12TH EDITION

Doing Business 2015

Going Beyond Efficiency

COMPARING BUSINESS REGULATIONS FOR DOMESTIC FIRMS IN 189 ECONOMIES

A World Bank Group Flagship Report

Ministry of Economy and Sustainable Development of Georgia
2014

Ease of Doing Business 2015

GEORGIA'S RANKING 2015

In 2015 - 15th place amongst 189 countries

Overall distance to frontier (DTF) – 79.46 score

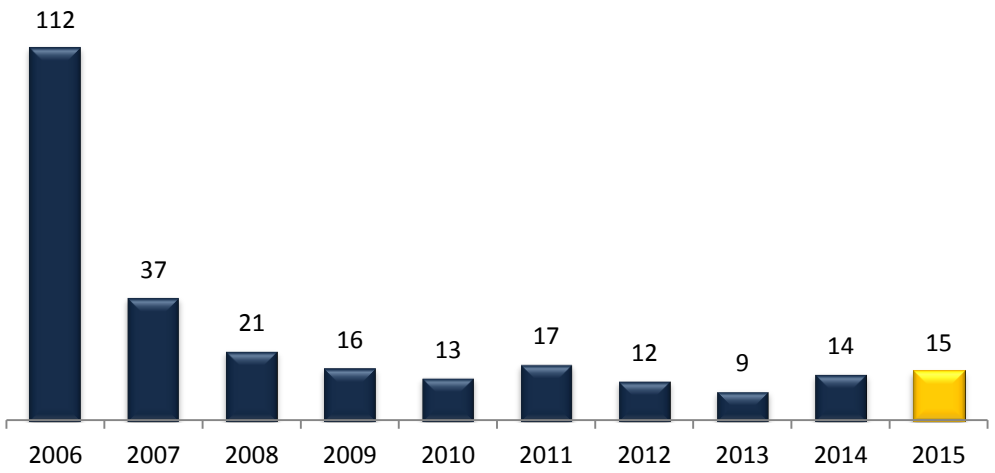
THE CYCLE OF REFORMS FOR GEORGIA

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

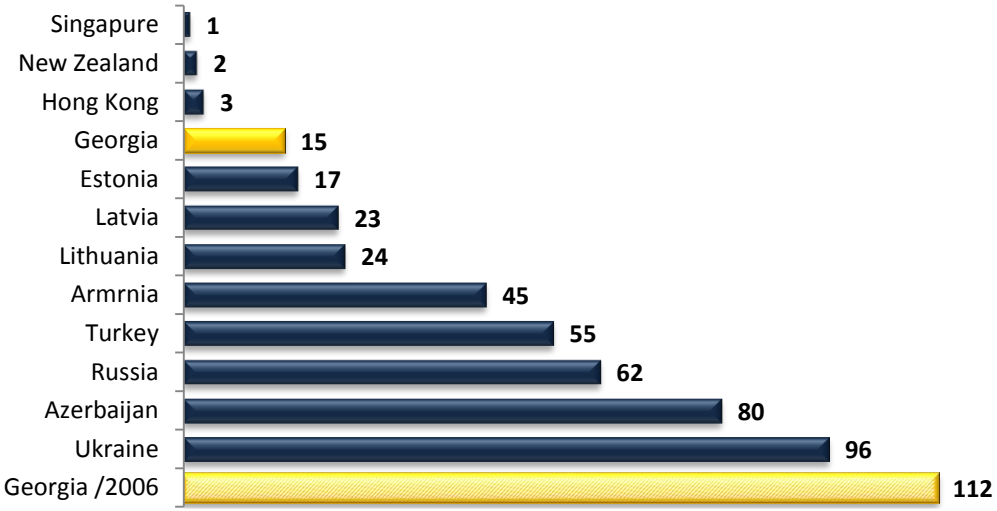
IMPORTANT REFORMS

- 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 – 1st position**
- **Dealing with Construction Permits – 3rd position**
- **Starting a Business – 5th position**
- **Getting Credit – 7th position**

