

# Doing Business 2015

## Going Beyond Efficiency



COMPARING BUSINESS REGULATIONS FOR DOMESTIC FIRMS IN 189 ECONOMIES

*A World Bank Group Flagship Report*

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**Ministry of Economy and Sustainable Development of Georgia**  
**2014**

## GEORGIA'S RANKING 2015

In 2015 - **15<sup>th</sup> place** amongst 189 countries

Overall distance to frontier (DTF) – **79.46 score**

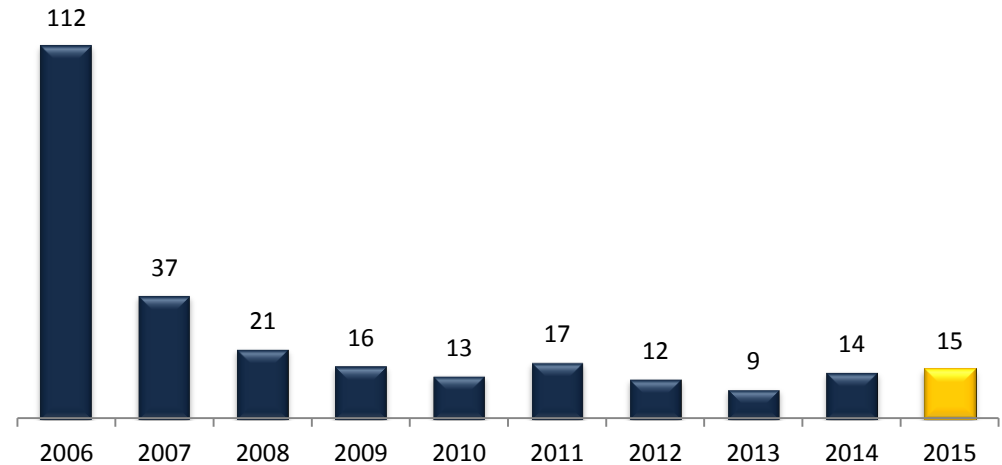
## THE CYCLE OF REFORMS FOR GEORGIA

The **Top Improver** since 2005 in EE&CA and globally -  
With **37 institutional** and regulatory reforms since 2005

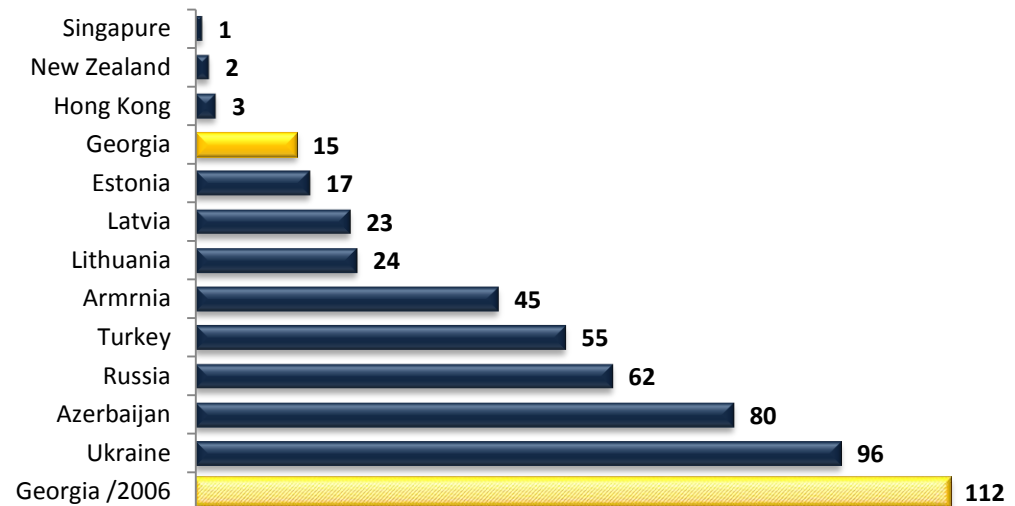
## IMPORTANT REFORMS

- ❖ Significantly decrease of number of licenses & permits
- ❖ “One-Stop-Shop” & “Silence is Consent” principles
- ❖ Simplified tax code eliminated 6 taxes out of 21
- ❖ The time and cost needed to register property fell

## Georgia's Ranking In 2006 – 2015



## Georgia's Ranking Compared to Other Countries





# Ease of Doing Business 2015

## Georgia is top 10 countries in following areas

- ❖ Registering Property – 1<sup>st</sup> position
- ❖ Dealing with Construction Permits – 3<sup>rd</sup> position
- ❖ Starting a Business – 5<sup>th</sup> position
- ❖ Getting Credit – 7<sup>th</sup> position

