

# Doingbusiness in 2004

## Understanding Regulation

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# Doingbusiness indicators

2004



2005



2006

- Regulation of Entry
- Labor Regulations
- Contract Enforcement
- Credit Markets
  - Credit information
  - Collateral
- Bankruptcy

- Bureaucratic Hassle
  - Business licenses
  - Inspections
- Corporate Governance
- Property titling

- Taxation
- Law and Order
- Trade Infrastructure
  - Customs

Products: Report, academic papers, country summaries, website database  
[rru.worldbank.org/doingbusiness](http://rru.worldbank.org/doingbusiness)

# Example of the methodology

## Starting a business

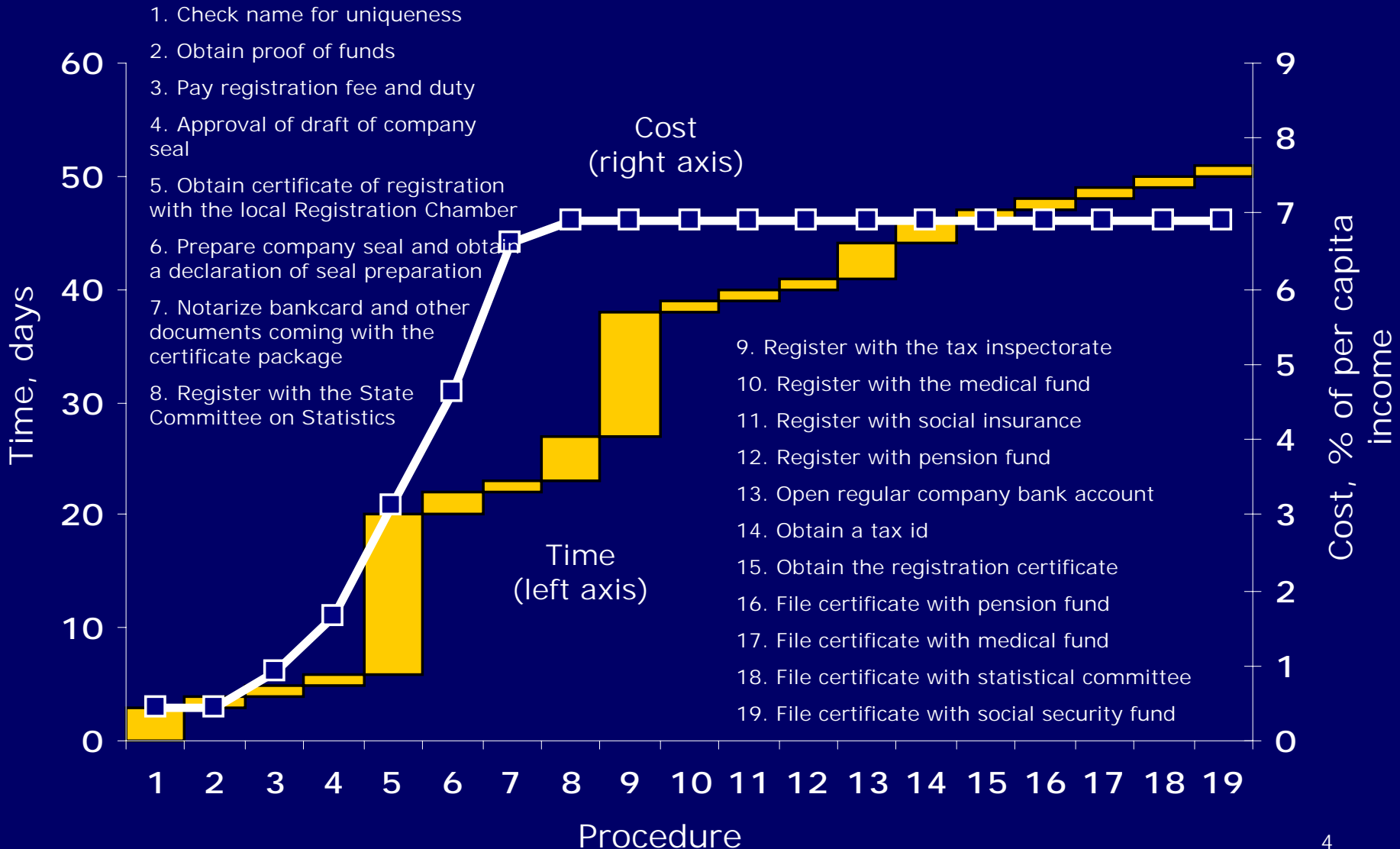
### Case Study

- Limited liability company
- Domestic SME
- Largest city
- General commercial activity
- Capital = 10 x GNI per capita
- Turnover = 10 x capital
  
- How to enter?

