

A World Bank Group Flagship Report



# Doing Business 2018

Sub-Saharan Africa

May 15, 2018



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Global Indicators, Development Economics

- I. **About *Doing Business***
- II. *Doing Business in Sub-Saharan Africa*



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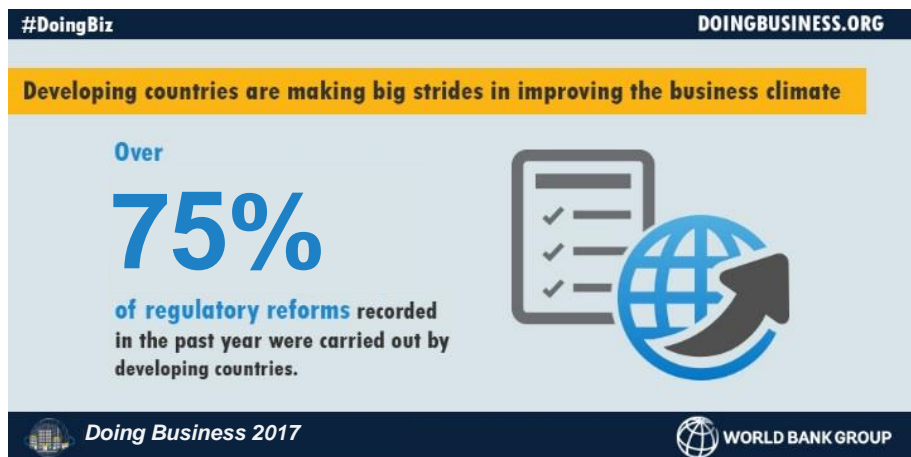


# ¿Qué mide el informe *Doing Business*?



Los indicadores de *Doing Business*:

- Se centran en las **regulaciones** relevantes en el ciclo de vida de una pequeña y mediana empresa local.
- Se basan en **estudios de caso** estandarizados.
- Miden la **principal ciudad de negocios** de cada economía.
- Se centran en el **sector formal**.



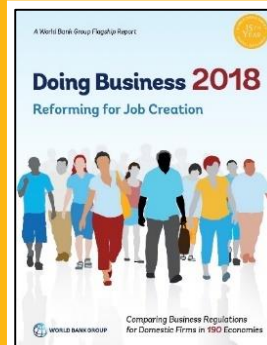
# Las once áreas medidas por *Doing Business* afectan el ciclo de vida de las empresas



# What do *Subnational Doing Business* reports add?

- Demand driven
- Go beyond the largest business city
- Selected DB indicators relevant at subnational level
- Replicable good practices within the same legal framework
- Tailored reform recommendations based on both local and international good practices
- 485 cities in 71 economies
- More than 600 recorded reforms
- City stories

***Subnational  
Doing  
Business***



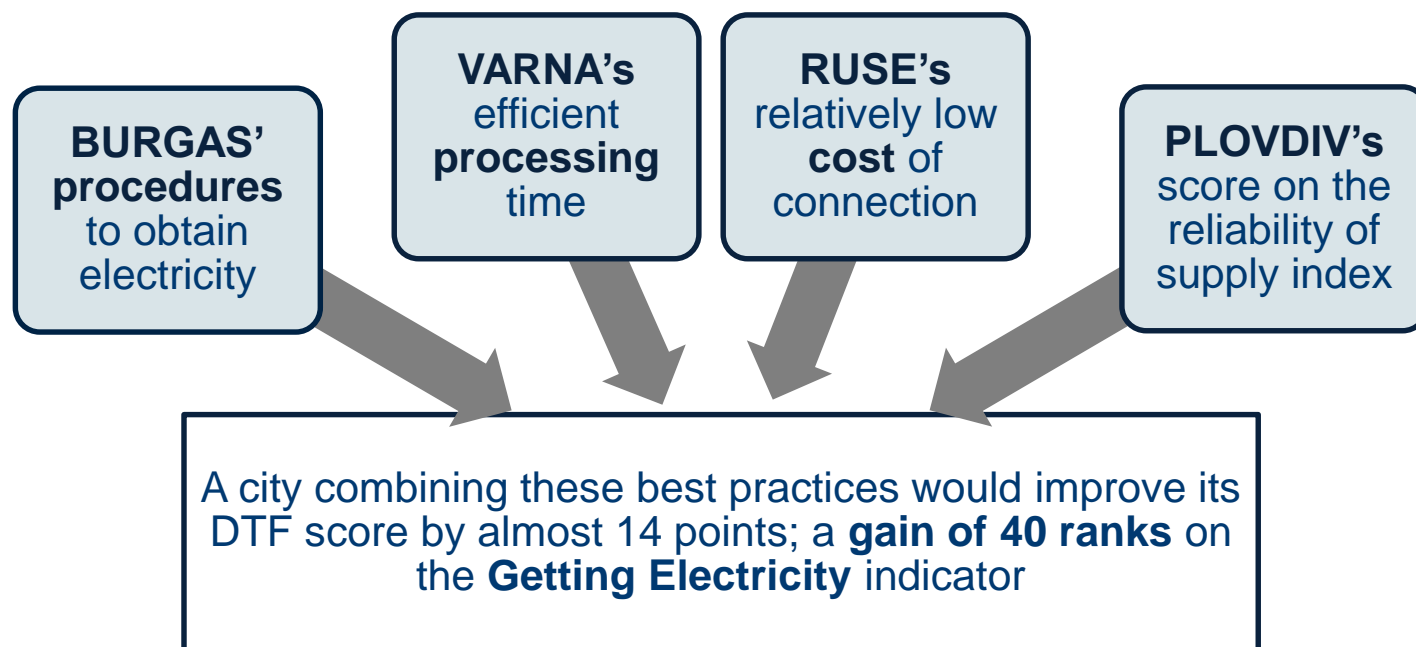
***Global  
Doing  
Business***

- WBG annual flagship
- Largest business city\* used as proxy
- 11 indicators
- International good practices
- 190 economies and 201 cities
- More than 3,000 recorded reforms
- Country stories

\*In 11 economies with a population of more than 100 million as of 2013, *Doing Business* also collects data for the second largest business city.

# Significant potential for improvement by emulation of good practices

## *An example from Bulgaria*



**Replicating the best practices at subnational level is an easy win for reform-minded policy makers.**

Source: *Doing Business in the European Union 2017: Bulgaria, Hungary and Romania.*

# Subnational Doing Business in Africa

## One round of Subnational Doing Business



## Several rounds of Subnational Doing Business



## Regional reports



## City-profile



- I. *About Doing Business*
- II. ***Doing Business in Sub-Saharan Africa***



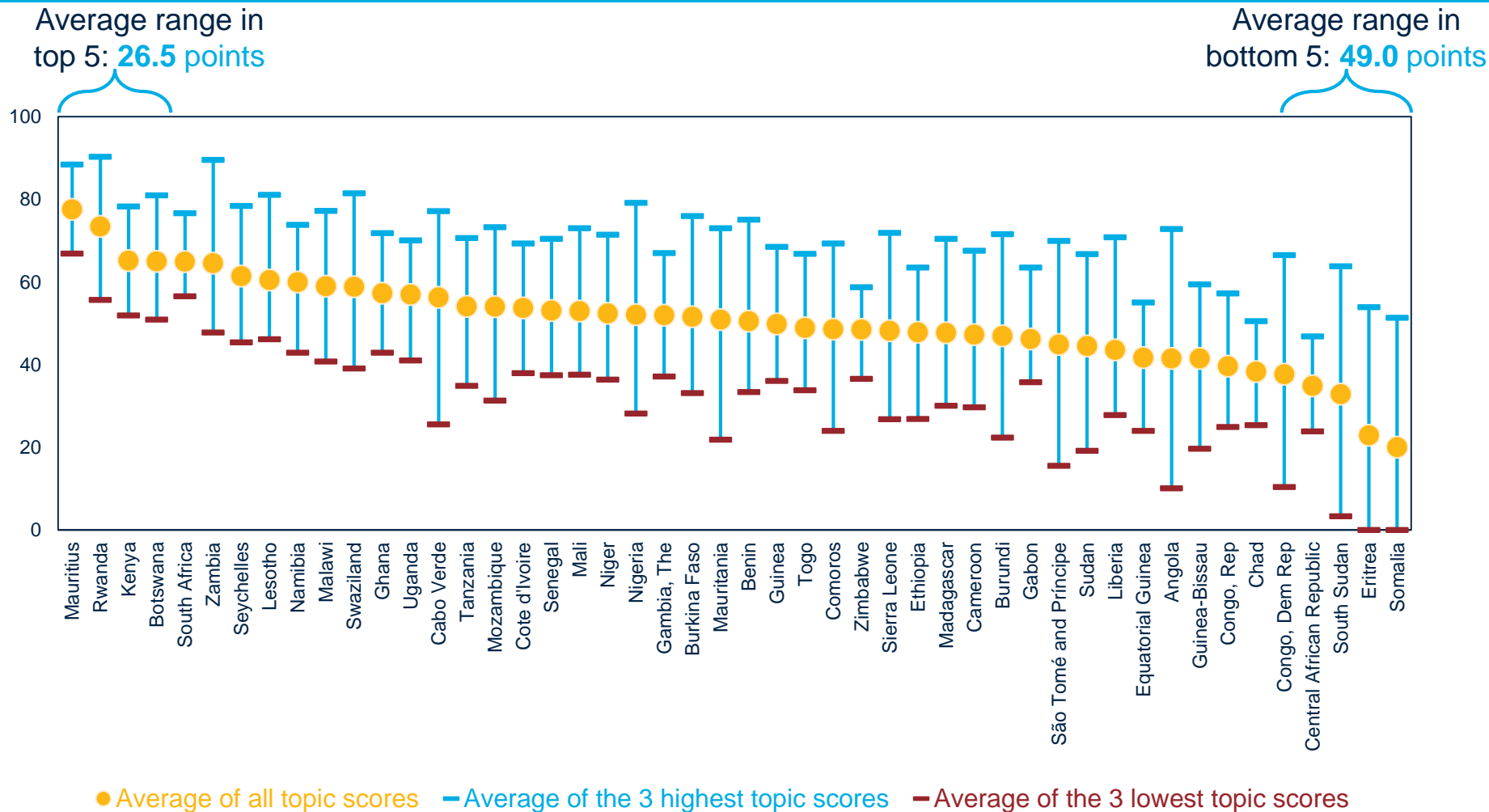
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# How do economies in Sub-Saharan Africa perform on the ease of doing business in 2016/2017?