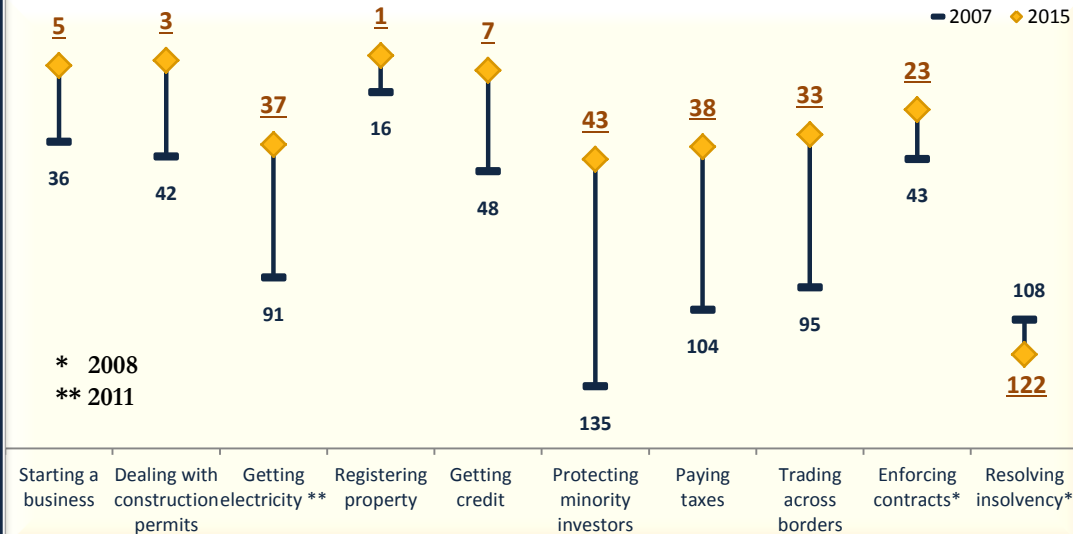
In 2007 - 2015 Georgia has improved in **9 areas** measured by Doing Business

In 2015 Georgia takes the **1<sup>st</sup>** position in region - **Europe & Central Asia** (amongst 26 countries)

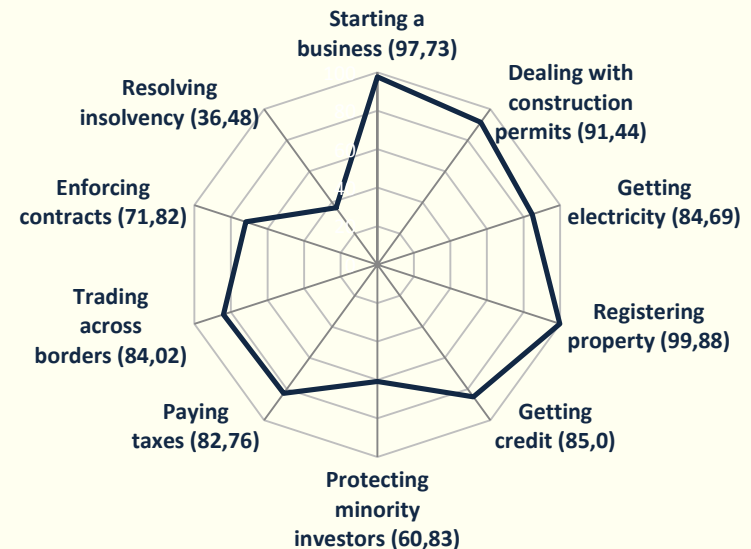
## Overall distance to frontier (DTF)

- ❖ In 2015 Georgia's Overall distance to frontier (DTF) score – **79.46**
- ❖ Region Average (Europe & Central Asia) – **66,67**