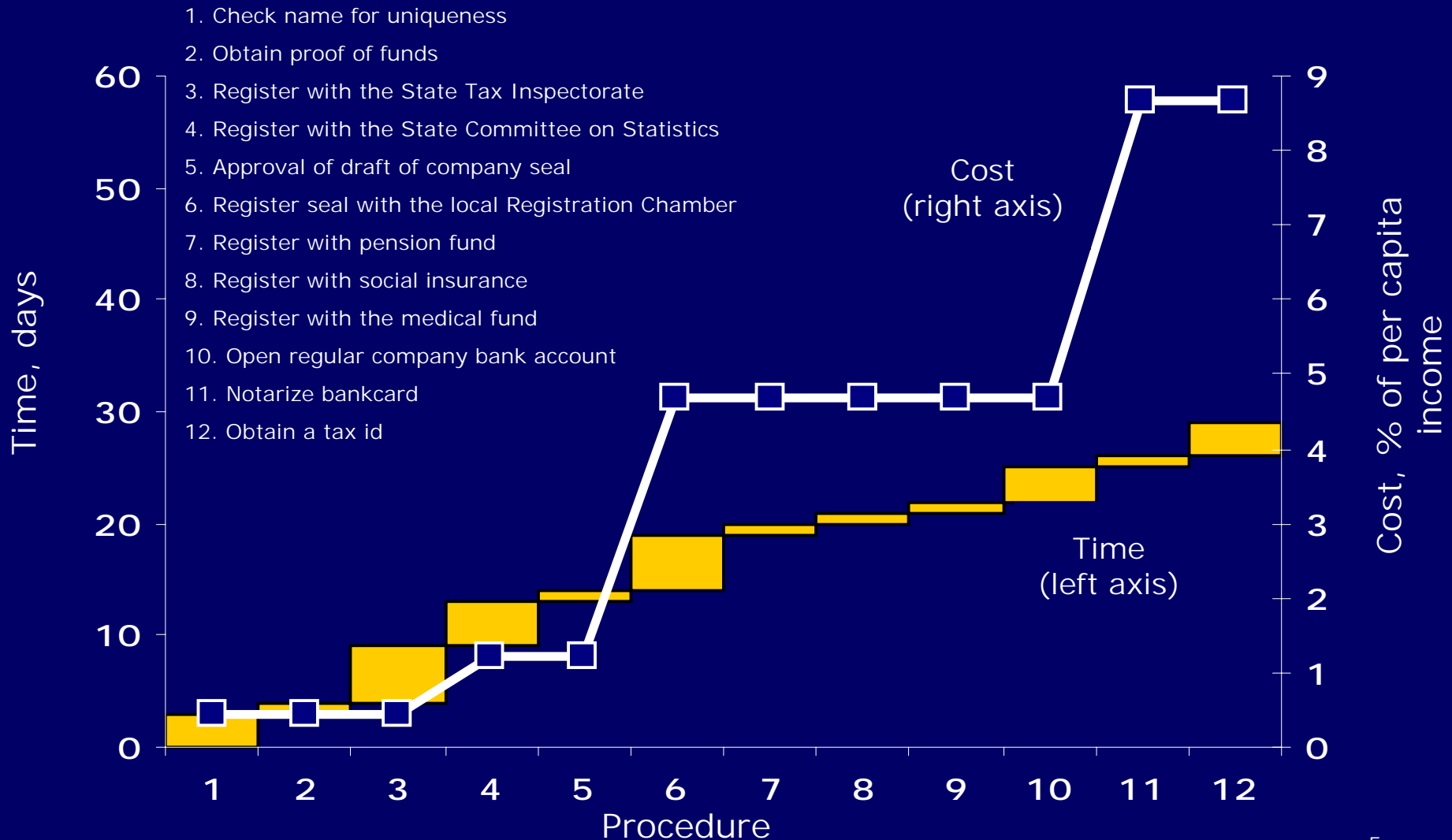
### Indicators

- Procedures
- Time
- Cost (% GNI per capita)
- Minimum Capital