Rank	Economy	DTF score		Rank	Economy	DTF score	
25	Mauritius	77.54	↑	151	Benin	50.47	↑
41	Rwanda	73.40	↑	153	Guinea	49.80	↑
80	Kenya	65.15	↑	156	Togo	48.88	↑
81	Botswana	64.94	↑	158	Comoros	48.52	↑
82	South Africa	64.89		159	Zimbabwe	48.47	↑
85	Zambia	64.50	↑	160	Sierra Leone	48.18	
95	Seychelles	61.41	↑	161	Ethiopia	47.77	↑
104	Lesotho	60.42	↑	162	Madagascar	47.67	↑
106	Namibia	59.94	↑	163	Cameroon	47.23	↑
110	Malawi	58.94	↑	164	Burundi	46.92	↑
112	Swaziland	58.82	↑	167	Gabon	46.19	↑
120	Ghana	57.24	↑	169	São Tomé and Príncipe	44.84	↑
122	Uganda	56.94	↑	170	Sudan	44.46	↑
★127	Cabo Verde	56.24	↑	172	Liberia	43.55	↑
137	Tanzania	54.04	↑	173	Equatorial Guinea	41.66	↑
138	Mozambique	54.00	↑	175	Angola	41.49	↑
139	Côte d'Ivoire	53.71	↑	176	Guinea-Bissau	41.45	↑
★140	Senegal	53.06	↑	179	Congo, Rep.	39.57	
143	Mali	52.92	↑	180	Chad	38.30	
144	Niger	52.34	↑	182	Congo, Dem. Rep.	37.65	↑
145	Nigeria	52.03	↑	184	Central African Republic	34.86	↑
146	Gambia, The	51.92		187	South Sudan	32.86	
148	Burkina Faso	51.54	↑	189	Eritrea	22.87	↑
★150	Mauritania	50.88	↑	190	Somalia	19.98	

# An economy's regulatory environment may be more business-friendly in some areas than in others in Sub-Saharan Africa

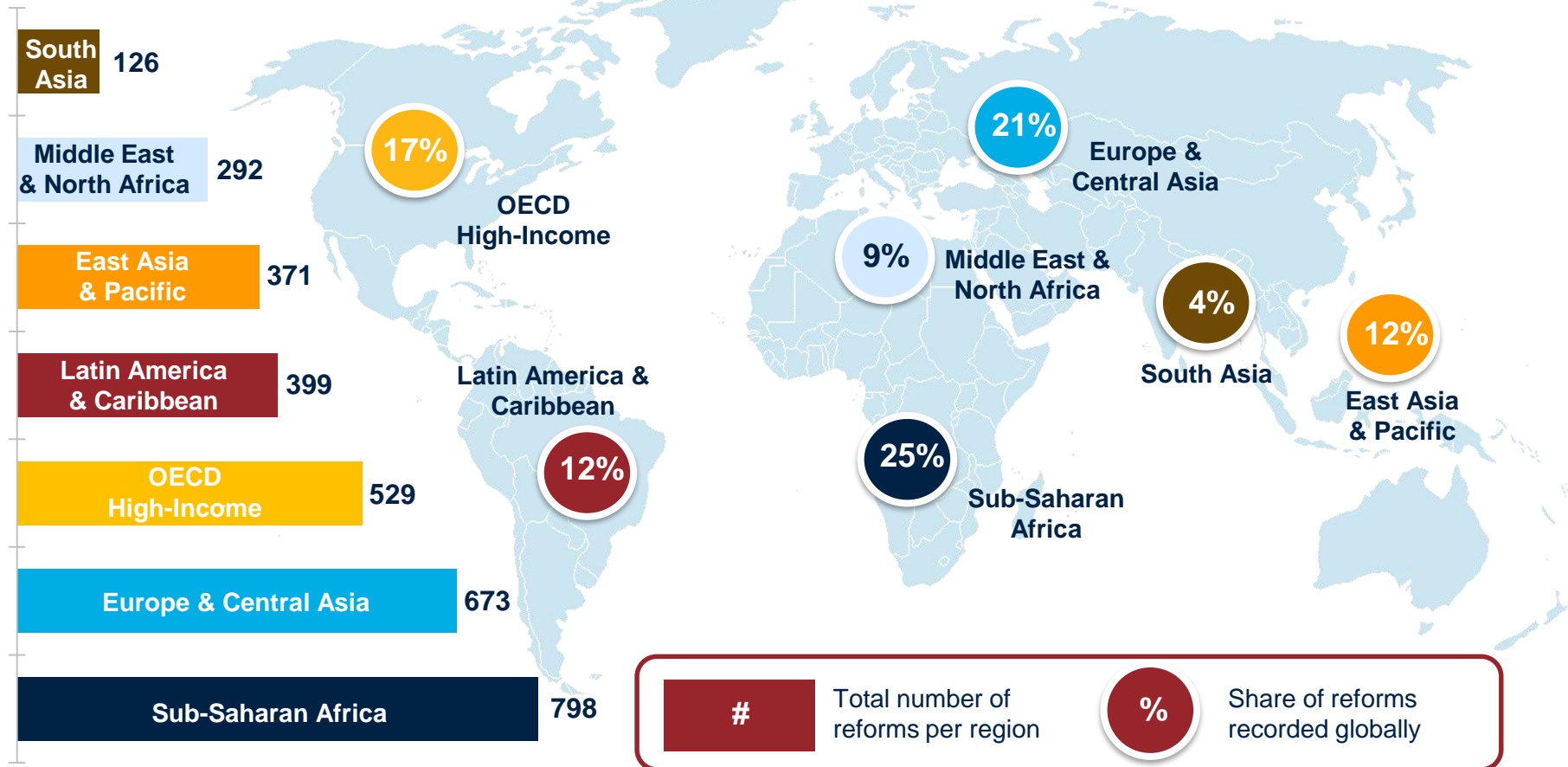


Source: Doing Business database.

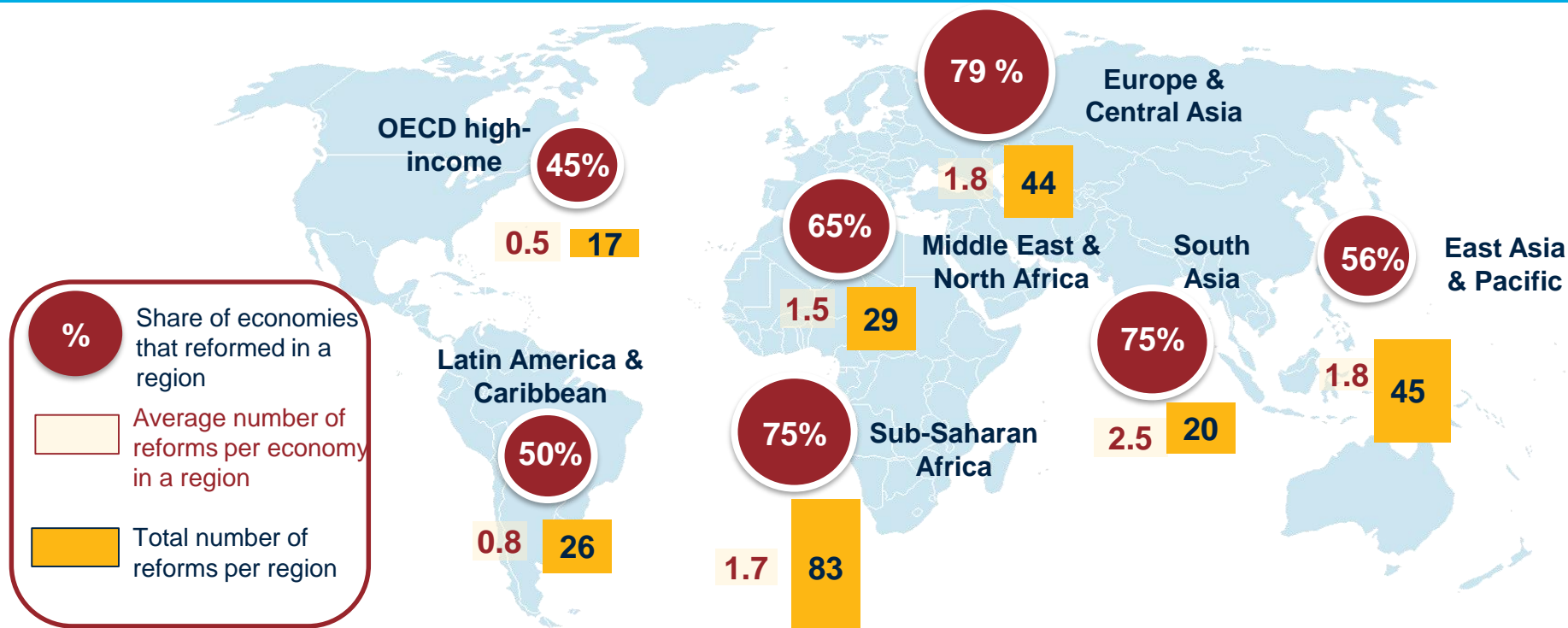
Note: The distance to frontier scores reflected are those for the 10 Doing Business topics included in this year's aggregate distance to frontier score.

# Sub-Saharan Africa is the region that reformed the most since 2004

Total number and share of reforms recorded per region, from *Doing Business 2004* to *Doing Business 2018*