## Georgia's Ranking in 10 areas



## Overall distance to frontier (DTF) in 10 areas

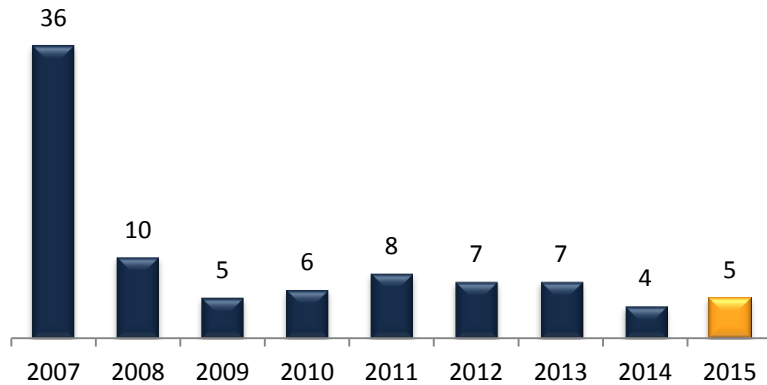




# Ease of Doing Business 2015

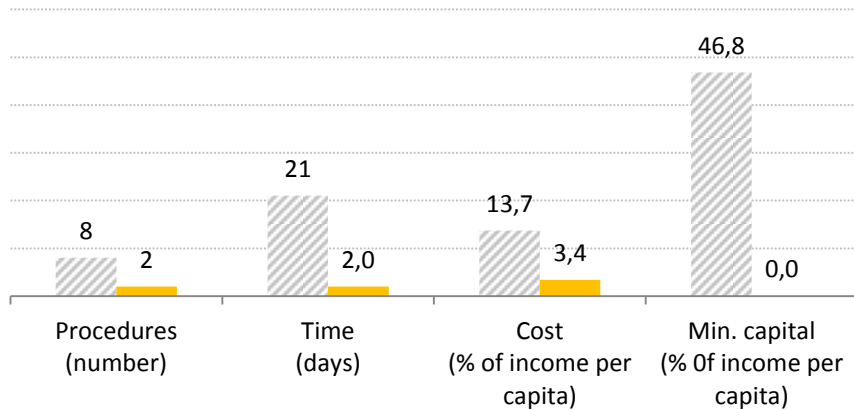
## Starting a Business

❖ In 2015 Georgia has **5<sup>th</sup>** position



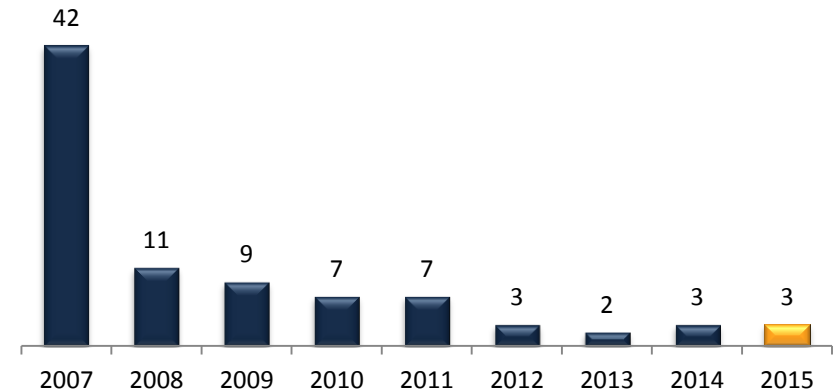
❖ Scores by components of *Starting a Business*