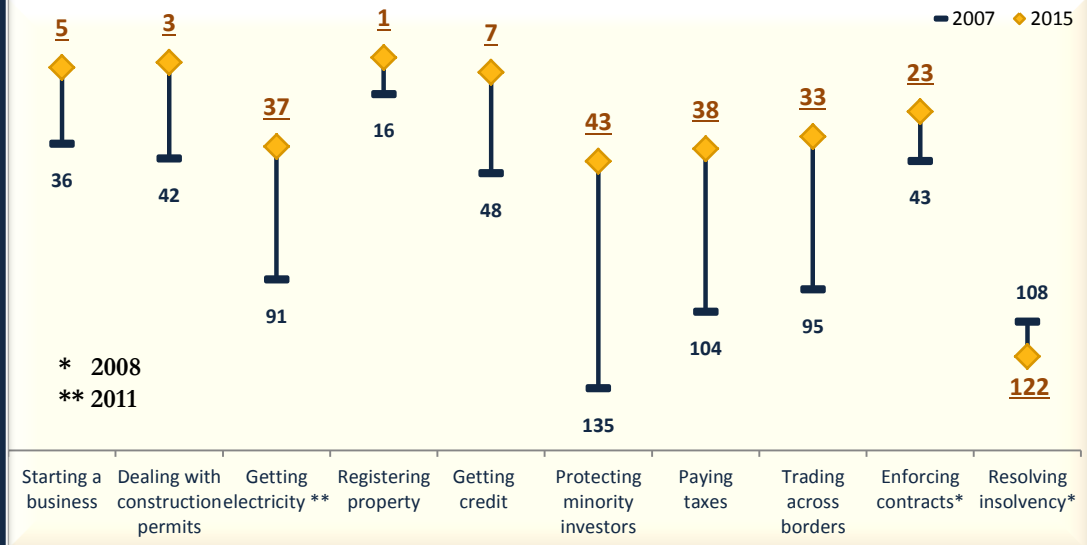
In 2007 - 2015 Georgia has improved in **9 areas** measured by Doing Business

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

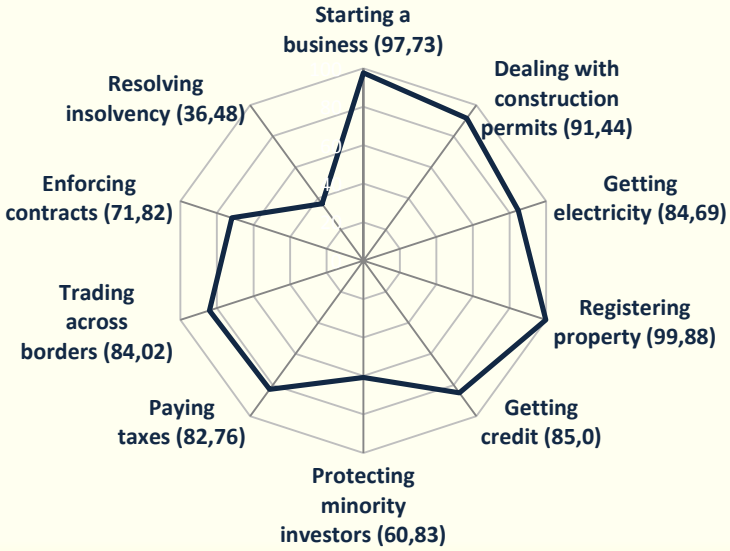
Overall distance to frontier (DTF)

