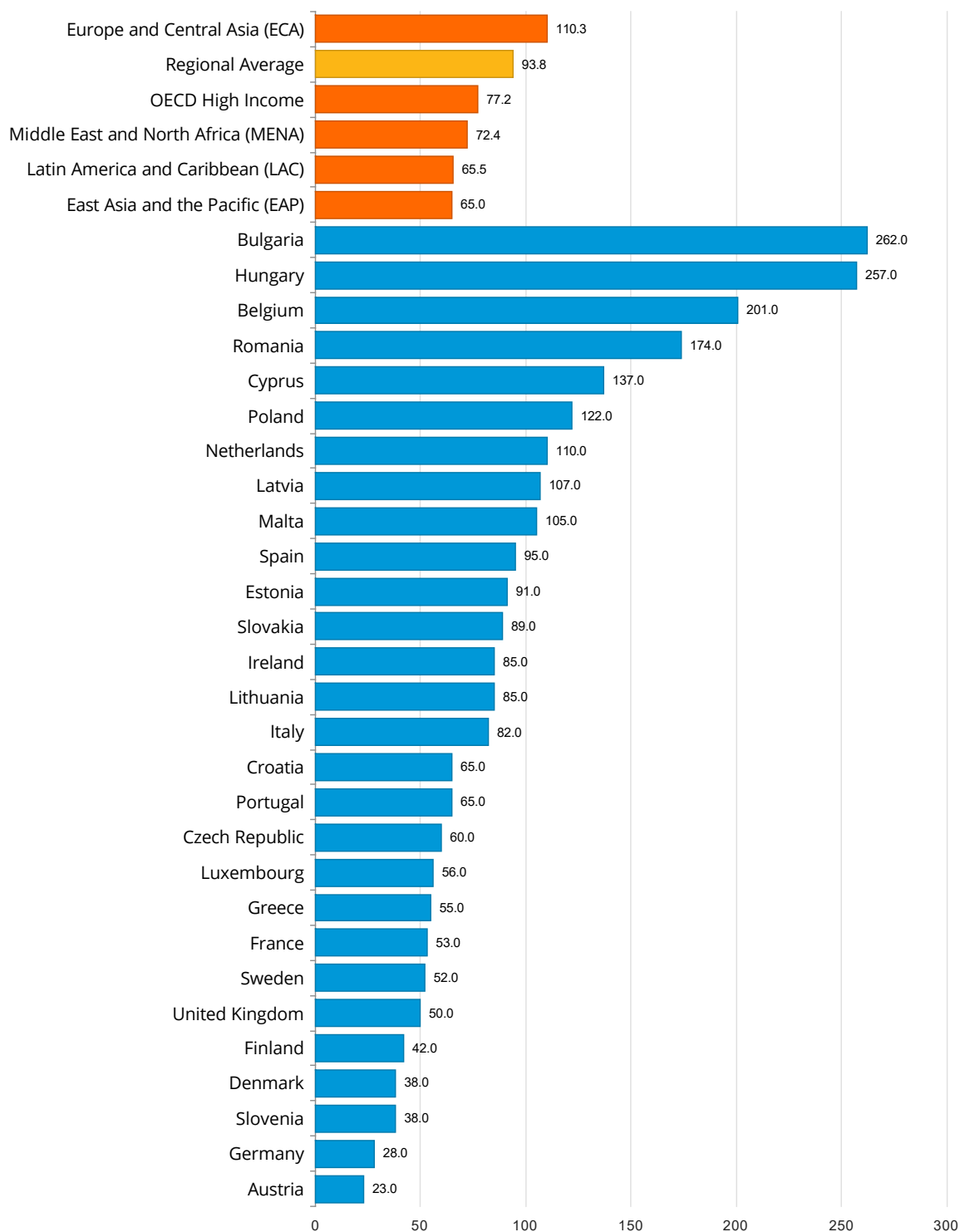
#### Procedures (number)



Source: Doing Business database.

## Getting Electricity

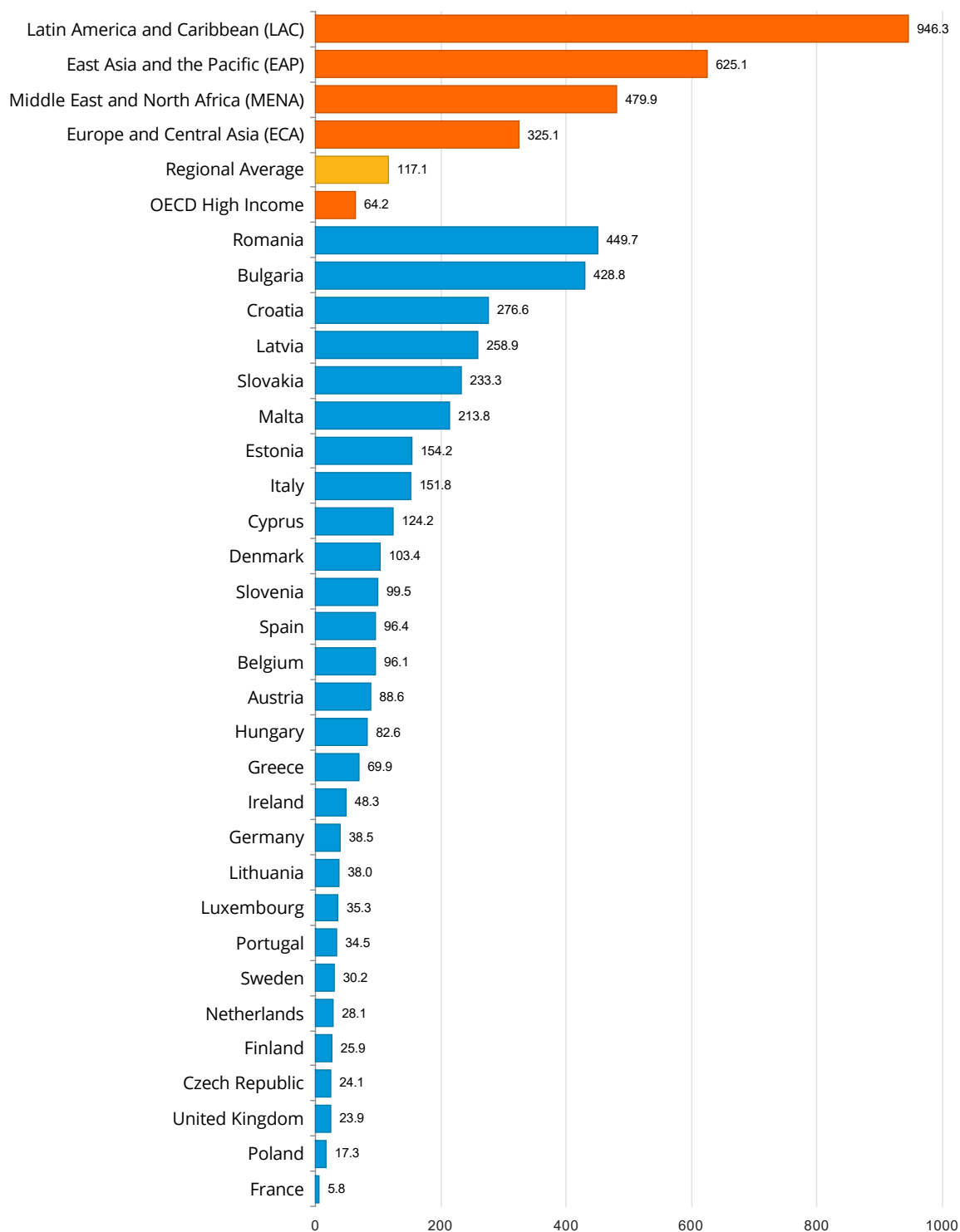
Time (days)



Source: Doing Business database.

## Getting Electricity

## Cost (% of income per capita)

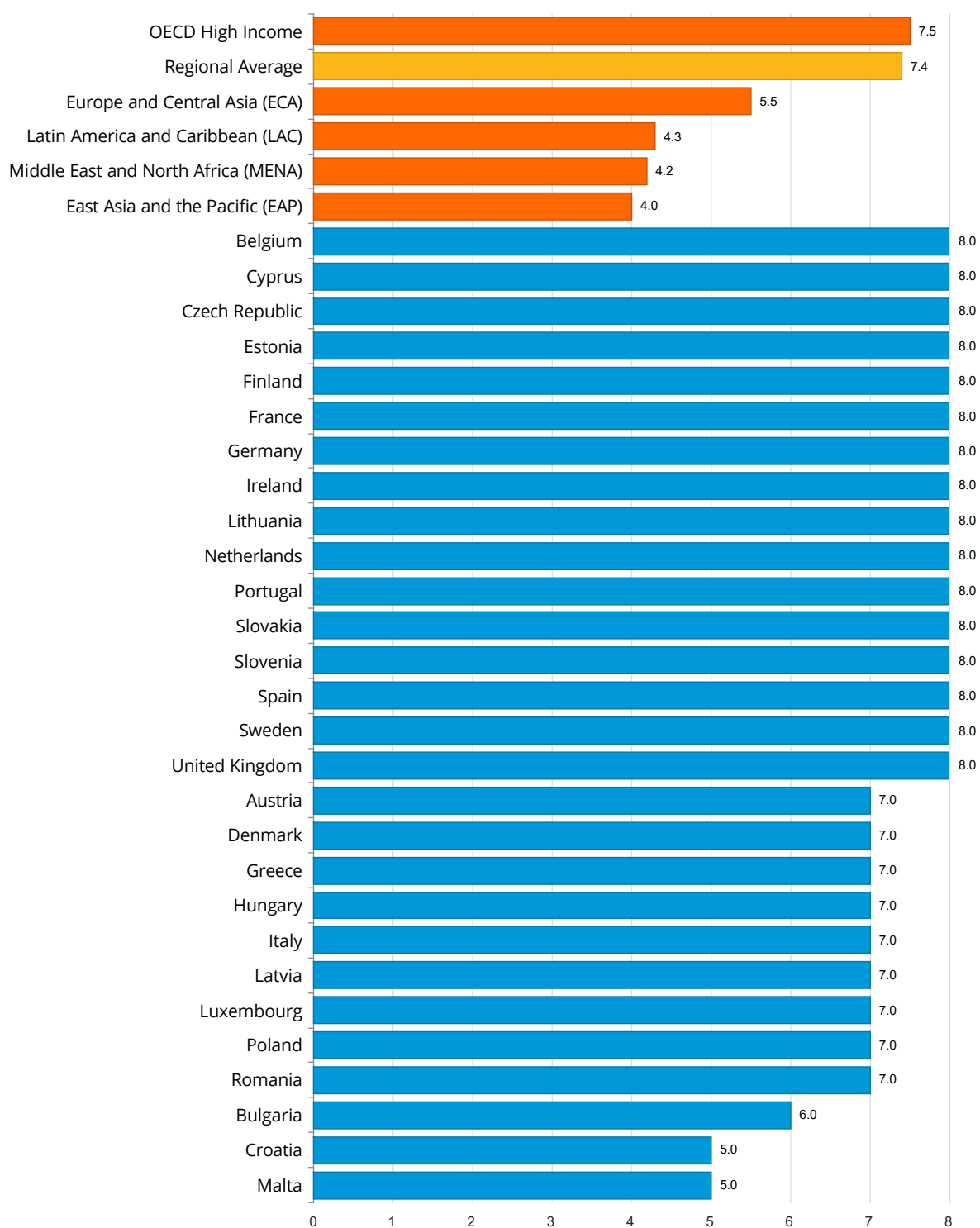


Source: Doing Business database.



## Getting Electricity

## Reliability of supply and transparency of tariff index (0-8)



Source: Doing Business database.

## Registering Property

This topic examines the steps, time and cost involved in registering property, assuming a standardized case of an entrepreneur who wants to purchase land and a building that is already registered and free of title dispute. In addition, the topic also measures the quality of the land administration system in each economy. The quality of land administration index has five dimensions: reliability of infrastructure, transparency of information, geographic coverage, land dispute resolution, and equal access to property rights. The most recent round of data collection for the project was completed in May 2018. [See the methodology for more information.](#)

### What the indicators measure

#### Procedures to legally transfer title on immovable property (number)

- Preregistration procedures (for example, checking for liens, notarizing sales agreement, paying property transfer taxes)
- Registration procedures in the economy's largest business city.
- Postregistration procedures (for example, filling title with municipality)

#### Time required to complete each procedure (calendar days)

- Does not include time spent gathering information
- Each procedure starts on a separate day - though procedures that can be fully completed online are an exception to this rule
- Procedure is considered completed once final document is received
- No prior contact with officials

#### Cost required to complete each procedure (% of property value)

- Official costs only (such as administrative fees, duties and taxes).
- Value Added Tax, Capital Gains Tax and illicit payments are excluded

#### Quality of land administration index (0-30)

- Reliability of infrastructure index (0-8)
- Transparency of information index (0-6)
- Geographic coverage index (0-8)
- Land dispute resolution index (0-8)
- Equal access to property rights index (-2-0)

### Case study assumptions

To make the data comparable across economies, several assumptions about the parties to the transaction, the property and the procedures are used.

#### The parties (buyer and seller):

- Are limited liability companies (or the legal equivalent).
- Are located in the periurban area of the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Are 100% domestically and privately owned.
- Have 50 employees each, all of whom are nationals.
- Perform general commercial activities.

#### The property (fully owned by the seller):

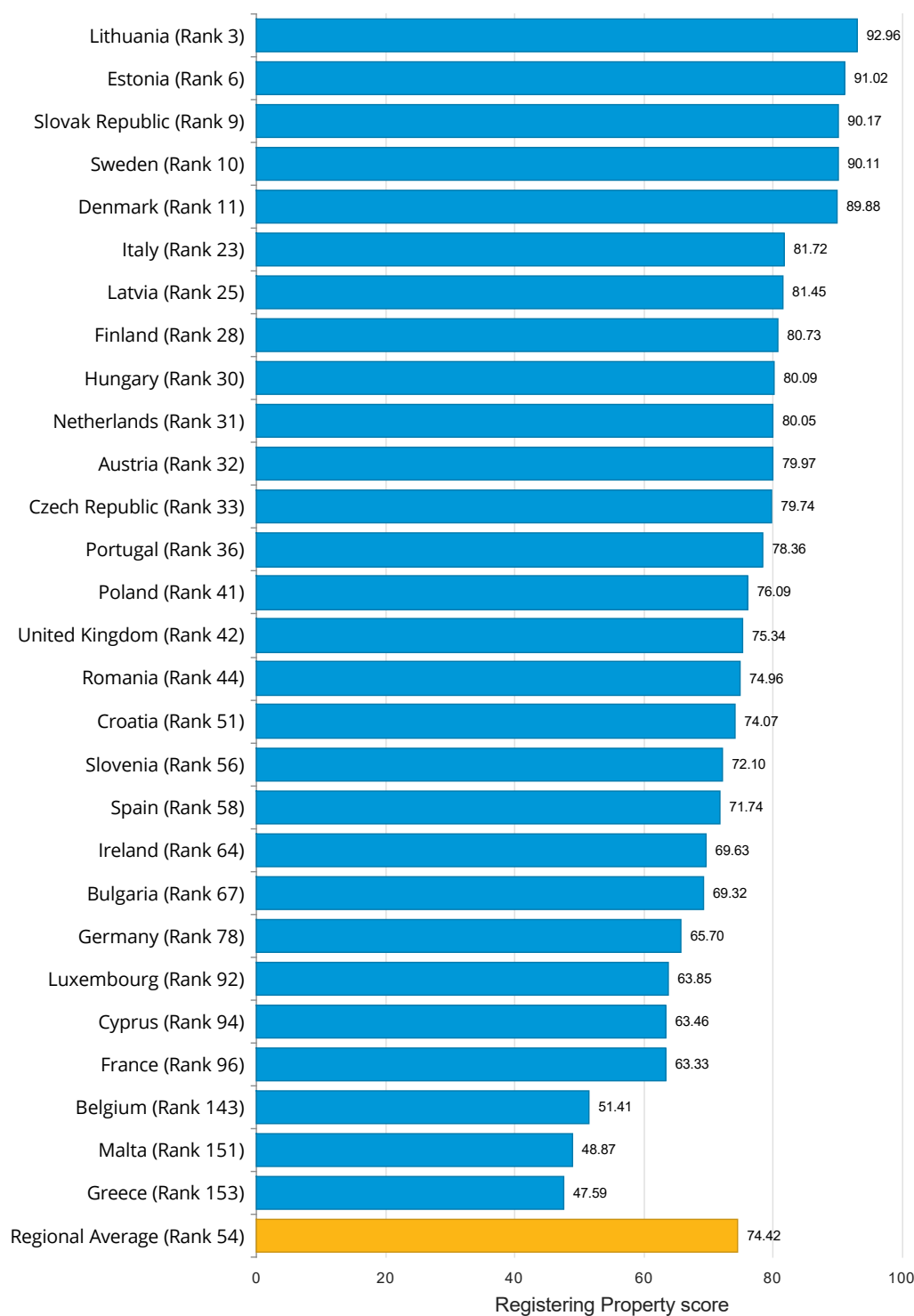
- Has a value of 50 times income per capita, which equals the sale price.
- Is fully owned by the seller.
- Has no mortgages attached and has been under the same ownership for the past 10 years.
- Is registered in the land registry or cadastre, or both, and is free of title disputes.
- Is located in a periurban commercial zone, and no rezoning is required.
- Consists of land and a building. The land area is 557.4 square meters (6,000 square feet). A two-story warehouse of 929 square meters (10,000 square feet) is located on the land. The warehouse is 10 years old, is in good condition, has no heating system and complies with all safety standards, building codes and legal requirements. The property, consisting of land and building, will be transferred in its entirety.
- Will not be subject to renovations or additional construction following the purchase.
- Has no trees, natural water sources, natural reserves or historical monuments of any kind.
- Will not be used for special purposes, and no special permits, such as for residential use, industrial plants, waste storage or certain types of agricultural activities, are required.
- Has no occupants, and no other party holds a legal interest in it.

## Registering Property

Where do the region's economies stand today?

How easy it is for entrepreneurs in economies in European Union (EU) to transfer property? The global rankings of these economies on the ease of registering property suggest an answer. The average ranking of the region and comparator regions provide a useful benchmark.

### How economies in European Union (EU) rank on the ease of registering property



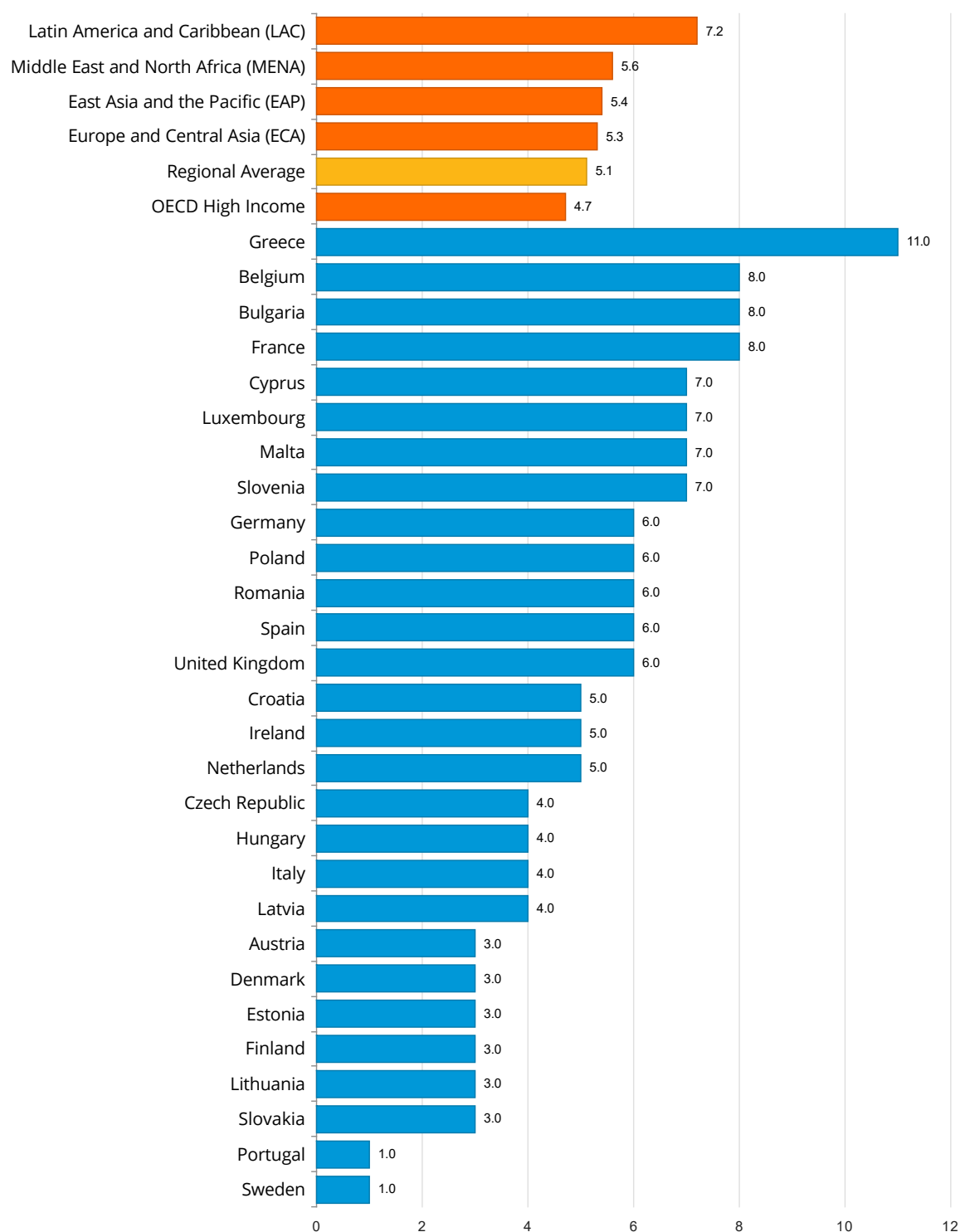
Source: Doing Business database.

## Registering Property

The indicators underlying the rankings may be more revealing. Data collected by Doing Business show what it takes to complete a property transfer in each economy in the region: the number of procedures, the time and the cost. Comparing these indicators across the region and with averages both for the region and for comparator regions can provide useful insights.

### What it takes to register property in economies in European Union (EU)

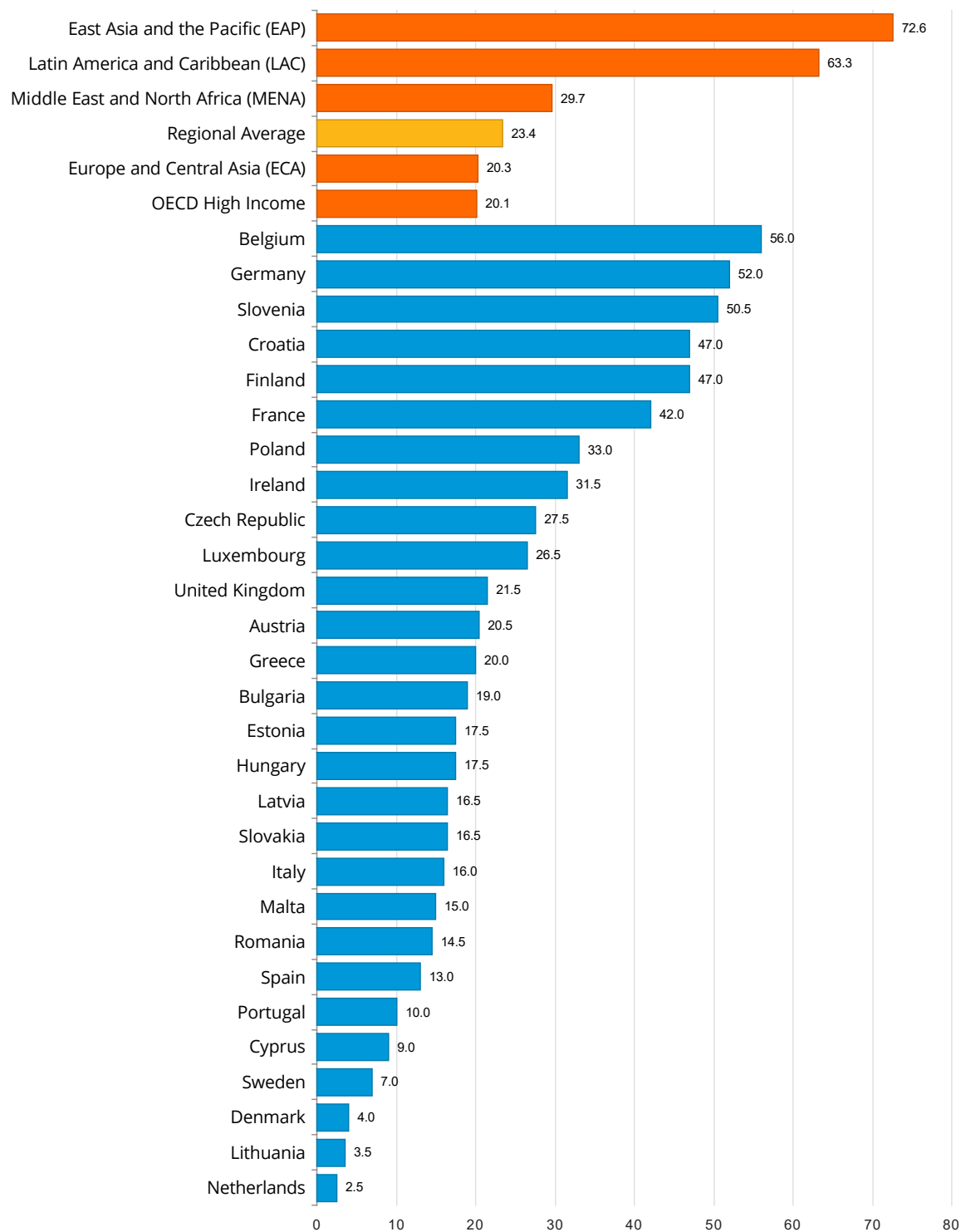
#### Procedures (number)



Source: Doing Business database.