# Russia before simplification (Jan. 1<sup>st</sup>, 2002)

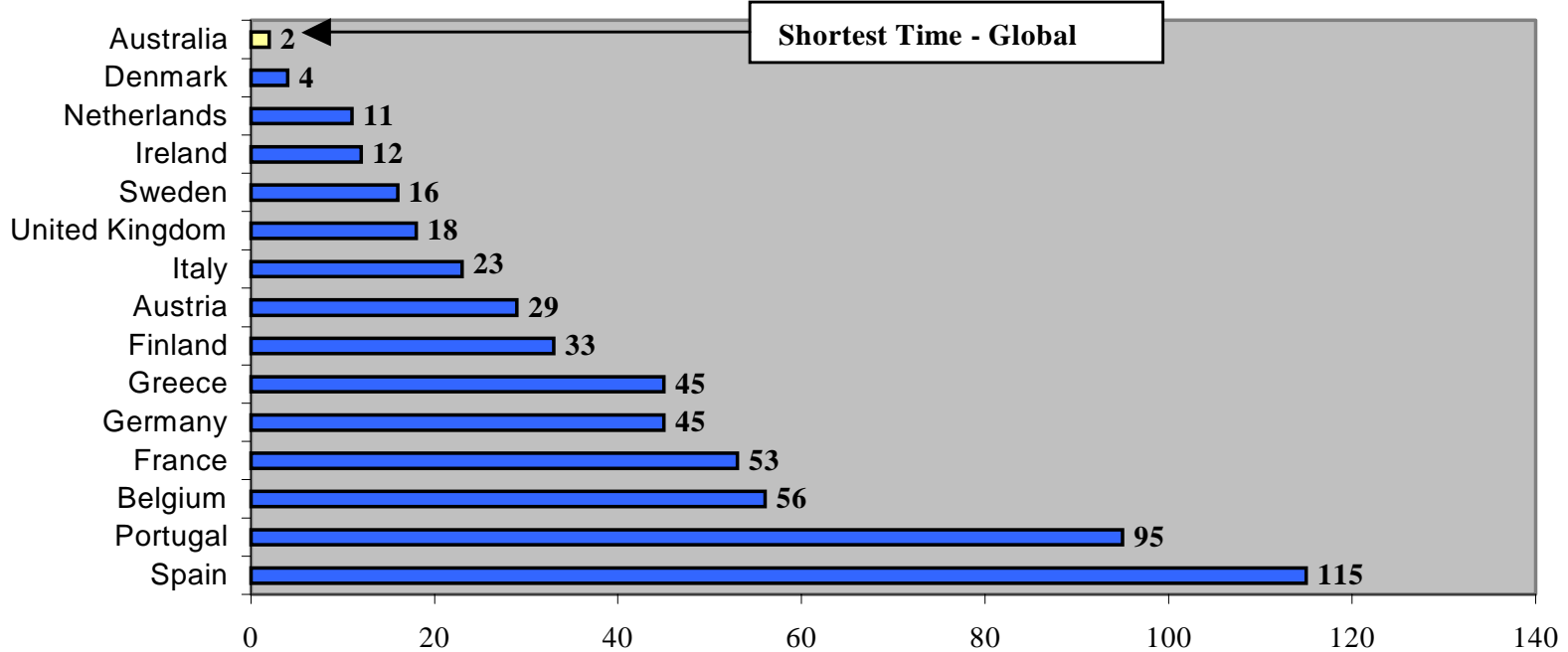


# Russia after simplification (Jan. 