

Doing Business 2011

Slovenia

Making a Difference for Entrepreneurs

COMPARING BUSINESS REGULATION IN 183 ECONOMIES



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Doing Business 2011
Business Reforms

Doing Business 2011: Making a Difference for Entrepreneurs is the eighth in a series of annual reports investigating regulations that enhance business activity and those that constrain it. *Doing Business* presents quantitative indicators on business regulations and the protection of property rights that can be compared across 183 economies, from Afghanistan to Zimbabwe, over time.

A set of regulations affecting 9 stages of a business's life are measured: starting a business, dealing with construction permits, registering property, getting credit, protecting investors, paying taxes, trading across borders, enforcing contracts and closing a business. Data in *Doing Business 2011* are current as of June 1, 2010*. The indicators are used to analyze economic outcomes and identify what reforms have worked, where, and why.

The Doing Business methodology has limitations. Other areas important to business such as an economy's proximity to large markets, the quality of its infrastructure services (other than those related to trading across borders), the security of property from theft and looting, the transparency of government procurement, macroeconomic conditions or the underlying strength of institutions, are not studied directly by Doing Business. To make the data comparable across economies, the indicators refer to a specific type of business, generally a local limited liability company operating in the largest business city. Because standard assumptions are used in the data collection, comparisons and benchmarks are valid across economies. The data not only highlight the extent of obstacles to doing business; they also help identify the source of those obstacles, supporting policymakers in designing reform.

The data set covers 183 economies: 46 in Sub-Saharan Africa, 32 in Latin America and the Caribbean, 25 in Eastern Europe and Central Asia, 24 in East Asia and Pacific, 18 in the Middle East and North Africa and 8 in South Asia, as well as 30 OECD high-income economies.

The following pages present the summary Doing Business indicators for Slovenia. The data used for this economy profile come from the Doing Business database and are summarized in graphs. These graphs allow a comparison of the economies in each region not only with one another but also with the "good practice" economy for each indicator.

The good-practice economies are identified by their position in each indicator as well as their overall ranking and by their capacity to provide good examples of business regulation to other countries. These good-practice economies do not necessarily rank number 1 in the topic or indicator, but they are in the top 10.

More information is available in the full report. *Doing Business 2011: Making a Difference for Entrepreneurs* presents the indicators, analyzes their relationship with economic outcomes and recommends reforms. The data, along with information on ordering the report, are available on the Doing Business website (www.doingbusiness.org).

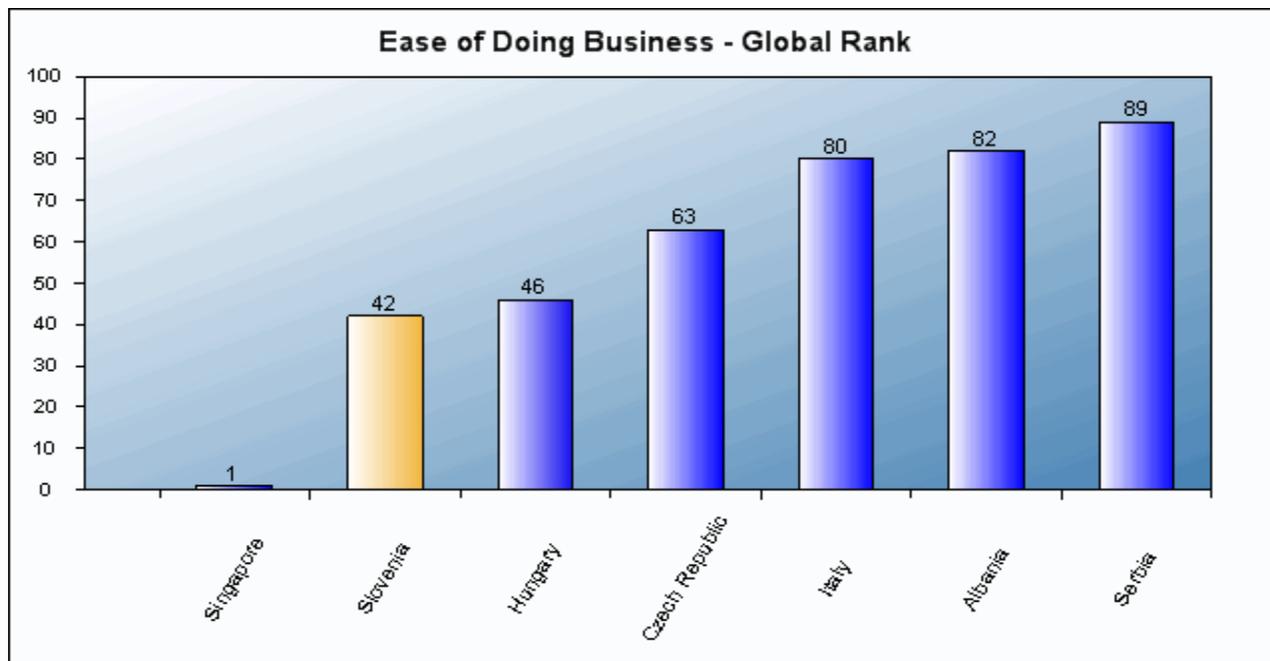
* Except for the Paying Taxes indicator that refers to the period January to December of 2009.

Note: 2008-2010 Doing Business data and rankings have been recalculated to reflect changes to the methodology and the addition of new economies (in the case of the rankings).

Economy Rankings - Ease of Doing Business

Slovenia is ranked 42 out of 183 economies. Singapore is the top ranked economy in the Ease of Doing Business.

Slovenia - Compared to global good practice economy as well as selected economies:



Slovenia's ranking in Doing Business 2011

Rank	Doing Business 2011
Ease of Doing Business	42
Starting a Business	28
Dealing with Construction Permits	63
Registering Property	97
Getting Credit	116
Protecting Investors	20
Paying Taxes	80
Trading Across Borders	56
Enforcing Contracts	60
Closing a Business	38

Summary of Indicators - Slovenia

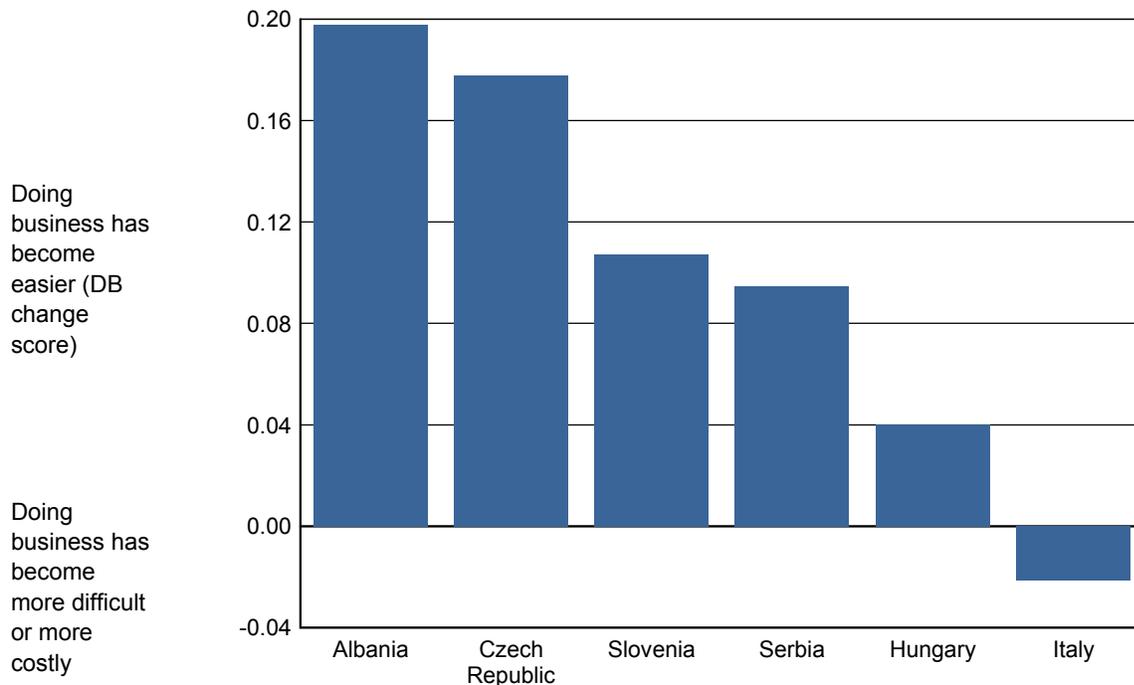
Starting a Business	Procedures (number)	2
	Time (days)	6
	Cost (% of income per capita)	0.0
	Min. capital (% of income per capita)	45.0
Dealing with Construction Permits	Procedures (number)	14
	Time (days)	199
	Cost (% of income per capita)	85.1
Registering Property	Procedures (number)	6
	Time (days)	113
	Cost (% of property value)	2.1
Getting Credit	Strength of legal rights index (0-10)	5
	Depth of credit information index (0-6)	2
	Public registry coverage (% of adults)	2.7
	Private bureau coverage (% of adults)	0.0
Protecting Investors	Extent of disclosure index (0-10)	3
	Extent of director liability index (0-10)	9
	Ease of shareholder suits index (0-10)	8
	Strength of investor protection index (0-10)	6.7
Paying Taxes	Payments (number per year)	22
	Time (hours per year)	260
	Profit tax (%)	14.8
	Labor tax and contributions (%)	18.2
	Other taxes (%)	2.4
	Total tax rate (% profit)	35.4
Trading Across Borders	Documents to export (number)	6
	Time to export (days)	19
	Cost to export (US\$ per container)	710
	Documents to import (number)	8
	Time to import (days)	17
	Cost to import (US\$ per container)	765

Enforcing Contracts	Procedures (number)	32
	Time (days)	1290
	Cost (% of claim)	12.7
Closing a Business	Recovery rate (cents on the dollar)	50.9
	Time (years)	2.0
	Cost (% of estate)	4

The 5 year measure of cumulative change illustrates how the business regulatory environment has changed in 174 economies from *Doing Business 2006* to *Doing Business 2011*. Instead of highlighting which countries currently have the most business friendly environment, this new approach shows the extent to which an economy's regulatory environment for business has changed compared with 5 years ago.