## Registering Property

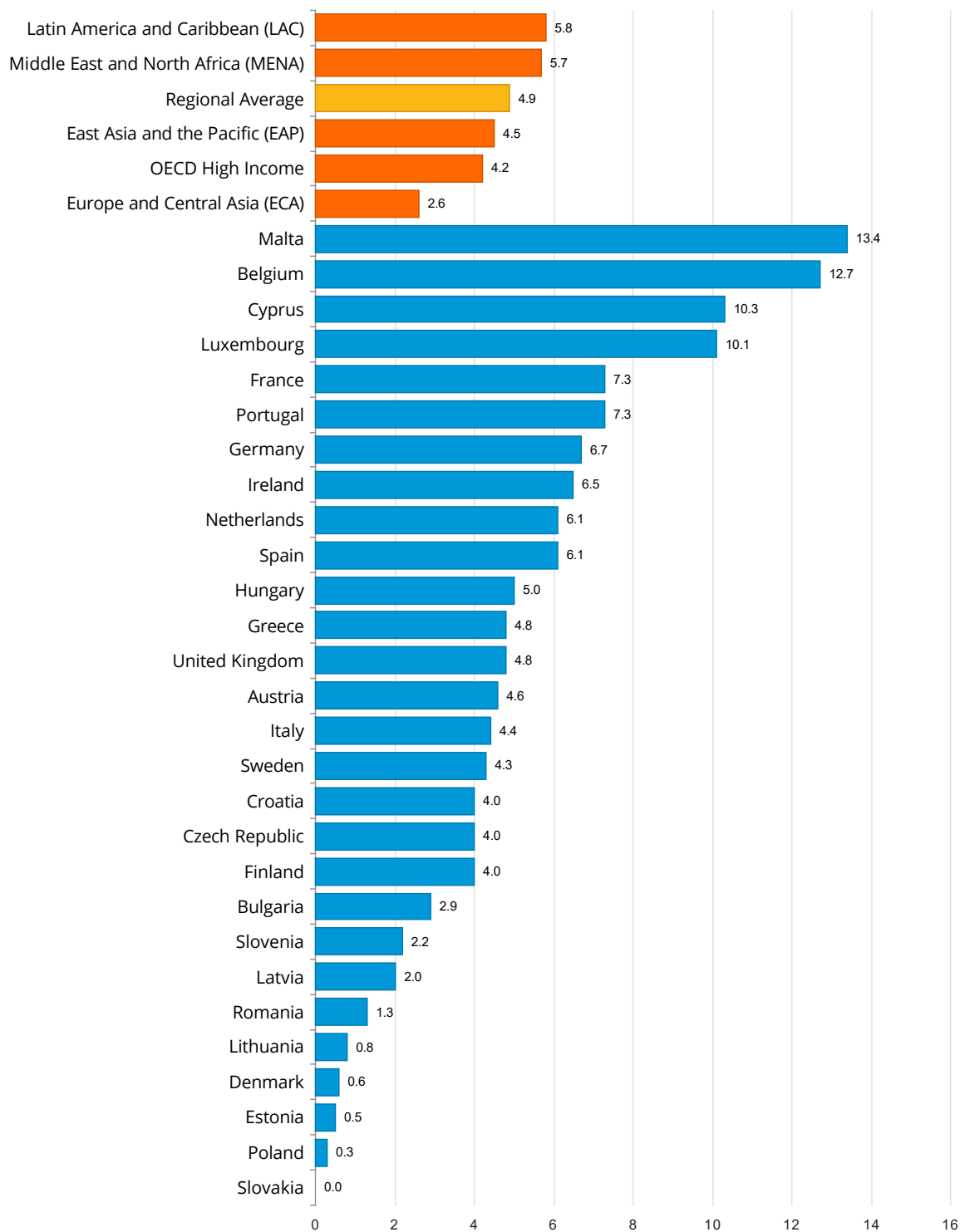
Time (days)



Source: Doing Business database.

## Registering Property

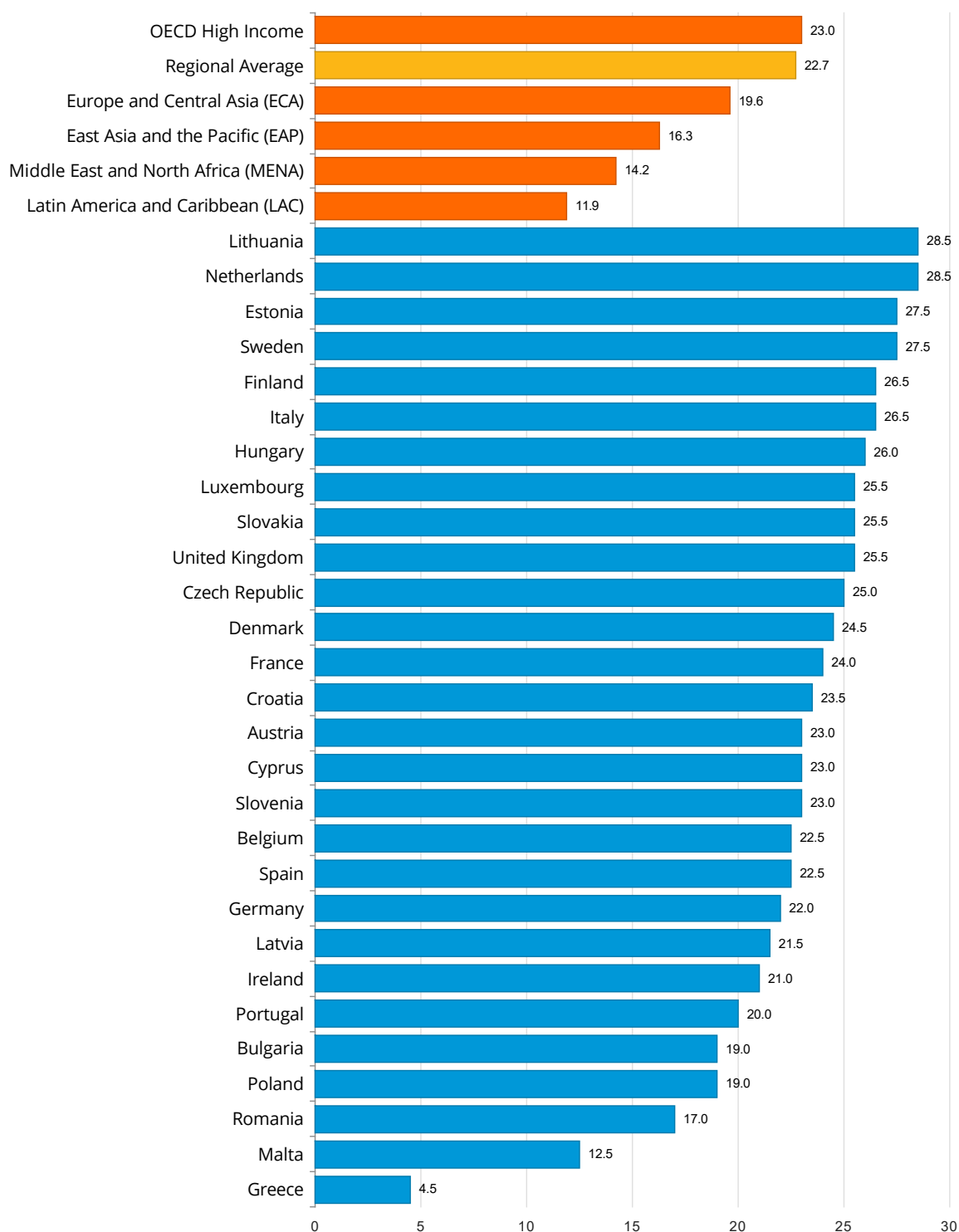
## Cost (% of property value)



Source: Doing Business database.

## Registering Property

## Quality of the land administration index (0-30)



Source: Doing Business database.



## Getting Credit

This topic explores two sets of issues—the strength of credit reporting systems and the effectiveness of collateral and bankruptcy laws in facilitating lending. The most recent round of data collection for the project was completed in May 2018. [See the methodology for more information.](#)

### What the indicators measure

#### Strength of legal rights index (0–12)

- Rights of borrowers and lenders through collateral laws (0–10)
- Protection of secured creditors' rights through bankruptcy laws (0–2)

#### Depth of credit information index (0–8)

- Scope and accessibility of credit information distributed by credit bureaus and credit registries (0–8)

#### Credit bureau coverage (% of adults)

- Number of individuals and firms listed in largest credit bureau as a percentage of adult population

#### Credit registry coverage (% of adults)

- Number of individuals and firms listed in credit registry as a percentage of adult population

### Case study assumptions

Doing Business assesses the sharing of credit information and the legal rights of borrowers and lenders with respect to secured transactions through 2 sets of indicators. The depth of credit information index measures rules and practices affecting the coverage, scope and accessibility of credit information available through a credit registry or a credit bureau. The strength of legal rights index measures the degree to which collateral and bankruptcy laws protect the rights of borrowers and lenders and thus facilitate lending. For each economy it is first determined whether a unitary secured transactions system exists. Then two case scenarios, case A and case B, are used to determine how a nonpossessory security interest is created, publicized and enforced according to the law. Special emphasis is given to how the collateral registry operates (if registration of security interests is possible). The case scenarios involve a secured borrower, company ABC, and a secured lender, BizBank. In some economies the legal framework for secured transactions will allow only case A or case B (not both) to apply. Both cases examine the same set of legal provisions relating to the use of movable collateral.

#### Several assumptions about the secured borrower (ABC) and lender (BizBank) are used:

- ABC is a domestic limited liability company (or its legal equivalent).
- ABC has up to 50 employees.
- ABC has its headquarters and only base of operations in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- Both ABC and BizBank are 100% domestically owned.

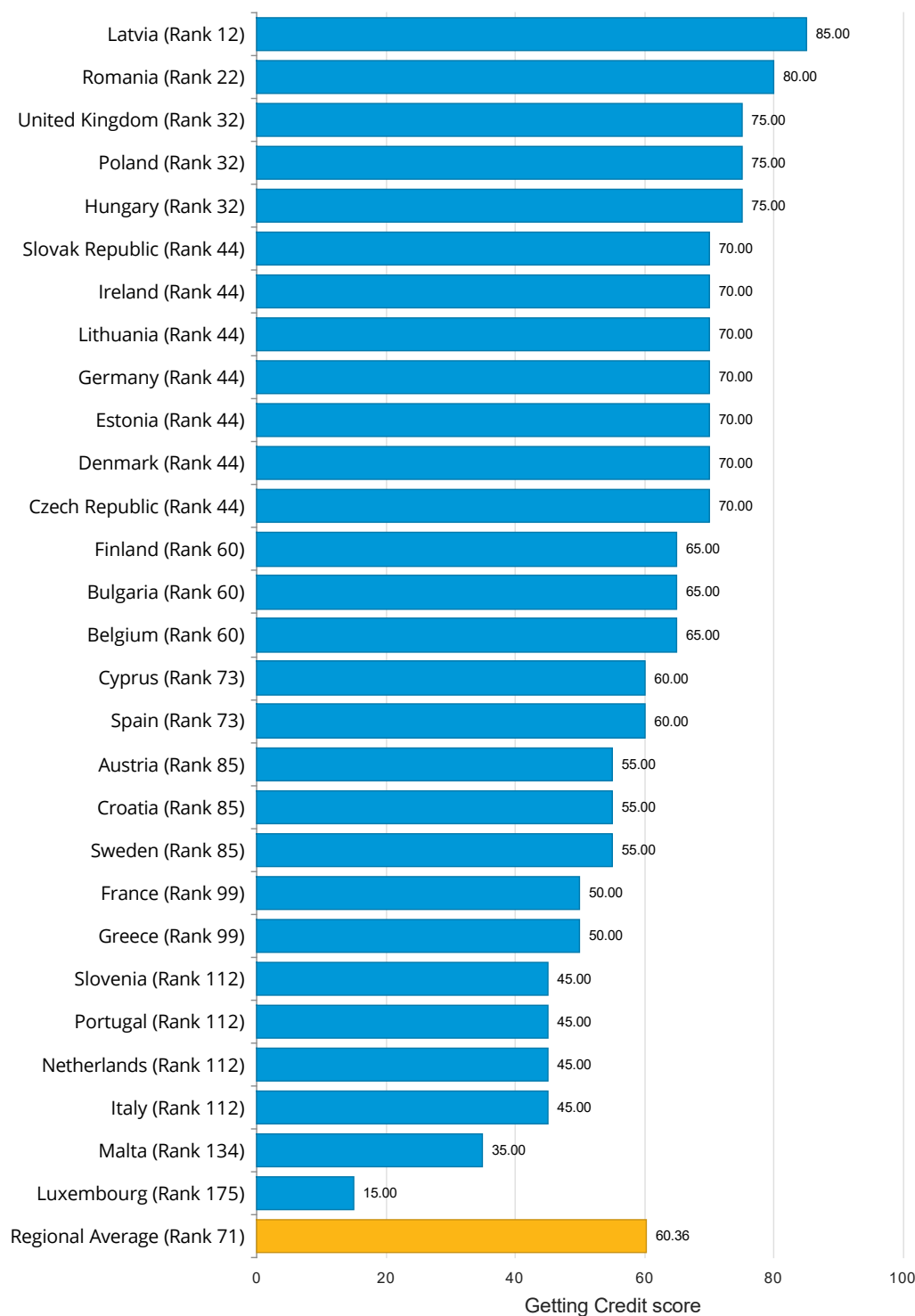
The case scenarios also involve assumptions. In case A, as collateral for the loan, ABC grants BizBank a nonpossessory security interest in one category of movable assets, for example, its machinery or its inventory. ABC wants to keep both possession and ownership of the collateral. In economies where the law does not allow nonpossessory security interests in movable property, ABC and BizBank use a fiduciary transfer-of-title arrangement (or a similar substitute for nonpossessory security interests). In case B, ABC grants BizBank a business charge, enterprise charge, floating charge or any charge that gives BizBank a security interest over ABC's combined movable assets (or as much of ABC's movable assets as possible). ABC keeps ownership and possession of the assets.

## Getting Credit

Where do the region's economies stand today?

How well do the credit information systems and collateral and bankruptcy laws in economies in European Union (EU) facilitate access to credit? The global rankings of these economies on the ease of getting credit suggest an answer. The average ranking of the region and comparator regions provide a useful benchmark.

### How economies in European Union (EU) rank on the ease of getting credit



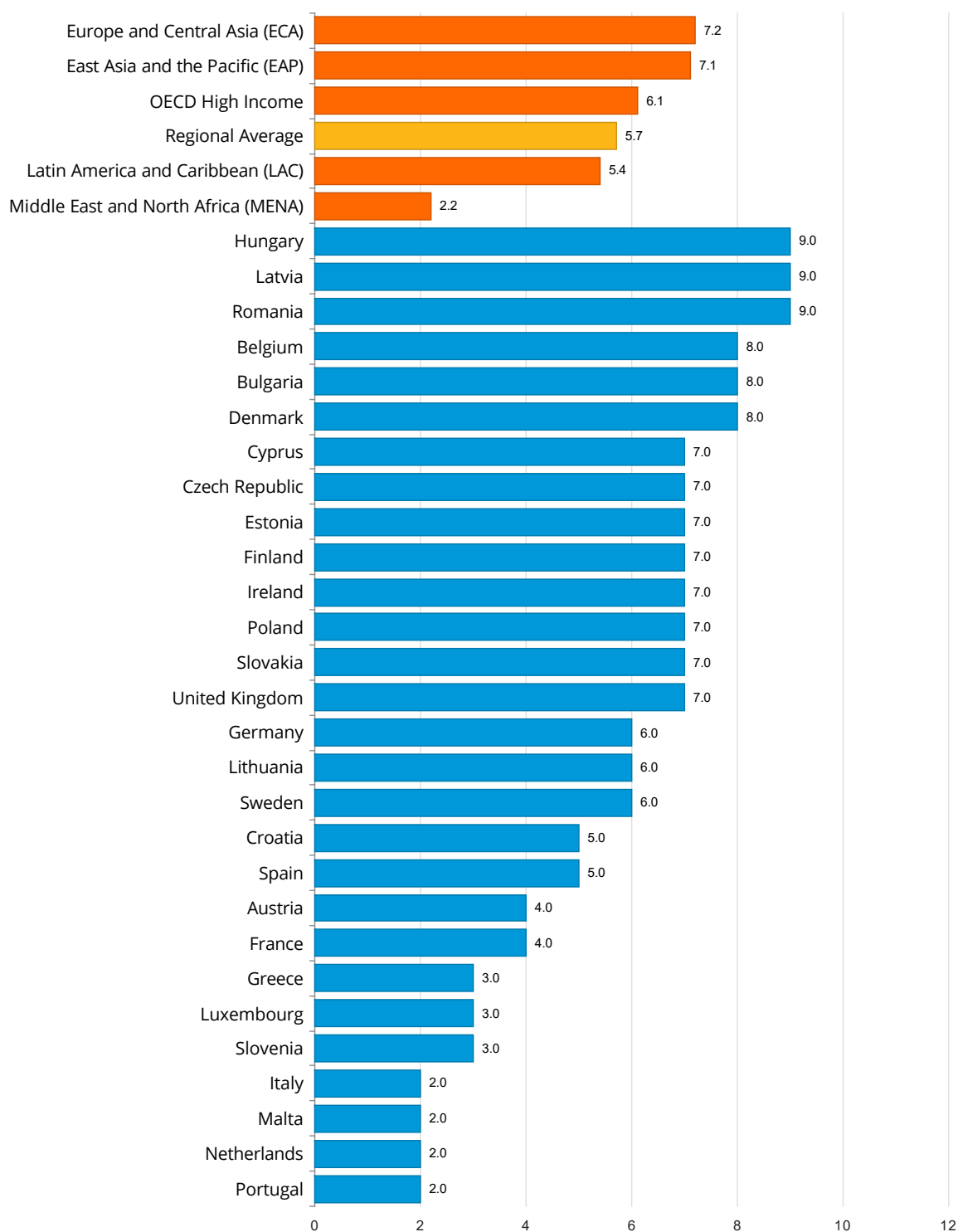
Source: Doing Business database.

## Getting Credit

Another way to assess how well regulations and institutions support lending and borrowing in the region is to see where the region stands in the distribution of scores across regions. The first figure highlights the score on the strength of legal rights index in European Union (EU) and comparator regions. The second figure shows the same thing for the depth of credit information index.

### How strong are legal rights for borrowers and lenders

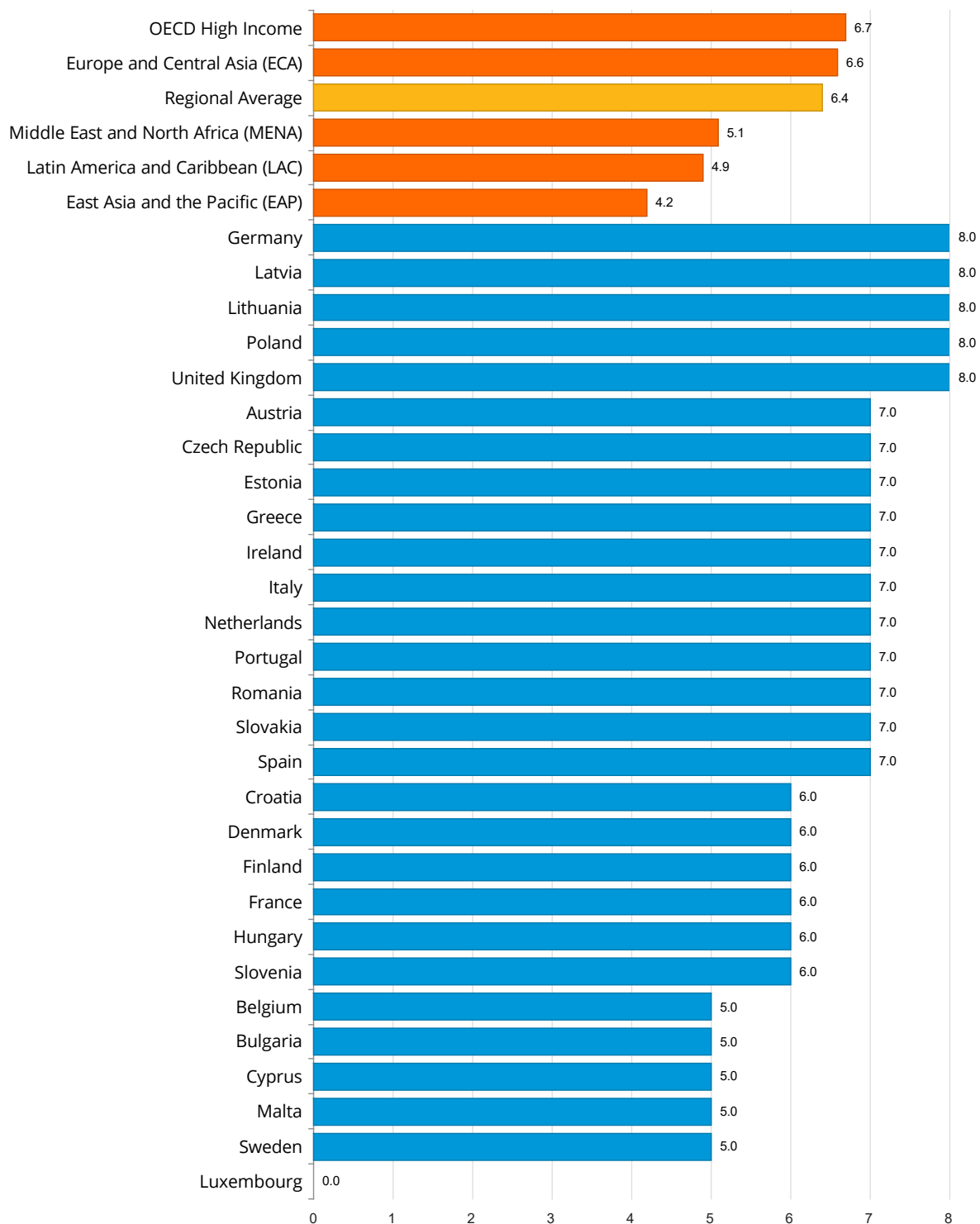
#### Strength of legal rights index (0-12)



Source: Doing Business database.

## Getting Credit

## Depth of credit information index (0-8)



Source: Doing Business database.

## Protecting Minority Investors

This topic measures the strength of minority shareholder protections against misuse of corporate assets by directors for their personal gain as well as shareholder rights, governance safeguards and corporate transparency requirements that reduce the risk of abuse. The most recent round of data collection for the project was completed in May 2018. [See the methodology for more information.](#)

### What the indicators measure

**Extent of disclosure index (0–10):** Review and approval requirements for related-party transactions; Disclosure requirements for related-party transactions

**Extent of director liability index (0–10):** Ability of minority shareholders to sue and hold interested directors liable for prejudicial related-party transactions; Available legal remedies (damages, disgorgement of profits, fines, imprisonment, rescission of the transaction)

**Ease of shareholder suits index (0–10):** Access to internal corporate documents; Evidence obtainable during trial and allocation of legal expenses

**Extent of conflict of interest regulation index (0–10):** Simple average of the extent of disclosure, extent of director liability and ease of shareholder indices

**Extent of shareholder rights index (0–10):** Shareholders' rights and role in major corporate decisions

**Extent of ownership and control index (0–10):** Governance safeguards protecting shareholders from undue board control and entrenchment

**Extent of corporate transparency index (0–10):** Corporate transparency on ownership stakes, compensation, audits and financial prospects

**Extent of shareholder governance index (0–10):** Simple average of the extent of shareholders rights, extent of ownership and control and extent of corporate transparency indices

**Strength of minority investor protection index (0–10):** Simple average of the extent of conflict of interest regulation and extent of shareholder governance indices

### Case study assumptions

To make the data comparable across economies, a case study uses several assumptions about the business and the transaction.