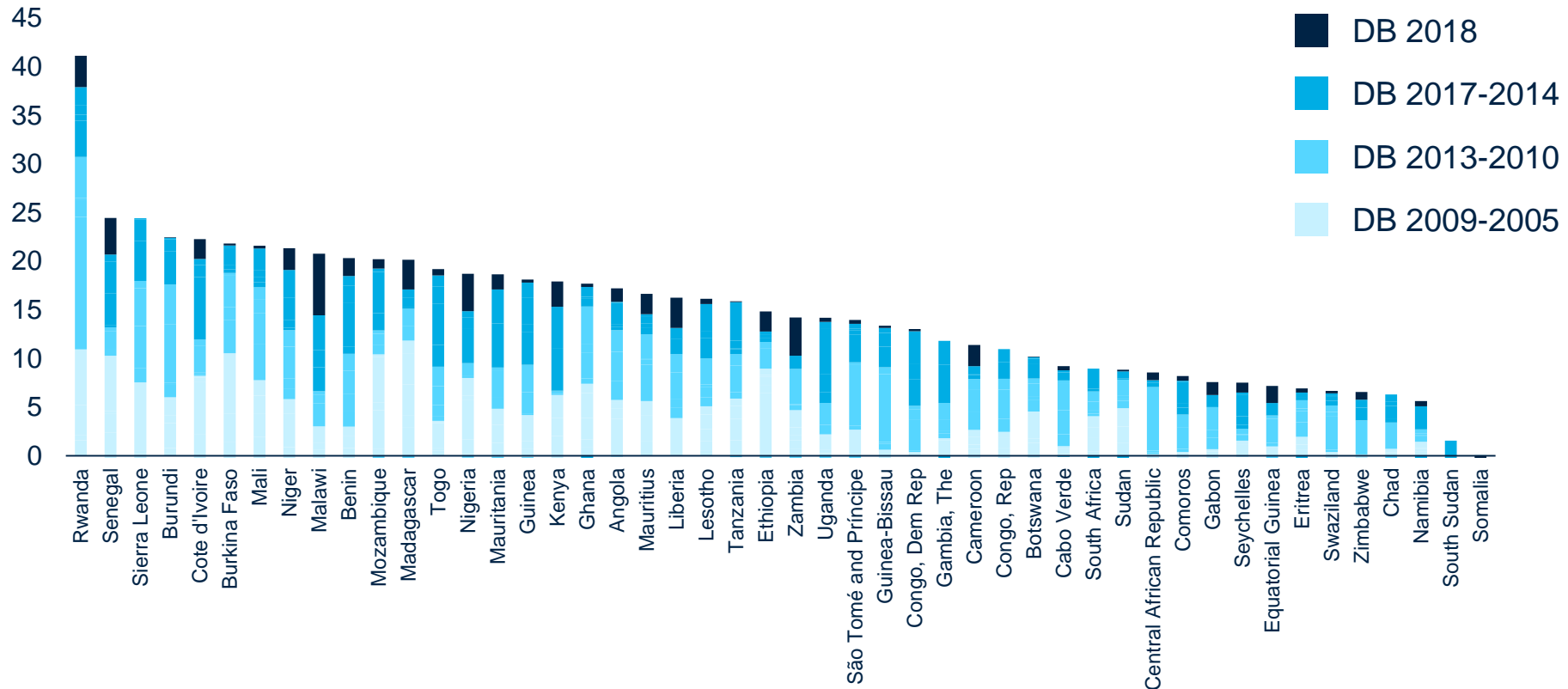
# Worldwide, 119 economies implemented 264 reforms in 2016/17



- ✓ 78% of regulatory reforms in 2016/17 were implemented by **developing countries**.
- ✓ While in 2004/05 **only 38%** of the economies in Sub-Saharan Africa implemented business regulatory reforms, in 2016/17 **75%** of the economies did so.
- ✓ *Doing Business* has recorded **3,188 regulatory reforms** making it easier to do business since 2004.

# Sub-Saharan Africa has made a big improvement in business regulation over time

Average year-on-year improvement in distance to frontier score



Source: *Doing Business* database.

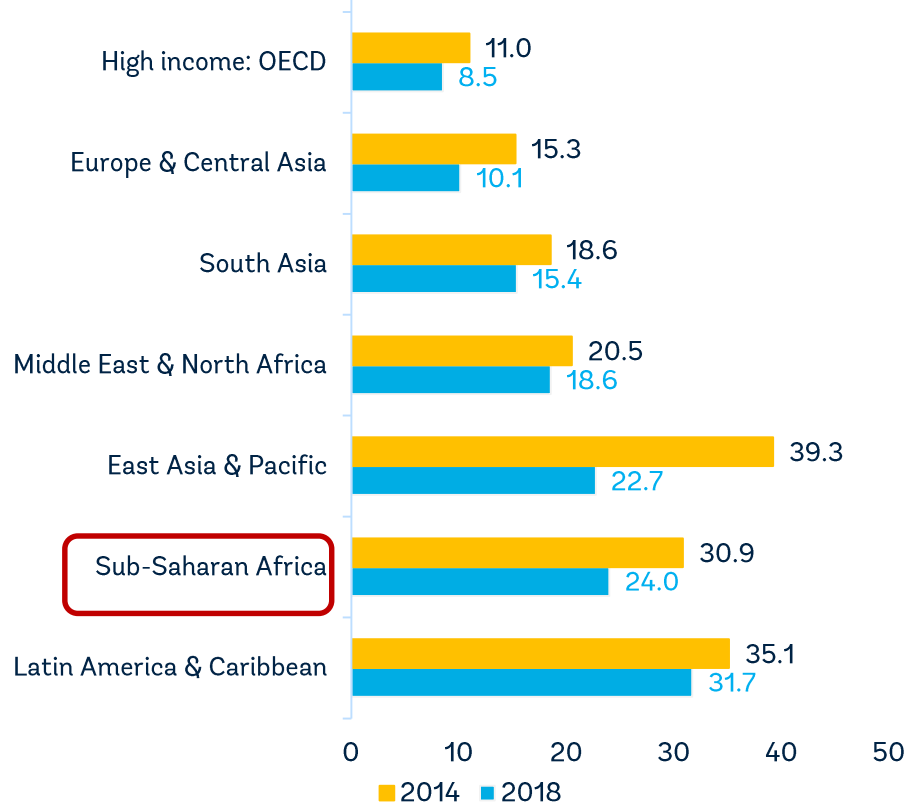
Note: The measure is normalized to range from 0 to 100, with 100 representing the frontier. Because of changes over the years in methodology and in the economies and indicators included, the improvements are measured year on year using pairs of consecutive years with comparable data.