▨ 2006 ■ 2015



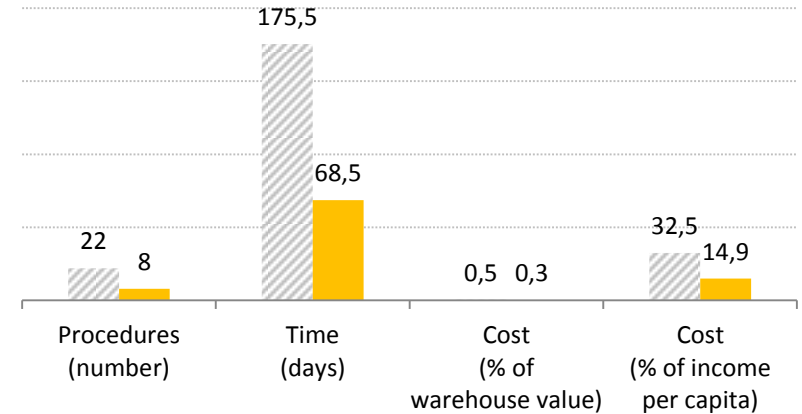
## Dealing with Construction Permit

❖ In 2015 Georgia has **3<sup>rd</sup>** position



❖ Scores by components of *Dealing with Construction Permits*

▨ 2006 ■ 2015

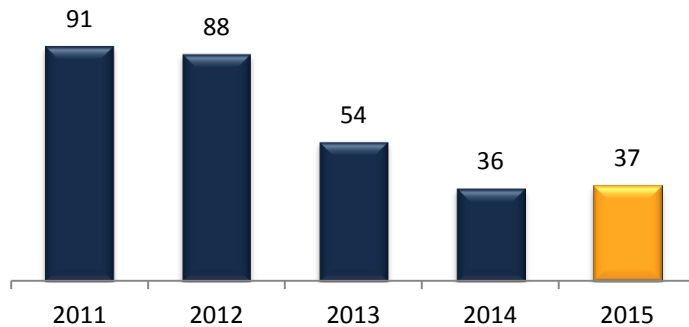




# Ease of Doing Business 2015

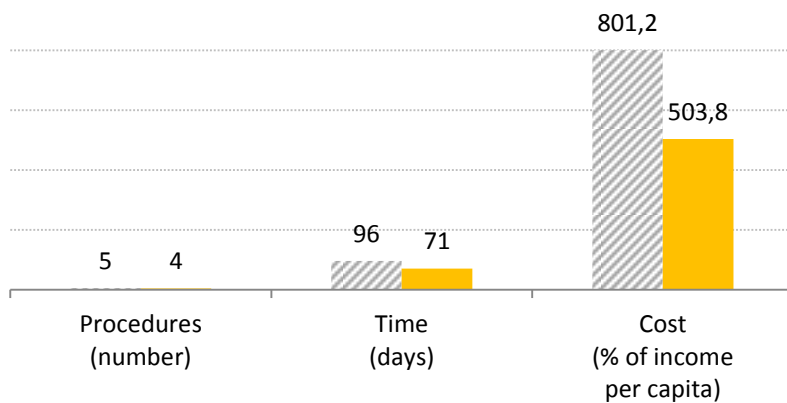
## Getting Electricity

❖ In 2015 Georgia has **37<sup>th</sup>** position



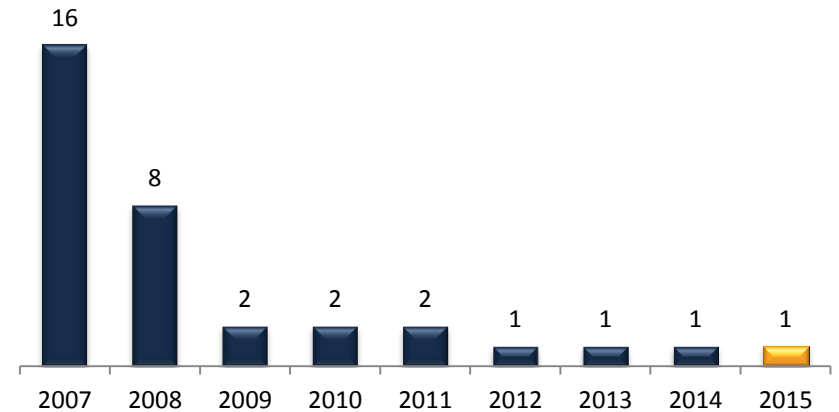
❖ Scores by components of *Getting Electricity*