#### The business (Buyer):

- Is a publicly traded corporation listed on the economy's most important stock exchange. If there are fewer than ten listed companies or if there is no stock exchange in the economy, it is assumed that Buyer is a large private company with multiple shareholders.
- Has a board of directors and a chief executive officer (CEO) who may legally act on behalf of Buyer where permitted, even if this is not specifically required by law.
- Has a supervisory board in economies with a two-tier board system on which Mr. James appointed 60% of the shareholder-elected members.
- Has not adopted bylaws or articles of association that go beyond the minimum requirements. Does not follow codes, principles, recommendations or guidelines that are not mandatory.
- Is a manufacturing company with its own distribution network.

#### The transaction involves the following details:

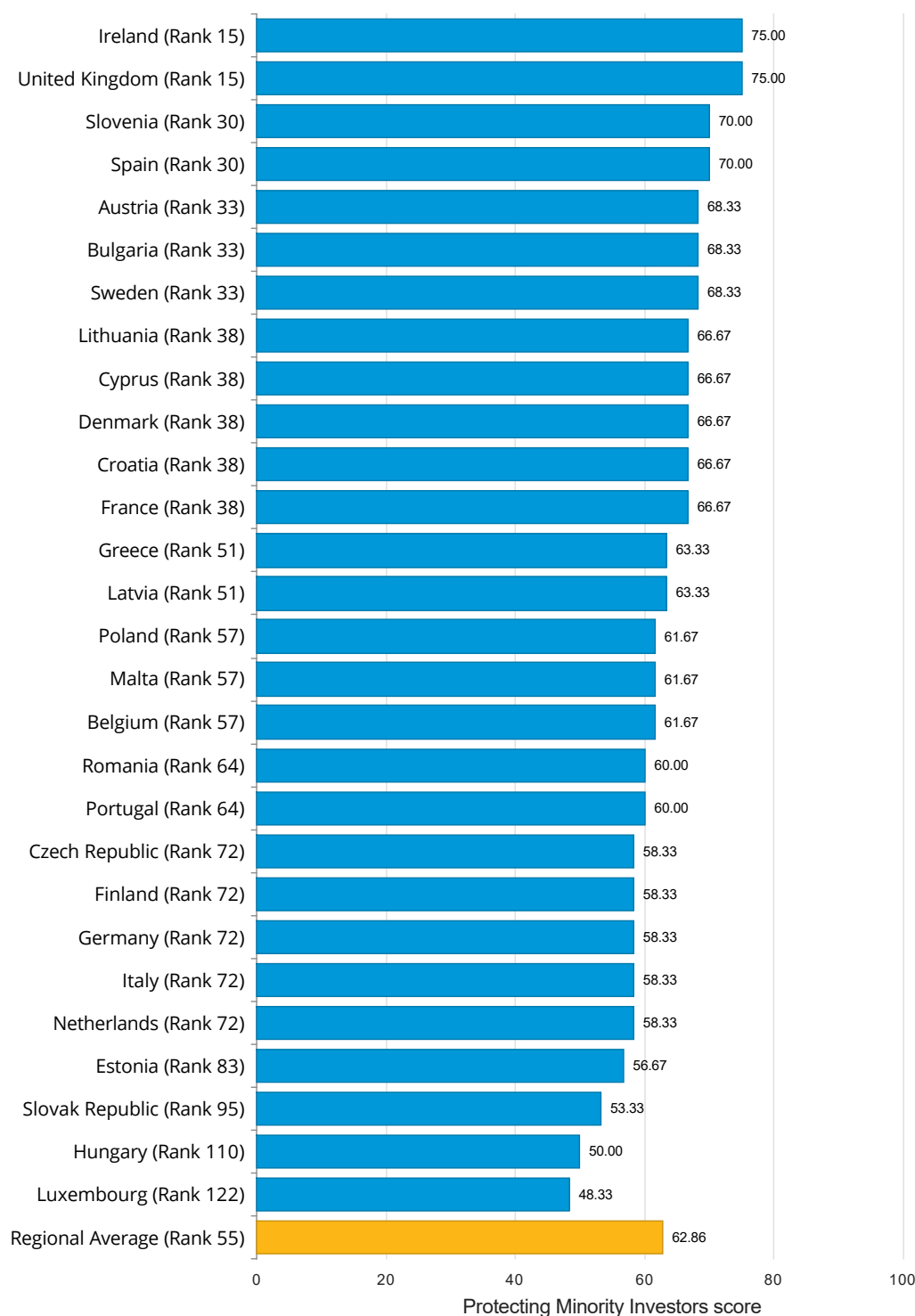
- Mr. James owns 60% of Buyer, sits on Buyer's board of directors and elected two directors to Buyer's five-member board.
- Mr. James also owns 90% of Seller, a company that operates a chain of retail hardware stores. Seller recently closed a large number of its stores.
- Mr. James proposes that Buyer purchase Seller's unused fleet of trucks to expand Buyer's distribution of its food products, a proposal to which Buyer agrees. The price is equal to 10% of Buyer's assets and is higher than the market value.
- The proposed transaction is part of the company's principal activity and is not outside the authority of the company.
- Buyer enters into the transaction. All required approvals are obtained, and all required disclosures made—that is, the transaction was not entered into fraudulently.
- The transaction causes damages to Buyer. Shareholders sue Mr. James and the executives and directors that approved the transaction.

## Protecting Minority Investors

Where do the region's economies stand today?

How strong are investor protections against self-dealing in economies in European Union (EU)? The global rankings of these economies on the strength of investor protection index suggest an answer. While the indicator does not measure all aspects related to the protection of minority investors, a higher ranking does indicate that an economy's regulations offer stronger investor protections against self-dealing in the areas measured.

### How economies in European Union (EU) rank on the ease of protecting minority investors



Source: Doing Business database.

## Paying Taxes

This topic records the taxes and mandatory contributions that a medium-size company must pay or withhold in a given year, as well as measures the administrative burden in paying taxes and contributions. The most recent round of data collection for the project was completed in May 2018 covering for the Paying Taxes indicator calendar year 2017 (January 1, 2017 – December 31, 2017).

[See the methodology for more information.](#)

### What the indicators measure

#### **Tax payments for a manufacturing company in 2017 (number per year adjusted for electronic and joint filing and payment)**

Total number of taxes and contributions paid, including consumption taxes (value added tax, sales tax or goods and service tax)

Method and frequency of filing and payment

#### **Time required to comply with 3 major taxes (hours per year)**

Collecting information, computing tax payable

Completing tax return, filing with agencies

Arranging payment or withholding

Preparing separate tax accounting books, if required

#### **Total tax and contribution rate (% of profit before all taxes)**

Profit or corporate income tax

Social contributions, labor taxes paid by employer

Property and property transfer taxes

Dividend, capital gains, financial transactions taxes

Waste collection, vehicle, road and other taxes

#### **Postfiling Index**

Time to comply with a VAT refund

Time to receive a VAT refund

Time to comply with a corporate income tax audit

Time to complete a corporate income tax audit

### Case study assumptions

Using a case scenario, Doing Business records taxes and mandatory contributions a medium size company must pay in a year, and measures the administrative burden of paying taxes, contributions and dealing with postfiling processes. Information is also compiled on frequency of filing and payments, time taken to comply with tax laws, time taken to comply with the requirements of postfiling processes and time waiting.

To make data comparable across economies, several assumptions are used:

- TaxpayerCo. is a medium-size business that started operations on January 1, 2016. It produces ceramic flowerpots and sells them at retail. All taxes and contributions recorded are paid in the second year of operation (calendar year 2017). Taxes and mandatory contributions are measured at all levels of government.

#### **The VAT refund process:**

- In June 2017, TaxpayerCo. makes a large capital purchase: the value of the machine is 65 times income per capita of the economy. Sales are equally spread per month (1,050 times income per capita divided by 12) and cost of goods sold are equally expensed per month (875 times income per capita divided by 12). The machinery seller is registered for VAT and excess input VAT incurred in June will be fully recovered after four consecutive months if the VAT rate is the same for inputs, sales and the machine and the tax reporting period is every month. Input VAT will exceed Output VAT in June 2017.

#### **The corporate income tax audit process:**

- An error in calculation of income tax liability (for example, use of incorrect tax depreciation rates, or incorrectly treating an expense as tax deductible) leads to an incorrect income tax return and a corporate income tax underpayment. TaxpayerCo. discovered the error and voluntarily notified the tax authority. The value of the underpaid income tax liability is 5% of the corporate income tax liability due. TaxpayerCo. submits corrected information after the deadline for submitting the annual tax return, but within the tax assessment period.

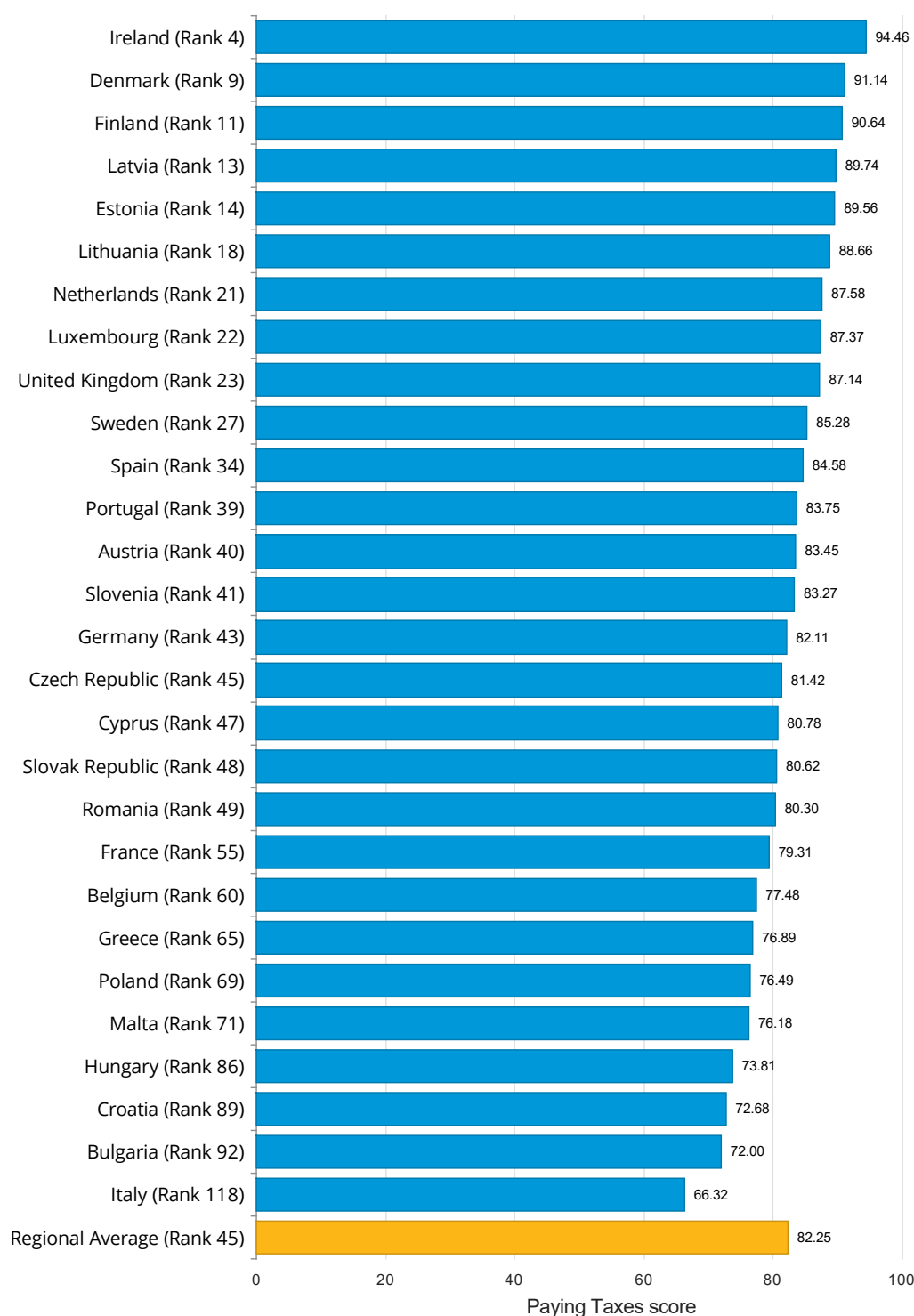


## Paying Taxes

Where do the region's economies stand today?

What is the administrative burden of complying with taxes in economies in European Union (EU) —and how much do firms pay in taxes? The global rankings of these economies on the ease of paying taxes offer useful information for assessing the tax compliance burden for businesses. The average ranking of the region provides a useful benchmark.

### How economies in European Union (EU) rank on the ease of paying taxes



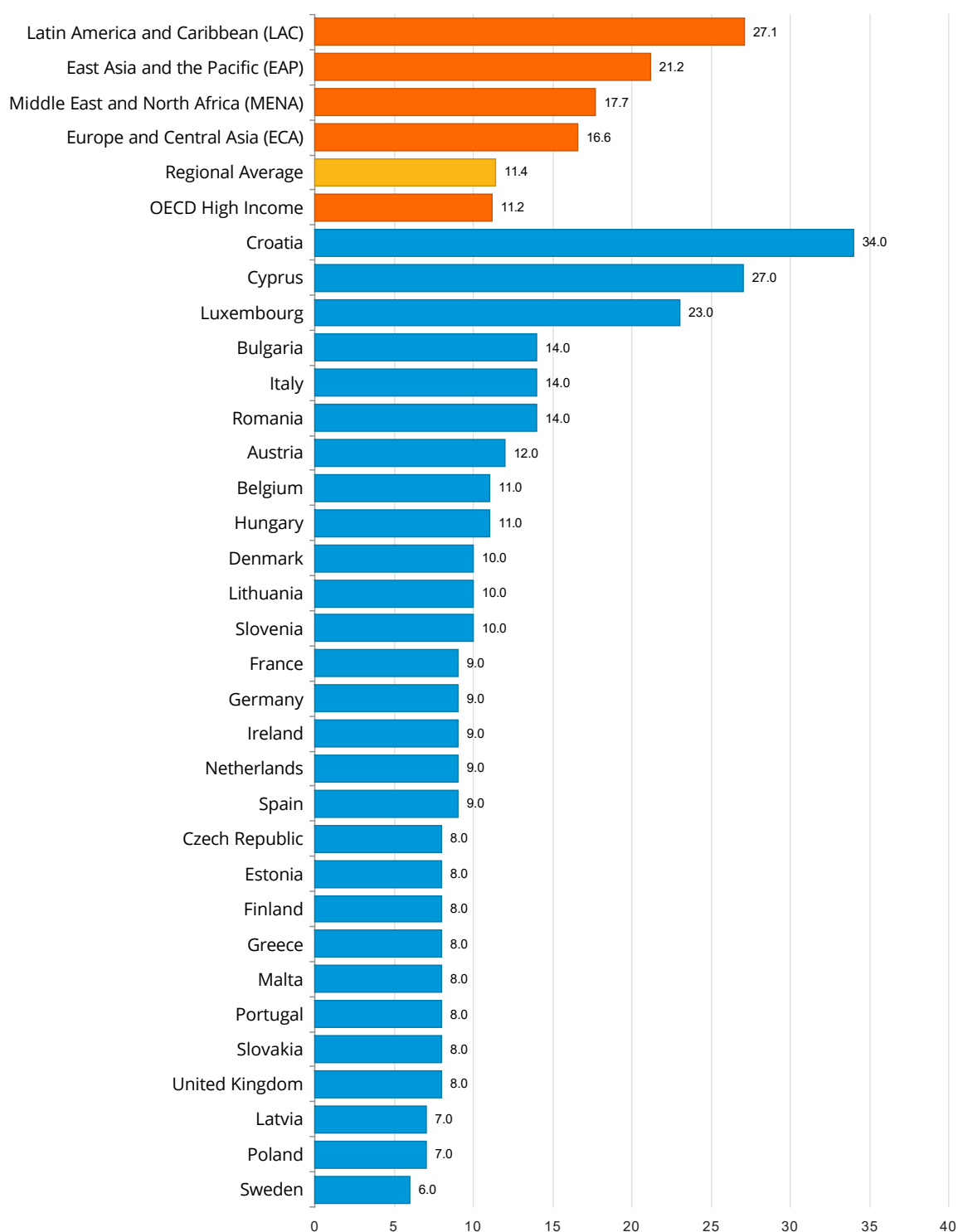
Source: Doing Business database.

## Paying Taxes

The indicators underlying the rankings may be more revealing. Data collected by Doing Business show what it takes to comply with tax regulations in each economy in the region—the number of payments per year, the time required to prepare, and file and pay taxes the 3 major taxes (corporate income tax, VAT or sales tax and labor taxes and mandatory contributions), the total tax and contribution rate—as well as a postfiling index that measures the compliance with and efficiency of completing two processes: VAT cash refund and tax audit. Comparing these indicators across the region and with averages both for the region and for comparator regions can provide useful insights.

### How easy is it to pay taxes in economies in European Union (EU) - and what are the total tax rates

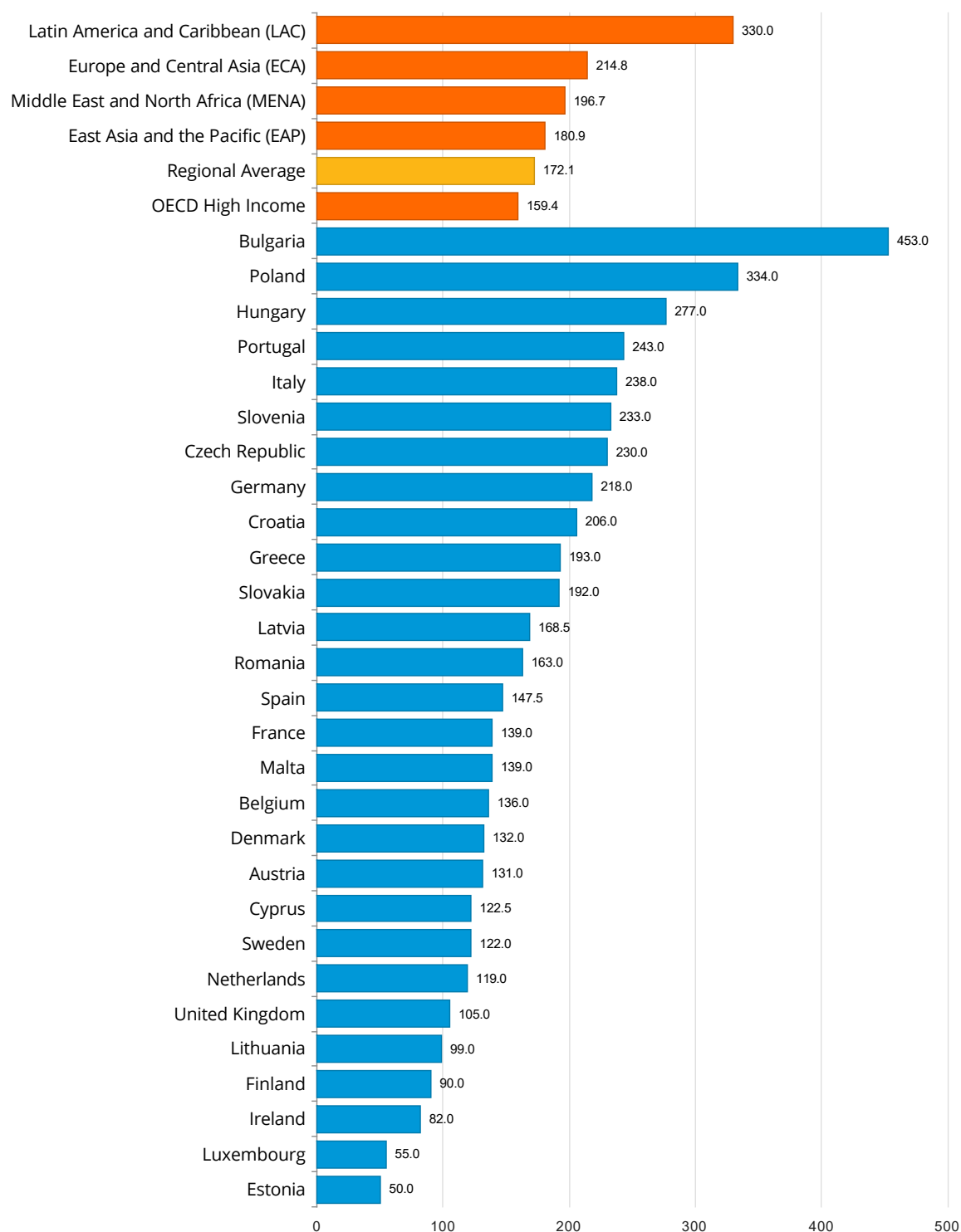
#### Payments (number per year)



Source: Doing Business database.

## Paying Taxes

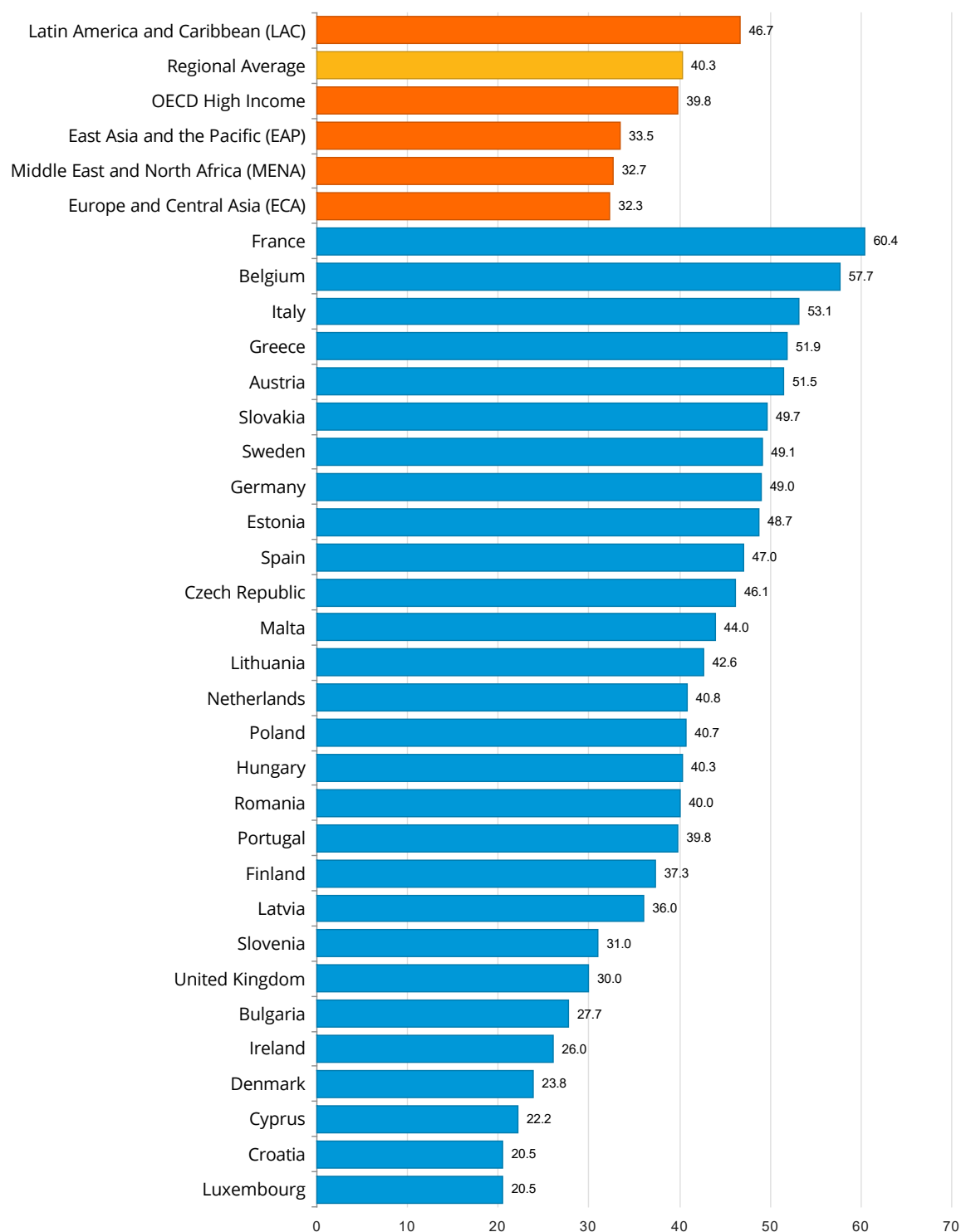
Time (hours per year)



Source: Doing Business database.