# Who in Sub-Saharan Africa reformed in areas measured by *Doing Business* in 2016/17?

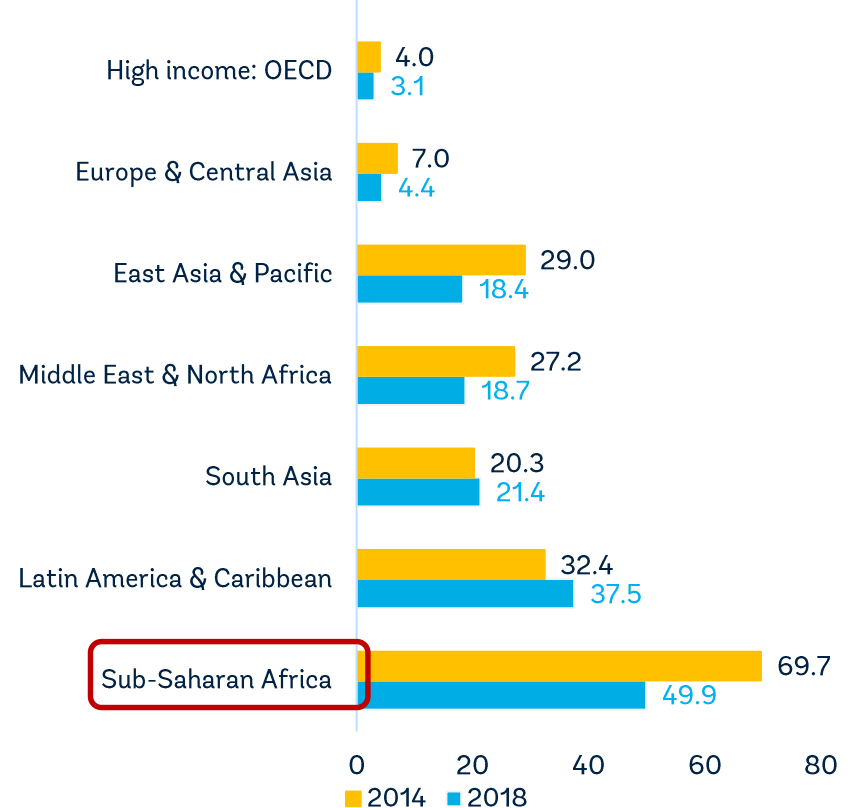


# Sub-Saharan Africa has reduced the time and cost of starting and formally operating a business

## Starting a Business - Time - Men (days)

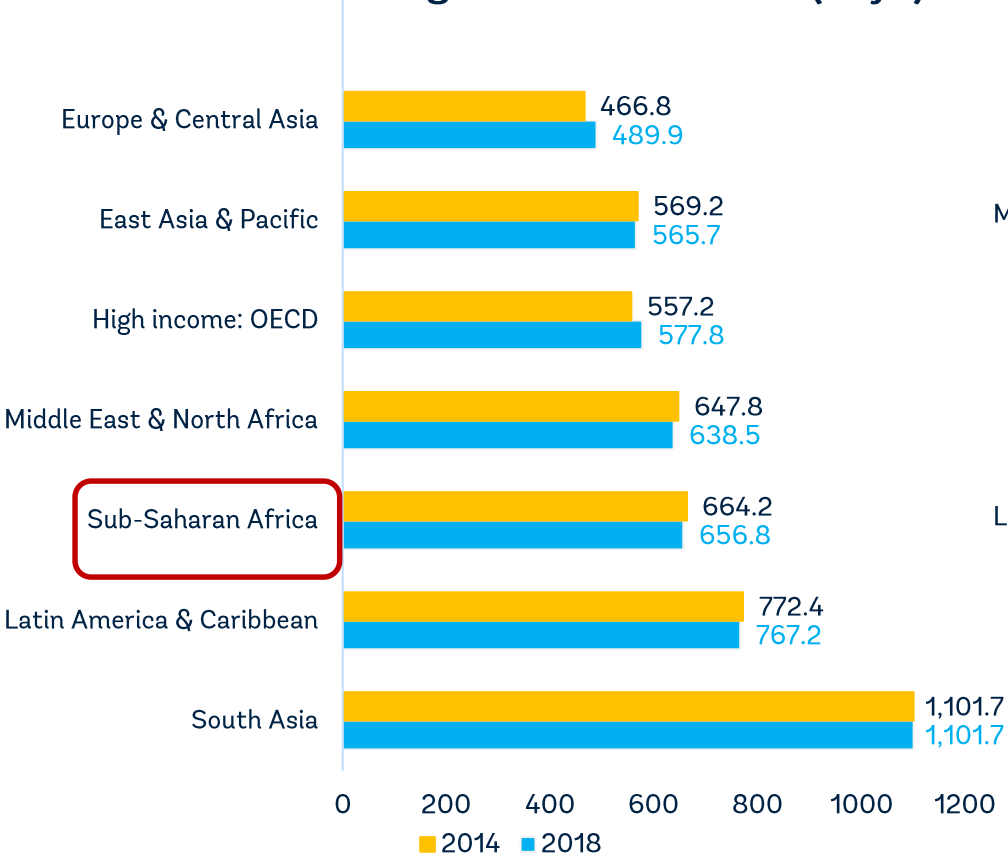


## Starting a Business - Cost - Men (% of income per capita)

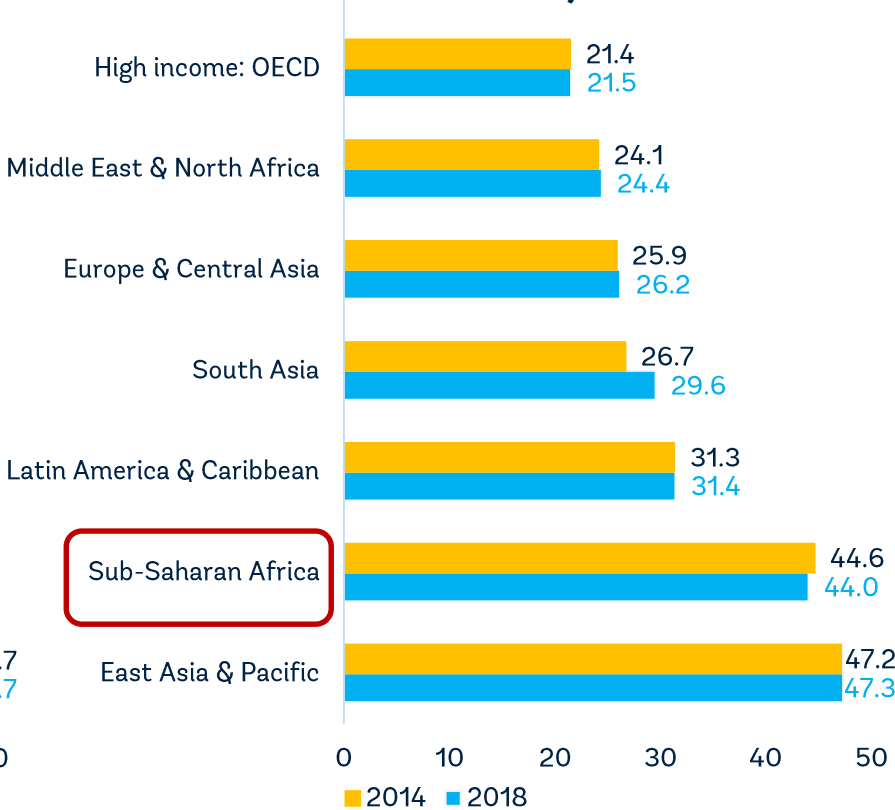


# Sub-Saharan Africa reduced the time and cost of resolving commercial dispute through the courts

Enforcing Contracts - Time (days)

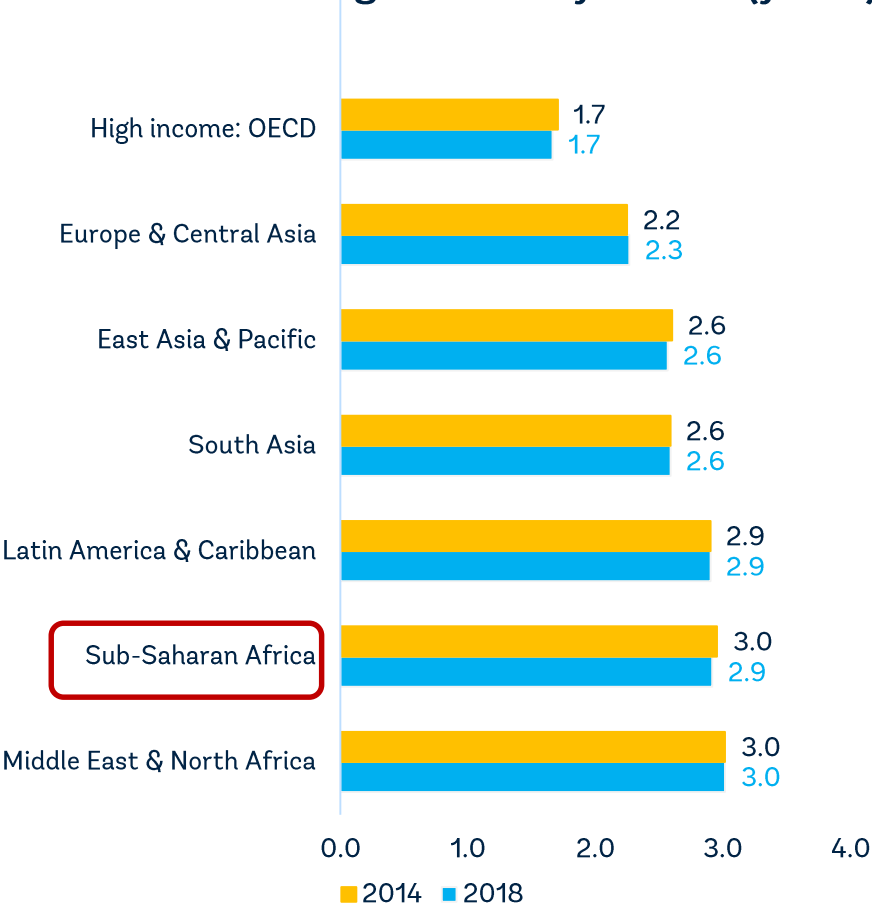


Enforcing Contracts - Cost (% of claim)

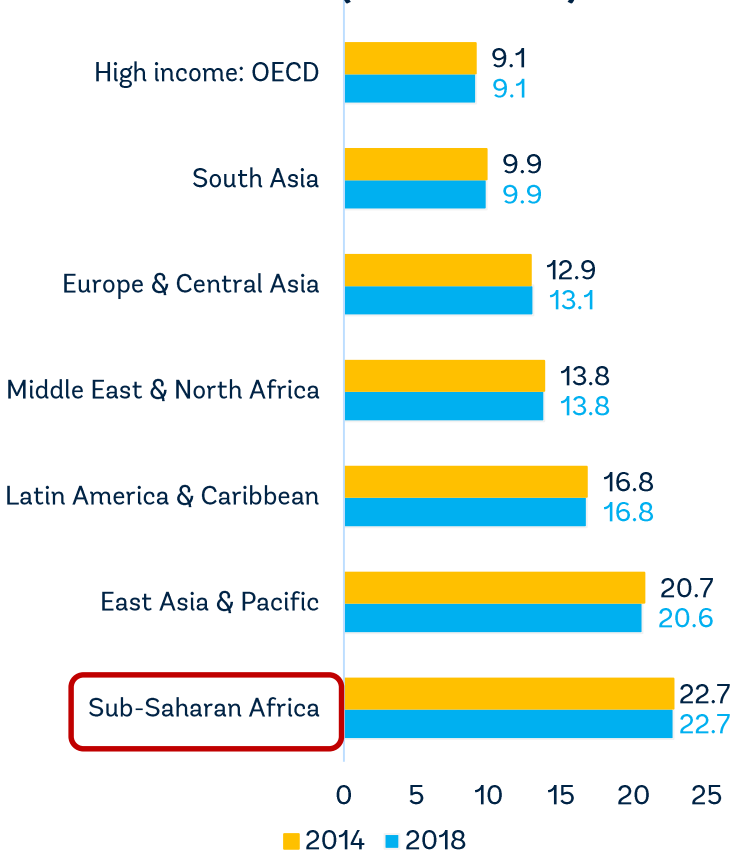


# Sub-Saharan Africa slightly **reduced** the **time** it takes to resolve insolvency, though **cost** stayed the same

### Resolving Insolvency - Time (years)



### Resolving Insolvency - Cost (% of estate)



## 3 of the top 10 economies improving the most across 3 or more areas in 2016/17 measured by *Doing Business 2018* are from Sub-Saharan Africa

TABLE 3.2 The 10 economies improving the most across three or more areas measured by *Doing Business* in 2016/17

Economy	Ease of doing business rank	Change in DTF score	Reforms making it easier to do business									
			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
Brunei Darussalam	56	5.77	✓	✓		✓	✓	✓	✓	✓	✓	
Thailand	26	5.65	✓		✓	✓	✓	✓	✓		✓	✓
Malawi	110	5.42		✓			✓			✓		✓
Kosovo	40	4.94	✓				✓					✓
India	100	4.66	✓	✓			✓	✓	✓	✓	✓	✓
Uzbekistan	74	4.50	✓	✓	✓			✓	✓			
Zambia	85	3.94					✓		✓	✓		
Nigeria	145	3.82	✓	✓		✓	✓		✓			
Djibouti	154	3.79	✓	✓		✓	✓	✓				
El Salvador	73	3.56		✓	✓				✓	✓		

Source: *Doing Business* database.

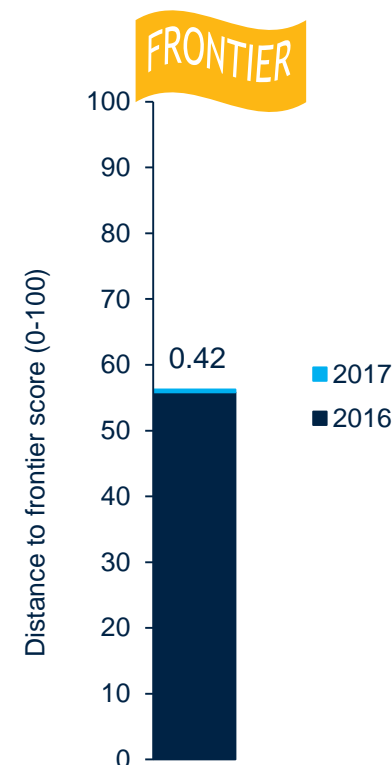
Note: Economies are selected on the basis of the number of reforms and ranked on how much their distance to frontier (DTF) score improved. First, *Doing Business* selects the economies that implemented reforms making it easier to do business in three or more of the 10 areas included in this year's aggregate distance to frontier score. Regulatory changes making it more difficult to do business are subtracted from the number of those making it easier. Second, *Doing Business* ranks these economies on the increase in their distance to frontier score from the previous year. The improvement in their score is calculated not by using the data published in 2017 but by using comparable data that capture data revisions and methodology changes. The choice of the most improved economies is determined by the largest improvements in the distance to frontier score among those with at least three reforms.

# Cabo Verde reformed 3 areas measured by *Doing Business* in 2016/17



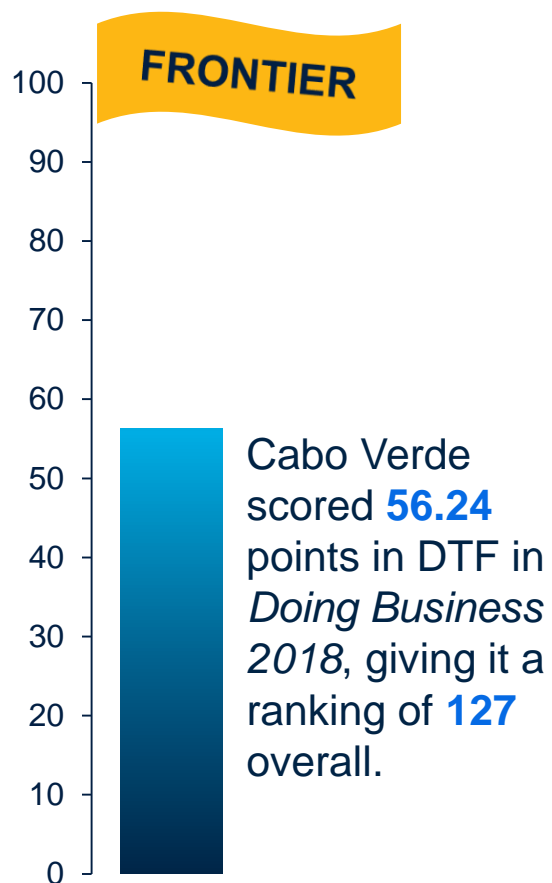
Where did **Cabo Verde reform** to improve its business environment in 2016/17?