▨ 2010 ■ 2015



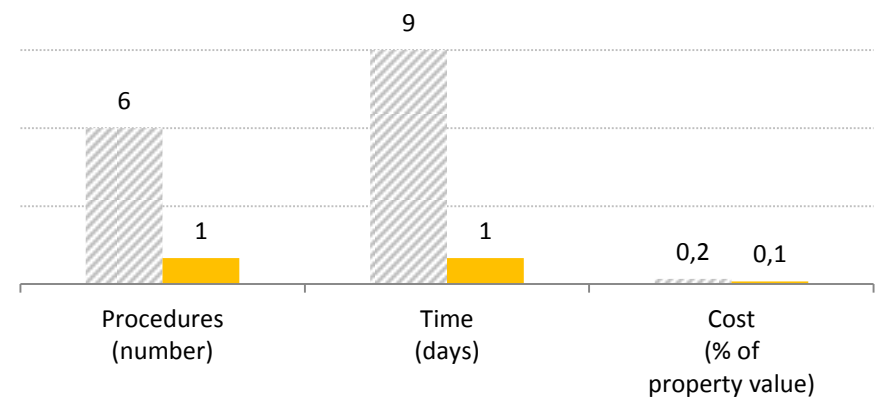
## Registering Property

❖ In 2015 Georgia has **1<sup>st</sup>** position



❖ Scores by components of *Registering Property*

▨ 2006 ■ 2015

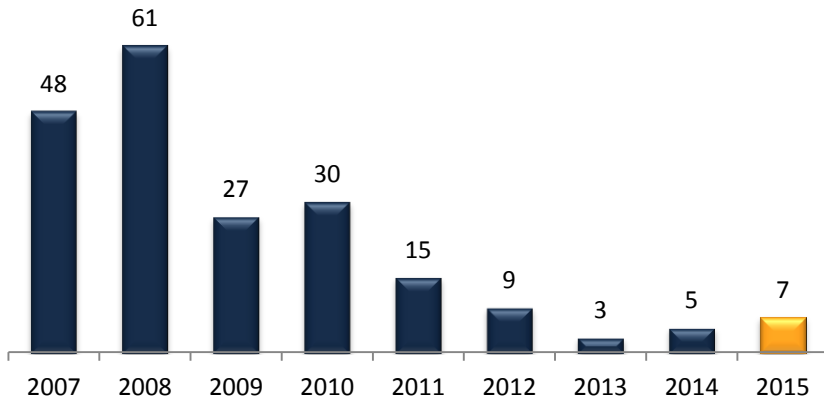




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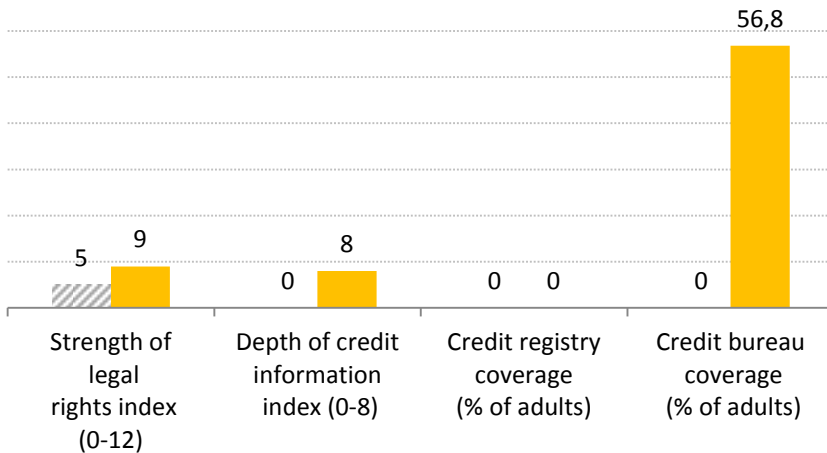
## Getting Credit

❖ In 2015 Georgia has **7<sup>th</sup>** position



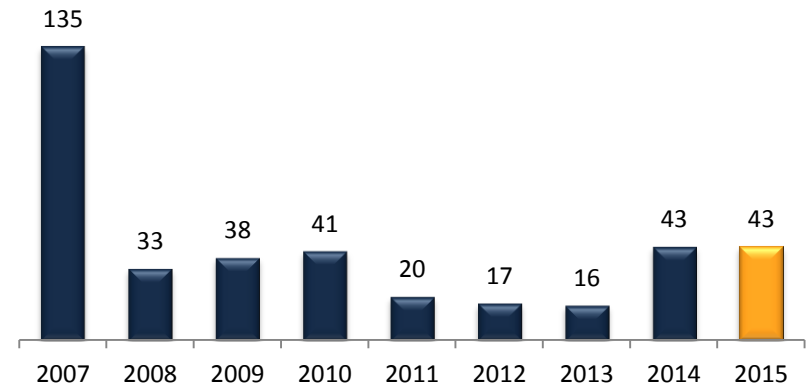
❖ Scores by components of *Getting Credit*