## Paying Taxes

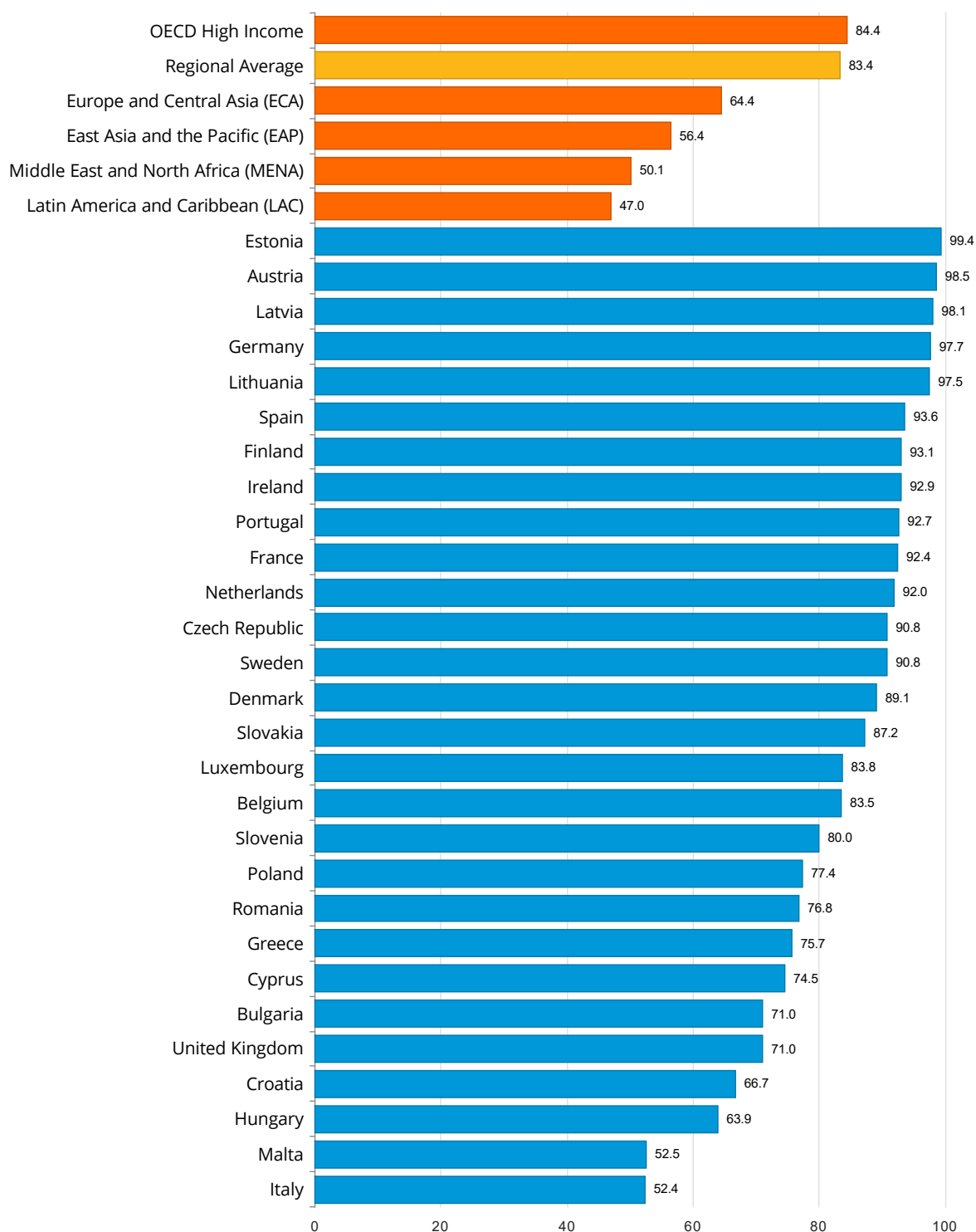
## Total tax and contribution rate (% of profit)



Source: Doing Business database.

## Paying Taxes

## Postfiling index (0-100)



Source: Doing Business database.

## Trading across Borders

Doing Business records the time and cost associated with the logistical process of exporting and importing goods. Doing Business measures the time and cost (excluding tariffs) associated with three sets of procedures—documentary compliance, border compliance and domestic transport—within the overall process of exporting or importing a shipment of goods. The most recent round of data collection for the project was completed in May 2018. [See the methodology for more information.](#)

### What the indicators measure

#### Documentary compliance

- Obtaining, preparing and submitting documents during transport, clearance, inspections and port or border handling in origin economy
- Obtaining, preparing and submitting documents required by destination economy and any transit economies
- Covers all documents required by law and in practice, including electronic submissions of information

#### Border compliance

- Customs clearance and inspections
- Inspections by other agencies (if applied to more than 20% of shipments)
- Handling and inspections that take place at the economy's port or border

#### Domestic transport

- Loading or unloading of the shipment at the warehouse or port/border
- Transport between warehouse and port/border
- Traffic delays and road police checks while shipment is en route

### Case study assumptions

To make the data comparable across economies, a few assumptions are made about the traded goods and the transactions:

**Time:** Time is measured in hours, and 1 day is 24 hours (for example, 22 days are recorded as  $22 \times 24 = 528$  hours). If customs clearance takes 7.5 hours, the data are recorded as is. Alternatively, suppose documents are submitted to a customs agency at 8:00a.m., are processed overnight and can be picked up at 8:00a.m. the next day. The time for customs clearance would be recorded as 24 hours because the actual procedure took 24 hours.

**Cost:** Insurance cost and informal payments for which no receipt is issued are excluded from the costs recorded. Costs are reported in U.S. dollars. Contributors are asked to convert local currency into U.S. dollars based on the exchange rate prevailing on the day they answer the questionnaire. Contributors are private sector experts in international trade logistics and are informed about exchange rates.

#### Assumptions of the case study:

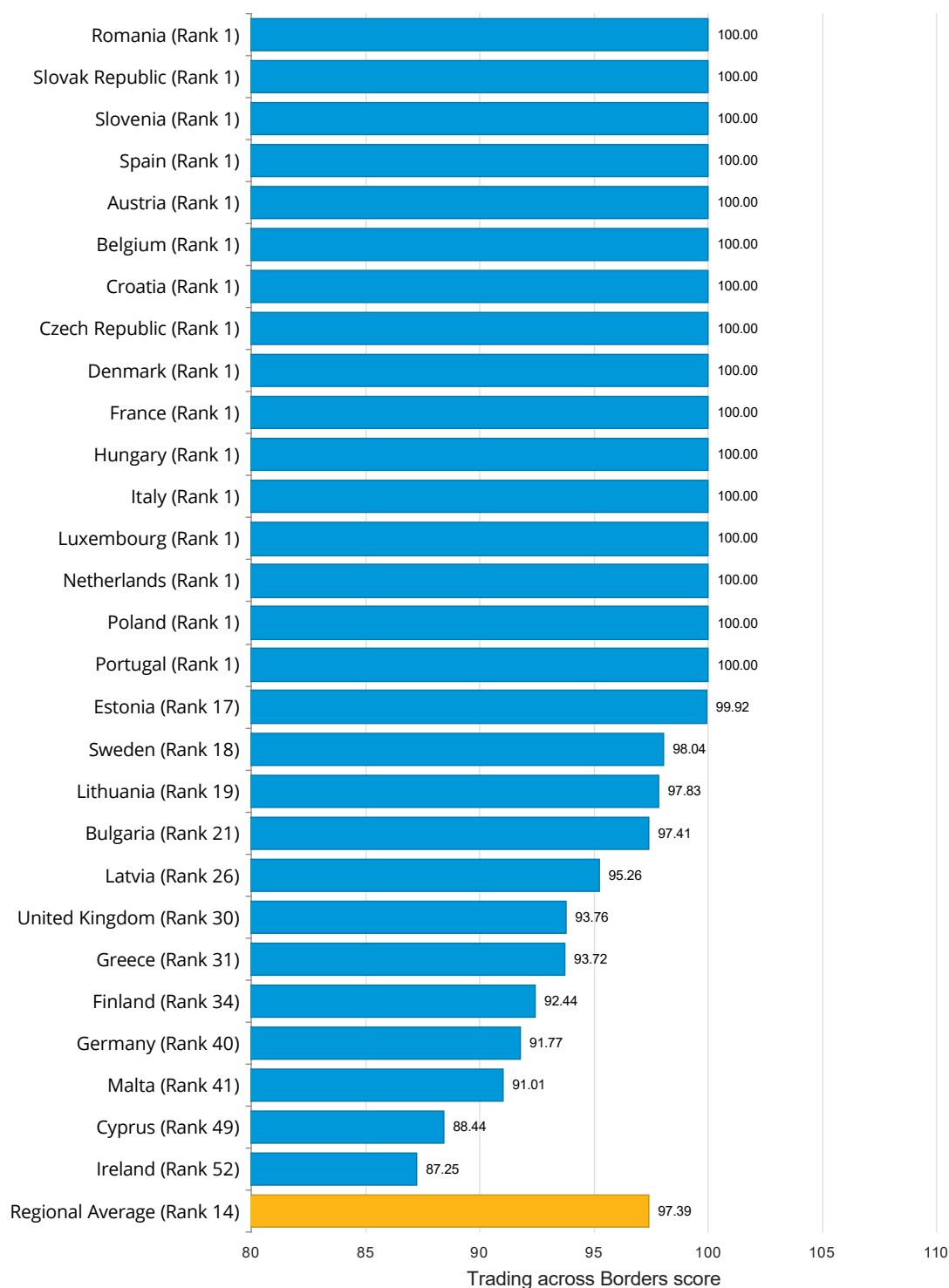
- For all 190 economies covered by Doing Business, it is assumed a shipment is in a warehouse in the largest business city of the exporting economy and travels to a warehouse in the largest business city of the importing economy.
- It is assumed each economy imports 15 metric tons of containerized auto parts (HS 8708) from its natural import partner—the economy from which it imports the largest value (price times quantity) of auto parts. It is assumed each economy exports the product of its comparative advantage (defined by the largest export value) to its natural export partner—the economy that is the largest purchaser of this product. Shipment value is assumed to be \$50,000.
- The mode of transport is the one most widely used for the chosen export or import product and the trading partner, as is the seaport or land border crossing.
- All electronic information submissions requested by any government agency in connection with the shipment are considered to be documents obtained, prepared and submitted during the export or import process.
- A port or border is a place (seaport or land border crossing) where merchandise can enter or leave an economy.
- Relevant government agencies include customs, port authorities, road police, border guards, standardization agencies, ministries or departments of agriculture or industry, national security agencies and any other government authorities.

## Trading across Borders

Where do the region's economies stand today?

How easy it is for businesses in economies in European Union (EU) to export and import goods? The global rankings of these economies on the ease of trading across borders suggest an answer. The average ranking of the region and comparator regions provide a useful benchmark.

### How economies in European Union (EU) rank on the ease of trading across borders



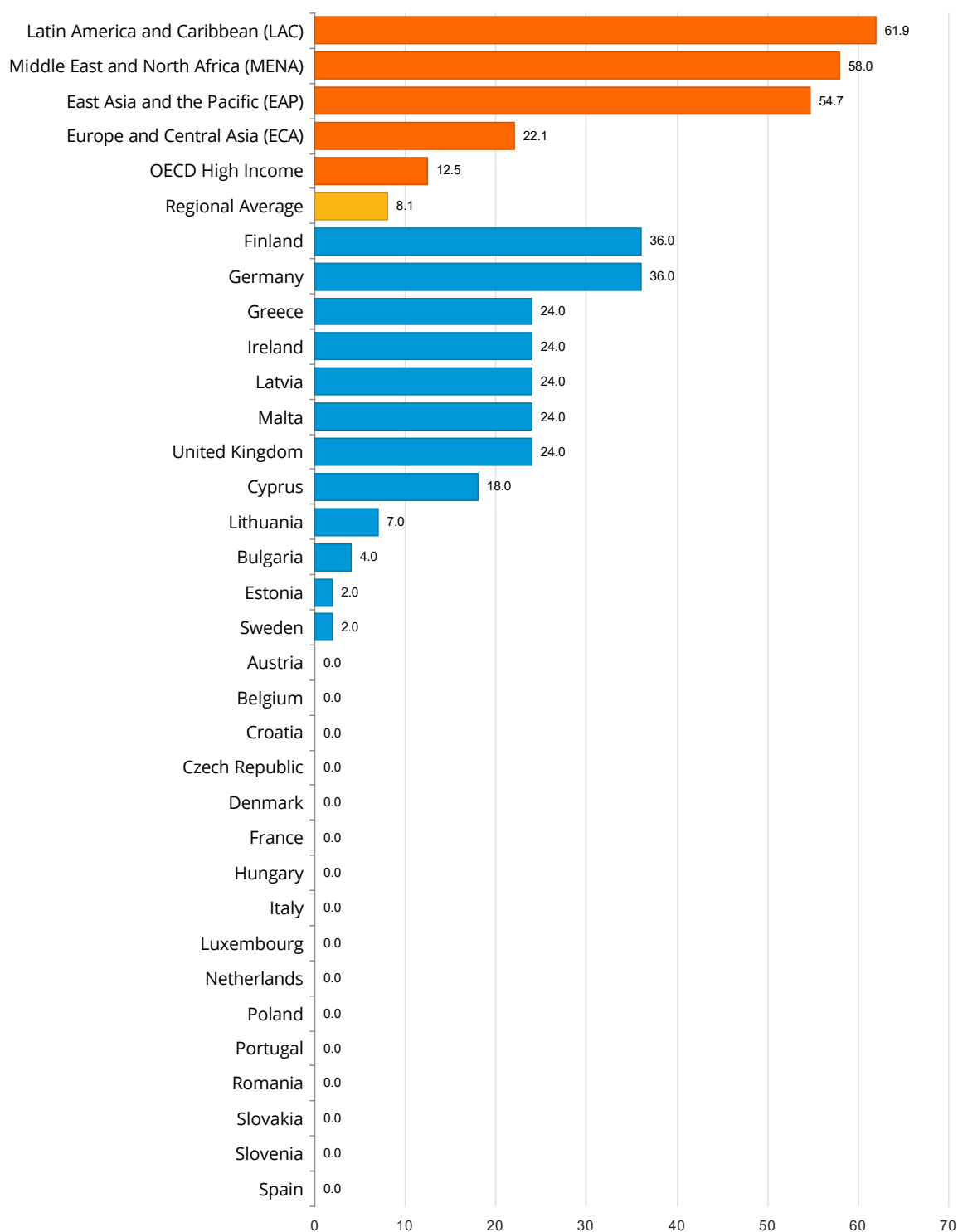
Source: Doing Business database.

## Trading across Borders

The indicators reported here are for trading a shipment of goods by the most widely used mode of transport (whether sea or land or some combination of these). The information on the time and cost to complete export and import is collected from local freight forwarders, customs brokers and traders. Comparing these indicators across the region and with averages both for the region and for comparator regions can provide useful insights.

### What it takes to trade across borders in economies in European Union (EU)

#### Time to export: Border compliance (hours)

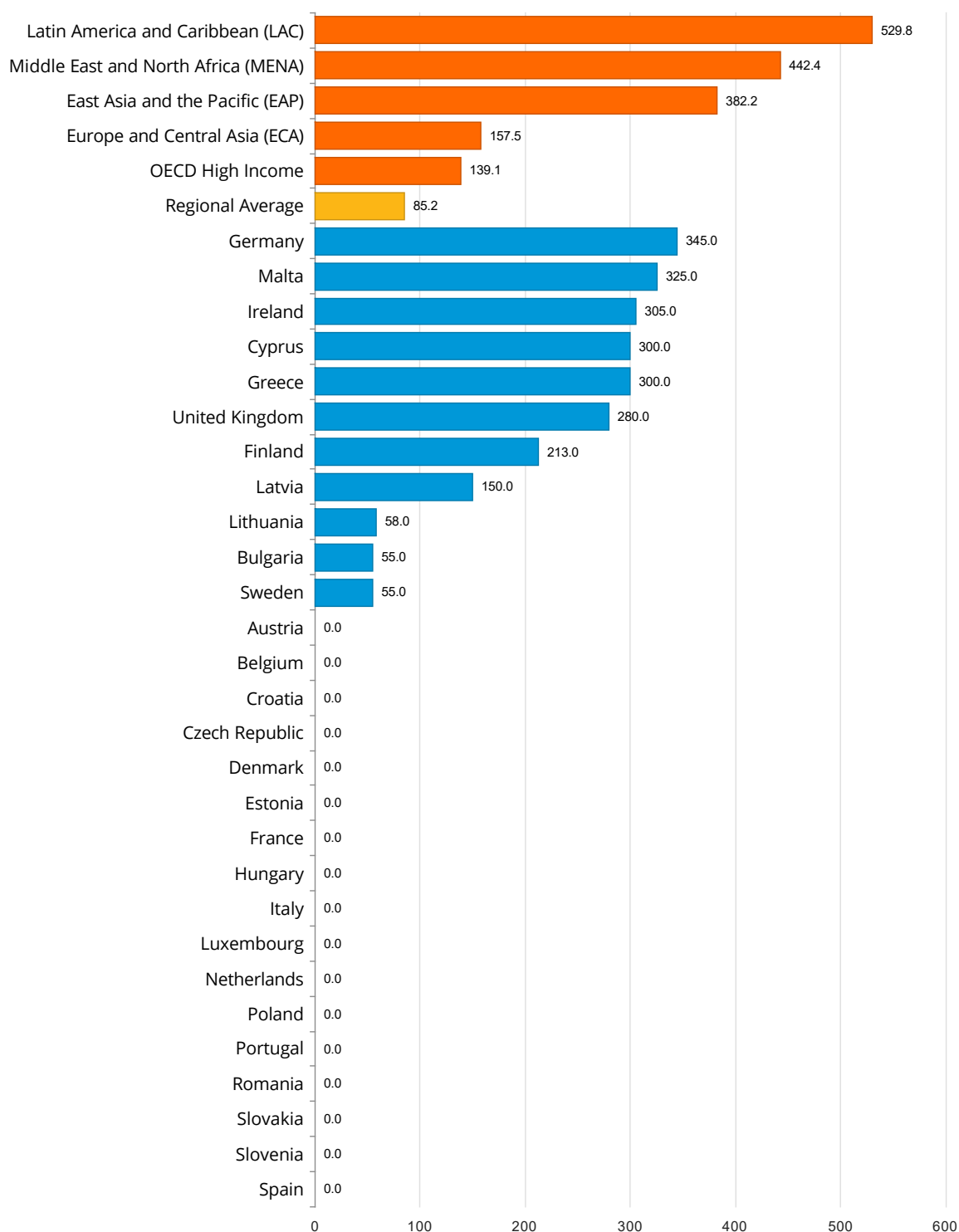


Source: Doing Business database.



## Trading across Borders

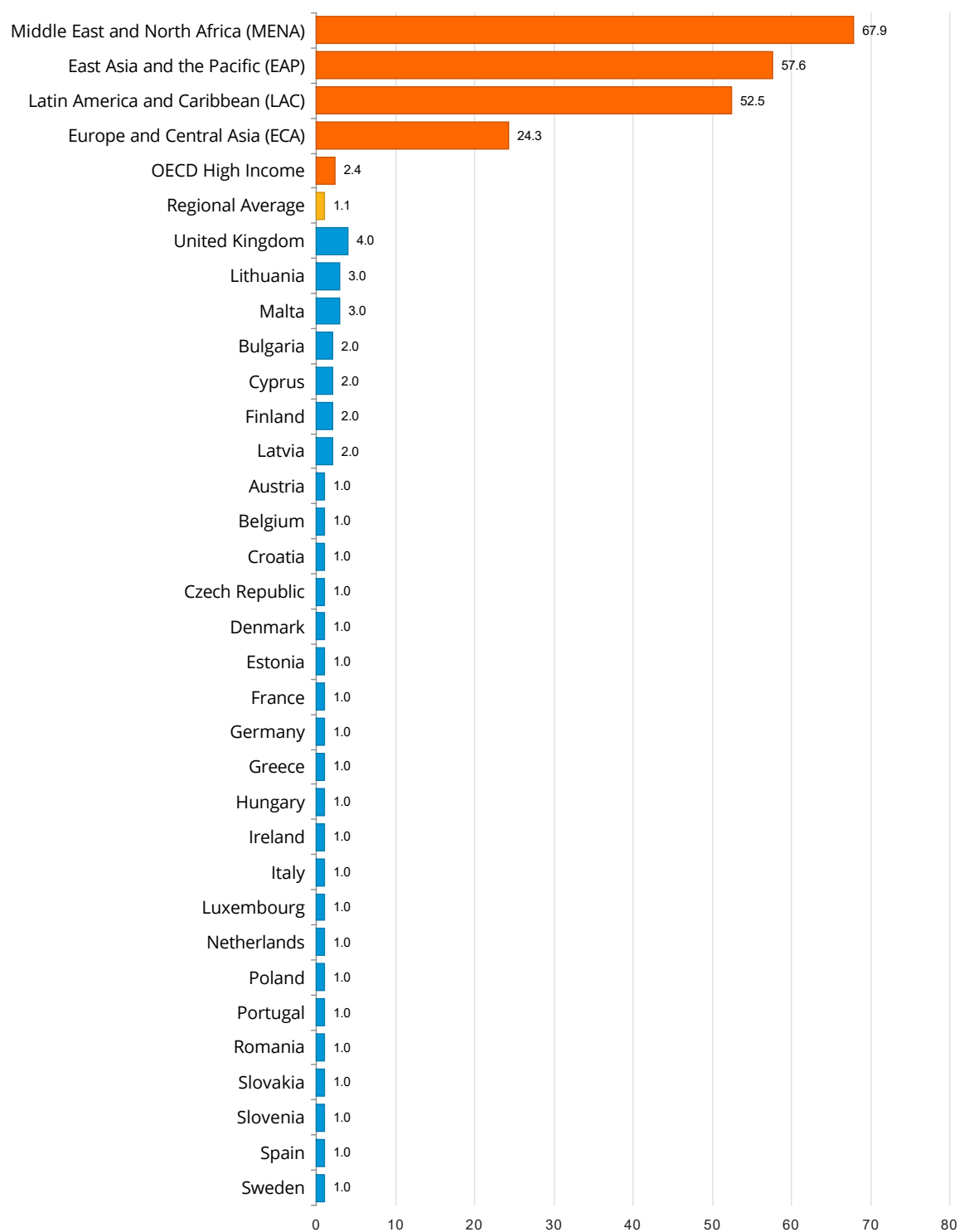
## Cost to export: Border compliance (USD)



Source: Doing Business database.

## Trading across Borders

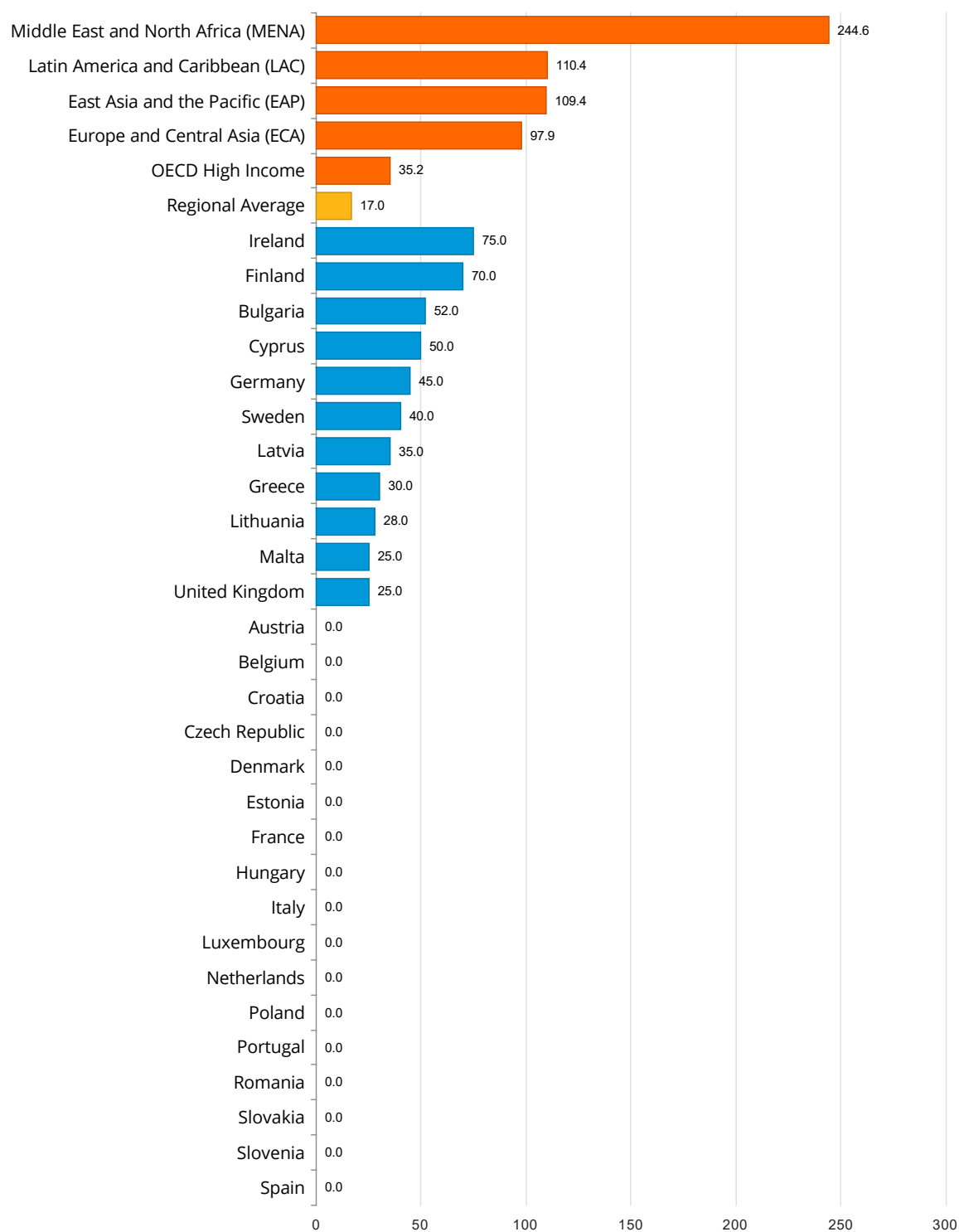
## Time to export: Documentary compliance (hours)



Source: Doing Business database.