This snapshot reflects all cumulative changes in an economy's business regulation as measured by the Doing Business indicators-such as a reduction in the time to start a business thanks to a one-stop shop or an increase in the strength of investor protection index thanks to new stock exchange rules that tighten disclosure requirements for related-party transactions.

This figure shows the distribution of cumulative change across the 9 indicators and time between *Doing Business 2006* and *Doing Business 2011*



Many economies have undertaken reforms to smooth the starting a business process in stages—and often as part of a larger regulatory reform program. A number of studies have shown that among the benefits of streamlining the process to start a business have been greater firm satisfaction and savings and more registered businesses, financial resources and job opportunities. Economies with higher entry costs are associated with a larger informal sector and a smaller number of legally registered firms.

Some reform outcomes

In Egypt reductions of the minimum capital requirement in 2007 and 2008 led to an increase of more than 30% in the number of limited liability companies.

In Portugal creation of One-Stop Shop in 2006 and 2007 resulted in a reduction of time to start a business from 54 days to 5. In 2007 and 2008 new business registrations were up by 60% compared with 2006.

In Malaysia reduction of registration fees in 2008 led to an increase in registrations by 16% in 2009.

What does Starting a Business measure?

Procedures to legally start and operate a company (number)

- Preregistration (for example, name verification or reservation, notarization)
- Registration
- Post registration (for example, social security registration, company seal)

Time required to complete each procedure (calendar days)

- Does not include time spent gathering information
- Each procedure starts on a separate day
- Procedure 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

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

- Deposited in a bank or with a notary prior to registration begins

Starting a Business: getting a local limited liability company up and running
Rankings are based on 4 subindicators



Case Study Assumptions

- Doing Business records all procedures that are officially required for an entrepreneur to start up and formally operate an industrial or commercial business.
- Any required information is readily available and that all agencies involved in the start-up process function without corruption.

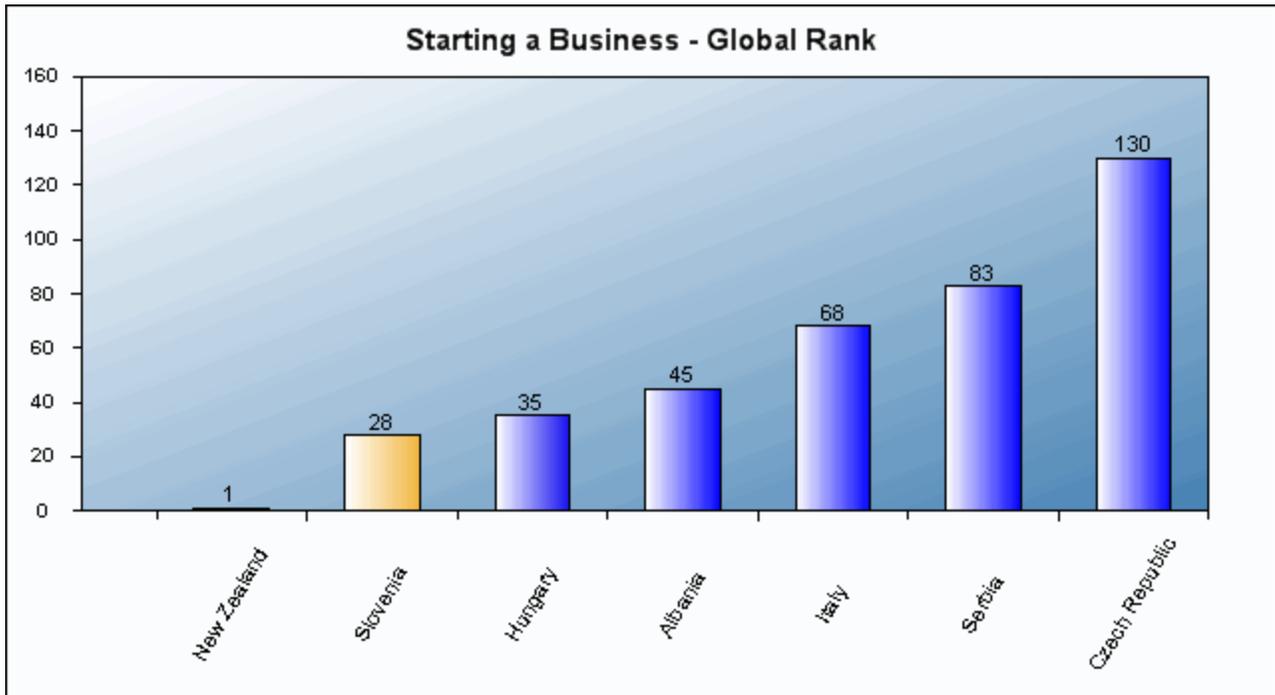
The business:

- is a limited liability company, located in the largest business city
- conducts general commercial activities
- is 100% domestically owned
- has a start-up capital of 10 times income per capita
- has a turnover of at least 100 times income per capita
- has at least 10 and up to 50 employees
- does not qualify for investment incentives or any special benefits
- leases the commercial plant and offices and is not a proprietor of real estate

1. Benchmarking Starting a Business Regulations:

Slovenia is ranked 28 overall for Starting a Business.

Ranking of Slovenia in Starting a Business - Compared to good practice and selected economies:



The following table shows Starting a Business data for Slovenia compared to good practice and comparator economies:

Good Practice Economies	Procedures (number)	Time (days)	Cost (% of income per capita)	Min. capital (% of income per capita)
Denmark*			0.0	
New Zealand*	1	1		0.0

<i>Selected Economy</i>				
Slovenia	2	6	0.0	45.0

<i>Comparator Economies</i>				
Albania	5	5	16.8	0.0
Czech Republic	9	20	9.3	30.9
Hungary	4	4	8.2	10.2
Italy	6	6	18.5	10.1
Serbia	7	13	7.9	6.0

* The following economies are also good practice economies for :

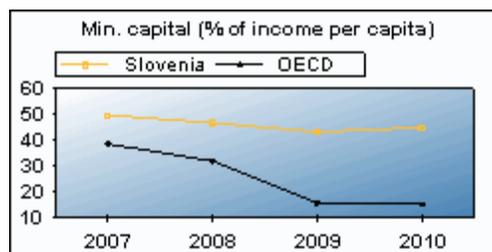
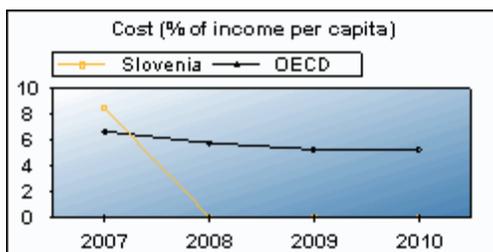
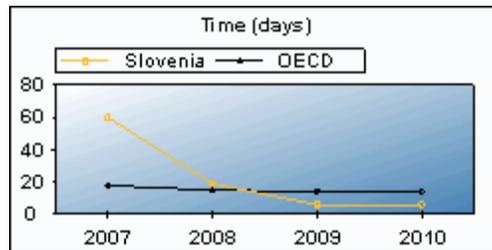
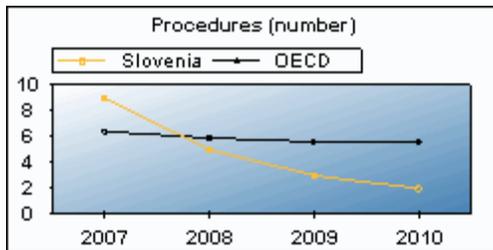
Procedures (number): **Canada**

Cost (% of income per capita): **Slovenia**

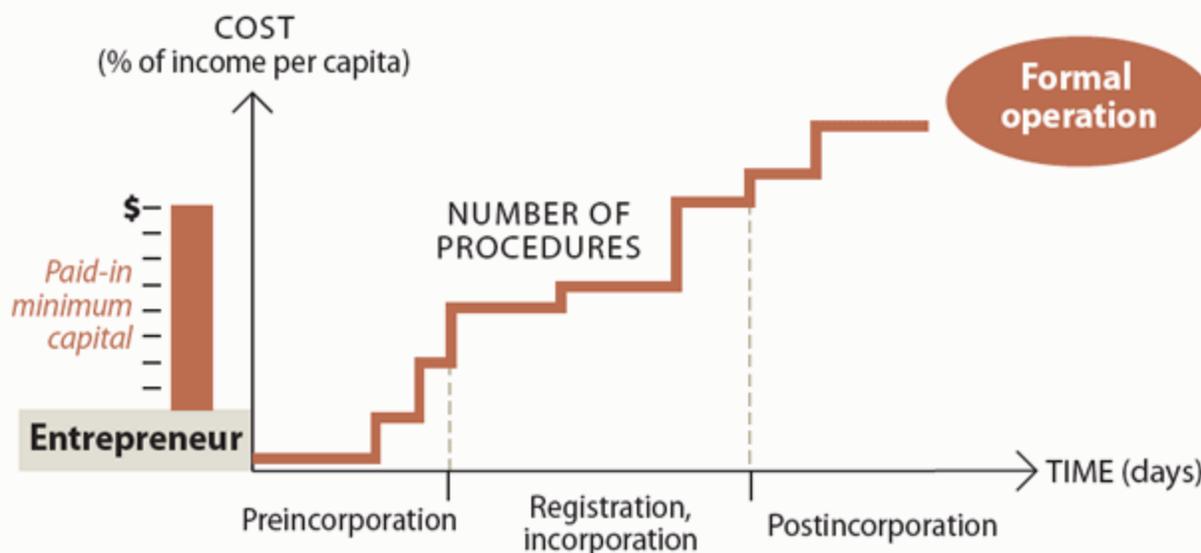
2. Historical data: Starting a Business in Slovenia

Starting a Business data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	25	28
Procedures (number)	9	5	3	2
Time (days)	60	19	6	6
Cost (% of income per capita)	8.5	0.1	0.0	0.0
Min. capital (% of income per capita)	49.8	46.8	43.3	45.0

3. The following graphs illustrate the Starting a Business sub indicators in Slovenia over the past 4 years:



What are the time, cost, paid-in minimum capital and number of procedures to get a local, limited liability company up and running?