▨ 2006 ■ 2015



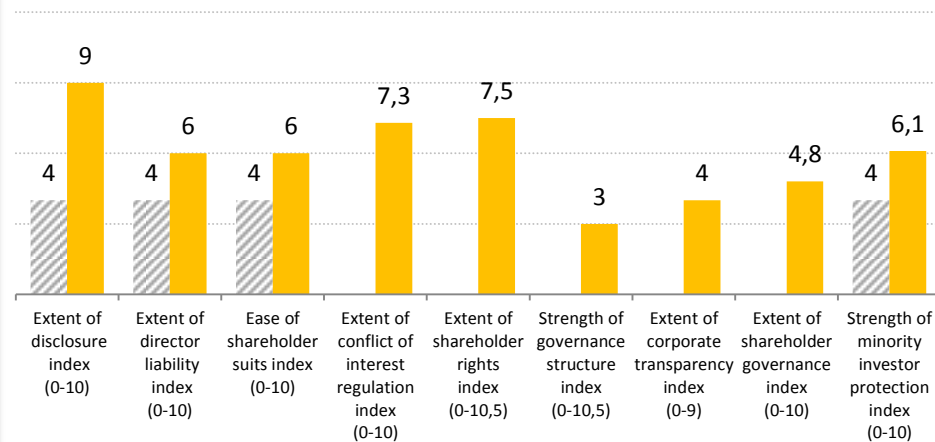
## Protecting Minority Investors

❖ In 2015 Georgia has **43<sup>rd</sup>** position



❖ Scores by components of *Protecting Investors*

▨ 2006 ■ 2015

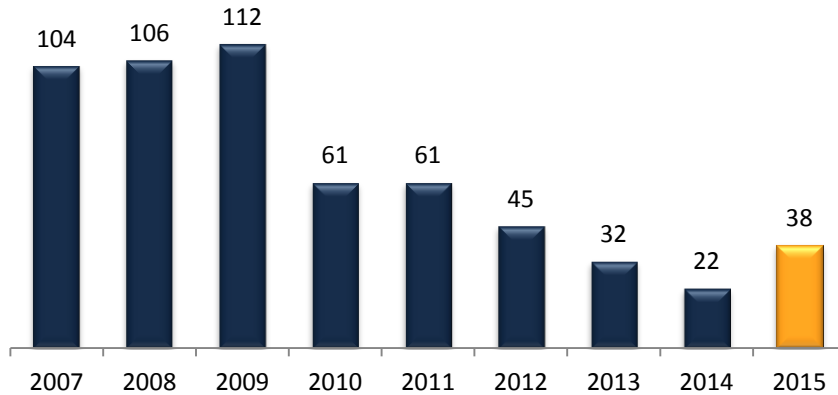




# Ease of Doing Business 2015

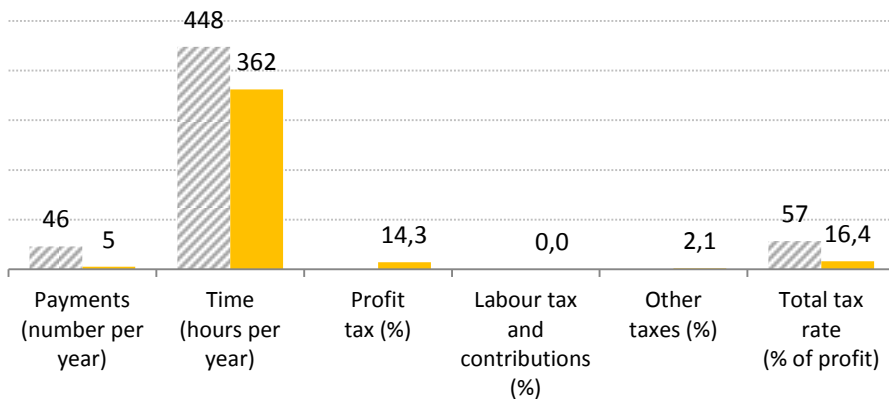
## Paying Taxes

❖ In 2015 Georgia has **38<sup>th</sup>** position



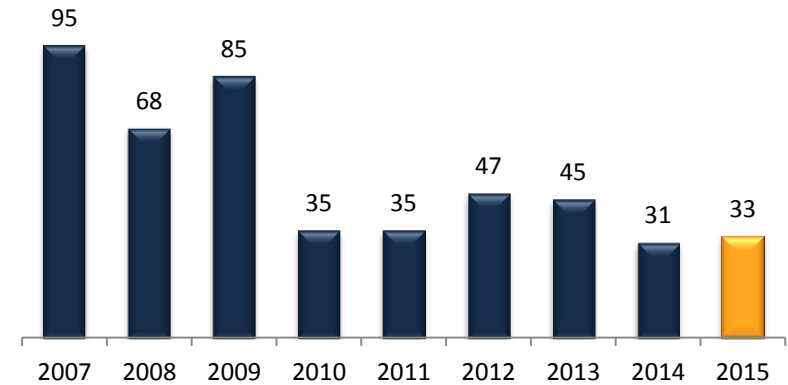
❖ Scores by components of *Paying Taxes*