- 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



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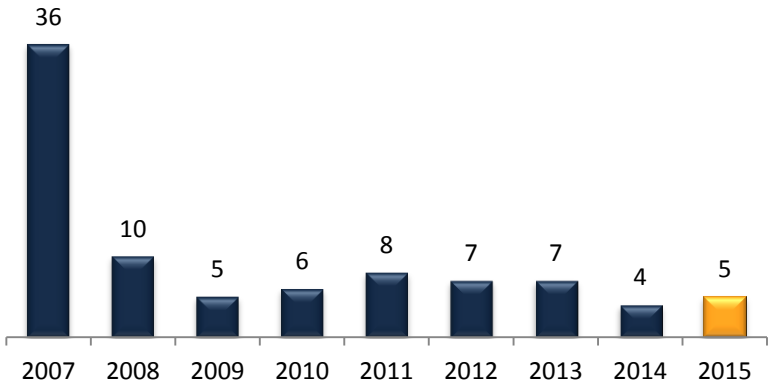
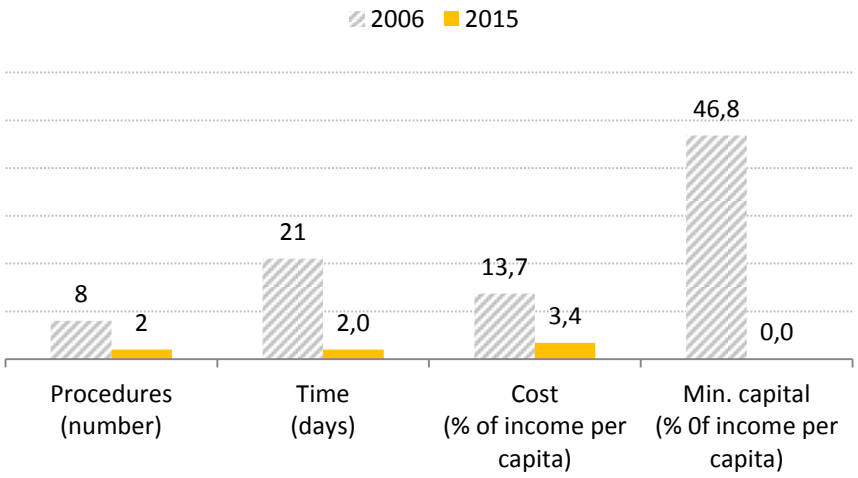
Starting a Business