	2016/17	2015/16	How did Cabo Verde do it?
<b>Dealing with Construction Permits</b>	Building quality control index is 11	Building quality control index was 10	<b>Published all regulations related to construction online free of charge.</b>
<b>Trading across Borders</b>	Time to export: Border compliance is 24 hours. Time to import: Border compliance is 24 hours.	Time to export: Border compliance is 48 hours. Time to import: Border compliance is 48 hours.	<b>Implementing an automated customs data management system, ASYCUDA World.</b>
<b>Resolving Insolvency</b>	Strength of insolvency framework index is 10	Strength of insolvency framework index was 6	<b>Adopted a law that facilitates continuation of the debtor's business during insolvency proceedings. The law also allows creditors greater participation in important decisions during insolvency proceedings.</b>

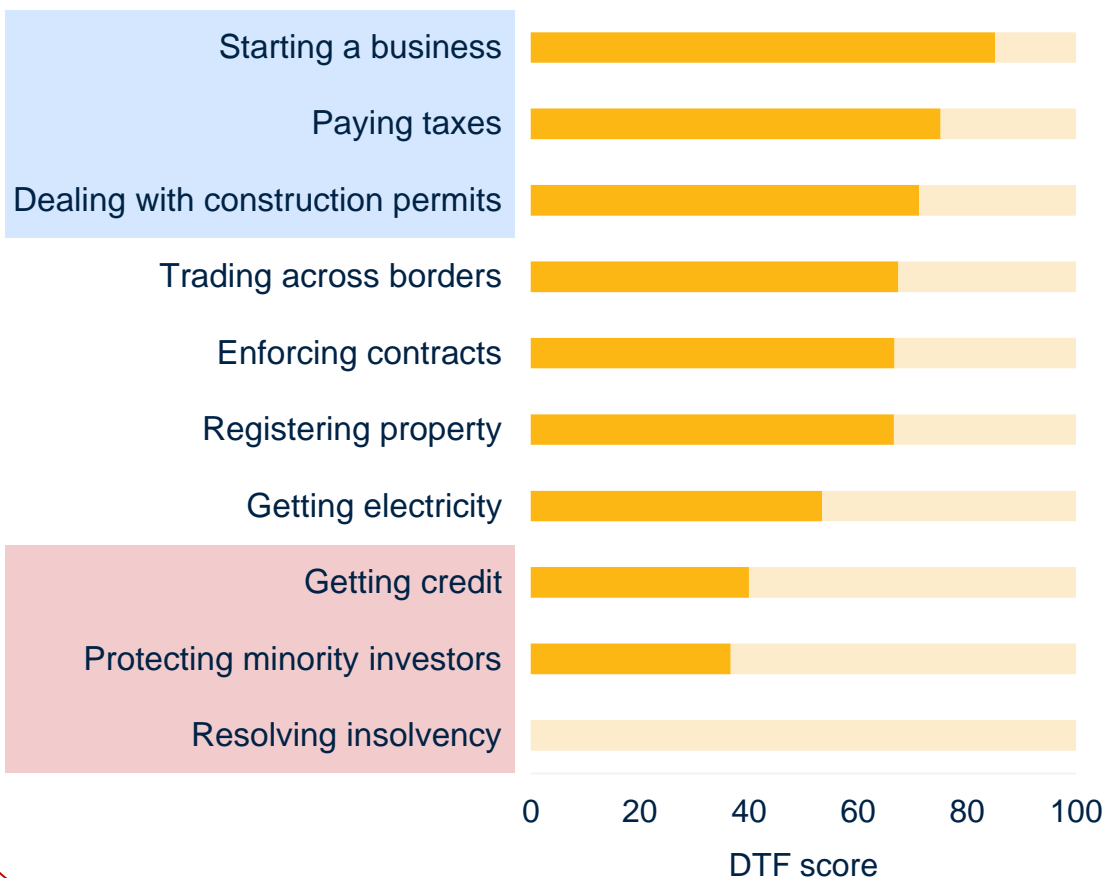


DB2018 rank: 127

# Doing Business in Cabo Verde – score



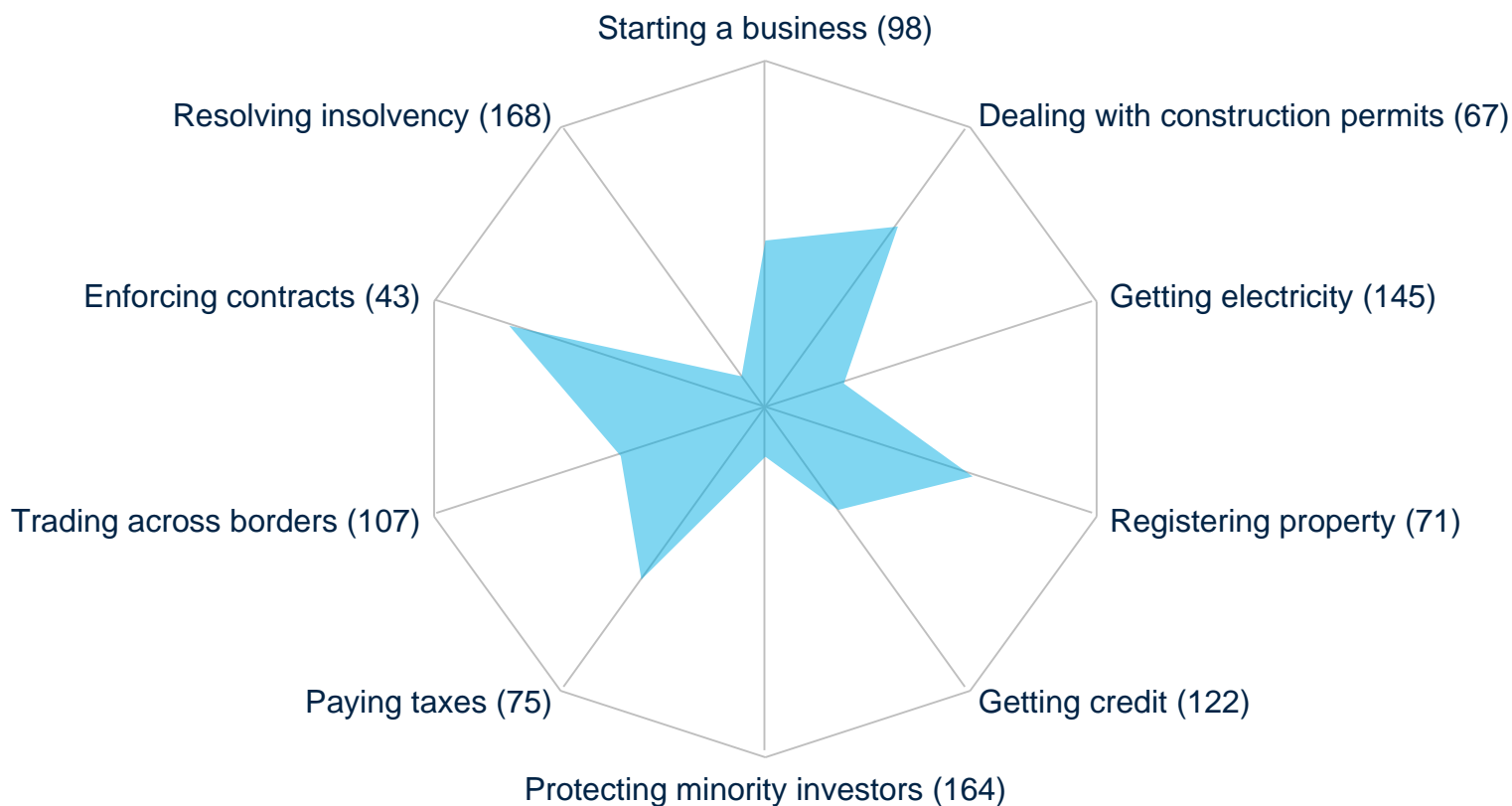
## Results on individual indicators



## Doing Business in Cabo Verde – ranking:

### Rankings on *Doing Business* topics – Cabo Verde

(Scale: Rank 190 center, Rank 1 outer edge)

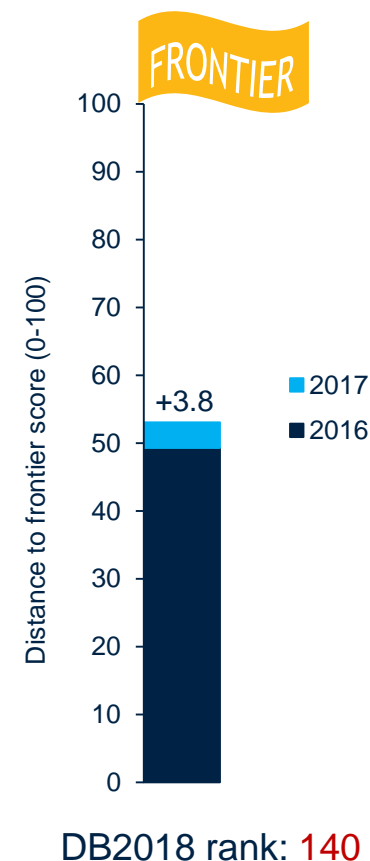


# Senegal reformed 5 areas measured by *Doing Business* in 2016/17



## Where did **Senegal reform** to improve its business environment in 2016/17?

	2016/17	2015/16	How did <b>Senegal</b> do it?
<b>Starting a Business</b>	It costs 33.8% of income per capita.	It cost 62.7% of income per capita.	<b>Reduced the notary fees for company incorporation.</b>
<b>Getting Electricity</b>	It costs 3619.6% of income per capita. Reliability of supply and transparency of tariff index is 5.	It cost 3822.3% of income per capita. Reliability of supply and transparency of tariff index was 0.	<b>Improved the monitoring and regulation of power outages.</b>
<b>Registering property</b>	It takes 56 days and costs 7.8% of the property value.	It took 71 days and cost 10.2% of the property value.	<b>Lowered the costs and reduced the time to transfer property.</b>