This table summarizes the procedures and costs associated with setting up a business in Slovenia.

STANDARDIZED COMPANY

Legal Form: Druzba z omejeno odgovornostjo (D.O.O.)

City: Ljubljana

Registration Requirements:

No:	Procedure	Time to complete	Cost to complete
1	Deposit capital in a bank account and get a receipt from the bank	1	no charge
2	Register at the electronic One-stop shop: E-vem	5	no charge

Starting a Business Details - Slovenia

Procedure 1 Deposit capital in a bank account and get a receipt from the bank

Time to complete: 1

Cost to complete: no charge

Comment: The minimum founding capital is EUR 7,500. The founding capital, or the base capital contribution can be paid in cash or as a non-cash contribution. Non-cash contribution include movables, real property, rights or any other non-cash assets. Before filing the application for entry, the partner must provide for at least one-quarter of the nominal capital, and the total value of all guaranteed contributions must amount to at least EUR 7,500.

In order for an applicant to be able to file the application for registration at the e-VEM access point, they must demonstrate a certificate on the paid-in founding capital. The deposit account where the founding capital is deposited can be opened at a bank teller or electronically via the e-VEM web portal, which some banks already support and others are expected to join the system in the near future. The participating corporate banks allow e-VEM points to check for themselves whether the capital has been deposited to the bank account, and they can print out the certificate on the payment of the founding capital using the bank's information system data.

Procedure 2 Register at the electronic One-stop shop: E-vem

Time to complete: 5

Cost to complete: no charge

Comment: On 1 February 2008 single access points (VEM) began to operate for Limited Liability Companies. This reform is aimed at lowering of costs for establishment of LLC companies and at simplification of administrative procedures. Founders may establish a LLC at the VEM point under two conditions: (1) all the contributions have to be paid in cash and prior to the registration of the company and (2) the articles of association have to be drafted in a special form (only mandatory and most common provisions can be incorporated in this form). In order to found a LLC, founders have to visit the VEM entry point in person, as the authorized person has to carry out their identification. VEM points will allow procedures to be dealt on line such as :

- Limited Liability companies can go directly to the VEM, the deed is sent to point VEM or to the registration body through electronic channels, it must be signed by means of a safe electronic signature with qualified certificate (The qualified certificate is the special digital certificate for identity check and electronic operation at the VEM point services)
- Standarts Articles of Association : help the founders to draft the articles of association, verify their signatures where necessary and draft the corresponding preposition for registration of the company at the court register. However it is still the common practise to have the statutes and the articles of associations prepared and certified by the notary.
- Publication : Even if this requirement is not mandatory anymore, E-VEM allows for the company information to be available online. This information is so automatically published, which helped to shorten the time for starting a business in Slovenia.
- Register with the Statistical Office of Slovenia : the court register automatically forwards all the required information to AJPES. The information is then entered in the Business Register and published online. Court register and business register are technically united in one information base and are now both run by AJPES.
- Register with the tax administration- the tax information is trasmitted through E-VEM and data is entered automatically when it is received from E-VEM.

- Register with the Health Institute.

In many economies, especially developing ones, complying with building regulations is so costly in time and money that many builders opt out. Builders may pay bribes to pass inspections or simply build illegally, leading to hazardous construction. Where the regulatory burden is large, entrepreneurs may tend to move their activity into the informal economy. There they operate with less concern for safety, leaving everyone worse off. In other economies compliance is simple, straightforward and inexpensive, yielding better results.

Some reform outcomes

In Burkina Faso, a one-stop shop for construction permits, "Centre de Facilitation des Actes de Construire", was opened in May 2008. The new regulation merged 32 procedures into 15, reduced the time required from 226 days to 122 and cut the cost by 40%. From May 2009 to May 2010 611 building permits were granted in Ouagadougou, up from an average of about 150 a year in 2002-06.

Toronto, Canada revamped its construction permitting process in 2005 by introducing time limits for different stages of the process and presenting a unique basic list of requirements for each project. Later it provided for electronic information and risk-based approvals with fast-track procedures. Between 2005 and 2008 the number of commercial building permits increased by 17%, the construction value of new commercial buildings by 84%.

What does the Dealing with Construction Permits indicator measure?

Procedures to legally build a warehouse (number)

- Submitting all relevant documents and obtaining all necessary clearances, licenses, permits and certificates
- Completing all required notifications and receiving all necessary inspections
- Obtaining utility connections for electricity, water, sewerage and a land telephone line
- Registering the warehouse after its completion (if required for use as collateral or for transfer of warehouse)

Time required to complete each procedure (calendar days)

- Does not include time spent gathering information
- Each procedure starts on a separate day
- Procedure 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

Case Study Assumptions

The business:

- is a small to medium-size limited liability company in the construction industry, located in the economy's largest business city
- is 100% domestically and privately owned and operated
- has 60 builders and other employees
- has at least one employee who is a licensed architect and registered with the local association of architects

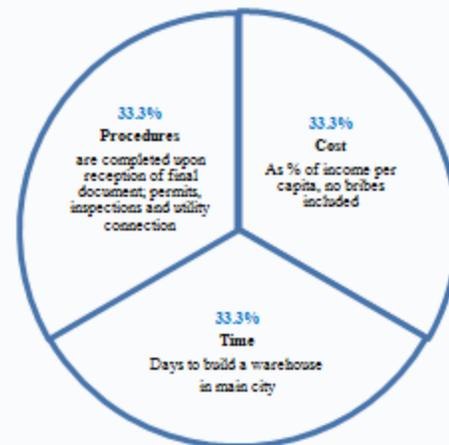
The warehouse:

- is a new construction (there was no previous construction on the land)
- has 2 stories, both above ground, with a total surface of approximately 1,300.6 sq. meters (14,000 sq. feet)
- has complete architectural and technical plans prepared by a licensed architect
- will be connected to electricity, water, sewerage (sewage system, septic tank or their equivalent) and a land telephone line
- will be used for general storage of non-hazardous goods, such as books
- will take 30 weeks to construct (excluding all delays due to administrative and regulatory requirements)

Dealing with Construction Permits:

Building a warehouse

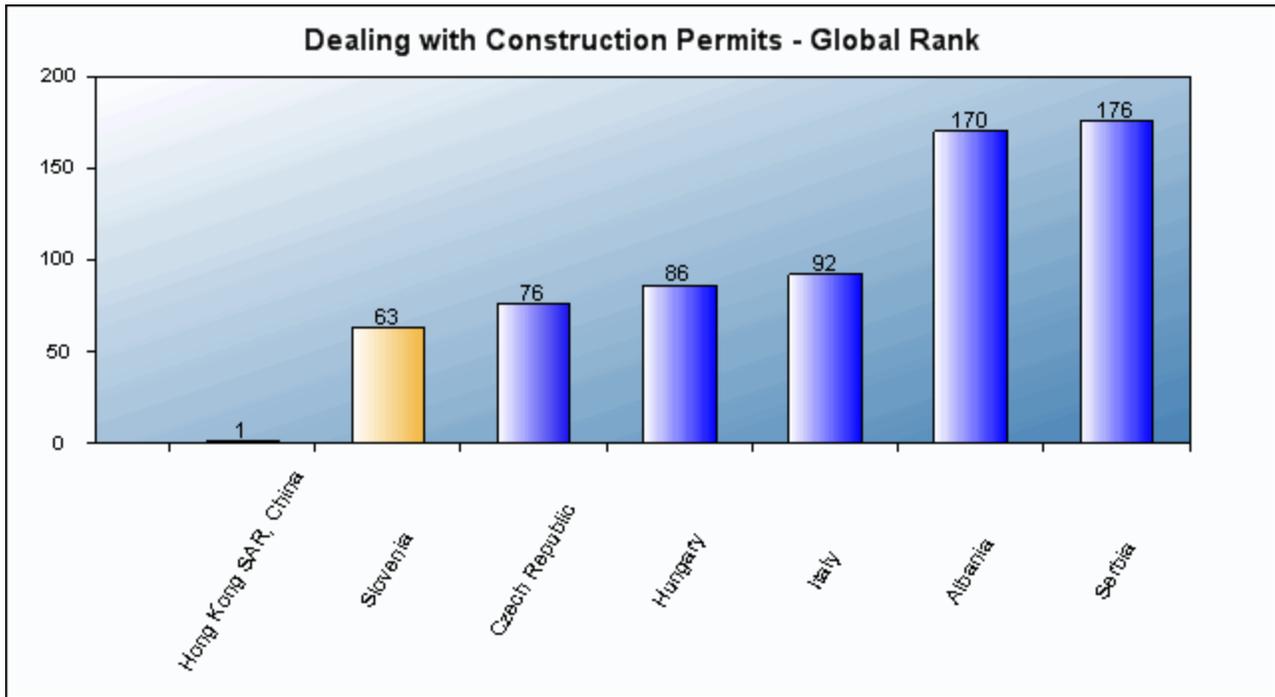
Rankings are based on 3 subindicators



1. Benchmarking Dealing with Construction Permits Regulations:

Slovenia is ranked 63 overall for Dealing with Construction Permits.