## Trading across Borders

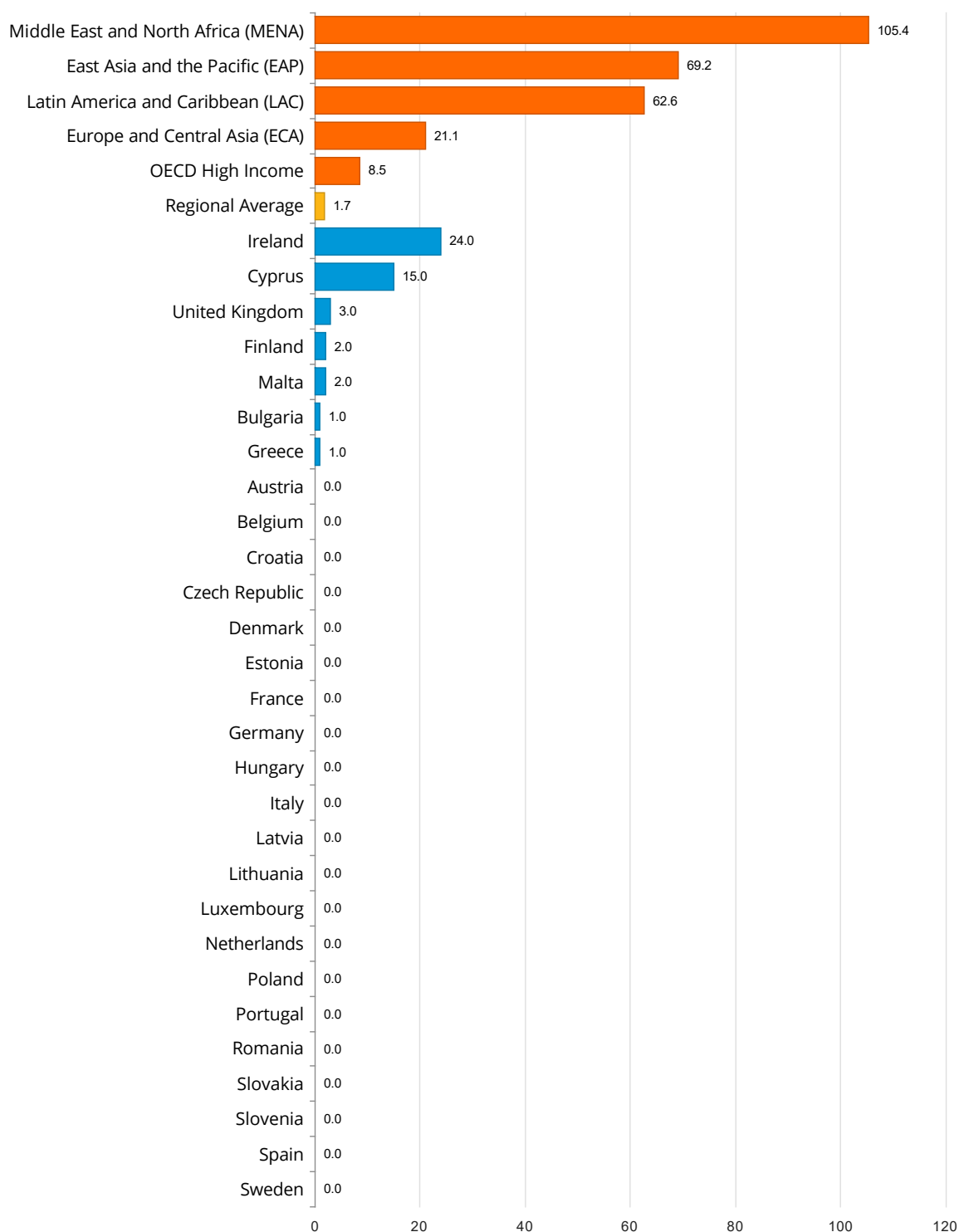
## Cost to export: Documentary compliance (USD)



Source: Doing Business database.

## Trading across Borders

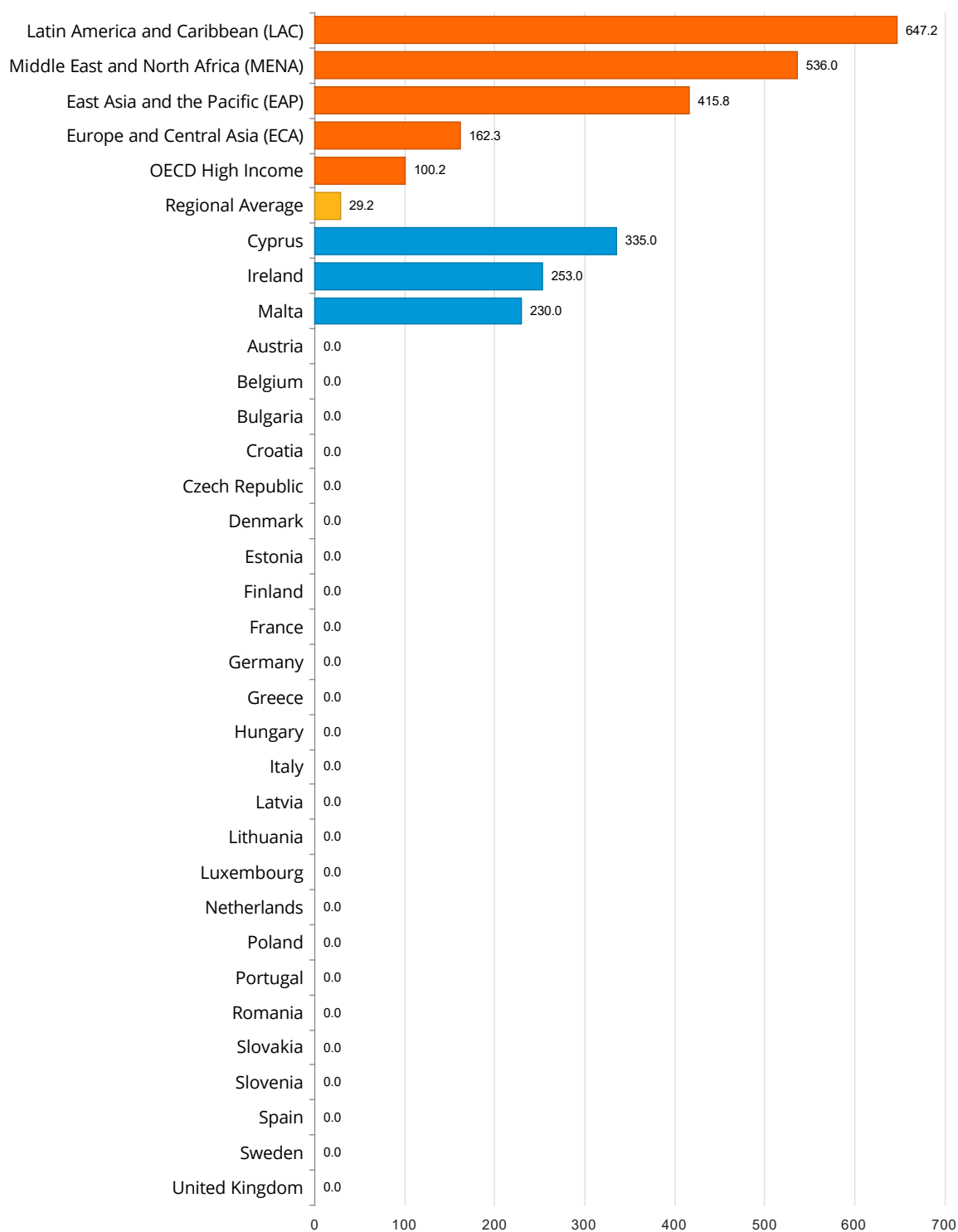
## Time to import: Border compliance (hours)



Source: Doing Business database.

## Trading across Borders

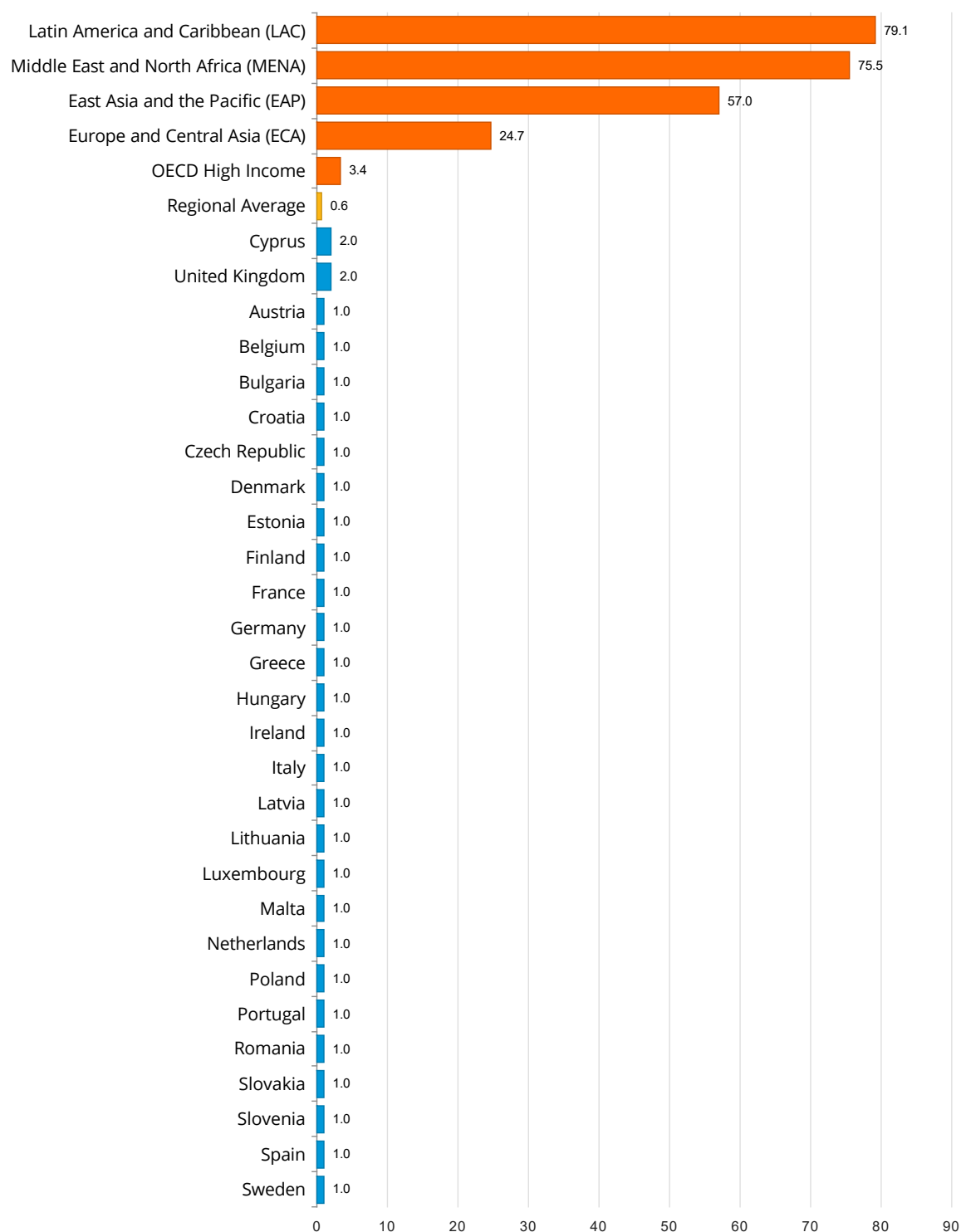
## Cost to import: Border compliance (USD)



Source: Doing Business database.

## Trading across Borders

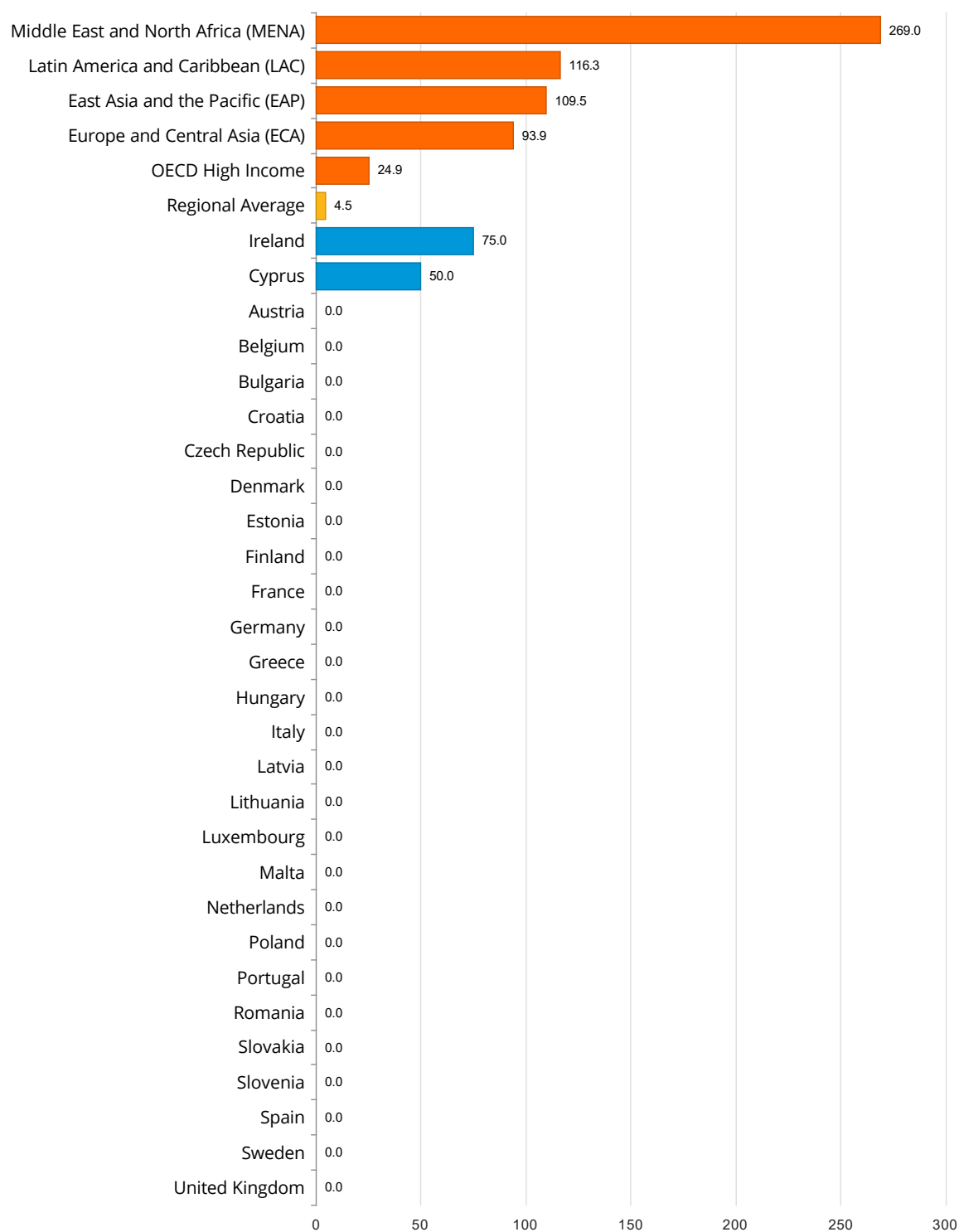
## Time to import: Documentary compliance (hours)



Source: Doing Business database.

## Trading across Borders

## Cost to import: Documentary compliance (USD)



Source: Doing Business database.

## Enforcing Contracts

The enforcing contracts indicator measures the time and cost for resolving a commercial dispute through a local first-instance court, and the quality of judicial processes index, evaluating whether each economy has adopted a series of good practices that promote quality and efficiency in the court system. The most recent round of data collection was completed in May 2018. [See the methodology for more information.](#)

### What the indicators measure

#### **Time required to enforce a contract through the courts (calendar days)**

- Time to file and serve the case
- Time for trial and to obtain the judgment
- Time to enforce the judgment

#### **Cost required to enforce a contract through the courts (% of claim)**

- Attorney fees
- Court fees
- Enforcement fees

#### **Quality of judicial processes index (0-18)**

- Court structure and proceedings (-1-5)
- Case management (0-6)
- Court automation (0-4)
- Alternative dispute resolution (0-3)

### Case study assumptions

The dispute in the case study involves the breach of a sales contract between 2 domestic businesses. The case study assumes that the court hears an expert on the quality of the goods in dispute. This distinguishes the case from simple debt enforcement.

To make the data comparable across economies, Doing Business uses several assumptions about the case:

- The dispute concerns a lawful transaction between two businesses (Seller and Buyer), both located in the economy's largest business city. For 11 economies the data are also collected for the second largest business city.
- The buyer orders custom-made goods, then fails to pay alleging that the goods are not of adequate quality.
- The value of the dispute is 200% of the income per capita or the equivalent in local currency of USD 5,000, whichever is greater.
- The seller sues the buyer before the court with jurisdiction over commercial cases worth 200% of income per capita or \$5,000.
- The seller requests the pretrial attachment of the defendant's movable assets to secure the claim.
- The dispute on the quality of the goods requires an expert opinion.
- The judge decides in favor of the seller; there is no appeal.
- The seller enforces the judgment through a public sale of the buyer's movable assets.

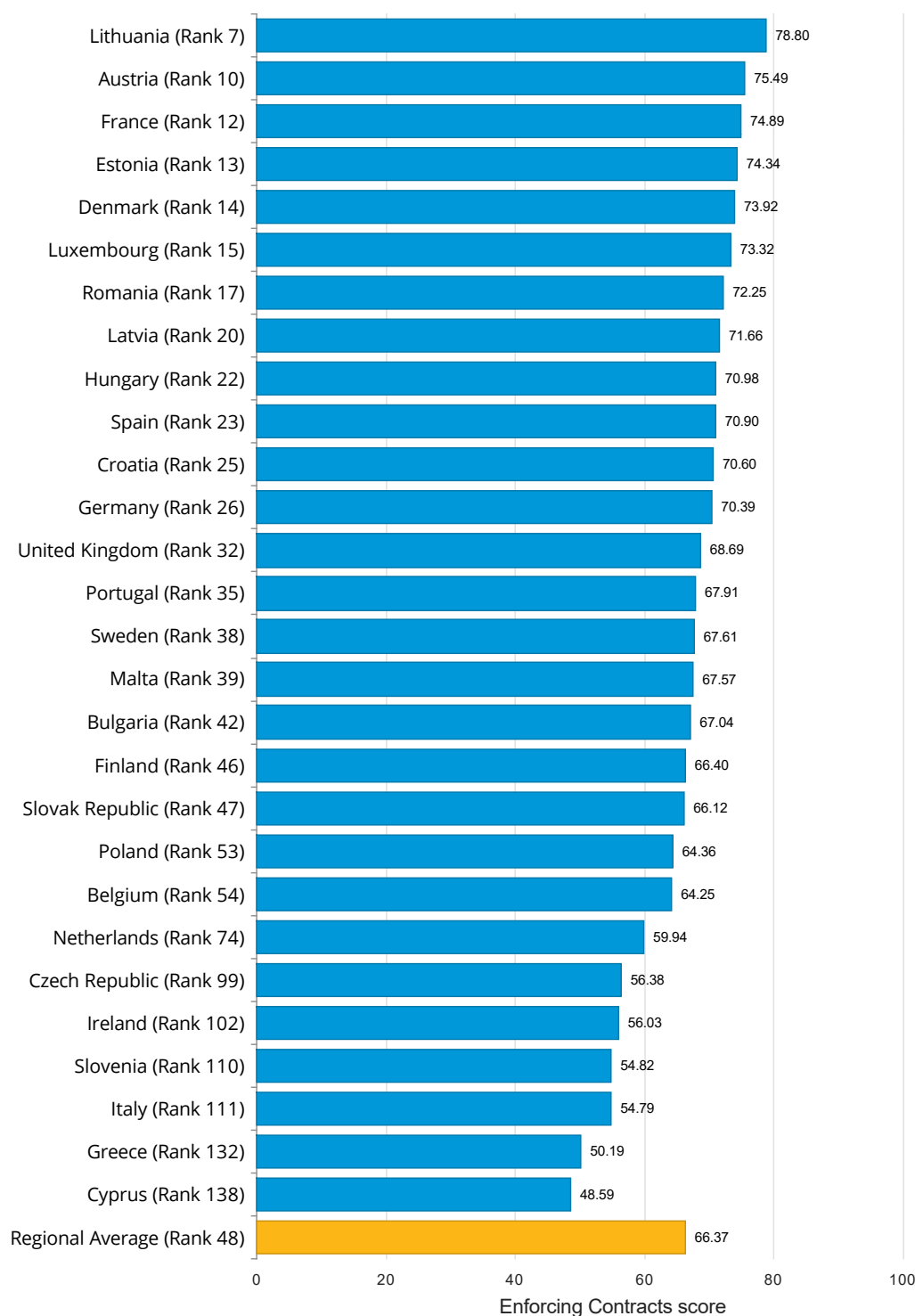


## Enforcing Contracts

Where do the region's economies stand today?

How efficient is the process of resolving a commercial dispute through the courts in economies in European Union (EU)? The global rankings of these economies on the ease of enforcing contracts suggest an answer. The average ranking of the region and comparator regions provide a useful benchmark.