- In 2015 Georgia has 5th position

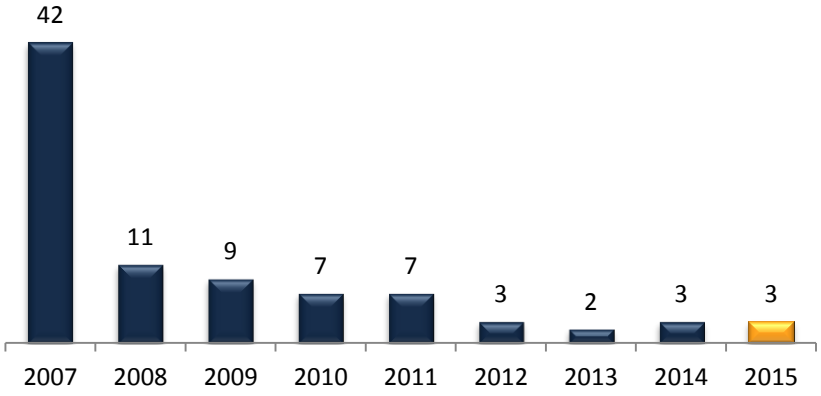


- Scores by components of *Starting a Business*

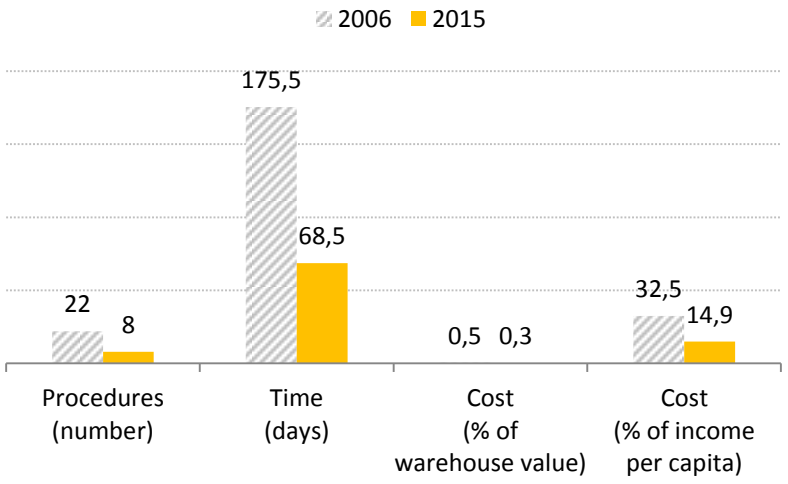


Dealing with Construction Permit

- In 2015 Georgia has 3rd position



- Scores by components of *Dealing with Construction Permits*



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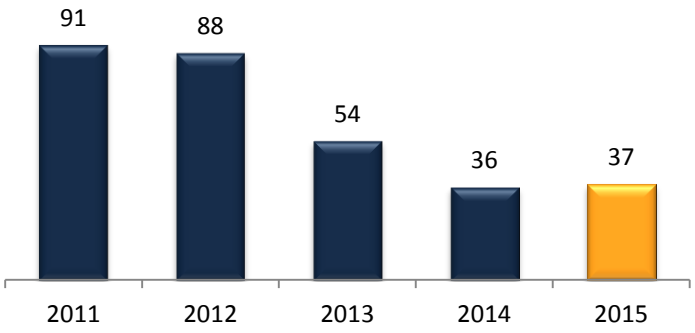
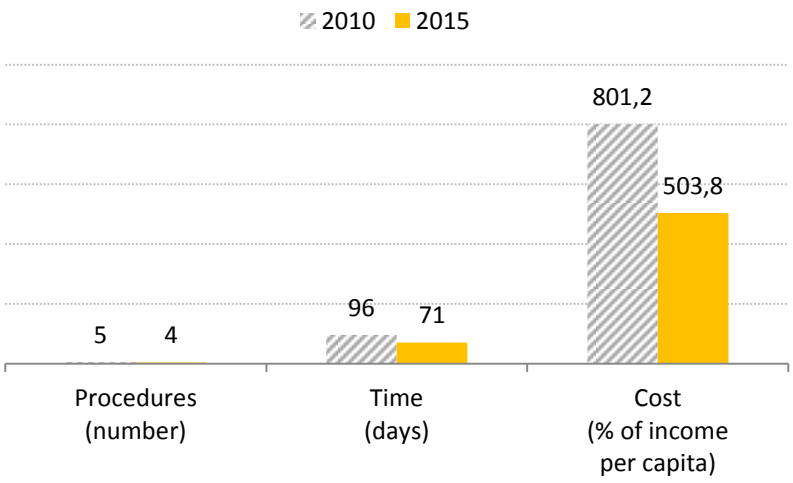
Getting Electricity