Ranking of Slovenia in Dealing with Construction Permits - Compared to good practice and selected economies:



The following table shows Dealing with Construction Permits data for Slovenia compared to good practice and comparator economies:

Good Practice Economies	Procedures (number)	Time (days)	Cost (% of income per capita)
Denmark	6		
Qatar			0.8
Singapore		25	

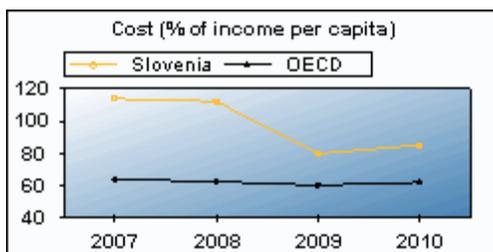
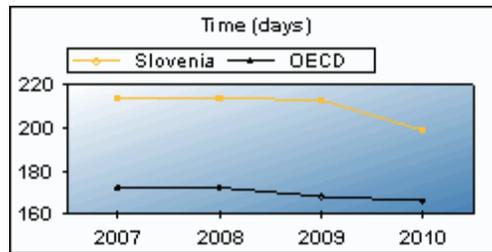
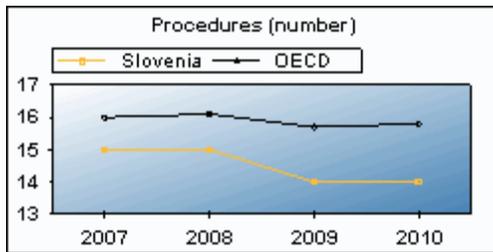
<i>Selected Economy</i>			
Slovenia	14	199	85.1

<i>Comparator Economies</i>			
Albania	24	331	381.3
Czech Republic	36	150	16.4
Hungary	31	189	9.8
Italy	14	257	142.3
Serbia	20	279	1821.4

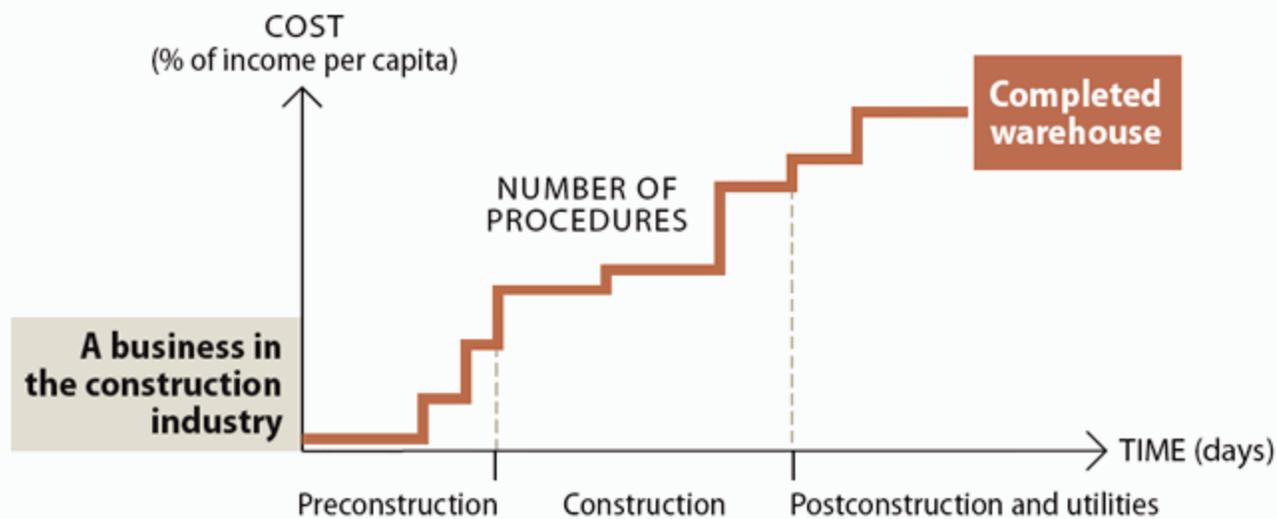
2. Historical data: Dealing with Construction Permits in Slovenia

Dealing with Construction Permits data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	63	63
Procedures (number)	15	15	14	14
Time (days)	214	214	213	199
Cost (% of income per capita)	113.9	112.2	79.9	85.1

3. The following graphs illustrate the Dealing with Construction Permits sub indicators in Slovenia over the past 4 years:



What are the time, cost and number of procedures to comply with formalities to build a warehouse?



The table below summarizes the procedures, time, and costs to build a warehouse in Slovenia.

BUILDING A WAREHOUSE

City: Ljubljana

Registration Requirements:

No:	Procedure	Time to complete	Cost to complete
1	Obtain the location information	1 day	EUR 18
2	Obtain project conditions from water and sewage provider	15 days	no charge
3 *	Obtain project conditions from electricity company	15 days	no charge
4	Obtain project approval from electricity company	30 days	no charge
5 *	Obtain project approval from water and sewage provider	30 days	no charge
6	Apply for and obtain a building permit from the Administration Unit Ljubljana	60 days	EUR 729
7 *	Hire a geodesist company to conduct marking out before construction and after construction	1 day	EUR 960
8	File the report of the construction site with the Labor Inspection	1 day	no charge

9	Request license for use and receive technical examination by the Administration Unit Ljubljana	45 days	EUR 213
10 *	Obtain the license for use	12 days	EUR 18
11	Project for registration in official records	45 days	EUR 18
12 *	Apply for water and sewerage connection	30 days	EUR 9,000
13 *	Request and obtain telecommunications connection	10 days	EUR 89
14 *	Obtain electricity connection	3 days	EUR 3,130

* Takes place simultaneously with another procedure.

Dealing with Construction Permits Details - Slovenia

Procedure 1 Obtain the location information

Time to complete: 1 day

Cost to complete: EUR 18

Agency: City of Ljubljana

Comment: Before preparation of the project documentation, either the investor or the project manager must acquire location information. The location information includes data on plot conditions, as determined by the municipal Spatial Acts (zoning laws), and data on the intended use of the area.

A copy of the cadastral plan of the plot should be attached to the application for the location information.

The cost for the procedure is a stamp duty of EUR 17.73 for the location information and EUR 1.42 per sheet of the cadastral plan.

According to the Spatial Planning Act amended in 2008, the applicant is not obliged to obtain the location information any more. Also, according to the Construction Act amended in 2008, the location information is no longer a part of the project documentation for building permit. All data included in the location information must be obtained ex officio by the local administration that issues the building permit. However, in practice obtaining the location information is still done by most applicants to provide additional guarantee. Additionally, the location information provides a clear list of project approvals that must be obtained in the process of obtaining the building permit for the area in question. Location documents can be obtained online on <http://www.gu.gov.si/en>. This lagged reform has allowed anybody to obtain land maps, geodetic data directly online.

Procedure 2 Obtain project conditions from water and sewage provider

Time to complete: 15 days

Cost to complete: no charge

Agency: Vodovod-Kanalizacija d.o.o

Comment: Project conditions from the water and sewage provider - Vodovod-Kanalizacija d.o.o. must be obtained before the project design is completed in order to define all special requirements which should be taken into consideration while preparing the project design with respect to the connecting of the building to the water and sewage network.

According to the last amendment to the Construction Act which came into force on 15 April 2008, all agencies authorized for issuing the project conditions and approvals to the project solutions (i.e. water provider, electricity provider etc.) must issue the aforementioned conditions and approvals to the investor or to the project manager free of charge. The project conditions must be issued in 30 days (15 days in case of simple constructions) from the day of submitting the application. In case the project conditions are not issued within the aforementioned deadline, it is deemed that the agency does not impose any conditions to the project design. It is deemed that the authority gives its approval to the project approval stage. That means that the investor may start soliciting the building permit without attaching the project approval to the application (the investor must only attach the confirmation of receipt of the application for the project conditions as a proof that the application was filed to the agency). Nevertheless, the agency can still impose its conditions later when the building permit is being obtained and in that case the

investor must apply for the project approval.

Further under the new Construction Act, the investor is not obliged to obtain the project conditions in case that the construction area in question is covered by the spatial planning act. In that case authorized agencies already gave their opinions regarding the spatial arrangement of the area already in the process of adopting the spatial planning act. In that case the investor is obliged to obtain only the authorized agency` s approval to the project approval. A draft of the project design is an obligatory attachment to the application for the project conditions.

Procedure 3 Obtain project conditions from electricity company

Time to complete: 15 days

Cost to complete: no charge

Agency: Elektro Ljubljana d.o.o.

Comment: The project conditions must be obtained from Elektro Ljubljana d.o.o. before the project design is completed in order to define all special requirements that should be taken into consideration while preparing the project design with respect to the electrification of the building. No formal feasibility study is required. Applicants for electricity service must obtain general approval of the location documentation. This approval is issued after an on-site examination has been completed and the layout of the future electrical connection determined, provided that no hindrances emerge.