▨ 2006 ■ 2015



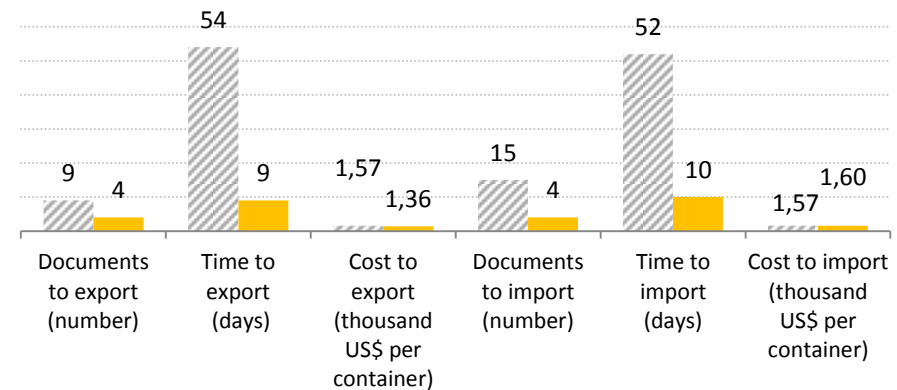
## Trading Across Borders

❖ In 2015 Georgia has **33<sup>rd</sup>** position



❖ Scores by components of *Trading Across Borders*

▨ 2006 ■ 2015

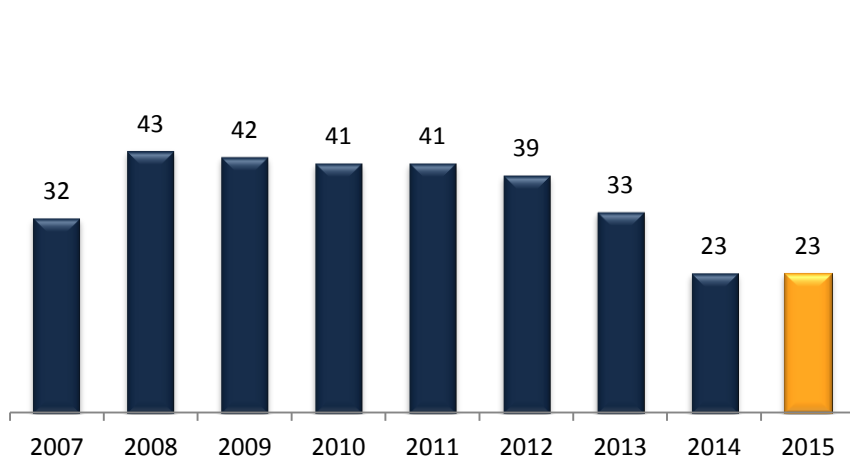




# Ease of Doing Business 2015

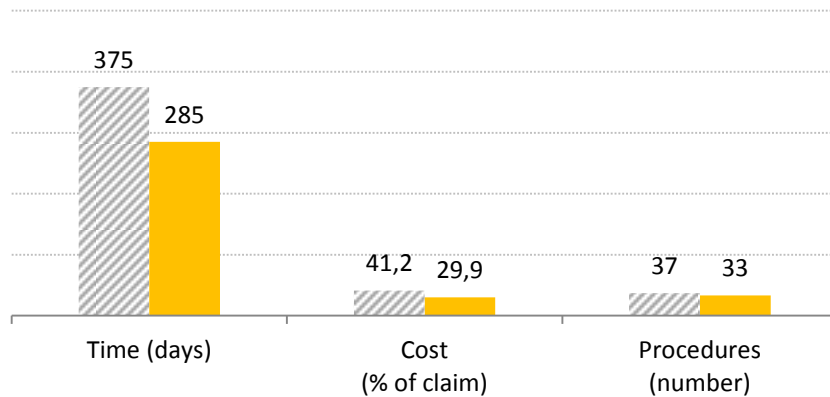
## Enforcing Contracts

❖ In 2015 Georgia has **23<sup>rd</sup>** position



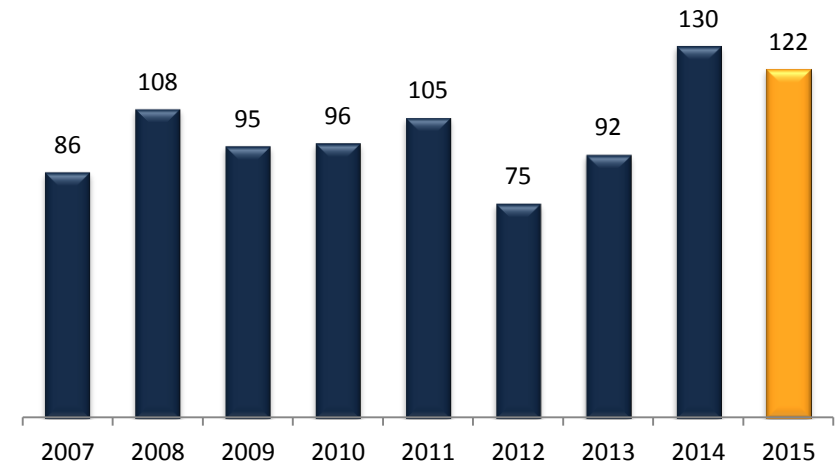
❖ Scores by components of *Enforcing Contracts*