### How economies in European Union (EU) rank on the ease of enforcing contracts



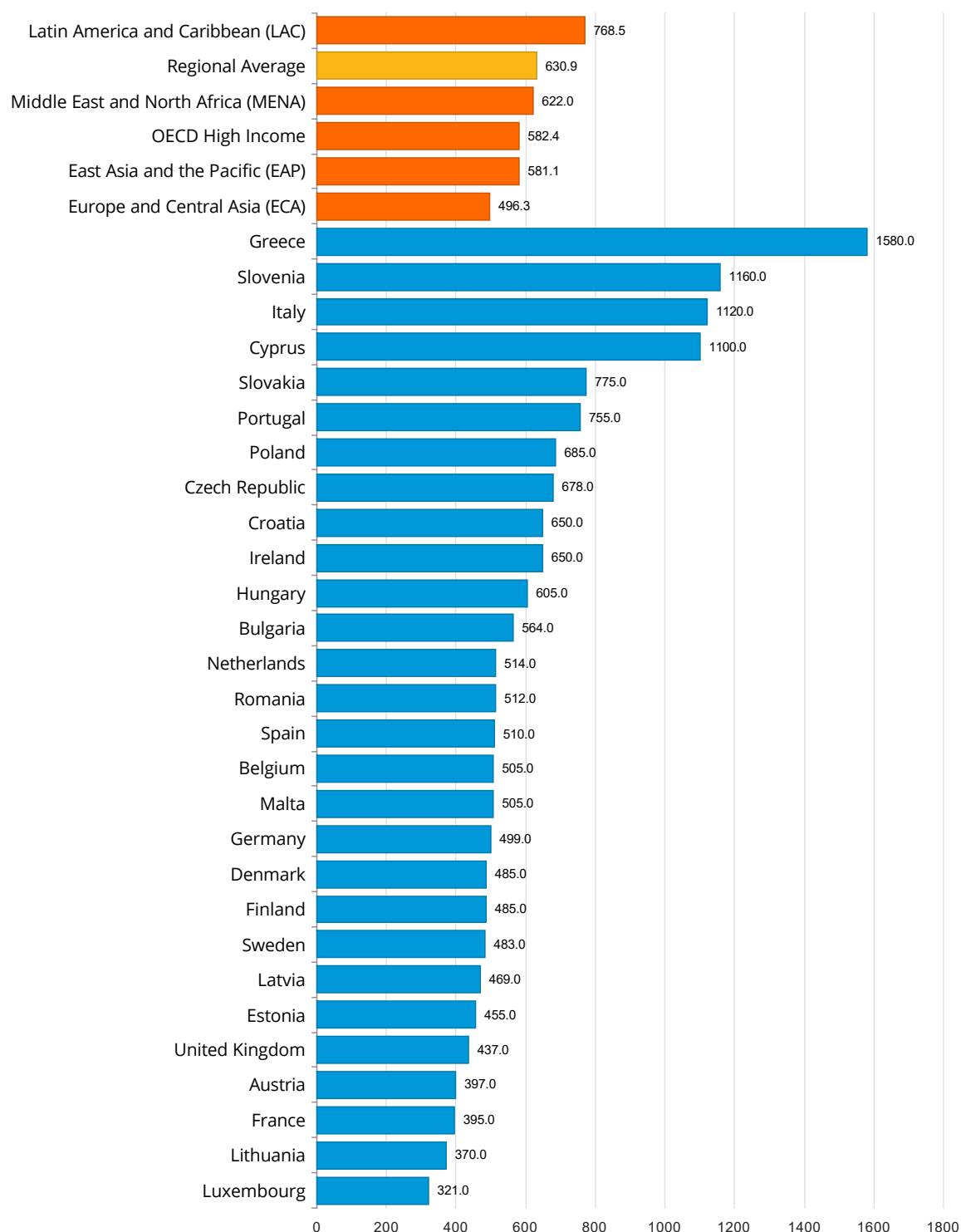
Source: Doing Business database.

## Enforcing Contracts

The indicators underlying the rankings may also be revealing. Data collected by Doing Business show what it takes to enforce a contract through the courts in each economy in the region: the time, the cost and quality of judicial processes index. Comparing these indicators across the region and with averages both for the region and for comparator regions can provide useful insights.

### What it takes to enforce a contract through the courts in economies in European Union (EU)

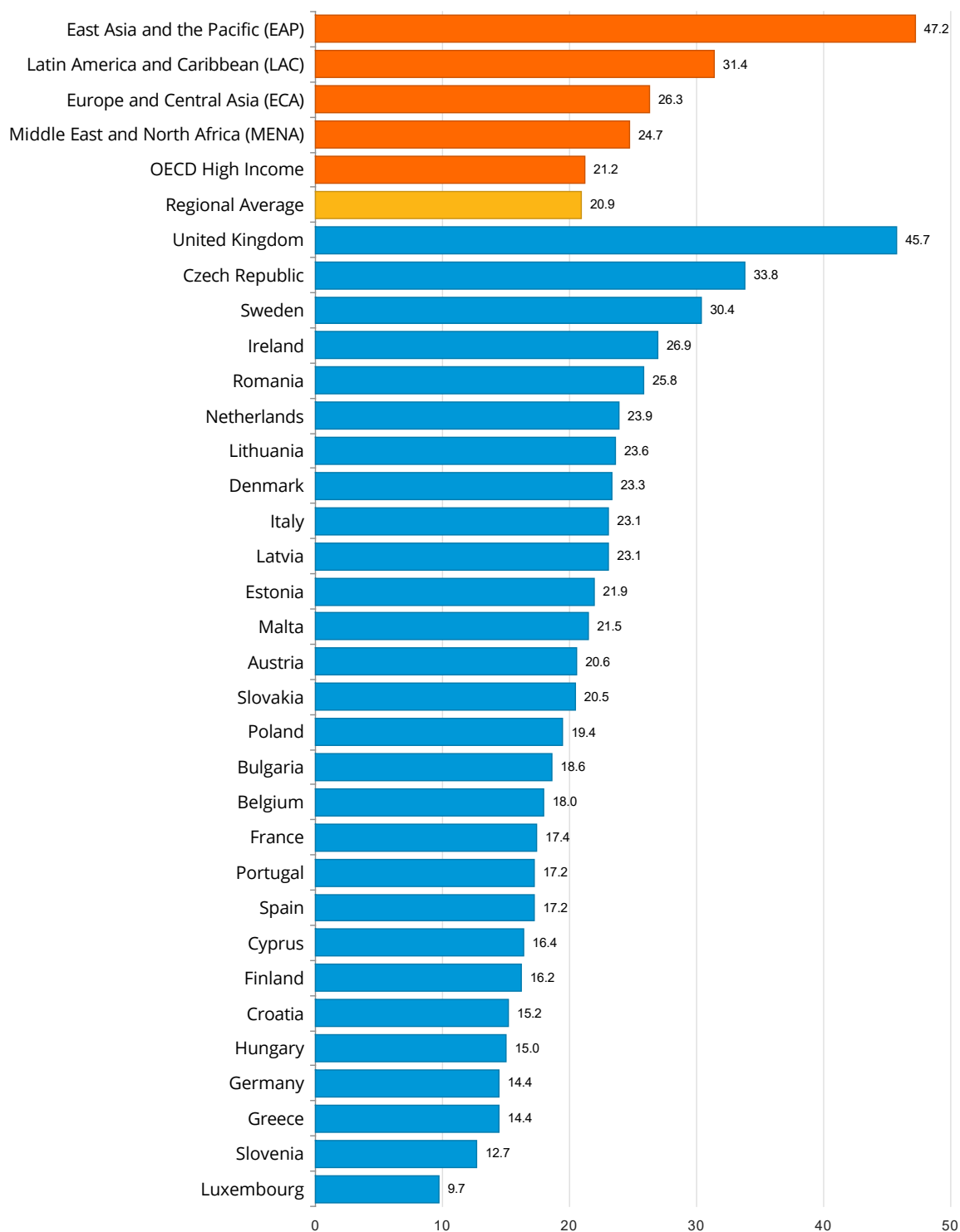
#### Time (days)



Source: Doing Business database.

## Enforcing Contracts

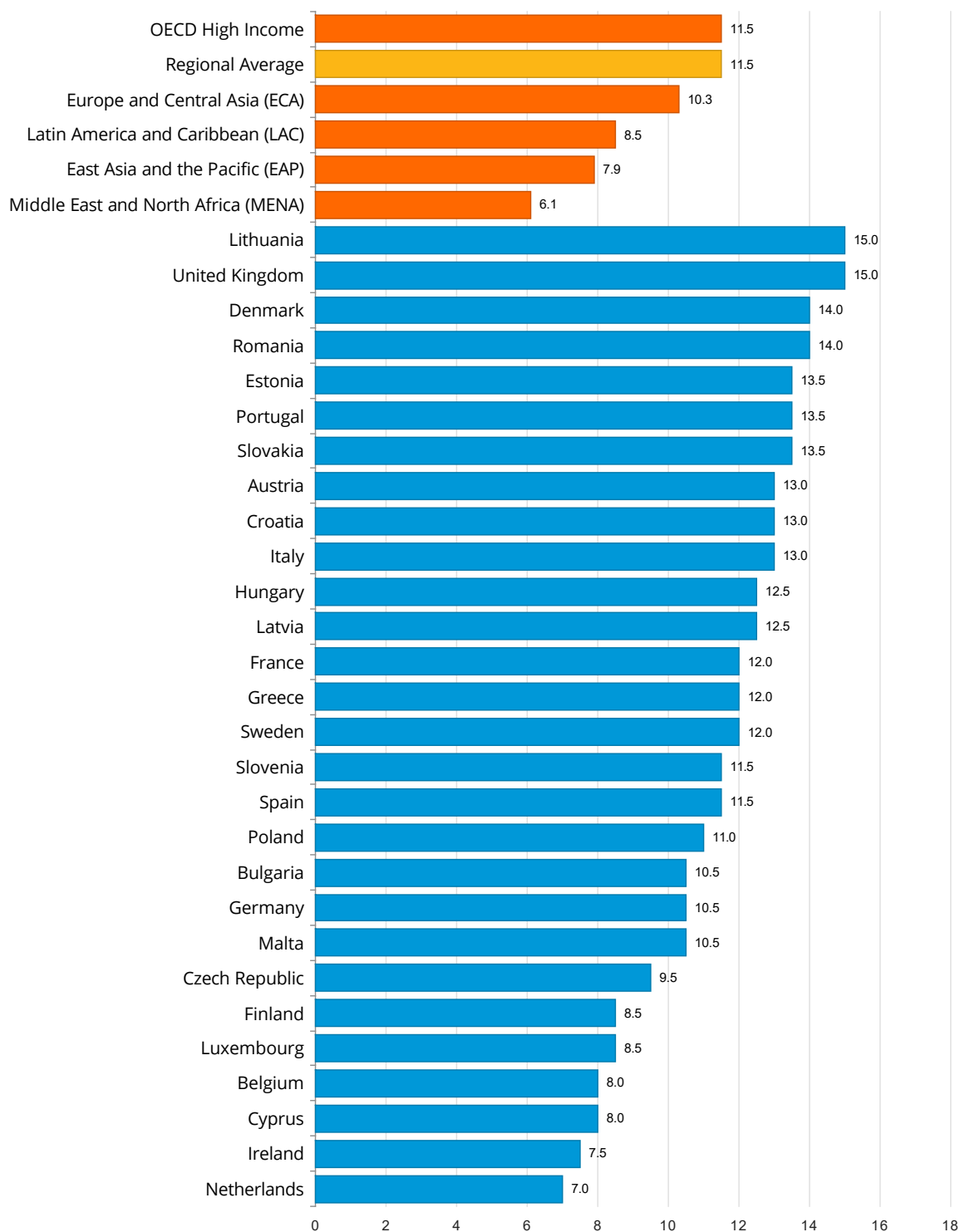
## Cost (% of claim value)



Source: Doing Business database.

## Enforcing Contracts

## Quality of judicial processes index (0-18)



Source: Doing Business database.

## Resolving Insolvency

Doing Business studies the time, cost and outcome of insolvency proceedings involving domestic legal entities. These variables are used to calculate the recovery rate, which is recorded as cents on the dollar recovered by secured creditors through reorganization, liquidation or debt enforcement (foreclosure or receivership) proceedings. To determine the present value of the amount recovered by creditors, Doing Business uses the lending rates from the International Monetary Fund, supplemented with data from central banks and the Economist Intelligence Unit.

The most recent round of data collection for the project was completed in May 2018. [See the methodology for more information.](#)

### What the indicators measure

#### Time required to recover debt (years)

- Measured in calendar years
- Appeals and requests for extension are included

#### Cost required to recover debt (% of debtor's estate)

- Measured as percentage of estate value
- Court fees
- Fees of insolvency administrators
- Lawyers' fees
- Assessors' and auctioneers' fees
- Other related fees

#### Outcome

- Whether business continues operating as a going concern or business assets are sold piecemeal

#### Recovery rate for creditors

- Measures the cents on the dollar recovered by secured creditors
- Outcome for the business (survival or not) determines the maximum value that can be recovered
- Official costs of the insolvency proceedings are deducted
- Depreciation of furniture is taken into account
- Present value of debt recovered

#### Strength of insolvency framework index (0- 16)

- Sum of the scores of four component indices:
- Commencement of proceedings index (0-3)
- Management of debtor's assets index (0-6)
- Reorganization proceedings index (0-3)
- Creditor participation index (0-4)

### Case study assumptions

To make the data on the time, cost and outcome comparable across economies, several assumptions about the business and the case are used:

- A hotel located in the largest city (or cities) has 201 employees and 50 suppliers. The hotel experiences financial difficulties.
- The value of the hotel is 100% of the income per capita or the equivalent in local currency of USD 200,000, whichever is greater.
- The hotel has a loan from a domestic bank, secured by a mortgage over the hotel's real estate. The hotel cannot pay back the loan, but makes enough money to operate otherwise.

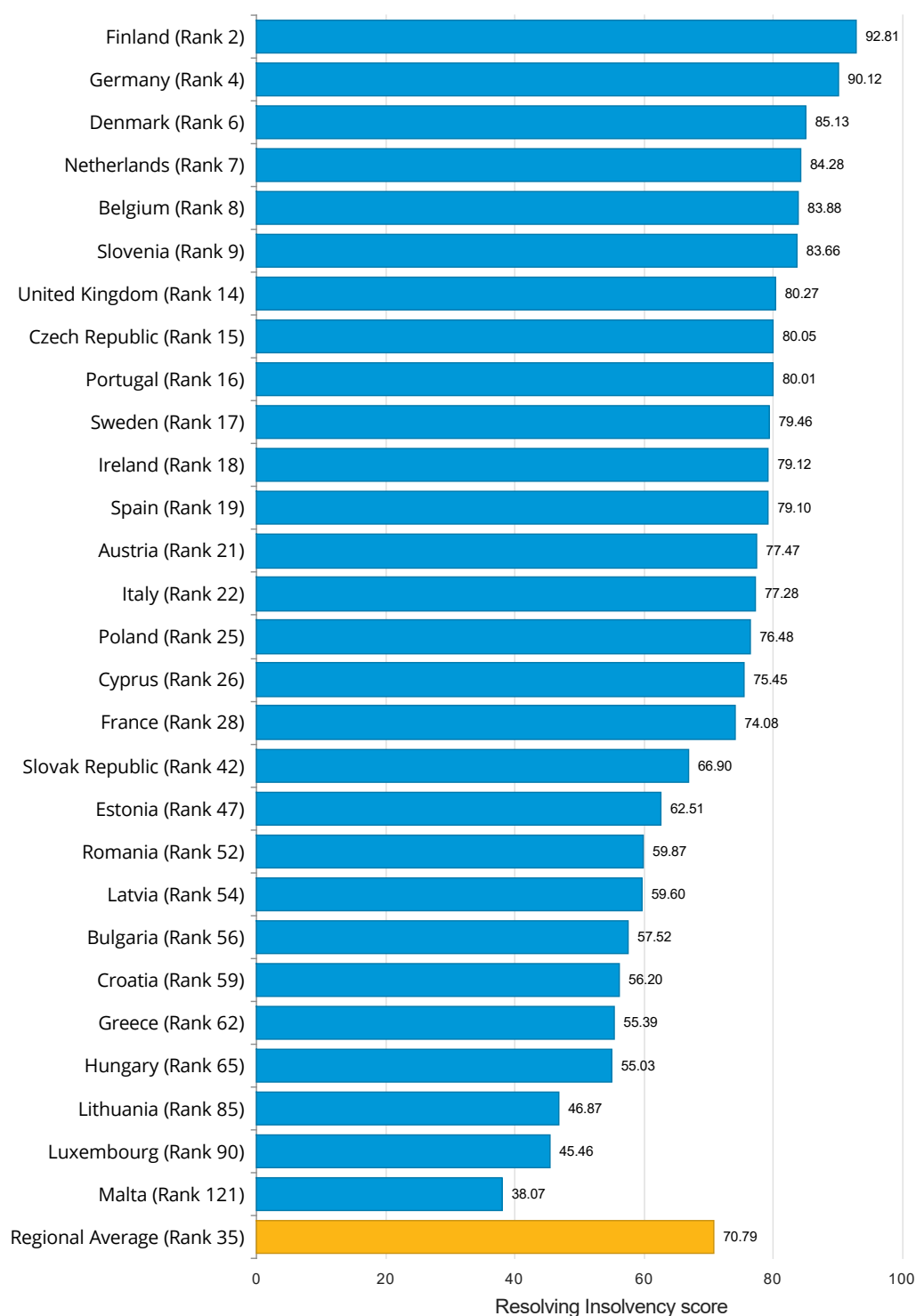
In addition, Doing Business evaluates the quality of legal framework applicable to judicial liquidation and reorganization proceedings and the extent to which best insolvency practices have been implemented in each economy covered.

## Resolving Insolvency

Where do the region's economies stand today?

How efficient are insolvency proceedings in economies in European Union (EU)? The global rankings of these economies on the ease of resolving insolvency suggest an answer. The average ranking of the region and comparator regions provide a useful benchmark for assessing the efficiency of insolvency proceedings. Speed, low costs and continuation of viable businesses characterize the top performing economies.

### How economies in European Union (EU) rank on the ease of resolving insolvency



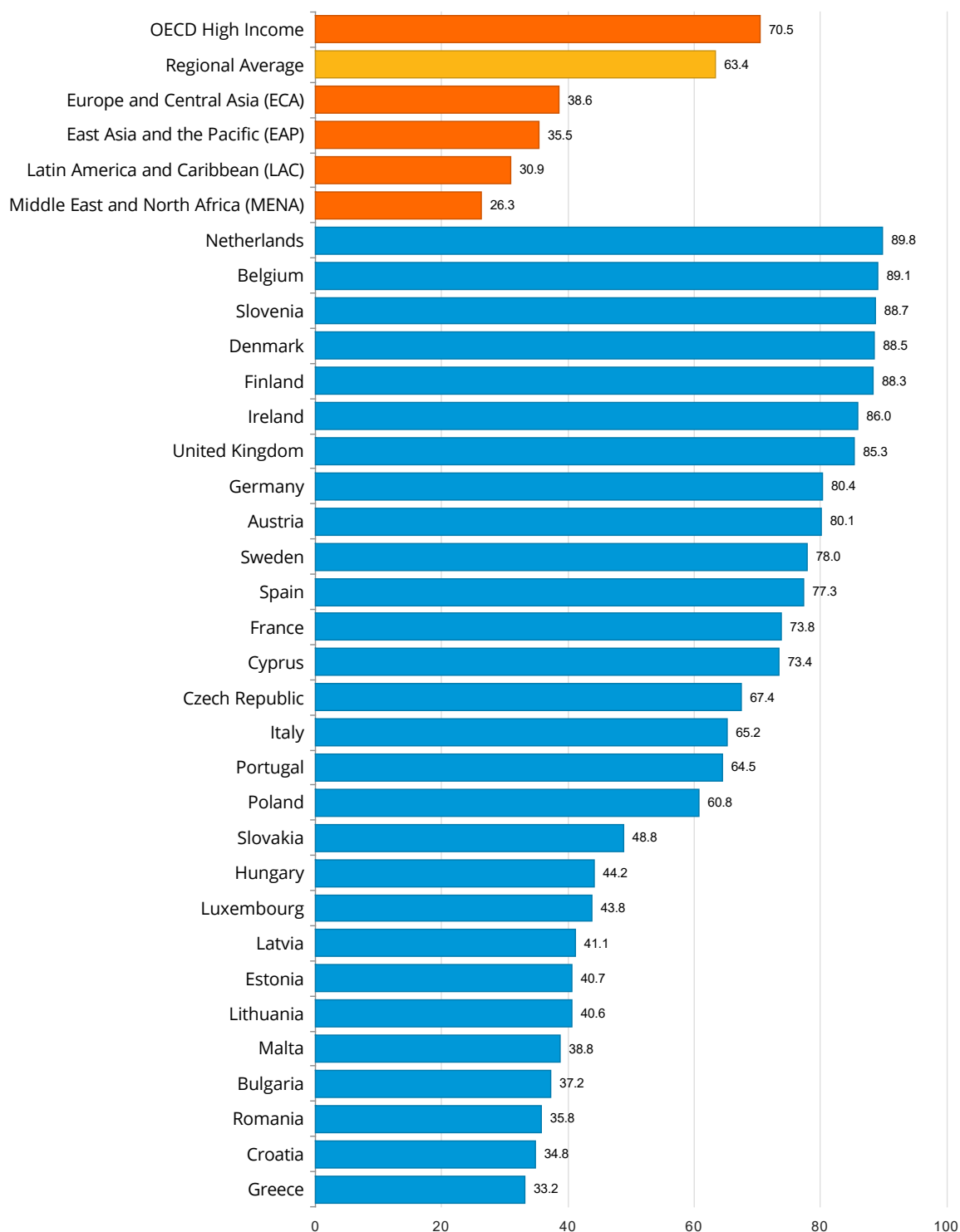
Source: Doing Business database.

## Resolving Insolvency

The indicators underlying the rankings may be more revealing. Data collected by Doing Business show the average recovery rate and the average strength of insolvency framework index. Comparing these indicators across the region and with averages both for the region and for comparator regions can provide useful insights.

### How efficient is the insolvency process in economies in European Union (EU)

#### Recovery rate (cents on the dollar)



Source: Doing Business database.

## Business Reforms

In the past year, Doing Business observed a peaking of reform activity worldwide. From June 2, 2017, to May 1, 2018, 128 economies implemented a record 314 regulatory reforms improving the business climate. Reforms inspired by Doing Business have been implemented by economies in all regions. The following are the reforms implemented in European Union (EU) since Doing Business 2011.

### Starting a Business

DB Year	Economy	Reform
DB2019	Romania	Romania made starting a business more complicated by introducing fiscal risk assessment criteria for value added tax applications, thereby increasing the time required to register as a value added tax payer.
DB2019	Slovenia	Slovenia made starting a business more complicated by requiring companies to report their beneficial ownership separately from business incorporation.
DB2018	Malta	Malta made starting a business easier by removing the requirement for a trading license for general commercial activities.
DB2018	Greece	Greece made starting a business easier by creating a unified social security institution.
DB2018	Czech Republic	The Czech Republic made starting a business less expensive by introducing lower fees for simple limited liability companies.
DB2017	Croatia	Croatia made starting a business more difficult by increasing notary fees.
DB2017	Cyprus	Cyprus made starting a business easier by merging the procedures to register for taxes and for VAT while making name search and reservation faster.
DB2017	Czech Republic	The Czech Republic made starting a business easier by reducing the cost and the time required to register a company in commercial courts by allowing notaries to directly register companies through an online system.
DB2017	Ireland	Ireland made starting a business easier by removing the requirement that a founder seeking to incorporate a company swear before a commissioner of oaths.
DB2017	Romania	Romania made starting a business more difficult by increasing the time to register for Value Added Tax.
DB2017	Malta	Malta simplified the process of starting a business by reducing the time needed to register a company.
DB2016	Sweden	Sweden made starting a business easier by requiring the company registry to register a company in five days.
DB2016	Slovak Republic	The Slovak Republic simplified the process of starting a business by introducing court registration at the one-stop shop.
DB2016	Lithuania	Lithuania made starting a business easier by introducing online VAT registration.
DB2016	Germany	Germany made starting a business easier by making the process more efficient and less costly.



<b>DB2016</b>	Estonia	Estonia made starting a business simpler by allowing minimum capital to be deposited at the time of company registration.
<b>DB2016</b>	Denmark	Denmark made starting a business easier by introducing an online platform allowing simultaneous completion of business and tax registration.
<b>DB2015</b>	Austria	Austria made starting a business easier by reducing the minimum capital requirement, which in turn reduced the paid-in minimum capital requirement, and by lowering notary fees.
<b>DB2015</b>	Bulgaria	Bulgaria made starting a business easier by lowering registration fees.
<b>DB2015</b>	Croatia	Croatia made starting a business easier by reducing notary fees.
<b>DB2015</b>	Czech Republic	The Czech Republic made starting a business easier by substantially reducing the minimum capital requirement and the paid-in minimum capital requirement.
<b>DB2015</b>	Denmark	Denmark made starting a business easier by reducing the paid-in minimum capital requirement.
<b>DB2015</b>	France	France made starting a business easier by reducing the time it takes to register a company at the one-stop shop (Centre de Formalités des Entreprises).
<b>DB2015</b>	Germany	Germany made starting a business more difficult by increasing notary fees.
<b>DB2015</b>	Greece	Greece made starting a business easier by lowering registration costs.
<b>DB2015</b>	Hungary	Hungary made starting a business more difficult by increasing the paid-in minimum capital requirement.
<b>DB2015</b>	Italy	Italy made starting a business easier by reducing both the minimum capital requirement and the paid-in minimum capital requirement and by streamlining registration procedures.
<b>DB2015</b>	Latvia	Latvia made starting a business more difficult by increasing registration fees, bank fees and notary fees.
<b>DB2015</b>	Lithuania	Lithuania made starting a business easier by eliminating the need to have a company seal and speeding up the value added tax (VAT) registration at the State Tax Inspectorate.
<b>DB2015</b>	Slovak Republic	The Slovak Republic made starting a business easier by reducing the time needed to register with the district court and eliminating the need (and therefore the fee) for the verification of signatures by a notary public.
<b>DB2015</b>	Spain	Spain made starting a business easier by introducing an electronic system linking several public agencies and thereby simplifying business registration.
<b>DB2015</b>	United Kingdom	The United Kingdom made starting a business easier by speeding up tax registration.
<b>DB2015</b>	Malta	Malta made starting a business easier by creating an electronic link between the Registrar of Companies and the Inland Revenue Department to facilitate issuance of a tax identification number.