According to the last amendment to the Construction Act which came into force on 15 April 2008, all agencies authorized for issuing the project conditions and approvals to the project solutions (i.e. water provider, electricity provider etc.) must issue the aforementioned conditions and approvals to the investor or to the project manager free of charge. The project conditions must be issued in 30 days (15 days in case of simple constructions) from the day of submitting the application. In case the project conditions are not issued within the aforementioned deadline, it is deemed that the agency does not impose any conditions to the project design. It is deemed that the authority gives its approval to the project approval stage. That means that the investor may start soliciting the building permit without attaching the project approval to the application (the investor must only attach the confirmation of receipt of the application for the project conditions as a proof that the application was filed to the agency). Nevertheless, the agency can still impose its conditions later when the building permit is being obtained and in that case the investor must apply for the project approval.

Further under the new Construction Act, the investor is not obliged to obtain the project conditions in case that the construction area in question is covered by the spatial planning act. In that case authorized agencies already gave their opinions regarding the spatial arrangement of the area already in the process of adopting the spatial planning act. In that case the investor is obliged to obtain only the authorized agency` s approval to the project approval. A draft of the project design is an obligatory attachment to the application for the project conditions.

Procedure 4 Obtain project approval from electricity company

Time to complete: 30 days

Cost to complete: no charge

Agency: Elektro Ljubljana d.o.o.

Comment: After the project design has been prepared, approval by the same agencies which previously imposed conditions on the project design must be obtained, confirming that

the project design is completed in accordance with the requirements stated in the project conditions. Approval from the electricity company is necessary to obtain the building permit and to connect the premises to the electricity network.

As already stated (Procedure 4), the authorized agencies' approvals to the project solutions are according to the last amendment to the Construction Act free of charge. The authorized agency must issue the approval (or disapproval) to the project solutions in 30 days from the moment the application was submitted. If the agency's approval (disapproval) is not issued within the 30 days, it is deemed that the agency has given its approval (i.e. the investor may start with the building permit obtaining procedure without attaching the project approval to the application).

The obligatory attachment to the application for the project approval is a part of project design which applies to the electrification of the building. The agency may require additional attachments (such as proof of ownership of the land etc.).

Once the approval to project solutions is obtained, the next step to be taken regarding the electrification of the building is obtaining the approval for connecting to the network. Connection approval must be issued in 30 days from the day of submitting the application, however the practice is that the connection approval is usually issued in 14 days. The connection approval must be issued free of any charge. The application for connection approval may be submitted before the building permit is obtained. In that case the investor must obtain the building permit and submit it to the utility in two years from the date the approval to connect to the network was issued. In that case the validity of the connection approval is automatically pro-longed for the next two years. Within that time the investor must fulfill all technical requirements (in order to connect to the electricity network) stated in the issued connection approval. In the case the investor fails to obtain the building permit or to fulfill all technical requirements from the approval in the mentioned deadlines, the issued connection approval is not valid any more (unless the validity of the connection approval is pro-longed by the utility).

Once the approval for connecting to the network is obtained, a connection contract may be concluded with the utility (time needed is 1 day). The connection contract defines all rights and obligations of the parties with respect to the payment for connection, its setting up, maintenance of the grid connection and other rights and obligations of the parties. The connection fee depends on the main power fuses needed (connection fee for 132 kW amounts to 11.312 EUR and for 148 kW 12.683 EUR (VAT included)). Once the connection fee is paid, the process of connecting to the electricity network may start.

Procedure 5 Obtain project approval from water and sewage provider

Time to complete: 30 days

Cost to complete: no charge

Agency: Vodovod-Kanalizacija d.o.o

Comment: After the project design is completed, approval from the same agencies which imposed conditions on the project design must be obtained, confirming that the project design is completed in accordance with the requirements stated in the project conditions.

As already stated in (Procedure 2), the authorized agency's approval to the project solution is according to the last amendment to the Construction Act free of any charge. The authorized agency must issue its approval (or disapproval) to the project solutions in 30 days from submitting the application. If the agency's approval (disapproval) is not issued within the 30 days, it is deemed that the agency has given its approval (i.e. the investor may start with the building permit obtaining procedure without attaching the project approval to the application).

The obligatory attachment to the application for approval to the project solutions is a part

of the project design which applies to connecting of the building to the water and sewage network.

This procedure can take place simultaneously with previous procedure.

Procedure 6 Apply for and obtain a building permit from the Administration Unit Ljubljana

Time to complete: 60 days

Cost to complete: EUR 729

Agency: Administration Unit Ljubljana

Comment: According to the amended Construction Act, the obligatory attachments to the application for the building permit are the project design (at least two copies) and the certificate of the right to build (i.e. excerpt for the land registry as a proof of ownership of the land). The project design must be prepared by the licensed architect. The project design includes data on location of the building, schemes, architectural plan, plan of building structures, plan on electrical installations, etc. The obligatory attachment to the application is a copy of all previously obtained approvals to the project solutions (please see Procedure 5 and 6).

The administrative unit issues the building permit if the following conditions are fulfilled:

- project design is completed in accordance with the applicable spatial plans
- project design is prepared by a licensed architect
- all required approvals have been obtained
- project design is prepared in accordance with the valid legislation
- contributions prescribed by law have been paid (i.e. administrative tax for the application for the building permit, public utilities charge, compensation for degradation of the environment)
- building will be furnished with the minimal standard of the utility services (i.e. electricity, water and sewage etc.).

The building permit is no longer valid if the investor fails to commence construction of the building in three years (two years in the case of the less complex constructions) from the date the building permit became final.

According to the law, the administrative unit shall issue a building permit in 2 months (60 days) from the day the application (including all obligatory attachments) was submitted. This can take longer in practice but official statistics show that the legal time limit of 60 days is a safe time estimate.

The cost depends on the value of the construction. The cost for building permit for a construction worth EUR 2 million, as it is in BuildCo's case, is EUR 730.00. The method for calculating the cost for issuing the building permit is the same, only the limit has changed from EUR 417,292.61 to 420,000.00 EUR. For example, if the construction value is EUR 420,000.00, the administrative tax is EUR 3.55 for the application itself and EUR 567,20 for the building permit. If the value of the construction is higher than EUR 420,000.00, the administrative tax is EUR 3.55 for the application itself and 0,01 % of the construction value for the building permit (0,01 % of the value of the construction applies only to the value of the construction exceeding EUR 420,00.00, in addition EUR 567.20 that applies to the value of the construction up to EUR 420,000.00). The costs for the building permit for a construction worth EUR 2 million would therefore be:

- Administrative tax for the application: EUR 3.55

- Administrative tax for the building permit: EUR 725,20.

Note $(EUR\ 2,000,000.00 - EUR\ 420,000.00) \times 0,01\% + EUR\ 567.20 = EUR\ 158 + EUR\ 567.20 = EUR\ 725,20$

Procedure 7 Hire a geodesist company to conduct marking out before construction and after construction

Time to complete: 1 day

Cost to complete: EUR 960

Agency: Authorized Geodesist company

Comment: BuildCo would be using the services of a licensed geodesist company or specialist before the construction and after the new building is completed. Before construction, BuildCo must ensure that the construction is marked out according to the building permit. A written notice stating the date and the place of marking out shall be sent to the municipal administration at least 8 days before commencement of the works. The associated cost depends on the size of the construction and on the number of corners (for example, for the building with 4 corners the price is between 370 and 700 EUR). This procedure is a prerequisite for the Technical Examination by the Administration Unit Ljubljana.

After construction, the company needs to undertake a new study and prepare a geodetic plan of the new state of the plot. The associated cost depends on the size of the construction and on the number of corners (for example, for the building with 4 corners the price is between 370 and 700 EUR). This segment came as reform under the Construction Act (2008).

Procedure 8 File the report of the construction site with the Labor Inspection

Time to complete: 1 day

Cost to complete: no charge

Agency: Labor Inspection Agency

Comment: According to the regulations on labor safety at construction sites, BuildCo must prepare a report on the site and send it to the Labor Inspection at least 15 days before starting construction work.

Procedure 9 Request license for use and receive technical examination by the Administration Unit Ljubljana

Time to complete: 45 days

Cost to complete: EUR 213

Agency: Administration Unit Ljubljana

Comment: The cost for technical examination depends on the value of the construction, namely 0,05 % from the construction value with the maximum fee of EUR 212.70. For the construction worth EUR 2 milion, the fee would be EUR 212.70.

Procedure 10 Obtain the license for use

Time to complete: 12 days

Cost to complete: EUR 18

Agency: Administration Unit Ljubljana

Comment: The application for a license to use must be filed in 8 days from the conclusion of construction works. The application shall state that the building was constructed in accordance with the building permit (the date and the number of the building permit must be also stated).The obligatory attachments to the application for license for use are:

- project design of executed works (prepared by licensed architect)
- geodetic plan of the new state of the plot with the completed construction (prepared by the authorized geodetic company, the costs vary between different geodetic companies (for the building with total surface of approximately 1,300.6 m2, the price is between 350 and 700 EUR)
- certificate of reliability of the construction, signed by the responsible site manager, if appointed, and by the responsible project leader and the responsible supervisor
- project plan regarding the maintenance and operation of the building, stating the minimal time limits for regular examinations and the scope of maintenance work
- other documents, if required by special regulation.

If the Administrative Unit establishes that the application has all obligatory attachments, it names the commission for technical examination of the building and determines the date of the examination (Procedure 1).

If the commission for technical examination establishes that the building was constructed in accordance with the issued building permit, the Administrative unit issues the license for use.

The costs of the license for use are 3,55 EUR for the application and 14,18 EUR for the decision on issuance of the license for use, together 17,73 EUR. According to the law the administrative unit shall issue the license for use in 2 months (captured in previous and this procedure) from the day of submitting the application.