1<sup>st</sup>, 2003)



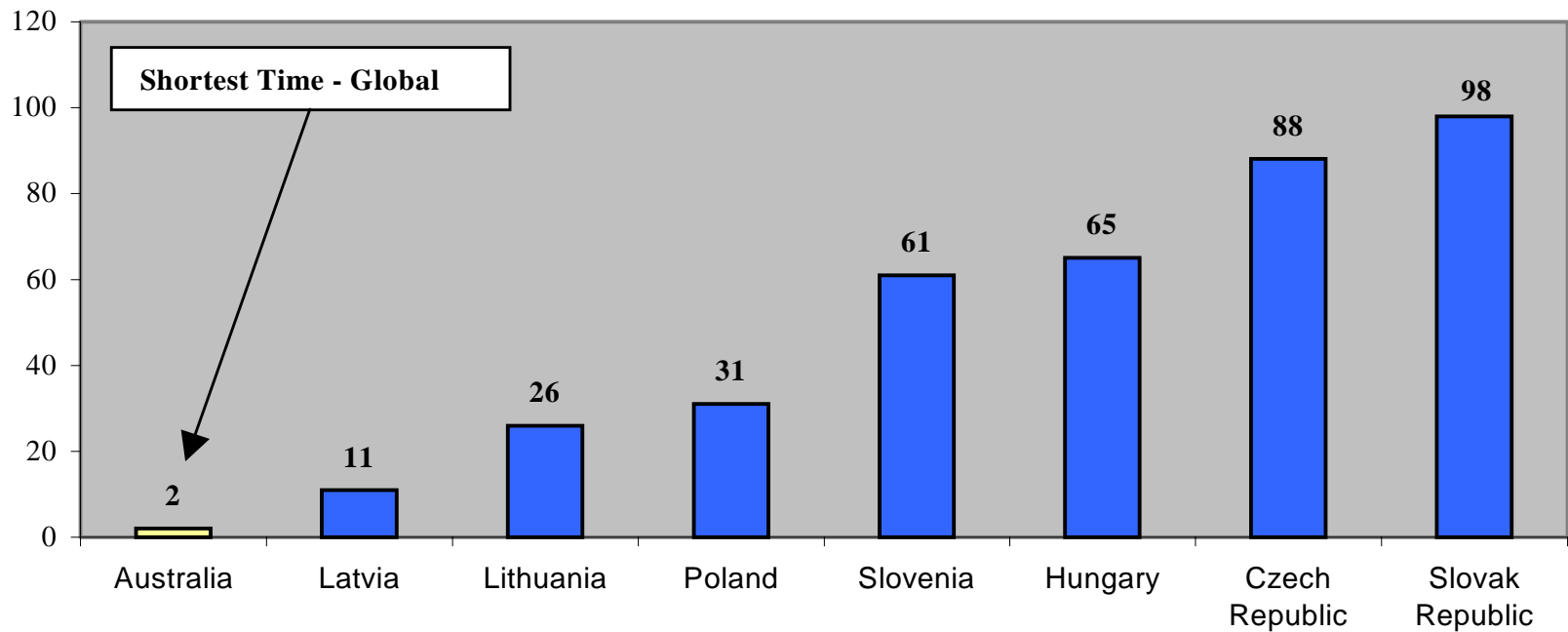
# Business Entry – EU 15

Time to Start a Business (Days)