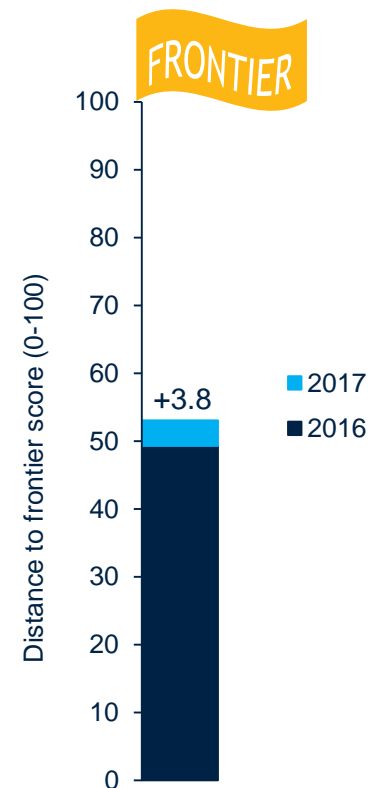


# Senegal reformed 3 areas measured by *Doing Business* in 2016/17



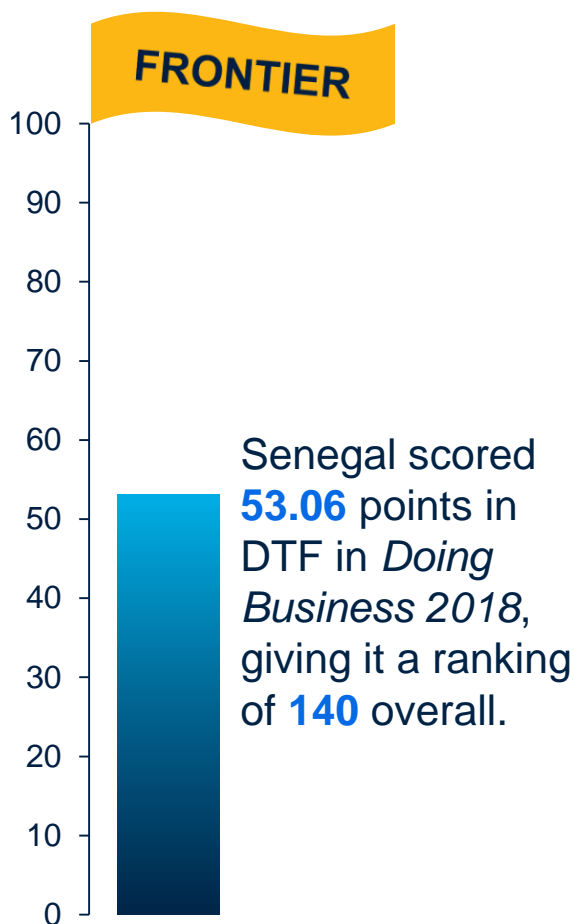
Where did **Senegal reform** to improve its business environment in 2016/17?

	2016/17	2015/16	How did <b>Senegal</b> do it?
<b>Paying Taxes</b>	Time to obtain a VAT refund is 16.9 weeks.	Time to obtain a VAT refund was 41.7 weeks.	<b>Introduced time limits to the General Tax Code for processing value added tax cash refunds.</b>
<b>Enforcing Contracts</b>	It takes 740 days.	It took 925 days.	<b>Introduced stricter pre-trial hearing rules.</b>

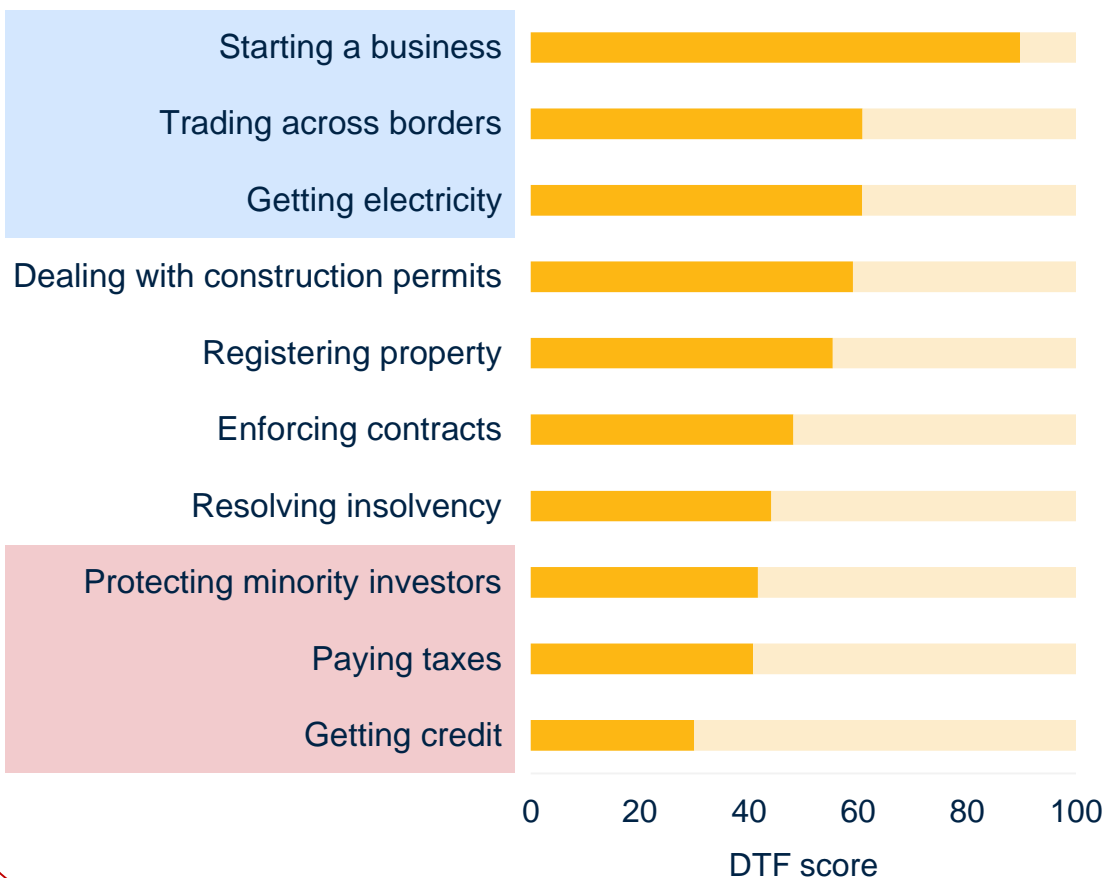


DB2018 rank: 140

# Doing Business in Senegal – score



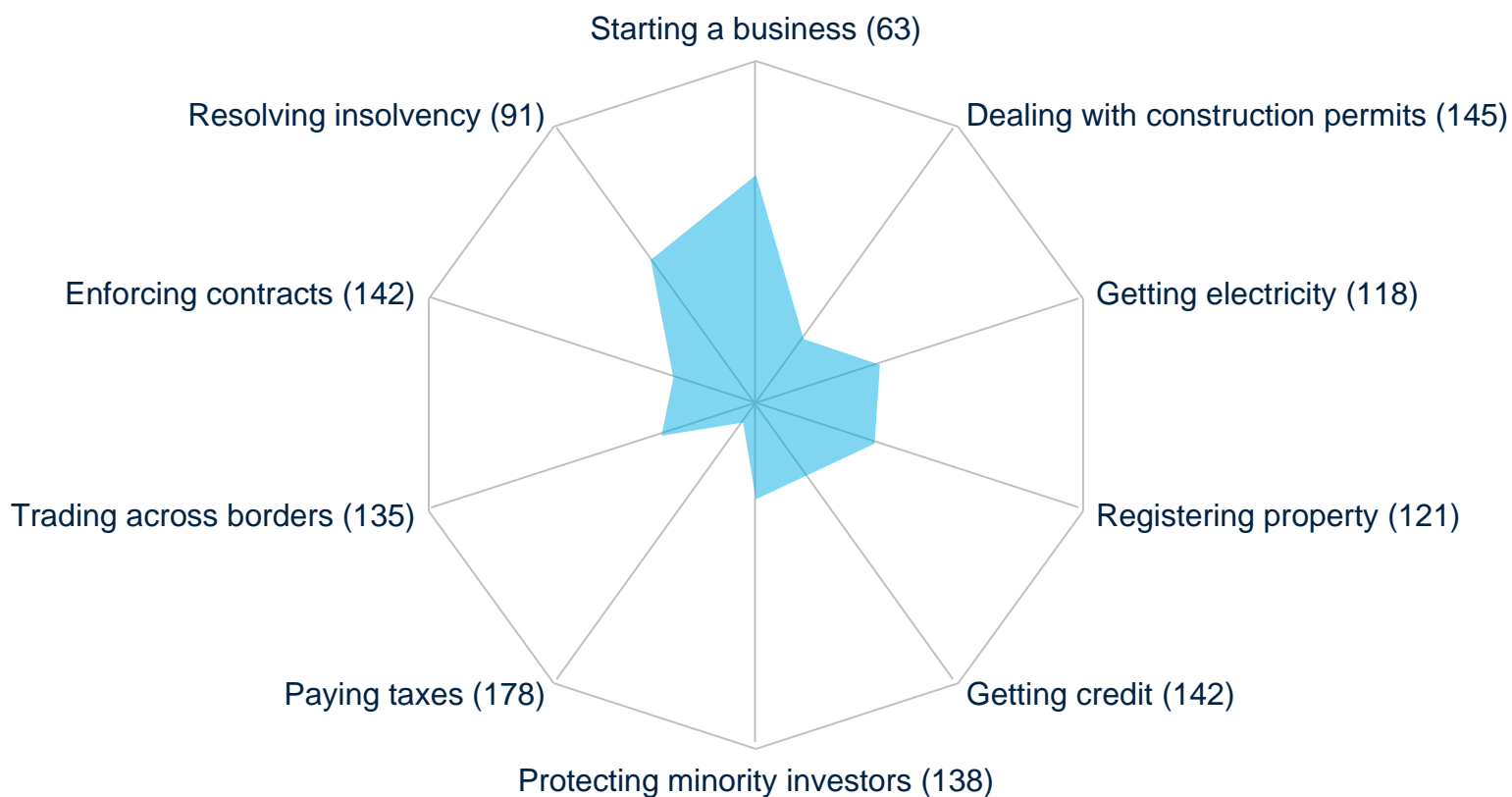
## Results on individual indicators



## Doing Business in Senegal – ranking:

### Rankings on *Doing Business* topics – Senegal

(Scale: Rank 190 center, Rank 1 outer edge)

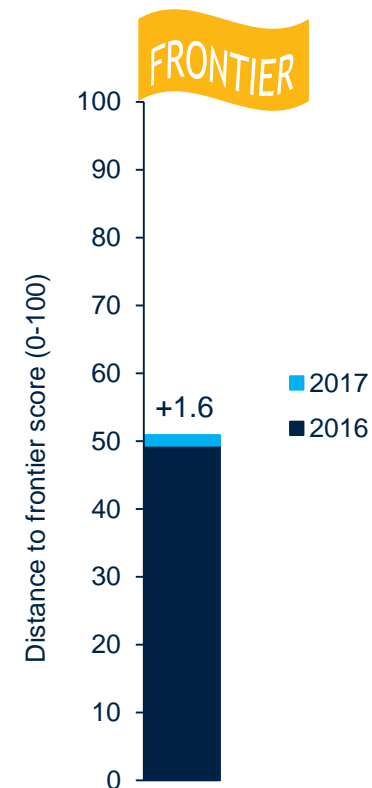


# Mauritania reformed 5 areas measured by *Doing Business* in 2016/17



Where did **Mauritania reform** to improve its business environment in 2016/17?