Procedure 11 Project for registration in official records

Time to complete: 45 days

Cost to complete: EUR 18

Agency: Regional Surveying and Mapping Authority

Comment: According to the Real Estate Recording Act, the investor must file the application for registering the building into the Cadastre of buildings in 30 days from conclusion of all construction works or in 30 days from beginning of use of the building. In each case, the application shall be filed before the investor notifies its registered seat in the building (i.e. at the address of the building). If the application for registering the building is not filed in 30 days from beginning of use or conclusion of all construction works, the Surveying and Mapping Authority invites the investor to file the application in three months under the threat that a fine will be imposed upon him if the application is not filed as required by the Authority.

Please note that the Construction Act defines the final deadline for registering the building into the Cadastre of buildings, which is 15 days after the decision on issuance of the license for use becomes final.

The obligatory attachment to the application is the geodetic analysis on the building (project of the building) prepared by the authorized geodetic company in the earlier stage. Administrative tax for the application for entering the building into the Cadastre of buildings is EUR 17,73. The project of the building is then transferred to the authorized agency together with the application for registering the building into the Cadastre of buildings. The building is then registered in additional 2 to 3 months from the day the application (together with the obligatory attachment, i.e. geodetic analysis) was submitted to the authorized agency.

Authorized agency is the Regional Surveying and Mapping Authority.

Procedure 12 Apply for water and sewerage connection

Time to complete: 30 days

Cost to complete: EUR 9,000

Agency: Vodovod-Kanalizacija d.o.o

Comment: Once the building permit is obtained, the investor may apply for connection approval to the Vodovod-Kanalizacija d.o.o. (hereinafter: the "utility").The obligatory attachments are:

- the building permit
- proof of ownership of the land
- plan of the plot showing the position of the building on the plot
- project of grid connection to the water and sewage network (it may be prepared by the utility or other company; the costs for the project regarding the connection to the water network amount to 240 EUR and regarding the connection to the sewage network 304 EUR).

The connection approval must be issued free of any charge and in 30 days from the day the application was submitted.

After the connection approval is obtained from the utility, the building (fitting) of the grid connection (external works) may start. The grid connection to the water network is usually made by the utility. The utility examines documentation to make an estimate of costs and time needed and afterwards prepares an offer for making a grid connection to the client. However, another company may be engaged to do external works as well subject to condition that the utility` s approval of such company is obtained previously and subject to condition that a notice on commencement of the works is sent to the utility at least 3 days before beginning of works in order to enable the utility` s supervision. The same applies to a grid connection to the sewage network which is always made by another authorized company under utility` s supervision (the utility itself does not offer such services, i.e. building (fitting) a connection to the sewage network). The cost for connection to the water and sewage network is EUR 9000. The building (fitting) of the grid connection takes additional 30 days.

After the grid connection is built, the utility examines the connection (inspection at the site). The costs of such inspection amount EUR 30 for each grid connection. If connection is in accordance with requirements stated in the connection approval, the building is connected to the network.

For each grid connection a geodetic fixation must be made in order to enter the connection into the cadastre. Such fixation is made by the utility (the costs amount to 224 EUR for each grid connection).

Procedure 13 Request and obtain telecommunications connection

Time to complete: 10 days

Cost to complete: EUR 89

Agency: Telekom Slovenije

Comment: After the project conditions and approval are granted by the utility providers, it is not certain when the project will be completed. A special application to utility providers should be made after the construction of a new building is completed, so that the building gets connected to public utilities.

Procedure 14 Obtain electricity connection

Time to complete: 3 days

Cost to complete: EUR 3,130

Agency: Elektro Ljubljana d.o.o.

Comment: The authorized agency is Elektro Ljubljana d.o.o. (hereinafter the "utility" or the "network operator")

As stated before under Procedure 4, the process of connecting the building to the electricity network may start once the connection fee is paid. The grid connection (external works) may be built by the utility (Elektro Ljubljana d.o.o.) or by another authorized company under the utility's supervision. The costs for making a grid connection vary between different companies. The utility usually makes an inspection on the site to make an estimate of costs and time needed for making a grid connection and afterwards prepares an offer to the client (average costs for building a grid connection amount to 3,000- 5.000 EUR and the time needed is usually 30 days). If another company is engaged for making a grid connection, a notice must be sent to the utility at least 8 days before the beginning of external works in order to enable the utility's supervision of the works.

After the grid connection is built, a request for connection to the network must be submitted to the utility. This request includes a statement of the company that made the internal wiring stating that the internal works were made in accordance with regulations and standards. The company which made external works must give the same statement. Additional obligatory attachments to the request are the building permit and a certificate confirming that the connection fee was paid. In 8 days from submitting the aforementioned request for connecting to the network, an inspection of the grid connection (i.e. whether the connection is made in accordance with requirements stated in the connection approval) is made by the utility on the site. Inspection takes only one day. When examining the connection, the utility determines the number of the electricity consumption point (i.e. number of metering points). If connection is made in accordance with standards and requirements stated in connection approval, the building is connected to the network.

For inspection of the grid connection and physical connecting to the network (at the site) additional fee in amount of 279 EUR must be paid to the utility. Inspection takes only one day. Waiting period for the inspection is 1-8 days from the day the request for connection to the network was submitted to the utility.

Before electricity supply is possible the user must stipulate the contract on purchase and sale of electricity with the chosen electricity supplier (either Elektro Ljubljana which is also network operator or other electricity supplier). This contract states the consumption points, expected electricity consumption, price for electricity consumption, payment conditions, etc. A valid contract with the chosen electricity supplier is a condition for stipulation of the network access contract with network operator (which is always Elektro Ljubljana even if the electricity supplier is other company). The delivery of electricity into the network by the chosen electricity supplier and the electricity consumption by the user must be enabled by the network operator in 8 days from the day of stipulation of the network access contract.

The user may choose electricity supplier (other than the network operator) already in the phase of building of a grid connection.

This procedure can take place simultaneously with the water and sewage and telephone connections.

Ensuring formal property rights is fundamental. Effective administration of land is part of that. If formal property transfer is too costly or complicated, formal titles might go informal again. *Doing Business* records the full sequence of procedures necessary for a business to purchase a property from another business and transfer the property title to the buyer's name. In the past 6 years 105 economies undertook 146 reforms making it easier to transfer property. Globally, the time to transfer property fell by 38% and the cost by 10% over this time. The most popular feature of property registration reform in these 6 years, implemented in 52 economies, was lowering transfer taxes and government fees.

Some reform outcomes

Georgia now allows property transfers to be completed through 500 authorized users, notably banks. This saves time for entrepreneurs. A third of people transferring property in 2009 chose authorized users, up from 7% in 2007. Also, Georgia's new electronic registry managed 68,000 sales in 2007, twice as many as in 2003.

Belarus's unified and computerized registry was able to cope with the addition of 1.2 million new units over 3 years. The registry issued 1 million electronic property certificates in 2009.

What does the Registering Property indicator measure?

Registering Property: transfer of property between 2 local companies

Rankings are based on 3 subindicators

Procedures to legally transfer title on immovable property (number)

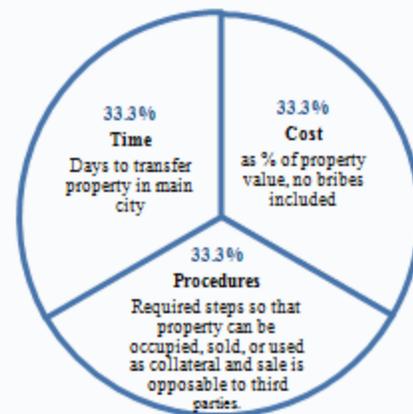
- Preregistration (for example, checking for liens, notarizing sales agreement, paying property transfer taxes)
- Registration in the economy's largest business city
- Post registration (for example, transactions with the local authority, tax authority or cadastre)

Time required to complete each procedure (calendar days)

- Does not include time spent gathering information
- Each procedure starts on a separate day
- Procedure completed once final document is received
- No prior personal contact with officials

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

- Official costs only, no bribes
- No value added or capital gains taxes included



Case Study Assumptions

The parties (buyer and seller):

- Are limited liability companies, 100% domestically and privately owned.
- Are located in the periurban area of the economy's largest business city.
- 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. The sale price equals the value.
- 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 a 557.4 square meters (6,000 square feet) land and 10 years old 2-story warehouse of 929 square meters (10,000 square feet) located on the land. The warehouse is in good condition and complies with all safety standards, building codes and legal requirements. The property will be transferred in its entirety.

1. Benchmarking Registering Property Regulations:

Slovenia is ranked 97 overall for Registering Property.