<b>DB2014</b>	United Kingdom	The United Kingdom made starting a business easier by providing model articles for use in preparing memorandums and articles of association.
<b>DB2014</b>	Spain	Spain made starting a business easier by eliminating the requirement to obtain a municipal license before starting operations and by improving the efficiency of the commercial registry.
<b>DB2014</b>	Slovak Republic	The Slovak Republic made starting a business more difficult by adding a new procedure for establishing a limited liability company.
<b>DB2014</b>	Romania	Romania made starting a business easier by transferring responsibility for issuing the headquarters clearance certificate from the Fiscal Administration Office to the Trade Registry.
<b>DB2014</b>	Portugal	Portugal made starting a business easier by eliminating the requirement to report to the Ministry of Labor.
<b>DB2014</b>	Poland	Poland made starting a business easier by eliminating the requirement to register the new company at the National Labor Inspectorate and the National Sanitary Inspectorate.
<b>DB2014</b>	Netherlands	The Netherlands made starting a business easier by abolishing the minimum capital requirement.
<b>DB2014</b>	Latvia	Latvia made starting a business easier by making it possible to file the applications for company registration and value added tax registration simultaneously at the commercial registry.
<b>DB2014</b>	Greece	Greece made starting a business easier by introducing a simpler form of limited liability company and abolishing the minimum capital requirement for such companies.
<b>DB2013</b>	Bulgaria	Bulgaria made starting a business easier by reducing the cost of registration.
<b>DB2013</b>	Hungary	Hungary made starting a business more complex by increasing the registration fees for limited liability companies and adding a new tax registration at the time of incorporation and enforcing a requirement for mandatory registration with the Hungarian Chamber of Commerce and Industry.
<b>DB2013</b>	Ireland	Ireland made starting a business easier by introducing a new online facility for business registration.
<b>DB2013</b>	Lithuania	Lithuania made starting a business easier by introducing online registration for limited liability companies and eliminating the notarization requirement for incorporation documents.
<b>DB2013</b>	Netherlands	The Netherlands made starting a business easier by eliminating the requirement for a declaration of nonobjection by the Ministry of Justice before incorporation.
<b>DB2013</b>	Romania	Romania made starting a business easier by reducing the time required to obtain a clearance certificate from the fiscal administration agency.
<b>DB2013</b>	Slovak Republic	The Slovak Republic made starting a business easier by speeding up the processing of applications at the one-stop shop for trading licenses, income tax registration and health insurance registration.

<b>DB2012</b>	Spain	Spain eased the process of starting a business by reducing the cost to start a business and decreasing the minimum capital requirement.
<b>DB2012</b>	Romania	Romania made starting a business more difficult by requiring a tax clearance certificate for a new company's headquarters before company registration.
<b>DB2012</b>	Portugal	Portugal made starting a business easier by allowing company founders to choose the amount of minimum capital and make their paid-in capital contribution up to 1 year after the company's creation, and by eliminating the stamp tax on company's share capital subscriptions.
<b>DB2012</b>	Latvia	Latvia made starting a business easier by reducing the minimum capital requirement and introducing a common application for value added tax and company registration.
<b>DB2012</b>	Greece	Greece made starting a business easier by implementing an electronic platform that interconnects several government agencies.
<b>DB2011</b>	Bulgaria	Bulgaria eased business start-up by reducing the minimum capital requirement from 5,000 leva (\$3,250) to 2 leva (\$1.30).
<b>DB2011</b>	Croatia	Croatia eased business start-up by allowing limited liability companies to file their registration application with the court registries electronically through the notary public.
<b>DB2011</b>	Denmark	Denmark eased business start-up by reducing the minimum capital requirement for limited liability companies from 125,000 Danish kroner (\$22,850) to 80,000 Danish kroner (\$14,620).
<b>DB2011</b>	Germany	Germany eased business start-up by increasing the efficiency of communications between the notary and the commercial registry and eliminating the need to publish an announcement in a newspaper.
<b>DB2011</b>	Italy	Italy made starting a business easier by enhancing an online registration system.
<b>DB2011</b>	Lithuania	Lithuania tightened the time limit for completing the registration of a company.
<b>DB2011</b>	Luxembourg	Luxembourg eased business start-up by speeding up the delivery of the business license.
<b>DB2011</b>	Slovenia	Slovenia made starting a business easier through improvements to its one-stop shop that allowed more online services.
<b>DB2011</b>	Sweden	Sweden cut the minimum capital requirement for limited liability companies by half, making it easier to start a business.

#### Dealing with Construction Permits

DB Year	Economy	Reform
<b>DB2019</b>	Greece	Greece streamlined its construction permitting process as building owners must now use their in-house engineer for the intermediate inspection, as opposed to the municipality.

<b>DB2019</b>	Malta	Malta made dealing with construction permits easier by streamlining the process of obtaining a building permit. On the other hand, the time to issue building permits has increased.
<b>DB2018</b>	Lithuania	Lithuania made dealing with construction permits easier by reducing the time needed to obtain technical conditions and the building permit.
<b>DB2018</b>	Denmark	Denmark made dealing with construction permits more expensive by raising the cost of building permits and the cost of obtaining a water and sewage connection.
<b>DB2018</b>	Croatia	Croatia made dealing with construction permits more costly by increasing the administrative fees for building and occupancy permits.
<b>DB2017</b>	France	France made dealing with construction permits less expensive by reducing the cost of obtaining a building permit
<b>DB2017</b>	Poland	Poland made dealing with construction permits simpler by streamlining the process of obtaining a building permit.
<b>DB2016</b>	Latvia	Latvia made dealing with construction permits more time-consuming by increasing the time required to obtain a building permit—despite having streamlined the process by having the building permit issued together with the architectural planning conditions.
<b>DB2015</b>	Croatia	Croatia made dealing with construction permits easier by reducing the requirements and fees for building permits and carrying out the final building inspection more promptly.
<b>DB2015</b>	Lithuania	Lithuania made dealing with construction permits easier by reducing the time required for processing building permit applications.
<b>DB2014</b>	Malta	Malta made dealing with construction permits less costly by significantly reducing the building permit fees.
<b>DB2014</b>	Slovenia	Slovenia made dealing with construction permits easier by eliminating the requirement to obtain project conditions from the water and sewerage provider.
<b>DB2014</b>	Poland	Poland made dealing with construction permits easier by eliminating the requirement to obtain a description of the geotechnical documentation of the land.
<b>DB2014</b>	Latvia	Latvia made dealing with construction permits easier by introducing new time limits for issuing a building permit and by eliminating the Public Health Agency's role in approving building permits and conducting inspections.
<b>DB2014</b>	Denmark	Denmark made dealing with construction permits more costly by increasing the fee for building permits.
<b>DB2013</b>	Greece	Greece reduced the time required to obtain a construction permit by introducing strict time limits for processing permit applications at the municipality.
<b>DB2013</b>	Netherlands	The Netherlands made dealing with construction permits simpler by merging several approvals and implementing an online application system.

<b>DB2013</b>	Portugal	Portugal made obtaining construction permits easier by implementing strict time limits to process urban projects and simplifying the associated procedures.
<b>DB2012</b>	United Kingdom	The United Kingdom made dealing with construction permits easier by increasing efficiency in the issuance of planning permits.
<b>DB2012</b>	Portugal	Portugal made dealing with construction permits easier by streamlining its inspection system.
<b>DB2011</b>	Croatia	Croatia replaced the location permit and project design confirmation with a single certificate, simplifying and speeding up the construction permitting process.
<b>DB2011</b>	Estonia	Estonia made dealing with construction permits more complex by increasing the time for obtaining design criteria from the municipality.
<b>DB2011</b>	Hungary	Hungary implemented a time limit for the issuance of building permits.
<b>DB2011</b>	Portugal	Portugal made it easier dealing with construction permits by implementing the 95 day time limit for the approval of project designs.
<b>DB2011</b>	Romania	Romania amended regulations related to construction permitting to reduce fees and expedite the process.

### Getting Electricity

<b>DB Year</b>	<b>Economy</b>	<b>Reform</b>
<b>DB2019</b>	France	France made getting electricity easier by streamlining the application process and reducing the time for the external works.
<b>DB2019</b>	United Kingdom	The United Kingdom made getting electricity faster by implementing several initiatives to expedite the external connection works performed by sub-contractors.
<b>DB2018</b>	Lithuania	Lithuania made getting electricity easier by streamlining procedures and imposing deadlines for issuing internal wiring inspection certificates.
<b>DB2018</b>	Italy	Italy made getting electricity easier by streamlining the application process and reducing the time for the external works and meter installation.
<b>DB2017</b>	Bulgaria	Bulgaria increased the reliability of power supply by implementing an automatic energy management system, the Supervisory Control and Data Acquisition (SCADA), to monitor outages and service restoration.
<b>DB2017</b>	Czech Republic	The Czech Republic made getting electricity faster by designating personnel to deal with all incoming connection applications.
<b>DB2017</b>	Lithuania	Lithuania made getting electricity faster by introducing time limits on the utility to conduct necessary connection procedures and lowering the connection tariff.
<b>DB2017</b>	Poland	Poland made getting an electricity connection faster by eliminating the need to secure an excavation permit for external connection works, which reduced the time of mentioned works.

<b>DB2017</b>	Portugal	Portugal made getting an electricity connection faster by reducing the time required to approve electrical connection requests.
<b>DB2017</b>	Spain	Spain made getting electricity easier by upgrading Madrid's electrical grid, thereby allowing more customers to connect to the low-voltage network. Furthermore, the approval process to obtain a new commercial connection was streamlined.
<b>DB2016</b>	Malta	The utility in Malta reduced the time required for getting an electricity connection by improving its supervision of trenching works.
<b>DB2016</b>	Poland	The utility in Poland reduced delays in processing applications for new electricity connections by increasing human and capital resources and by enforcing service delivery timelines.
<b>DB2016</b>	Lithuania	The utility in Lithuania has reduced the time of the connection works by enforcing the legal time limit to perform the external connection works.
<b>DB2016</b>	Cyprus	The utility in Cyprus made getting electricity easier by reducing the time required for obtaining a new connection.
<b>DB2015</b>	Poland	Poland made getting electricity less costly by revising the fee structure for new connections.
<b>DB2013</b>	Italy	Italy made getting electricity easier and less costly by improving the efficiency of the utility Acea Distribuzione and reducing connection fees.
<b>DB2012</b>	Latvia	Latvia made getting electricity faster by introducing a simplified process for approval of external connection designs.

#### Registering Property

<b>DB Year</b>	<b>Economy</b>	<b>Reform</b>
<b>DB2019</b>	Croatia	Croatia made transferring property more efficient by digitizing its land registry.
<b>DB2019</b>	France	France made registering property easier by implementing an electronic registration system and improving efficiency at the land registry.
<b>DB2019</b>	Greece	Greece made registering property more burdensome by requiring a property tax certificate for registering a property transfer.
<b>DB2019</b>	Ireland	Ireland made property registration more costly by increasing the stamp duty on a non-residential property transfer.
<b>DB2019</b>	Latvia	Latvia made property transfer less transparent by not publishing statistical data on the number of land disputes for 2017.
<b>DB2019</b>	Portugal	Portugal made registering property more burdensome by reducing the number of officials that can register property transfers.
<b>DB2018</b>	Romania	Romania improved the quality of land administration by digitizing ownership and land records.
<b>DB2018</b>	Croatia	Croatia made it less costly to transfer property by lowering the real estate transfer tax.

<b>DB2017</b>	France	France made transferring property more expensive by increasing property transfer tax rate and introducing an additional tax for businesses in Paris.
<b>DB2017</b>	Sweden	Sweden made it easier to transfer a property by increasing administrative efficiency and introducing an independent and separate mechanism for reporting errors on maps.
<b>DB2016</b>	Malta	Malta made the transfer of a property more expensive by introducing the new property transfer tax.
<b>DB2016</b>	Latvia	Latvia made transferring property easier by introducing a new application form for transfers.
<b>DB2016</b>	Belgium	Belgium made transferring property easier by introducing electronic property registration.
<b>DB2015</b>	Germany	Germany made it more expensive to register property by increasing the property transfer tax.
<b>DB2015</b>	Greece	Greece made it easier to transfer property by reducing the property transfer tax and removing the requirement for the municipal tax clearance certificate.
<b>DB2015</b>	Ireland	Ireland made transferring property easier by enhancing its computerized system at the land registry and implementing an online system for the registration of title.
<b>DB2015</b>	Poland	Poland made transferring property easier by introducing online procedures and reducing notary fees.
<b>DB2015</b>	Spain	Spain made transferring property easier by reducing the property transfer tax rate.
<b>DB2015</b>	Sweden	Sweden made registering property easier by fully implementing a new system for property registration.
<b>DB2014</b>	United Kingdom	The United Kingdom made transferring property easier by introducing electronic lodgment for property transfer applications.
<b>DB2014</b>	Netherlands	The Netherlands made transferring property easier by increasing the efficiency of the title search process.
<b>DB2014</b>	Italy	Italy made transferring property easier by eliminating the requirement for an energy performance certificate for commercial buildings with no heating system.
<b>DB2014</b>	France	France made transferring property easier by speeding up the registration of the deed of sale at the land registry.
<b>DB2014</b>	Czech Republic	The Czech Republic made transferring property more costly by increasing the property transfer tax rate.
<b>DB2013</b>	Cyprus	Cyprus made property transfers faster by computerizing its land registry.
<b>DB2013</b>	Czech Republic	The Czech Republic made registering property easier by allowing the cadastral office online access to the commercial registry's database and thus eliminating the need to obtain a paper certificate from the registry before applying for registration at the cadastre.

<b>DB2013</b>	Denmark	Denmark made registering property easier by introducing electronic submission of property transfer applications at the land registry.
<b>DB2013</b>	Ireland	Ireland made property transfers less costly by introducing a single stamp duty rate for transfers of nonresidential property. It also extended compulsory registration to all property in Ireland.
<b>DB2013</b>	Italy	Italy made transferring property easier by digitizing cadastral maps of properties and making the maps available to notaries online.
<b>DB2013</b>	Poland	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.
<b>DB2013</b>	Sweden	In Sweden property transfers became more time consuming during implementation of a new information technology system at the land registry.
<b>DB2012</b>	Sweden	Sweden increased the cost of transferring property between companies.
<b>DB2012</b>	Slovenia	Slovenia made transferring property easier and less costly by introducing online procedures and reducing fees.
<b>DB2012</b>	Latvia	Latvia made transferring property easier by allowing electronic access to municipal tax databases that show the tax status of property, eliminating the requirement to obtain this information in paper format.
<b>DB2012</b>	Czech Republic	The Czech Republic speeded up property registration by computerizing its cadastral office, digitizing all its data and introducing electronic communications with notaries.
<b>DB2012</b>	Belgium	Belgium made property registration quicker for entrepreneurs by setting time limits and implementing its “e-notariat” system.
<b>DB2011</b>	Austria	Austria made it easier to transfer property by requiring online submission of all applications to register property transfers.
<b>DB2011</b>	Belgium	Belgium’s capital city, Brussels, made it more difficult to transfer property by requiring a clean-soil certificate.
<b>DB2011</b>	Denmark	Computerization of Denmark’s land registry cut the number of procedures required to register property by half.
<b>DB2011</b>	Greece	Greece made transferring property more costly by increasing the transfer tax from 1% of the property value to 10%.
<b>DB2011</b>	Hungary	Hungary reduced the property registration fee by 6% of the property value.
<b>DB2011</b>	Poland	Poland eased property registration by computerizing its land registry.
<b>DB2011</b>	Portugal	Portugal established a one-stop shop for property registration.
<b>DB2011</b>	Slovenia	Greater computerization in Slovenia’s land registry reduced delays in property registration by 75%.
<b>DB2011</b>	Sweden	Sweden made registering property easier by eliminating the requirement to obtain a preemption waiver from the municipality



## Getting Credit

DB Year	Economy	Reform
DB2019	Belgium	Belgium strengthened access to credit by implementing a new Pledge Law which allowed security interest to automatically attach to the proceeds of the original asset, and out of court enforcement of the security interest. Belgium also established a unified and modern collateral registry.
DB2019	Ireland	Ireland improved access to credit information by establishing a new credit registry.
DB2018	Slovenia	Slovenia improved access to credit information by reporting both positive and negative data on consumers and commercial borrowers.
DB2018	Netherlands	The Netherlands improved access to credit information by lowering the minimum loan amount to be included in the credit bureau's database.
DB2018	Hungary	Hungary improved access to credit information by offering commercial credit scores.
DB2017	Cyprus	Cyprus made access to credit information more difficult by stopping the distribution of historical credit data.
DB2017	Latvia	Latvia improved access to credit information by launching a private credit bureau.
DB2017	Malta	Malta improved access to credit information by launching a new credit registry.
DB2016	Slovak Republic	The Slovak Republic improved access to credit information by reporting data on credit payments from automobile retailers.
DB2016	Latvia	Latvia improved its credit information system through a new law governing the licensing and functioning of credit bureaus.
DB2016	Cyprus	Cyprus improved access to credit information by allowing credit bureaus to collect and report positive credit information and to report credit histories for both borrowers and guarantors.
DB2015	Cyprus	Cyprus improved its credit information system by adopting a central bank directive eliminating the minimum threshold for loans to be included in credit bureaus' databases.
DB2015	Czech Republic	The Czech Republic improved access to credit by adopting a new legal regime on secured transactions that allows the registration of receivables at the collateral registry and permits out-of-court enforcement of collateral.
DB2015	Hungary	Hungary improved access to credit by adopting a new legal regime on secured transactions that implements a functional approach to secured transactions, extends security interests to the products and proceeds of the original asset, and establishes a unified, and notice-based collateral registry.
DB2015	Ireland	Ireland improved its credit information system by passing a new act that provides for the establishment and operation of a credit registry.
DB2015	Slovak Republic	The Slovak Republic improved its credit information system by implementing a new law on the protection of personal data.

<b>DB2014</b>	Netherlands	The Netherlands weakened its secured transactions system through an amendment to the Collection of State Taxes Act that grants priority outside bankruptcy to tax claims over secured creditors' claims.
<b>DB2014</b>	Lithuania	Lithuania strengthened its secured transactions system by broadening the range of movable assets that can be used as collateral, allowing a general description in the security agreement of the assets pledged as collateral and permitting out-of-court enforcement.
<b>DB2014</b>	Latvia	Latvia improved its credit information system by adopting a new law regulating the public credit registry.
<b>DB2013</b>	Hungary	Hungary improved access to credit information by passing its first credit bureau law mandating the creation of a database with positive credit information on individuals.
<b>DB2013</b>	Romania	Romania strengthened its legal framework for secured transactions by allowing the automatic extension of security interests to the products, proceeds and replacement of collateral.
<b>DB2012</b>	Slovak Republic	The Slovak Republic improved its credit information system by guaranteeing by law the right of borrowers to inspect their own data.
<b>DB2012</b>	Hungary	Hungary reduced the amount of credit information available from private credit bureaus by shortening the period for retaining data on defaults and late payments (if repaid) from 5 years to 1 year.
<b>DB2012</b>	Croatia	In Croatia the private credit bureau started to collect and distribute information on firms, improving the credit information system.
<b>DB2012</b>	Bulgaria	Bulgaria made access to credit information more difficult by stopping the distribution of credit reports to financial institutions by the private credit bureau (Experian).
<b>DB2011</b>	Cyprus	Cyprus improved access to credit information by establishing its first private credit bureau.
<b>DB2011</b>	Estonia	Estonia improved access to credit by amending the Code of Enforcement Procedure and allowing out-of-court enforcement of collateral by secured creditors.
<b>DB2011</b>	Lithuania	Lithuania's private credit bureau now collects and distributes positive information on borrowers.

### Protecting Minority Investors

DB Year	Economy	Reform
<b>DB2019</b>	Cyprus	Cyprus strengthened minority investor protections by increasing disclosure of related-party transactions and strengthening shareholders' rights and role in major corporate decisions.
<b>DB2019</b>	Lithuania	Lithuania strengthened minority investor protections by introducing greater requirements for the disclosure of the compensation of directors and other high-ranking officers on an individual basis.

<b>DB2018</b>	Luxembourg	Luxembourg strengthened minority investor protections by making it easier to sue directors in case of prejudicial related-party transactions and increasing access to corporate information.
<b>DB2018</b>	Lithuania	Lithuania strengthened minority investor protections by increasing corporate transparency.
<b>DB2018</b>	France	France strengthened minority investors protections by increasing corporate transparency.
<b>DB2017</b>	Croatia	Croatia strengthened minority investor protections by requiring detailed internal disclosure of conflicts of interest by directors.
<b>DB2016</b>	Spain	Spain strengthened minority investor protections by requiring that major sales of company assets be subject to shareholder approval.
<b>DB2016</b>	Lithuania	Lithuania strengthened minority investor protections by prohibiting subsidiaries from acquiring shares issued by their parent company.
<b>DB2016</b>	Ireland	Ireland strengthened minority investor protections by introducing provisions stipulating that directors can be held liable for breach of their fiduciary duties.
<b>DB2014</b>	Greece	Greece strengthened investor protections by introducing a requirement for director approval of related-party transactions.
<b>DB2013</b>	Greece	Greece strengthened investor protections by requiring greater immediate and annual disclosure of material related-party transactions.
<b>DB2013</b>	Netherlands	The Netherlands strengthened investor protections through a new law regulating the approval of related-party transactions.
<b>DB2013</b>	Slovenia	Slovenia strengthened investor protections through a new law regulating the approval of related-party transactions.
<b>DB2012</b>	Lithuania	Lithuania strengthened investor protections by introducing greater requirements for corporate disclosure to the public and in the annual report.
<b>DB2012</b>	Cyprus	Cyprus strengthened investor protections by requiring greater corporate disclosure to the board of directors, to the public and in the annual report.
<b>DB2011</b>	Sweden	Sweden strengthened investor protections by requiring greater corporate disclosure and regulating the approval of transactions between interested parties.

## Paying Taxes

DB Year	Economy	Reform
<b>DB2019</b>	Cyprus	Cyprus made paying taxes easier by abolishing the immovable property tax, discontinuing the special contribution for private sector employees, private sector pensioners and self-employed individuals, introducing an online system for filing value added tax returns and value added tax refund claims and reducing the sewerage duty tax rates.

<b>DB2019</b>	Finland	Finland made paying taxes less costly by reducing the labor contribution rates paid by employers and by introducing a new and more efficient online portal for filing corporate income tax returns called 'MyTax'.
<b>DB2019</b>	France	France made paying taxes less costly by decreasing the corporate income tax rate, increasing the rate of the competitiveness and employment tax credit (CICE), and decreasing the rates for the territorial economic contribution as well as social security contributions paid by employers.
<b>DB2019</b>	Hungary	Hungary made paying taxes less costly by decreasing the social tax rate paid by the employer and by reducing the corporate income tax rate to a flat rate.
<b>DB2019</b>	Italy	Italy made paying taxes more costly by introducing lower exemptions on social security contributions paid by employers for employees hired between January 1, 2016, and December 12, 2016.
<b>DB2019</b>	Lithuania	Lithuania made paying taxes easier by merging the filing and payment of two labor contributions and issuing pre-populated value added tax returns.
<b>DB2019</b>	Poland	Poland made paying taxes more complicated by requiring the monthly reporting of value added tax returns, extending the list of goods and services subject to a reverse charge mechanism and introducing new reporting obligations for SAF-T files.
<b>DB2018</b>	Lithuania	Lithuania made paying taxes easier by introducing electronic system for filing and paying VAT, CIT and social security contributions. On the other hand, the environmental tax was increased.
<b>DB2018</b>	Italy	Italy made paying taxes less costly by temporarily exempting employers from social security contributions. Italy also made paying taxes easier by abolishing the VAT communication form.
<b>DB2018</b>	France	France made paying taxes less costly by lowering rates for social security and training contributions.
<b>DB2018</b>	Czech Republic	The Czech Republic made paying taxes more complicated by introducing new requirements for filing VAT control statements.
<b>DB2018</b>	Cyprus	Cyprus made paying taxes more difficult by increasing the frequency and number of VAT audits, including in cases of VAT cash refund requests. At the same time, Paying Taxes was made less costly following the introduction of notional interest tax deductible expenses and an increase in the discount rate on immovable property.
<b>DB2018</b>	Belgium	Belgium made paying taxes less costly by reducing the social security contributions rates paid by employers.
<b>DB2017</b>	Croatia	Croatia made paying taxes more complicated by introducing a radio and television fee, and eliminating the reduction of the Chamber of Economy fee for new companies.
<b>DB2017</b>	Cyprus	Cyprus made paying taxes easier by introducing improvements to its internal processes and to the electronic tax filing system. Cyprus also made paying taxes less costly by increasing the discount rate applied on immovable property tax.