	2016/17	2015/16	How did <b>Mauritania</b> do it?
<b>Starting a Business</b>	It takes 4 procedures and 6 days.	It took 7 procedures and 8 days.	<b>Combined multiple registration procedures.</b>
<b>Registering Property</b>	Quality of land administration index is 7.	Quality of land administration index was 6.	<b>Increased transparency of the land registry.</b>
<b>Paying Taxes</b>	Number of payments per year is 33. It takes 270 hours per year to prepare, file and pay.	Number of payments per year was 45. It took 300 hours per year to prepare, file and pay.	<b>Allowed quarterly filing and payment of social security contributions.</b>



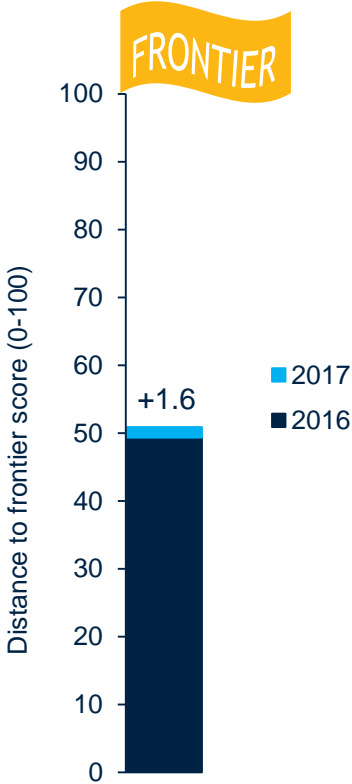
DB2018 rank: **150**

# Mauritania reformed 5 areas measured by *Doing Business* in 2016/17



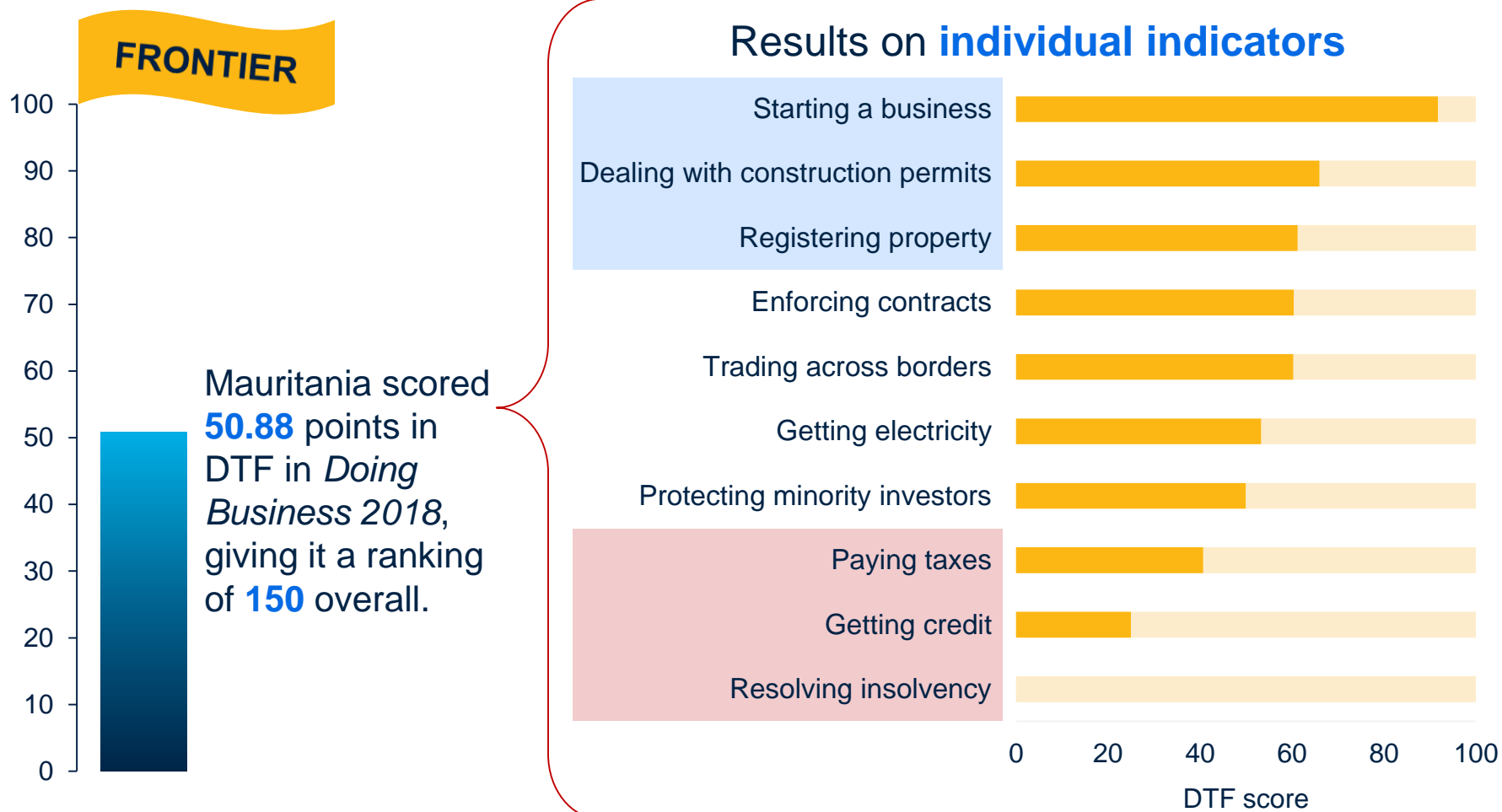
## Where did Mauritania reform to improve its business environment in 2016/17?

	2016/17	2015/16	How did Mauritania do it?
<b>Trading Across Borders</b>	<p>Time to export: Border compliance is 62 hours.</p> <p>Time to import: Border compliance is 69 hours.</p>	<p>Time to export: Border compliance was 72 hours.</p> <p>Time to import: Border compliance was 84 hours.</p>	<p><b>Improved the Port of Nouakchott: eliminated the requirement to weigh all import containers, invested in infrastructure, streamlined the movement of cargo and consolidated the payment of fees.</b></p>
<b>Enforcing Contracts</b>	<p>Quality of the judicial administration index is 5.</p>	<p>Quality of the judicial administration index is 4.</p>	<p><b>Made judgments rendered at all levels in commercial cases available to the general public on the courts' websites.</b></p>



DB2018 rank: 150

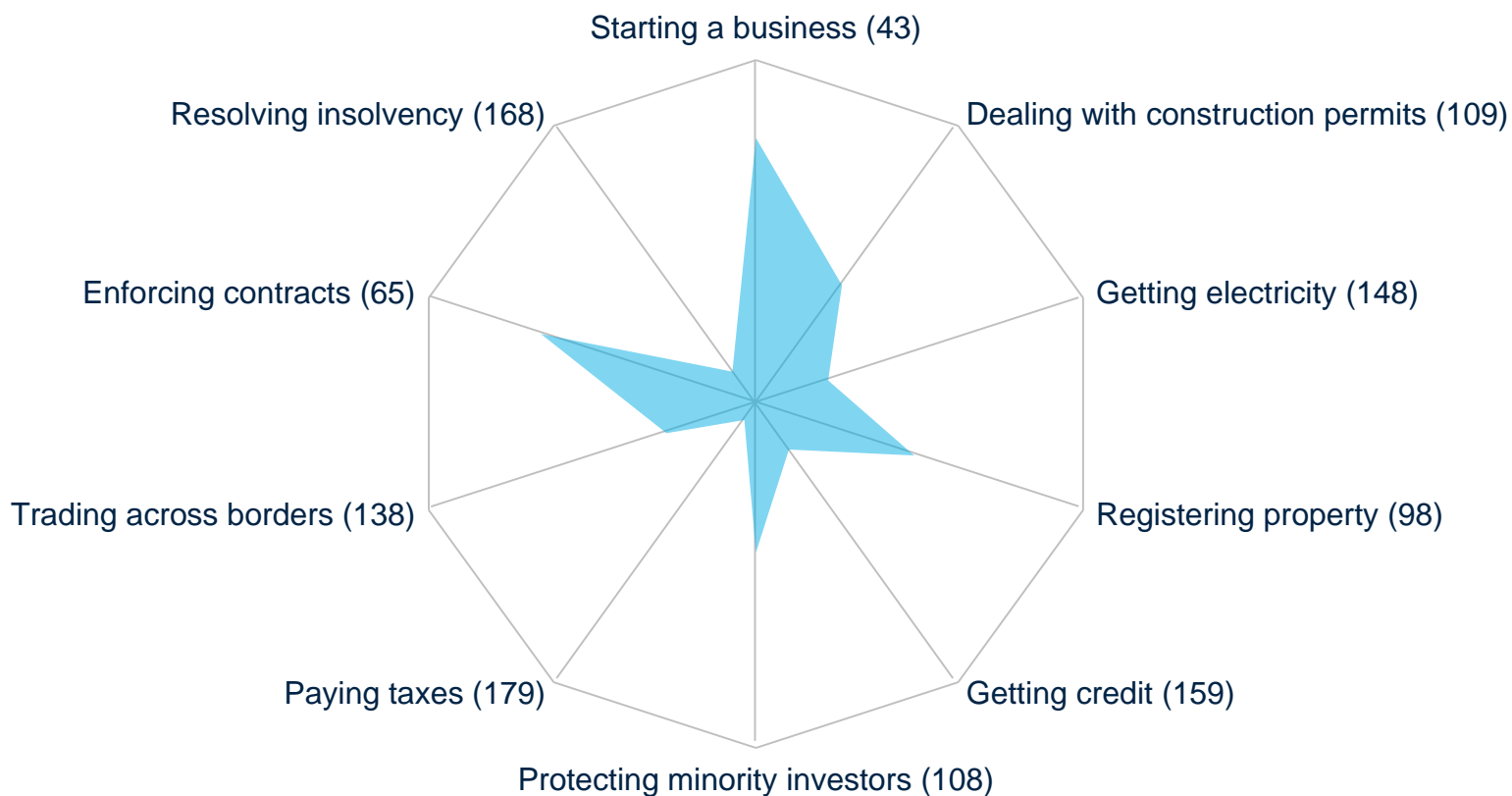
# Doing Business in Mauritania – score



## Doing Business in Mauritania – ranking:

### Rankings on *Doing Business* topics – Mauritania

(Scale: Rank 190 center, Rank 1 outer edge)