Ranking of Slovenia in Registering Property - Compared to good practice and selected economies:



The following table shows Registering Property data for Slovenia compared to good practice and comparator economies:

Good Practice Economies	Procedures (number)	Time (days)	Cost (% of property value)
New Zealand*		2	
Norway*	1		
Saudi Arabia			0.0

<i>Selected Economy</i>			
Slovenia	6	113	2.1

<i>Comparator Economies</i>			
Albania	6	42	3.4
Czech Republic	4	43	3.0
Hungary	4	17	5.0
Italy	8	27	4.5
Serbia	6	91	2.7

* The following economies are also good practice economies for :

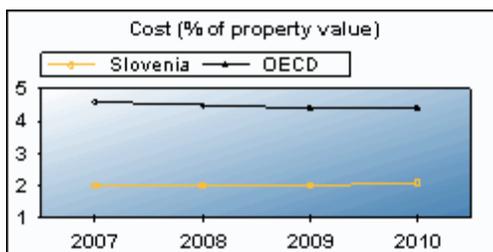
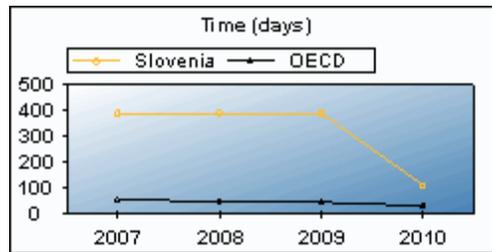
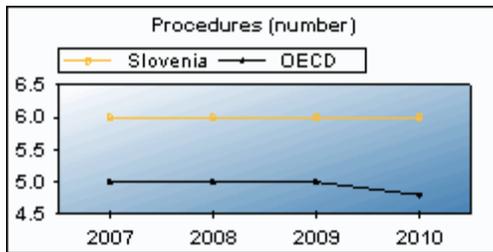
Procedures (number): United Arab Emirates

Time (days): Saudi Arabia, Thailand, United Arab Emirates

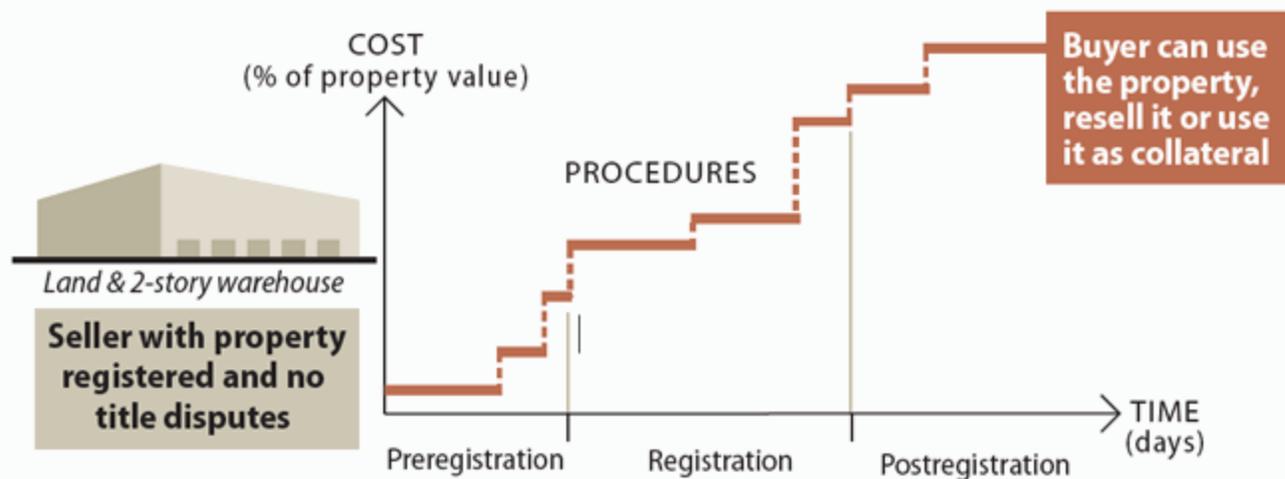
2. Historical data: Registering Property in Slovenia

Registering Property data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	109	97
Procedures (number)	6	6	6	6
Time (days)	391	391	391	113
Cost (% of property value)	2.0	2.0	2.0	2.1

3. The following graphs illustrate the Registering Property sub indicators in Slovenia over the past 4 years:



What are the time, cost and number of procedures required to transfer a property between 2 local companies?



This topic examines the steps, time, and cost involved in registering property in Slovenia.

STANDARDIZED PROPERTY

Property Value: 832,798.92

City: Ljubljana

Registration Requirements:

No:	Procedure	Time to complete	Cost to complete
1	Obtain a land registry extract from the Land Registry	1 day	EUR 3.28
2	Seller presents a tax declaration to the Tax Authority, and the land tax is assessed	1-30 days	no cost
3	Payment and procedure of the real estate transfer tax or VAT tax at the Tax Administration Office	1 day	2% of property price (transfer tax)
4	Obtain a valid land register permission from the seller ("registration clause")	1 day	no cost

5	Certification of signatures on the land registry permission	1 day	<p>Notary fees for the land registry case are (in Euros):</p> <p>Contract valueFeesVATTotal</p> <p>under 4590,004,590,925,51 from</p> <p>4590,0013,772,7516,52 from</p> <p>20.655,0022,954,5927,54 from</p> <p>36.700,0036,727,3444,06 from</p> <p>68,850,0045,909,1855,08 from</p> <p>84,915,0068,8513,7782,62</p> <p>If land registry permission is in a separate document, fees are 13,77 EUR + 2,75 VAT = 16,52 EUR.</p>
6	Submit proposal for entry into the Land Registry	1 day (submit proposal) + 2 days (obtain seal) + 90 days (entry in register)	<p>EUR 92 + EUR 18.4 VAT (notary fee for inscription in registry) + Registration court fees according to sliding scale (EUR 460.8 for EUR 1 million property). In this case, EUR 339.6</p>

Registering Property Details - Slovenia

Procedure	1	Obtain a land registry extract from the Land Registry
Time to complete:		1 day
Cost to complete:		EUR 3.28
Agency:		Land Registry
Comment:		<p>A land registry extract should be obtained by the seller from the Land Registry as a proof of ownership. Any encumbrances on the property will appear in the extract. Obtaining this form from the Registry in the hard-copy format would take not more than 1 day if the property info is computerized. In the rare case when the property information is not in the court's system, the extract will take longer (a few days to obtain). The extract is can also be obtained online in several minutes and this services cost only 1,5 Euros. However, the certified version carrying the legal power can only be obtained from the courts.</p>
Procedure	2	Seller presents a tax declaration to the Tax Authority, and the land tax is assessed
Time to complete:		1-30 days
Cost to complete:		no cost
Agency:		Tax Administration
Comment:		<p>The seller is principally required to make a land tax declaration to the competent department of the Tax Administration of the Republic of Slovenia within 15 days after the day on which the purchase agreement was concluded. The Tax Administration is required to assess the land tax within 30 days of the day on which the tax declaration was made.</p> <p>If the purchase price of a real estate is set below the current market value and the Tax Administration cannot assess such price in due time, a temporary decision is made in order not to obstruct the transactions on the real estate market. In practice, these situations do not occur often. If the Tax Administration has doubts about the real value of the transferred real estate it can request the submission of an expert's appraisal of the value of the given real estate in order to correctly assess the Tax liability.</p> <p>The documentation shall include: Filled-in tax declaration Proof of ownership (e.g. land registry extract obtained in Procedure 1) Basis for the transfer of real estate (e.g. contract) For companies acting as buyer – copy of the court registry entry</p>
Procedure	3	Payment and procedure of the real estate transfer tax or VAT tax at the Tax Administration Office
Time to complete:		1 day
Cost to complete:		2% of property price (transfer tax)
Agency:		Tax Administration
Comment:		<p>The VAT does not have to be paid if the transaction of real estate is taxed by Real Estate Transfer Tax. VAT is obligatory only for new real estate.</p>

The Real Estate Transfer Tax procedure is as follows:

The taxpayer has to insert the tax declaration within 15 days at the Tax Authority, after the deed of sale is signed of the transfer of real estate. The Tax Authority has to assess the real estate transfer tax within 30 days after the receiving the declaration. When the real estate transfer tax is assessed on the basis of the selling price, the tax must be paid at the competent Tax Administration Office within 30 days after the receipt of the decision on tax assessment. If the Tax Administration has doubts about the real value of the transferred real estate it can request the submission of an expert's appraisal of the value of the given real estate in order to correctly assess the tax liability.

The VAT procedure is as follows:

VAT by transfer of property is paid only if the seller, who is liable for VAT, agrees with the buyer of real estate, who is also liable for VAT with the right to deduct the full input VAT to charge for VAT at the prescribed rate on the supply that should be exempted from VAT. VAT rate for transfer of property is 20%, except the transfer of apartments, residential and other buildings for permanent living and other parts of buildings as part of social policy, including their building, renovation and repair, which is 8.5%.

Procedure 4 Obtain a valid land register permission from the seller ("registration clause")

Time to complete: 1 day

Cost to complete: no cost

Comment: Full title to real estate on the basis of a purchase agreement is acquired by an entry in the land register, which creates erga omnes effects. The book-entry is only made possible on the basis of a valid land register permission ("registration clause") issued by the owner of the real estate (or other right in rem). The registration clause is an explicit, unconditional declaration by a person whose right is being transferred, altered, encumbered or extinguished permitting an entry in the land register. The registration clause can already be included in the purchase agreement or in the notarial protocol.

Procedure 5 Certification of signatures on the land registry permission

Time to complete: 1 day

Cost to complete: Notary fees for the land registry case are (in Euros):
Contract value Fees VAT Total
under 4590,004,590,925,51
from 4590,0013,772,7516,52
from 20.655,0022,954,5927,54
from 36.700,0036,727,3444,06
from 68,850,0045,909,1855,08
from 84,915,0068,8513,7782,62
If land registry permission is in a separate document, fees are 13,77 EUR + 2,75 VAT = 16,52 EUR.

Comment: The Property Act provides that the seller's signature on the registration clause has to be certified by a notary public. The signature cannot be certified before all taxes are paid.