<b>DB2017</b>	Greece	Greece made paying taxes more costly by increasing the corporate income tax rate.
<b>DB2017</b>	Hungary	Hungary made paying taxes less costly for small and medium-sized businesses by allowing additional deduction for new acquisitions of land and buildings.
<b>DB2017</b>	Italy	Italy made paying taxes easier by allowing full cost of labor to be deductible for regional tax on productive activities (IRAP) purposes, as well as updating coefficients used for calculation of tax on real estate (IMU) and municipal service tax (TASI). Furthermore, electronic system for preparing and paying labor taxes was improved.
<b>DB2017</b>	Latvia	Latvia made paying taxes less complicated by improving its online systems for filing corporate income tax return and mandatory labor contributions.
<b>DB2017</b>	Netherlands	The Netherlands made paying taxes less costly by lowering the rates paid by employers for health insurance contributions, special unemployment insurance, unemployment insurance and real estate taxes. The Netherlands also made paying taxes easier by improving the online system for paying corporate income tax. However, the Netherlands made paying taxes more costly by increasing the rates for disablement insurance contribution paid by employers, polder board tax and motor tax.
<b>DB2017</b>	Portugal	Portugal made paying taxes easier and less costly by using better accounting software and enhancing the online filing system of taxes and decreasing the corporate income tax rate.
<b>DB2017</b>	Slovak Republic	The Slovak Republic made paying taxes less costly and easier by reducing the motor vehicle tax and the number of property tax payments.
<b>DB2017</b>	Spain	Spain made paying taxes less costly by reducing the property tax rate, vehicle tax rate, tax on property transfer, and abolishing the environmental fee. Spain made paying taxes easier by introducing a new electronic system for filing social security contributions.
<b>DB2017</b>	Malta	Malta made paying taxes more costly by replacing the capital gains tax with a property transfer tax, increasing the maximum social security contribution paid by employers.
<b>DB2016</b>	United Kingdom	The United Kingdom made paying taxes less costly for companies by reducing the corporate income tax rate and increasing the wage amount per employee that is exempted from social security contributions paid by employers. On the other hand, the United Kingdom increased municipal tax rates and environment taxes.
<b>DB2016</b>	Spain	Spain made paying taxes less costly for companies by reducing rates for corporate income, capital gains and environment taxes—and made it easier by introducing the online Cl@ve system for filing VAT returns. At the same time, Spain reduced the amount allowable for depreciation of fixed assets and raised the ceiling for social security contributions.

<b>DB2016</b>	Slovak Republic	The Slovak Republic made paying taxes easier for companies by introducing an electronic filing and payment system for VAT—and made paying taxes less costly by reducing the corporate income tax rate and making medical health insurance tax deductible. At the same time, the Slovak Republic reduced the limit on losses carried forward.
<b>DB2016</b>	Romania	Romania made paying taxes less costly for companies by reducing the rate for social security contributions and the rate for accident risk fund contributions paid by employers.
<b>DB2016</b>	Portugal	Portugal made paying taxes less costly for companies by reducing the corporate income tax rate and increasing the allowable amount of the loss carried forward. At the same time, Portugal slightly increased the vehicle tax.
<b>DB2016</b>	Poland	Poland made paying taxes easier for companies by introducing an electronic system for filing and paying VAT and transport tax—though it also made paying taxes more costly by increasing transport tax rates and contributions to the National Disabled Fund paid by employers.
<b>DB2016</b>	Netherlands	The Netherlands made paying taxes more costly for companies by increasing employer-paid labor contributions as well as road taxes, property taxes and polder board taxes.
<b>DB2016</b>	Latvia	Latvia made paying taxes more complicated for companies by eliminating the possibility of deducting bad debt provisions. On the other hand, Latvia reduced the rate for social security contributions paid by employers.
<b>DB2016</b>	Ireland	Ireland made paying taxes more costly and complicated for companies by increasing landfill levies and by requiring additional financial statements to be submitted with the income tax return.
<b>DB2016</b>	Greece	Greece made paying taxes less costly for companies by reducing the rates for social security contributions paid by employers, making insurance premiums fully tax deductible and lowering property tax rates. At the same time, it defined entertainment expenses as nondeductible, reduced the depreciation rates for some types of fixed assets and increased the tax on interest income.
<b>DB2016</b>	France	France made paying taxes less costly for companies by introducing a credit against corporate income tax and reducing labor tax rates paid by employers.
<b>DB2016</b>	Finland	Finland made paying taxes less costly for companies by reducing the corporate income tax rate—though it also increased the total rate for social security contributions paid by employers and reduced the allowed deductible amount for owners' expenses.
<b>DB2016</b>	Cyprus	Cyprus made paying taxes easier for companies by facilitating online payment of corporate income tax. At the same time, Cyprus raised the contribution rate for social insurance paid by employers, lowered the tax brackets for the social contribution fund, raised the rate on interest income and increased the vehicle tax.

<b>DB2015</b>	Croatia	Croatia made paying taxes more complicated for companies by raising the health insurance contribution rate, increasing the Croatian Chamber of Commerce fees and introducing more detailed filing requirements for VAT. On the other hand, it abolished the contribution to the Croatian Chamber of Commerce.
<b>DB2015</b>	Cyprus	Cyprus made paying taxes easier for companies by reducing the number of provisional tax installments for corporate income tax.
<b>DB2015</b>	Hungary	Hungary made paying taxes easier and less costly for companies by abolishing the special tax that had been temporarily introduced in 2010 and by reducing the vehicle tax rate.
<b>DB2015</b>	Latvia	Latvia made paying taxes easier for companies by simplifying the VAT return, enhancing the electronic system for filing corporate income tax returns and reducing employers' social security contribution rate.
<b>DB2015</b>	Portugal	Portugal made paying taxes less costly for companies by reducing the corporate income tax rate and introducing a reduced corporate tax rate for a portion of the taxable profits of qualifying small and medium-size enterprises.
<b>DB2015</b>	Romania	Romania made paying taxes easier for companies, with the majority now using the electronic system for filing and paying taxes.
<b>DB2015</b>	Spain	Spain made paying taxes less costly for companies by reducing the statutory corporate income tax rate.
<b>DB2015</b>	United Kingdom	The United Kingdom made paying taxes less costly for companies by reducing the corporate income tax rate. On the other hand, it increased the landfill tax.
<b>DB2014</b>	Sweden	Sweden made paying taxes less costly for companies by reducing the corporate income tax rate.
<b>DB2014</b>	Slovak Republic	The Slovak Republic made paying taxes more costly for companies by increasing the corporate income tax rate and by adjusting land appraisal values.
<b>DB2014</b>	Romania	Romania made paying taxes easier and less costly for companies by reducing the payment frequency for the firm tax from quarterly to twice a year and by reducing the vehicle tax rate.
<b>DB2014</b>	Greece	Greece made paying taxes more costly for companies by increasing the corporate income tax rate—though it also reduced the employers' contribution rate to the social security fund.
<b>DB2014</b>	Croatia	Croatia made paying taxes easier for companies by introducing an electronic system for social security contributions and by reducing the rates for the forest and Chamber of Commerce contributions.
<b>DB2013</b>	Croatia	Croatia made paying taxes less costly for companies by reducing the health insurance contribution rate.
<b>DB2013</b>	Cyprus	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 Cyprus. At the same time, it simplified tax compliance by introducing electronic filing for corporate income tax.

<b>DB2013</b>	Czech Republic	The Czech Republic made paying taxes faster for companies by promoting the use of electronic facilities.
<b>DB2013</b>	Germany	Germany made paying taxes more convenient for companies by canceling ELENA procedures and implementing electronic filing and payment system for most taxes.
<b>DB2013</b>	Hungary	Hungary made paying taxes easier for companies by abolishing the community tax. At the same time, Hungary increased health insurance contributions paid by the employer.
<b>DB2013</b>	Poland	Poland made paying taxes easier for companies by promoting the use of electronic filing and payment systems—though it also made paying taxes more costly by increasing social security contributions.
<b>DB2013</b>	Slovak Republic	The Slovak Republic made paying taxes easier for companies by implementing electronic filing and payment of social security and health insurance contributions.
<b>DB2013</b>	Slovenia	Slovenia made paying taxes easier and less costly for companies by implementing electronic filing and payment of social security contributions and by reducing the corporate income tax rate.
<b>DB2013</b>	United Kingdom	The United Kingdom made paying taxes less costly for companies by reducing the corporate income tax rate.
<b>DB2012</b>	Romania	Romania made paying taxes easier for companies by introducing an electronic payment system and a unified return for social security contributions. It also abolished the annual minimum tax.
<b>DB2012</b>	Hungary	Hungary made paying taxes costlier for firms by introducing a sector-specific surtax
<b>DB2012</b>	Greece	Greece reduced its corporate income tax rate.
<b>DB2012</b>	Finland	Finland simplified reporting and payment for the value added tax and labor tax.
<b>DB2012</b>	Estonia	In Estonia a municipal sales tax introduced in Tallinn made paying taxes costlier for firms, though a later parliamentary measure abolished local sales taxes effective January 1, 2012.
<b>DB2012</b>	Czech Republic	The Czech Republic revised its tax legislation to simplify provisions relating to administrative procedures and relationships between tax authorities and taxpayers.
<b>DB2011</b>	Bulgaria	Bulgaria reduced employer contribution rates for social security.
<b>DB2011</b>	Croatia	Croatia made paying taxes more difficult and costly for companies by introducing a tourist fee.
<b>DB2011</b>	Czech Republic	The Czech Republic simplified its labor tax processes and reduced employer contribution rates for social security.
<b>DB2011</b>	Estonia	Estonia increased the unemployment insurance contribution rate.
<b>DB2011</b>	Hungary	Hungary simplified taxes and tax bases.



<b>DB2011</b>	Lithuania	Lithuania reduced corporate tax rates.
<b>DB2011</b>	Netherlands	The Netherlands reduced the frequency of filing and paying value added taxes from monthly to quarterly and allowed small entities to use their annual accounts as the basis for computing their corporate income tax.
<b>DB2011</b>	Portugal	Portugal introduced a new social security code and lowered corporate tax rates.
<b>DB2011</b>	Romania	Romania introduced tax changes, including a new minimum tax on profit, that made paying taxes more costly for companies.
<b>DB2011</b>	Slovenia	Slovenia abolished its payroll tax and reduced its corporate income tax rate.
<b>DB2011</b>	Sweden	Sweden reduced profit and payroll tax rates

### Trading across Borders

<b>DB Year</b>	<b>Economy</b>	<b>Reform</b>
<b>DB2019</b>	Lithuania	Lithuania made exporting easier by enhancing its automated customs data management system.
<b>DB2015</b>	Croatia	Croatia made trading across borders easier by implementing a new electronic customs system.
<b>DB2015</b>	Poland	Poland made trading across borders easier by implementing a new terminal operating system at the port of Gdansk.
<b>DB2014</b>	Latvia	Latvia made trading across borders easier by reducing the number of documents required for importing.
<b>DB2014</b>	Greece	Greece made trading across borders easier by implementing a system allowing electronic submission of customs declarations for exports.
<b>DB2014</b>	Croatia	Croatia made trading across borders easier by improving the physical and information system infrastructure at the port of Rijeka and by streamlining export customs procedures in preparation for accession to the Common Transit Convention of the European Union.
<b>DB2013</b>	Czech Republic	The Czech Republic reduced the time to export and import by allowing electronic submission of customs declarations and other documents.
<b>DB2013</b>	Hungary	Hungary reduced the time to export and import by allowing electronic submission of customs declarations and other documents.
<b>DB2013</b>	Netherlands	The Netherlands made importing easier by introducing a new web-based system for cargo release at the port terminals in Rotterdam.
<b>DB2013</b>	Portugal	Portugal made trading across borders easier by implementing an electronic single window for port procedures.
<b>DB2013</b>	Spain	Spain reduced the time to import by further expanding the use of electronic submission of customs declarations and improving the sharing of information among customs and other agencies.

<b>DB2012</b>	Slovenia	Slovenia made trading across borders faster by introducing online submission of customs declaration forms.
<b>DB2012</b>	Poland	Poland made trading across borders faster by implementing electronic preparation and submission of customs documents.
<b>DB2012</b>	Bulgaria	Bulgaria made trading across borders faster by introducing online submission of customs declaration forms.
<b>DB2012</b>	Belgium	Belgium made trading across borders faster by improving its risk-based profiling system for imports.
<b>DB2011</b>	Latvia	Latvia reduced the time to export and import by introducing electronic submission of customs declarations.
<b>DB2011</b>	Lithuania	Lithuania reduced the time to import by introducing, in compliance with EU law, an electronic system for submitting customs declarations.
<b>DB2011</b>	Spain	Spain streamlined the documentation for imports by including tax-related information on its single administrative document.

### Enforcing Contracts

<b>DB Year</b>	<b>Economy</b>	<b>Reform</b>
<b>DB2019</b>	Denmark	Denmark made enforcing contracts easier by introducing an online platform that allows users to file the initial complaint electronically and judges and lawyers to manage cases electronically.
<b>DB2019</b>	Ireland	Ireland made enforcing contracts easier by introducing a consolidated law on voluntary mediation.
<b>DB2019</b>	Poland	Poland made enforcing contracts easier by introducing an automated system to assign cases to judges randomly.
<b>DB2019</b>	Slovak Republic	The Slovak Republic made enforcing contracts easier by implementing electronic service of process.
<b>DB2019</b>	Slovenia	Slovenia made enforcing contracts easier by introducing a pre-trial conference as part of the case management techniques used in court.
<b>DB2018</b>	Spain	Spain made enforcing contracts easier by reducing court fees for filing a claim.
<b>DB2018</b>	Slovak Republic	The Slovak Republic made enforcing contracts easier by adopting a new code of civil procedure that introduces pre-trial conference as part of the case management techniques used in court. The Slovak Republic also made enforcing contracts easier by reducing the fees that are advanced by the plaintiff to enforce a judgment.
<b>DB2018</b>	Hungary	Hungary made enforcing contracts easier by introducing a system that allows users to pay court fees electronically.
<b>DB2017</b>	Greece	Greece made enforcing contracts easier by amending its rules of civil procedure to introduce tighter rules on adjournments, impose deadlines for key court events and limit the recourses that can be lodged during enforcement proceedings.

<b>DB2017</b>	Hungary	Hungary made enforcing contracts easier by introducing an electronic filing system.
<b>DB2017</b>	Spain	Spain made enforcing contracts easier by introducing a mandatory electronic filing system for court users.
<b>DB2016</b>	United Kingdom	The United Kingdom made enforcing contracts more costly by increasing the court fees for filing a claim.
<b>DB2016</b>	Romania	Romania made enforcing contracts easier by transferring some enforcement responsibilities from the court to the bailiff, by making it easier for the bailiff to obtain information from third parties and by making use of the electronic auction registry mandatory.
<b>DB2016</b>	Latvia	Latvia made enforcing contracts easier by restructuring its courts and by introducing comprehensive specialized laws regulating domestic arbitration and voluntary mediation.
<b>DB2016</b>	Italy	Italy made enforcing contracts easier by introducing a mandatory electronic filing system for court users, simplifying the rules for electronic service of process and automating the enforcement process.
<b>DB2016</b>	Cyprus	Cyprus made enforcing contracts easier by introducing a fast-track simplified procedure for claims worth less than €3,000.
<b>DB2016</b>	Croatia	Croatia made enforcing contracts easier by introducing an electronic system to handle public sales of movable assets and by streamlining the enforcement process as a whole.
<b>DB2015</b>	Czech Republic	The Czech Republic made enforcing contracts easier by amending its civil procedure code and modifying the monetary jurisdictions of its courts.
<b>DB2015</b>	Greece	Greece made enforcing contracts easier by introducing an electronic filing system for court users.
<b>DB2015</b>	Ireland	Ireland made enforcing contracts easier by modifying the monetary jurisdictions of its courts.
<b>DB2015</b>	Lithuania	Lithuania made enforcing contracts easier by introducing an electronic filing system for court users.
<b>DB2015</b>	Portugal	Portugal made enforcing contracts easier by adopting a new code of civil procedure designed to reduce case backlogs, streamline court procedures, enhance the role of judges and speed up the resolution of standard civil and commercial disputes.
<b>DB2014</b>	Romania	Romania made enforcing contracts easier by adopting a new civil procedure code that streamlines and speeds up all court proceedings.
<b>DB2014</b>	Italy	Italy made enforcing contracts easier by regulating attorneys' fees and streamlining some court proceedings.
<b>DB2014</b>	Estonia	Estonia made enforcing contracts easier by lowering court fees.

<b>DB2014</b>	Czech Republic	The Czech Republic made enforcing contracts easier by simplifying and speeding up the proceedings for the execution and enforcement of judgments.
<b>DB2014</b>	Croatia	Croatia made enforcing contracts easier by streamlining litigation proceedings and transferring certain enforcement procedures from the courts to state agencies.
<b>DB2013</b>	Poland	Poland made enforcing contracts easier by amending the civil procedure code and appointing more judges to commercial courts.
<b>DB2013</b>	Slovak Republic	The Slovak Republic made enforcing contracts easier by adopting several amendments to the code of civil procedure intended to simplify and speed up proceedings as well as to limit obstructive tactics by the parties to a case.
<b>DB2011</b>	United Kingdom	The United Kingdom improved the process for enforcing contracts by modernizing civil procedures in the commercial court.

### Resolving Insolvency

<b>DB Year</b>	<b>Economy</b>	<b>Reform</b>
<b>DB2019</b>	Belgium	Belgium made resolving insolvency easier by streamlining the insolvency framework, expanding the scope of the law and introducing new preventive measures.
<b>DB2017</b>	Poland	Poland made resolving insolvency easier by introducing new restructuring mechanisms, changing voting procedures for restructuring plans and allowing creditors greater participation in insolvency proceedings. It also established a central restructuring and bankruptcy register and released guidelines for the remuneration of insolvency representatives.
<b>DB2016</b>	Romania	Romania improved its insolvency system by introducing time limits for the observation period (during which a reorganization plan must be confirmed or a declaration of bankruptcy made) and for the implementation of the reorganization plan; by introducing additional minimum voting requirements for the approval of the reorganization plan; and by clarifying rules on voidable transactions and on payment priority for claims of post-commencement creditors.
<b>DB2016</b>	Cyprus	Cyprus made resolving insolvency easier by introducing a reorganization procedure as well as provisions to facilitate the continuation of the debtor's business during insolvency proceedings and allow creditors greater participation in important decisions during the proceedings.
<b>DB2015</b>	Belgium	Belgium made resolving insolvency more difficult by establishing additional requirements for commencing reorganization proceedings, including the submission of documents verified by external parties.
<b>DB2015</b>	Slovenia	Slovenia made resolving insolvency easier by introducing a simplified reorganization procedure for small companies and a preventive restructuring procedure for medium-size and large ones, by allowing creditors greater participation in the management of the debtor and by establishing provisions for an increase in share capital through debt-equity swaps.

<b>DB2015</b>	Spain	Spain made resolving insolvency easier by introducing new rules for out-of-court restructuring, introducing provisions applicable to prepackaged reorganizations and making insolvency proceedings more public.
<b>DB2014</b>	Italy	Italy made resolving insolvency easier through an amendment to its bankruptcy code that introduces a stay period for enforcement actions while the debtor is preparing a restructuring plan, makes it easier to convert from one type of restructuring proceeding to another, facilitates continued operation by the debtor during restructuring and imposes stricter requirements on auditors evaluating a restructuring plan.
<b>DB2014</b>	Croatia	Croatia made resolving insolvency easier by introducing an expedited out-of-court restructuring procedure.
<b>DB2014</b>	Bulgaria	Bulgaria made resolving insolvency easier by expanding the basis for commencement of insolvency proceedings and making it easier to void suspect transactions.
<b>DB2013</b>	Germany	Germany strengthened its insolvency process by adopting a new insolvency law that facilitates in-court restructurings of distressed companies and increases participation by creditors.
<b>DB2013</b>	Greece	Greece enhanced its insolvency process by abolishing the conciliation procedure and introducing a new rehabilitation proceeding.
<b>DB2013</b>	Lithuania	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.
<b>DB2013</b>	Poland	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.
<b>DB2013</b>	Portugal	Portugal made resolving insolvency easier by introducing a new insolvency law that expedites liquidation procedures and creates fast-track mechanisms both in and out of court.
<b>DB2013</b>	Slovak Republic	The Slovak Republic improved its insolvency process by redefining the roles and powers of creditors and trustees, strengthening the rights of secured creditors and redefining rules for the conversion of restructuring into a bankruptcy proceeding.
<b>DB2013</b>	Slovenia	Slovenia strengthened its insolvency process by requiring that the debtor offer creditors payment of at least 50% of the claims within 4 years; giving greater power to the creditors' committee in a bankruptcy proceeding; prohibiting insolvency administrators from allowing relatives to render services associated with the bankruptcy proceeding; and establishing fines for members of management that violate certain obligations or prohibitions.

<b>DB2013</b>	Spain	Spain strengthened its insolvency process by making workouts easier, offering more protections for refinancing agreements, allowing conversion from reorganization into liquidation at any time, allowing reliefs of the stay under certain circumstances and permitting the judge to determine whether an asset of the insolvent company is necessary for its continued operation.
<b>DB2012</b>	Slovenia	Slovenia simplified and streamlined the insolvency process and strengthened professional requirements for insolvency administrators.
<b>DB2012</b>	Romania	Romania amended its insolvency law to shorten the duration of insolvency proceedings.
<b>DB2012</b>	Poland	Poland amended its bankruptcy and reorganization law to simplify court procedures and extend more rights to secured creditors.
<b>DB2012</b>	Lithuania	Lithuania amended its reorganization law to simplify and shorten reorganization proceedings, grant priority to secured creditors and introduce professional requirements for insolvency administrators.
<b>DB2012</b>	Latvia	Latvia adopted a new insolvency law that streamlines and expedites the insolvency process and introduces a reorganization option for companies.
<b>DB2012</b>	Italy	Italy introduced debt restructuring and reorganization procedures as alternatives to bankruptcy proceedings and extended further rights to secured creditors during insolvency proceedings.
<b>DB2012</b>	France	France passed a law that enables debtors to implement a restructuring plan with financial creditors only, without affecting trade creditors.
<b>DB2012</b>	Denmark	Denmark introduced new rules on company reorganization, which led to the elimination of the suspension-of-payments regime.
<b>DB2012</b>	Bulgaria	Bulgaria amended its commerce act to extend further rights to secured creditors and increase the transparency of insolvency proceedings.
<b>DB2012</b>	Austria	Austria passed a new law that simplifies restructuring proceedings and gives preferential consideration to the interests of the debtors.
<b>DB2011</b>	Belgium	Belgium introduced a new law that will promote and facilitate the survival of viable businesses experiencing financial difficulties.
<b>DB2011</b>	Czech Republic	The Czech Republic made it easier to deal with insolvency by introducing further legal amendments to restrict setoffs in insolvency cases and suspending for some insolvent debtors the obligation to file for bankruptcy.
<b>DB2011</b>	Estonia	Amendments to Estonia's recent insolvency law increased the chances that viable businesses will survive insolvency by improving procedures and changing the qualification requirements for insolvency administrators.
<b>DB2011</b>	Hungary	Amendments to Hungary's bankruptcy law encourage insolvent companies to consider reaching agreements with creditors out of court so as to avoid bankruptcy.
<b>DB2011</b>	Latvia	Latvia introduced a mechanism for out-of-court settlement of insolvencies to alleviate pressure on courts and tightened some procedural deadlines.

<b>DB2011</b>	Lithuania	Lithuania introduced regulations relating to insolvency administrators that set out clear rules of liability for violations of law.
<b>DB2011</b>	Romania	Substantial amendments to Romania's bankruptcy laws—introducing, among other things, a procedure for out-of-court workouts—made dealing with insolvency easier.
<b>DB2011</b>	Spain	Spain amended its regulations governing insolvency proceedings with the aim of reducing the cost and time. The new regulations also introduced out-of-court workouts.
<b>DB2011</b>	United Kingdom	Amendments to the United Kingdom's insolvency rules streamline bankruptcy procedures, favor the sale of the firm as a whole and improve the calculation of administrators' fees.

*Doing Business 2019* is the 16th in a series of annual reports investigating the regulations that enhance business activity and those that constrain it. The report provides quantitative indicators covering 11 areas of the business environment in 190 economies. The goal of the *Doing Business* series is to provide objective data for use by governments in designing sound business regulatory policies and to encourage research on the important dimensions of the regulatory environment for firms.

ISBN 978-1-4648-1146-3



SKU 211146