❖ In 2015 Georgia has 37th position

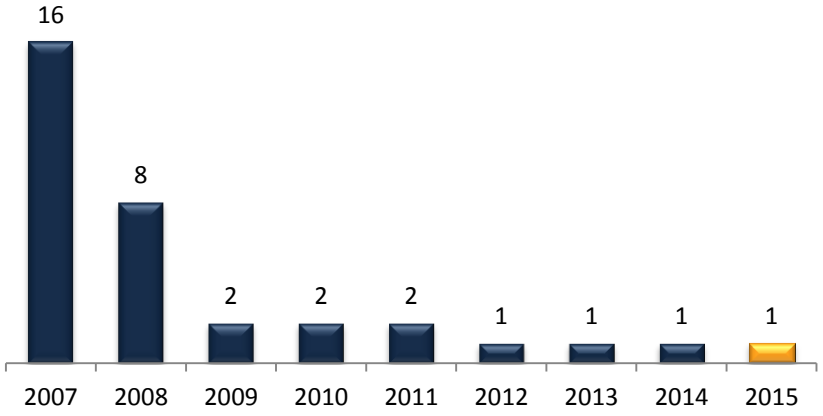


❖ Scores by components of *Getting Electricity*

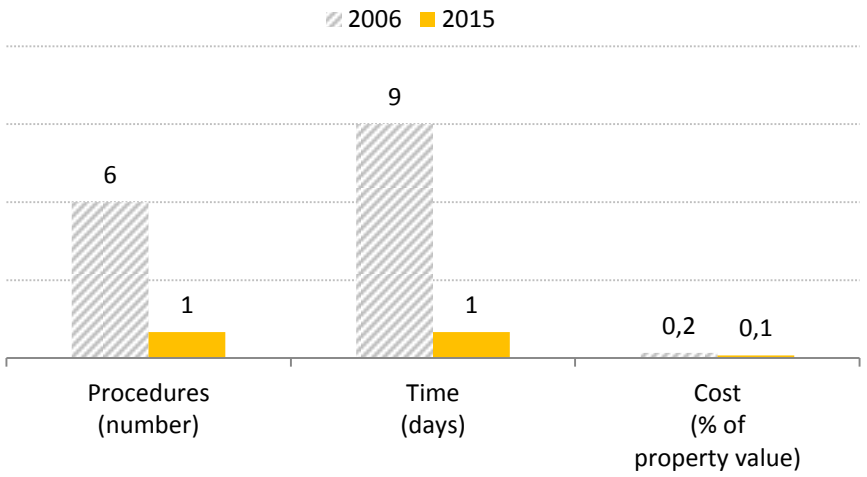


Registering Property

❖ In 2015 Georgia has 1st position



❖ Scores by components of *Registering Property*



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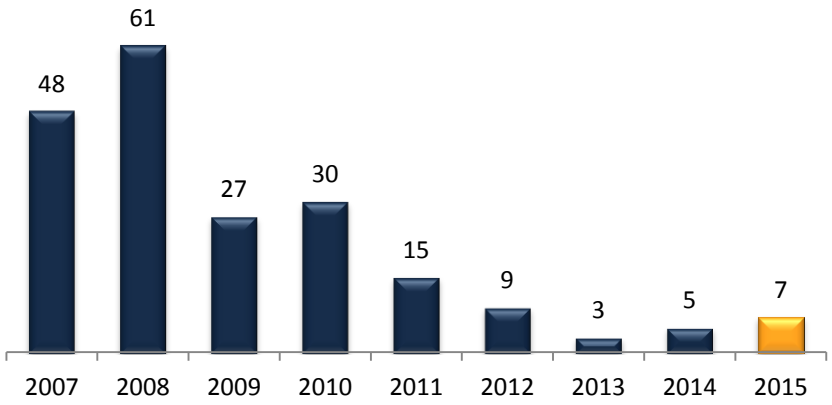
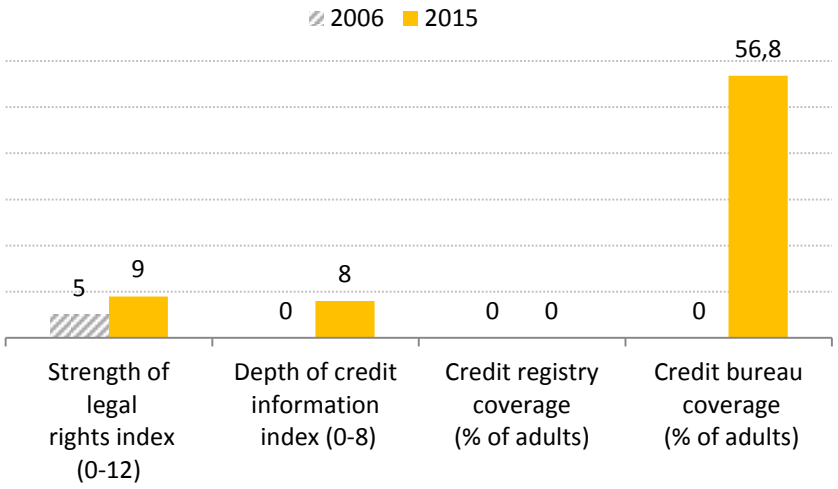
Getting Credit