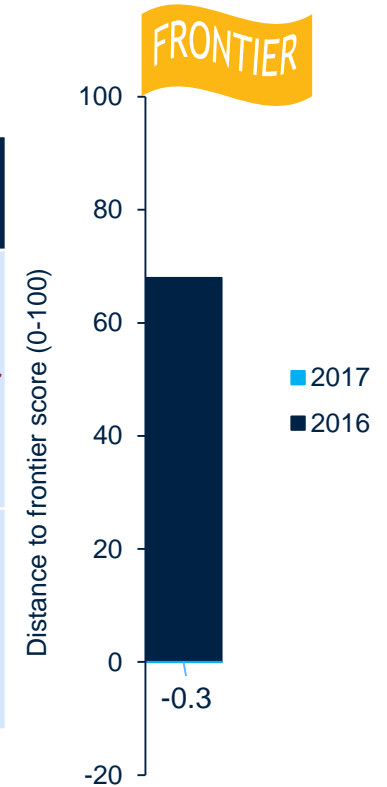


# Morocco reformed 2 areas measured by *Doing Business* in 2016/17



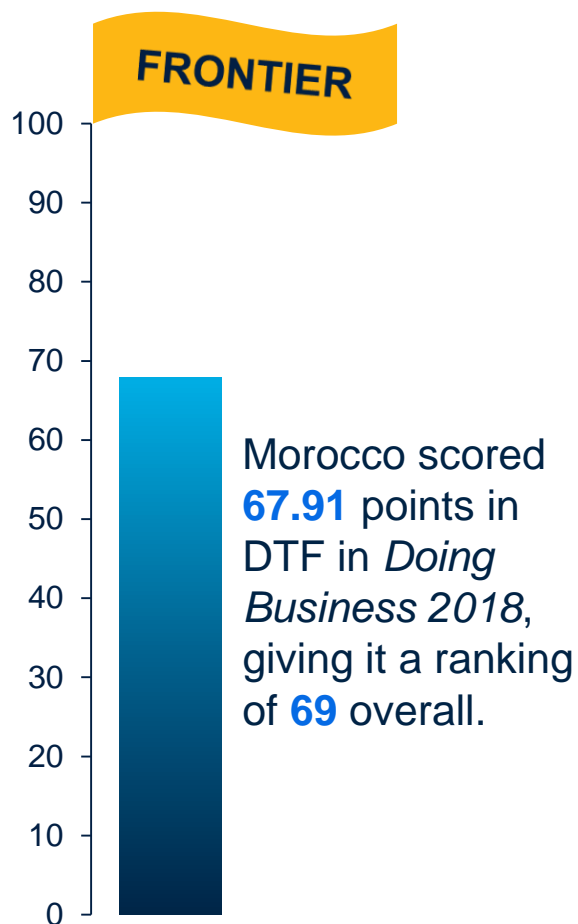
Where did **Morocco reform** to improve its business environment in 2016/17?

	2016/17	2015/16	How did <b>Morocco</b> do it?
<b>Starting a Business</b>	4 Procedures Time is 9 days	5 Procedures Time was 10 days	<b>Combined the stamp duty payment with the application for business incorporation.</b>
<b>Paying taxes</b>	Time is 155 hours	Time was 211 hours	<b>Made paying taxes easier by improving the online system for filing and paying taxes.</b>

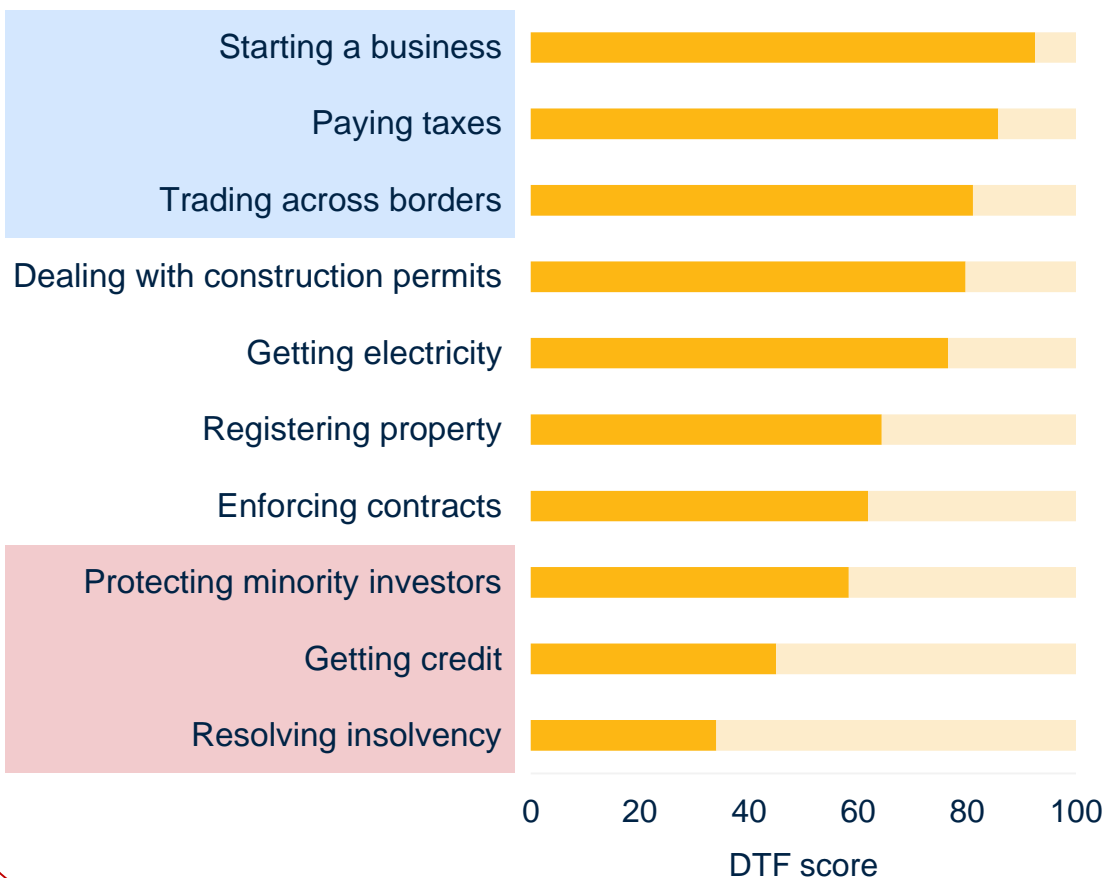


DB2018 rank: 69

# Doing Business in Morocco – score



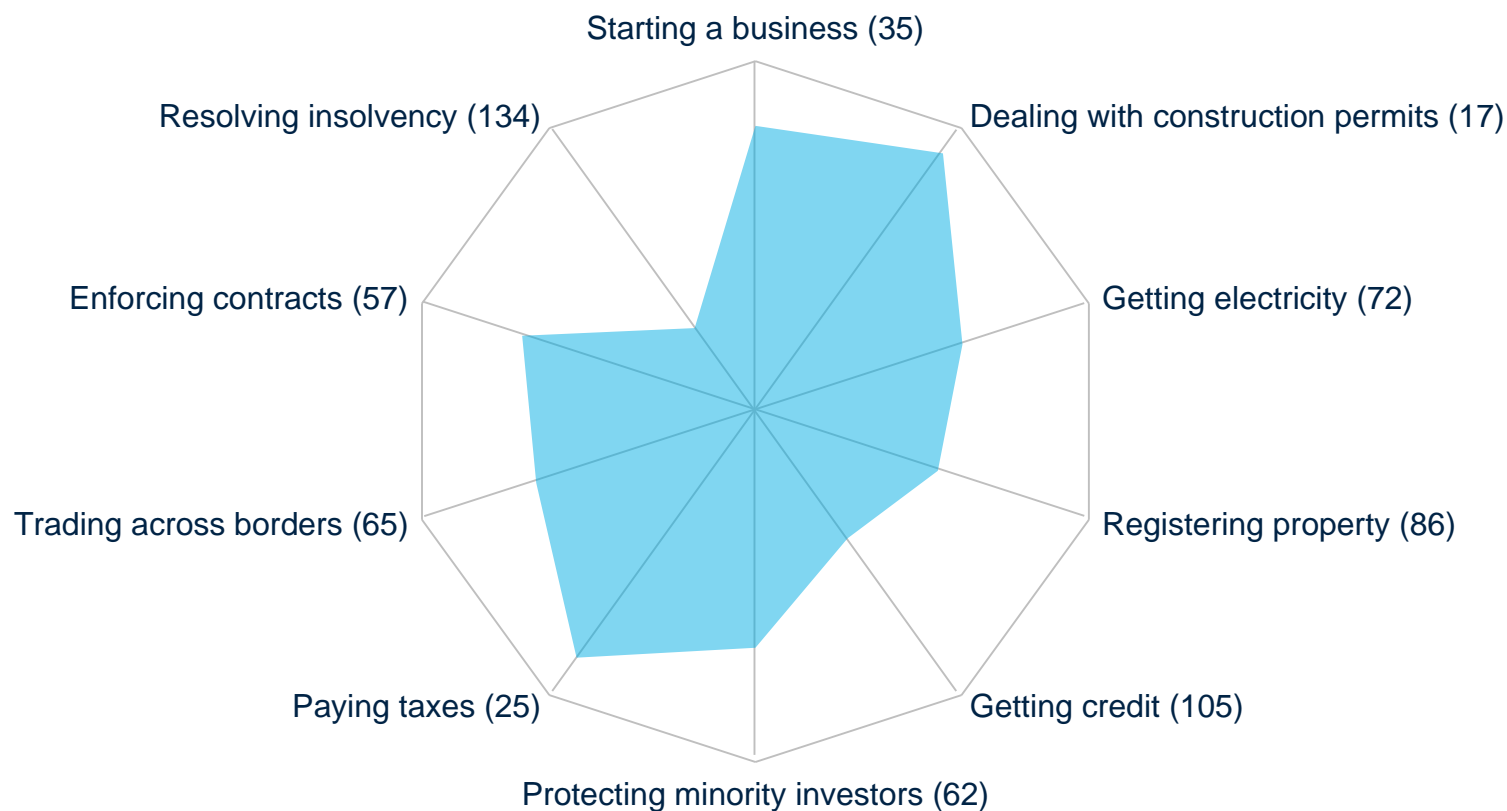
## Results on individual indicators



## Doing Business in Morocco – ranking:

### Rankings on *Doing Business* topics – Morocco

(Scale: Rank 190 center, Rank 1 outer edge)



# Gracias!

Preguntas

[www.doingbusiness.org](http://www.doingbusiness.org)



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