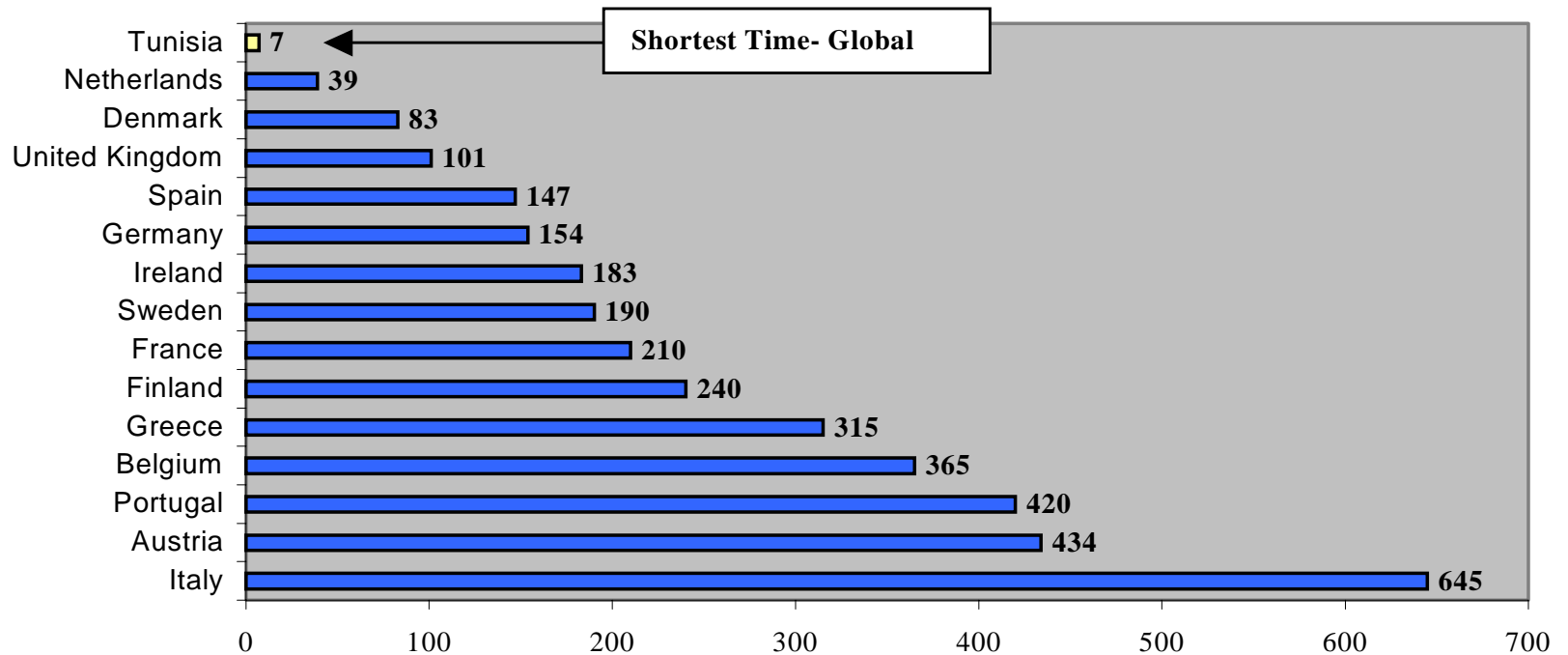
# Business Entry – EU 10

Time to Start a Business (Days)