❖ In 2015 Georgia has 7th position

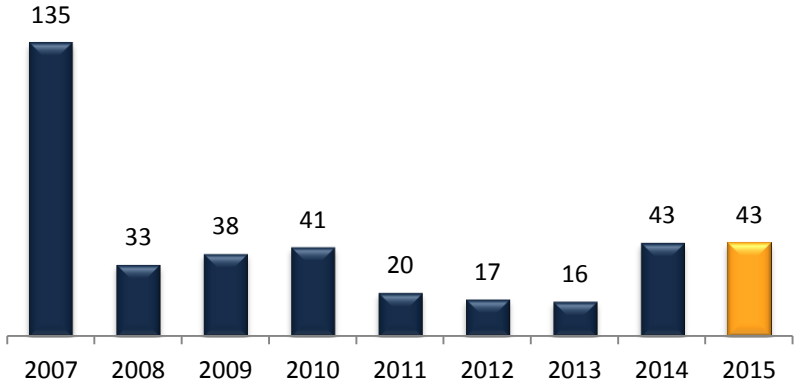


❖ Scores by components of *Getting Credit*

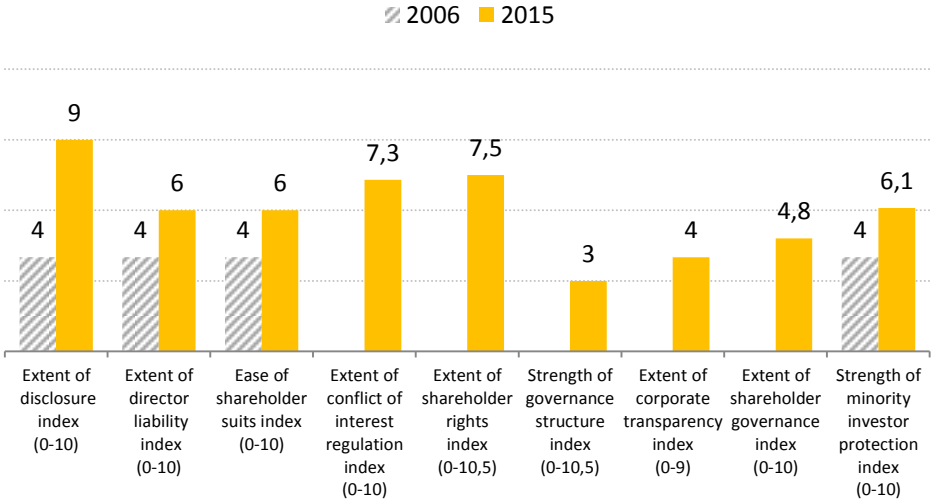


Protecting Minority Investors

❖ In 2015 Georgia has 43rd position



❖ Scores by components of *Protecting Investors*



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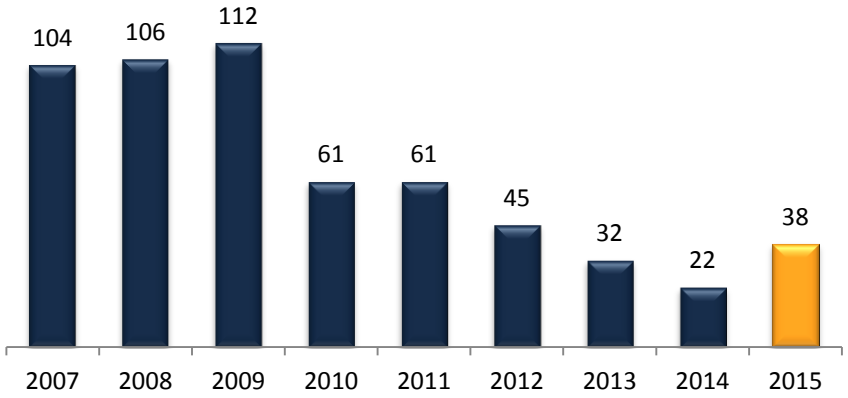
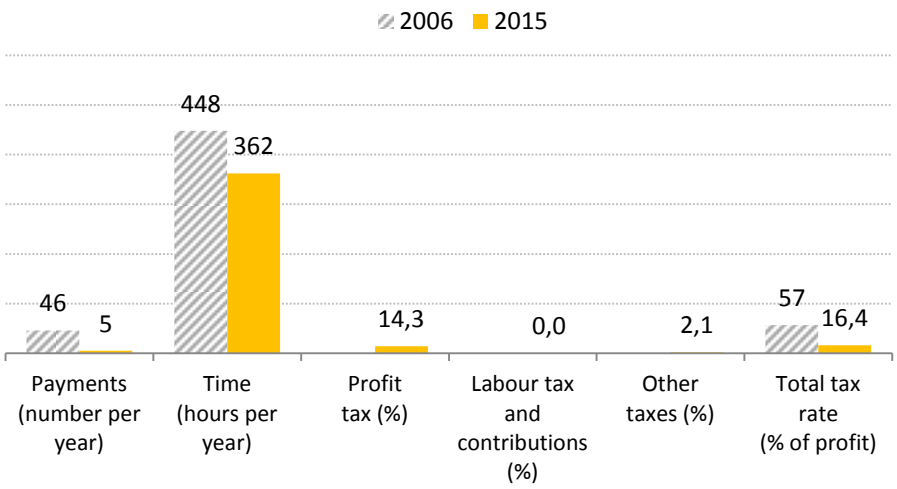
Paying Taxes