▨ 2006 ■ 2015



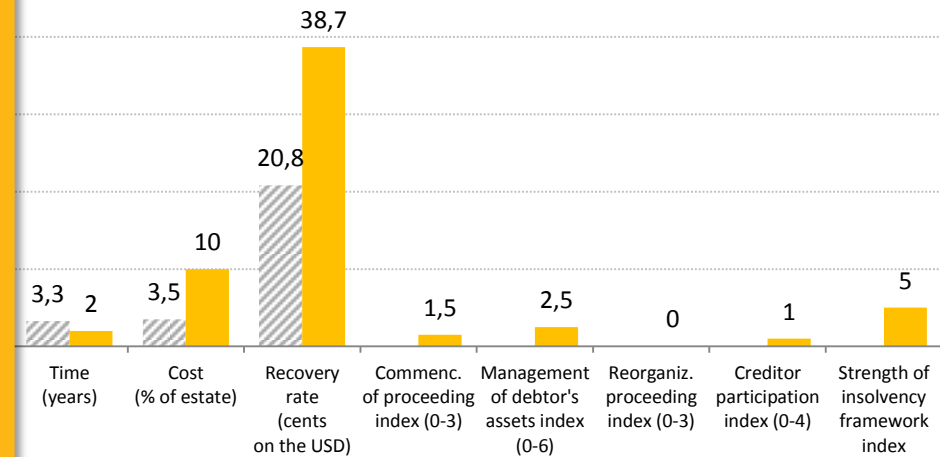
## Resolving Insolvency

❖ In 2015 Georgia has **122<sup>nd</sup>** position



❖ Scores by components of *Resolving Insolvency*

▨ 2006 ■ 2015









## WHAT IS DOING BUSINESS

- ❖ *Doing Business* is a part of the **World Bank Group**, the reports of which are published annually
- ❖ Presents quantitative indicators on business regulations and the protection of property rights
- ❖ The reports investigate regulations that enhance and constrain business activity
- ❖ Doing Business 2015 covers **10** indicators, in **189 economies**
- ❖ The first **Doing Business** report, published in 2003, covered 5 indicator sets in 133 economies

## WHAT IS CHANGES IN DOING BUSINESS 2015

As part of a 2-year update in methodology, *Doing Business 2015* incorporates **7 important** changes:

- ❖ All topic-level rankings are computed on the basis of distance to frontier scores
- ❖ For the 11 economies with a population of more than 100 million, data for a second city have been added
- ❖ For getting credit, the methodology has been revised for both the strength of legal rights index and the depth of credit information index
- ❖ The name of the protecting investors indicator set has been changed to protecting minority investors
- ❖ The resolving insolvency indicator set has been expanded to include an index measuring the strength of the legal framework for insolvency
- ❖ The calculation of the distance to frontier score for paying taxes has been changed
- ❖ The name of the employing workers indicator set has been changed to labor market regulation, and the scope of this indicator set has also been changed



## WHAT DO THE DOING BUSINESS INDICATORS MEASURE

- ❖ Business regulation, protection of property rights & their effects on businesses, especially on SMEs
- ❖ Degree of regulation, such as the number of procedures for starting a business or for registering and transferring commercial property
- ❖ They gauge regulatory outcomes, such as:
  - **Time** and **cost** to enforce a contract, go through bankruptcy or trade across borders
  - The extent of legal protection of property
  - A set of indicators that document the tax burden on businesses

## WHAT DOING BUSINESS COVERS

- ❖ **Sub-groups of Doing Business 2015 of 189 economies**
  - Sub-Saharan Africa: 47 economies
  - Latin America and The Caribbean: 32 economies
  - Eastern Europe and Central Asia: 26 economies
  - East Asia and the Pacific: 25 economies
  - Middle East and North Africa: 20 economies
  - South Asia: 8 economies
  - OECD high-income economies as benchmarks: 31 economies