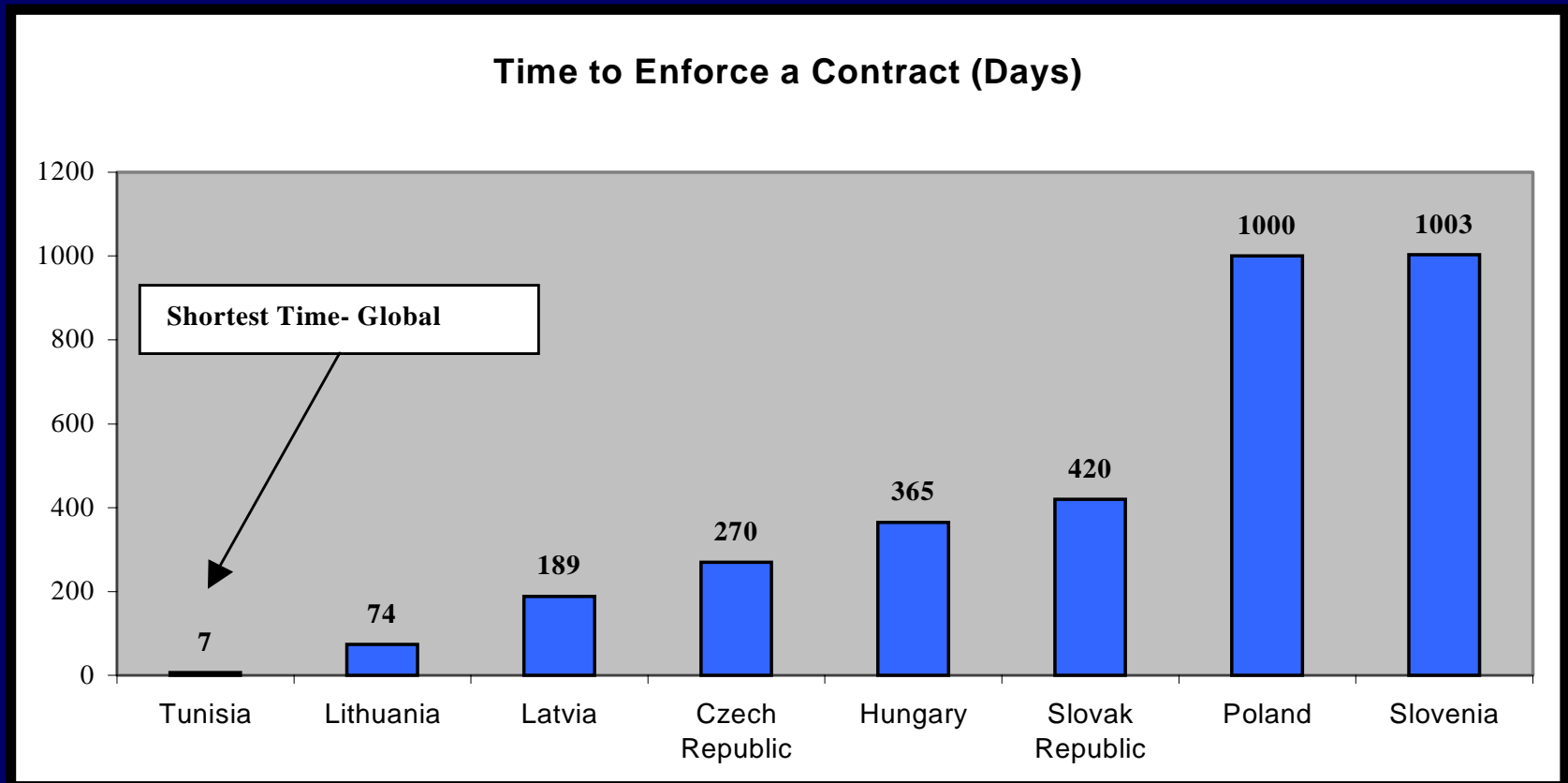
# Time to Enforce Contract – EU15

Time to Enforce a Contract (Days)





# Time to Enforce Contract – EU 10



# EU10 compared to EU15

	EU Entrants	EU members
Days to start a business	54	40
Cost to start a business	20	13
Rigidity of employment law index	56	51
Days to enforce a contract	474	252
Cost to enforce a contract	10	6
Creditor rights index	2	2
Public registry coverage	5	68
Private bureau coverage	99	298
Years to resolve insolvency	3	2
Cost to resolve insolvency	22	9