❖ In 2015 Georgia has 38th position

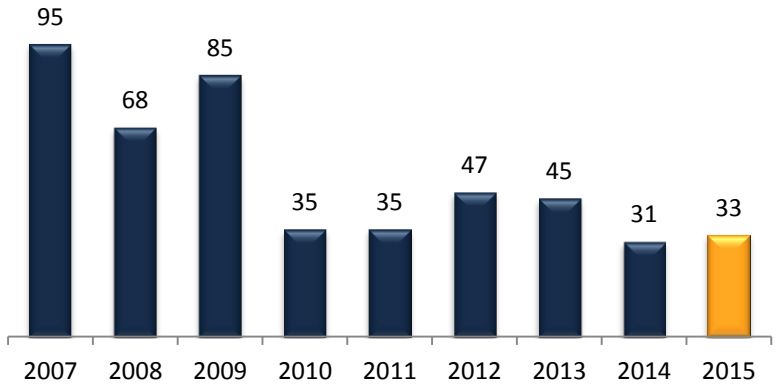


❖ Scores by components of *Paying Taxes*

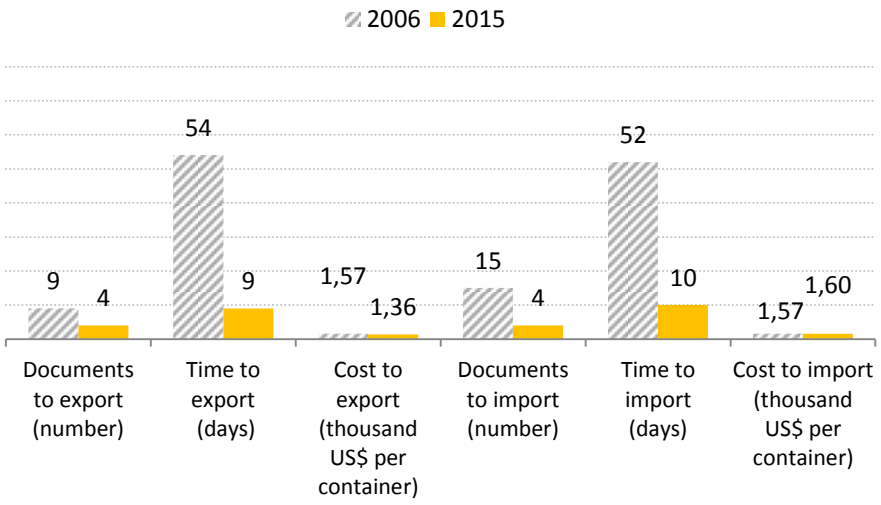


Trading Across Borders

❖ In 2015 Georgia has 33rd position



❖ Scores by components of *Trading Across Borders*



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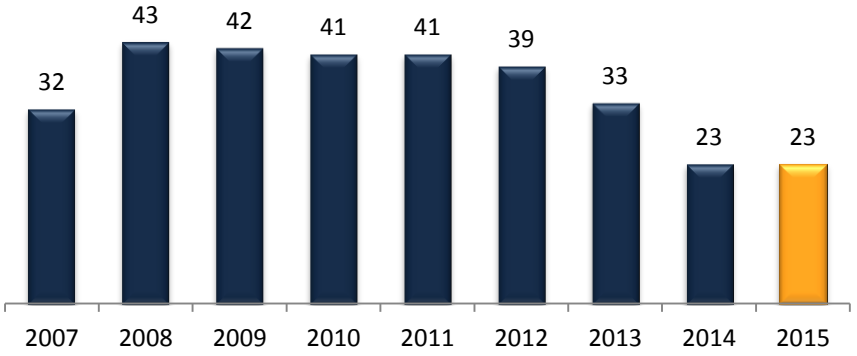
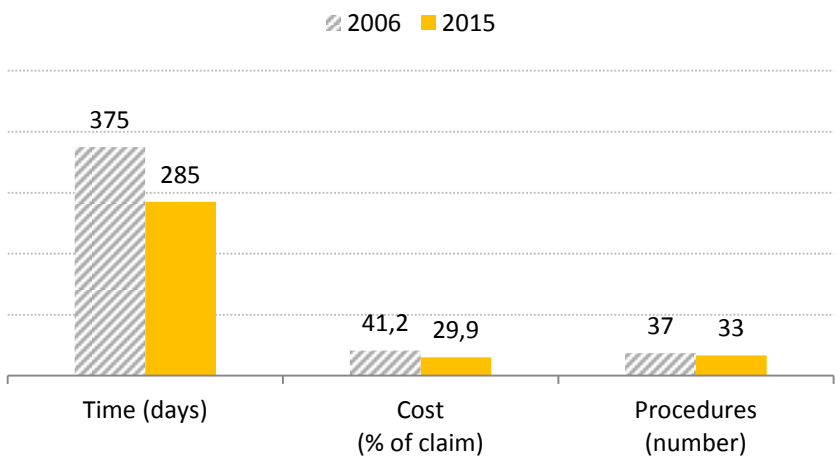
Enforcing Contracts

❖ In 2015 Georgia has 23rd position

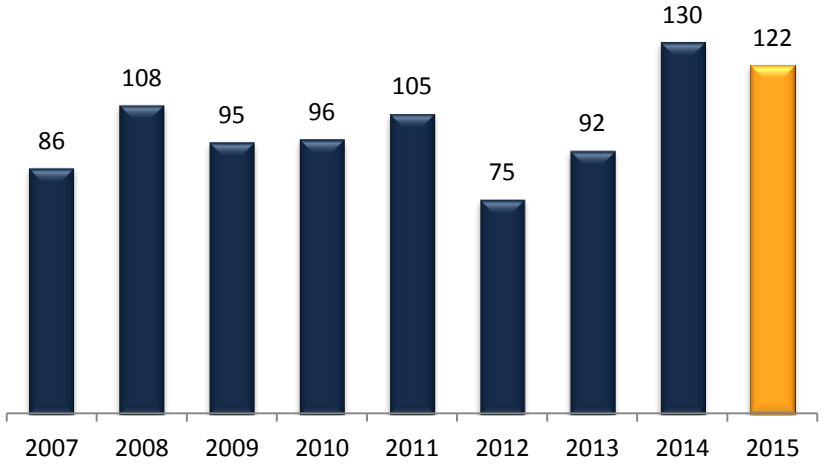


❖ Scores by components of *Enforcing Contracts*

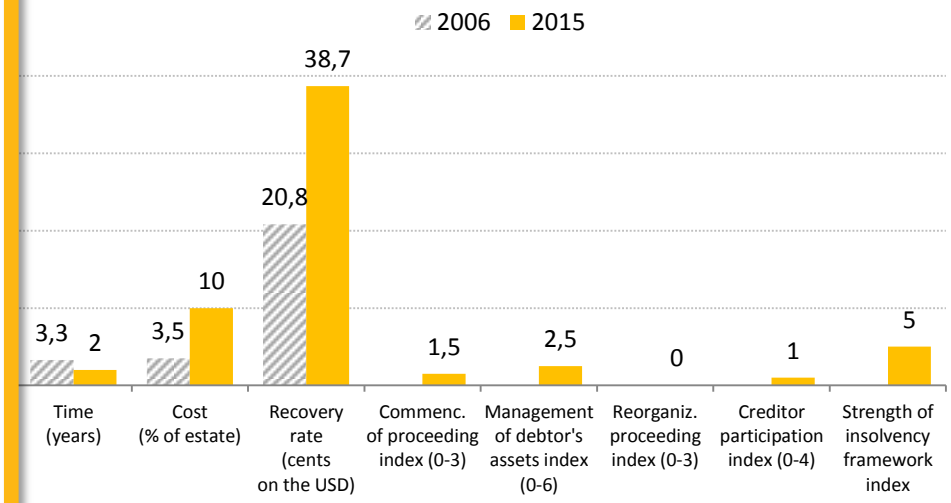


Resolving Insolvency

❖ In 2015 Georgia has 122nd position



❖ Scores by components of *Resolving Insolvency*



Ease of Doing Business 2015

Georgia implemented 37 reforms in 2006-2015

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Starting a business	√	√	√	√			√			
Dealing with construction permits	√	√	√		√					
Getting electricity								√		
Registering property			√	√						
Getting credit	√	√	√	√		√	√	√	√	
Protecting minority investors		√	√			√	√			
Paying taxes				√			√	√		
Trading across borders	√				√			√		
Enforcing Contracts	√					√		√		
Resolving insolvency			√			√		√		
Employing workers										√

Ease of Doing Business 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

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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