The documentation shall include:
Proof of the land tax payment (e.g. official note on the agreement, obtained in Procedure 3)
Document including the registration clause duly signed by the seller (obtained in Procedure 4)

Procedure 6 Submit proposal for entry into the Land Registry

Time to complete:	1 day (submit proposal) + 2 days (obtain seal) + 90 days (entry in register)
Cost to complete:	EUR 92 + EUR 18.4 VAT (notary fee for inscription in registry) + Registration court fees according to sliding scale (EUR 460.8 for EUR 1 million property). In this case, EUR 339.6
Agency:	Land Registry (District court)
Comment:	<p>The land registry court (District court) initiates the registration process for the entry of title in the land register, on the basis of the land registry proposal. The proposal may be composed by any individual although it is usually composed by a lawyer or a notary public. Once the proposal is filed with the competent land registry court, the registration process is initiated ex officio and the priority of entry is ensured by way of a land registry seal. The seal in the land registry that safeguards the priority order is usually entered in the land registry in 2 days following the proposal. The priority order takes effect of the day on which the proposal has been filed.</p> <p>The buyer can theoretically dispose of the property as soon as the purchase agreement is signed and the (direct or indirect) possession of the property is obtained by the buyer. The possibility to dispose with the property at this stage would depend on the other party to the new contract.</p> <p>The buyer whose title is not yet entered into the land register but has already obtained the possession of the property enjoys the position of a proprietary possessor in good faith - the presumed owner. The latter has, among others, the right to claim the return of a property in the event of its dispossession from a proprietary possessor in good faith who has the property with a weaker legal title.</p> <p>In any case the buyer has a possibility to claim the return of the purchase price but has no claims under the law of property until the title is entered into the land register.</p> <p>The Land Registration Proposal fee is 100 points. The registration fee is 0.5% of the property value, with a maximum of 1,000 points or EUR 82.10</p> <p>The documentation shall include:</p> <ul style="list-style-type: none"> Land registry proposal Document including the registration clause with certified signature of the seller (obtained in Procedure 5) Confirmation of the payment of the tax or taxes (obtained in Procedure 3) Purchase contract (if not same as document including the registration clause)

Through two sets of indicators, *Doing Business* assesses the legal rights of borrowers and lenders with respect to secured transactions and the sharing of credit information. The depth of credit information index measures rules and practices affecting the coverage, scope and accessibility of credit information available through either a public credit registry or a private credit bureau. Credit information systems mitigate the ‘information asymmetry’ in lending and enable lenders to view a borrower’s financial history (positive or negative), providing them with valuable information to consider when assessing risk. Credit information systems benefit borrowers as well, allowing good borrowers to establish a reputable credit history which will enable them to access credit more easily. The Legal Rights Index measures the degree to which collateral and bankruptcy laws protect the rights of borrowers and lenders and thus facilitate lending. Sound collateral laws will enable businesses to use their assets, especially movable property, as security to generate capital while having strong creditor’s rights has been associated with higher ratios of private sector credit to GDP.

Some reform outcomes

After Vietnam’s new Civil Code was enacted in 2005, a decree further clarified the provisions governing secured transactions. Since the inclusion of the new provisions, the number of registrations increased from 43,000 (2005) to 120,000 (end of 2008).

In 2008, when Zambia established a private credit bureau, its database initially covered about 25,000 borrowers. Thanks to a strong communication campaign and a central bank directive, coverage has grown 10-fold in the past 2 years, exceeding 200,000 by the beginning of 2010.

What do the Getting Credit indicators measure?

Strength of legal rights index (0–10)

- Protection of rights of borrowers and lenders through collateral laws
- Protection of secured creditors’ rights through bankruptcy laws

Depth of credit information index (0–6)

- Scope and accessibility of credit information distributed by public credit registries and private credit bureaus

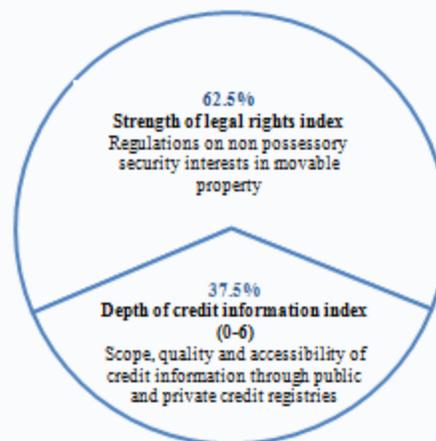
Public credit registry coverage (% of adults)

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

Private credit bureau coverage (% of adults)

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

Getting Credit: collateral rules and credit information



Note: Private bureau coverage and public credit registry coverage are measured but do not count for the rankings.

Case Study Assumptions (applying to the Legal Rights Index only)

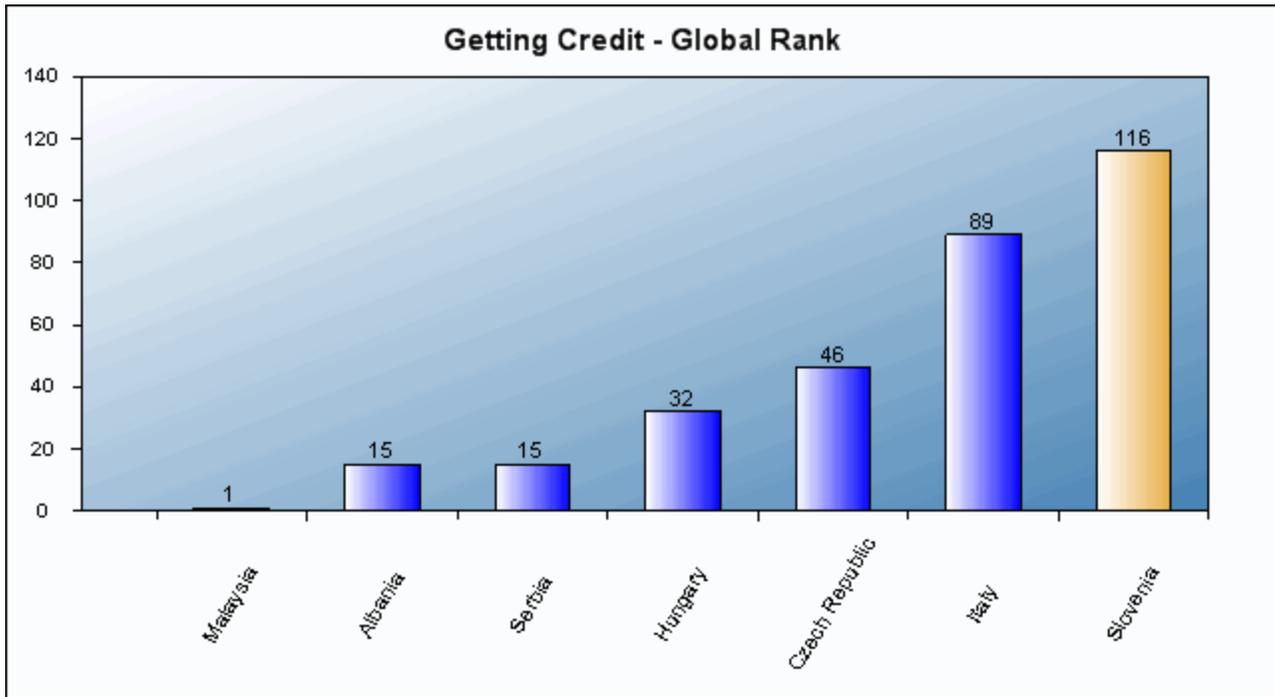
The Debtor

- is a Private Limited Liability Company
- has its Headquarters and only base of operations in the largest business city
- obtains a loan from a local bank (the Creditor) for an amount up to 10 times income (GNI) per capita
- Both creditor and debtor are 100% domestically owned.

1. Benchmarking Getting Credit Regulations:

Slovenia is ranked 116 overall for Getting Credit.

Ranking of Slovenia in Getting Credit - Compared to good practice and selected economies:



The following table shows Getting Credit data for Slovenia compared to good practice and comparator economies:

Good Practice Economies	Strength of legal rights index (0-10)	Depth of credit information index (0-6)	Public registry coverage (% of adults)	Private bureau coverage (% of adults)
New Zealand*				100.0
Portugal			67.1	
Singapore*	10			
United Kingdom		6		

<i>Selected Economy</i>				
Slovenia	5	2	2.7	0.0

<i>Comparator Economies</i>				
Albania	9	4	8.3	0.0
Czech Republic	6	5	4.9	73.2
Hungary	7	5	0.0	11.4
Italy	3	5	16.6	80.5
Serbia	8	5	0.0	100.0

* The following economies are also good practice economies for :

Strength of legal rights index (0-10): Hong Kong, China, Kenya, Kyrgyz Republic, Malaysia

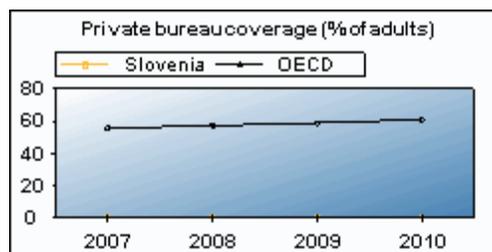
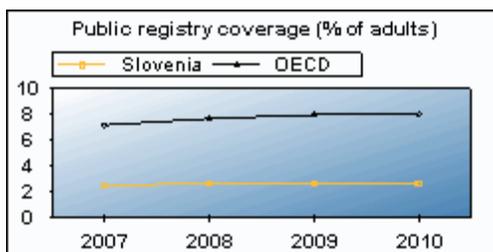
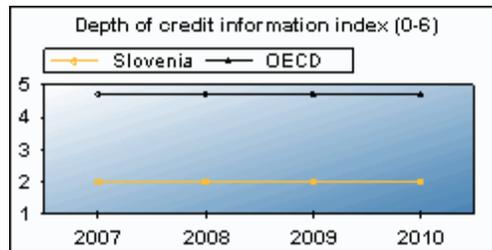
Private bureau coverage (% of adults): Argentina, Australia, Canada, Iceland, Ireland, Norway, Sweden, United Kingdom, United States

27 countries have the highest credit information index.

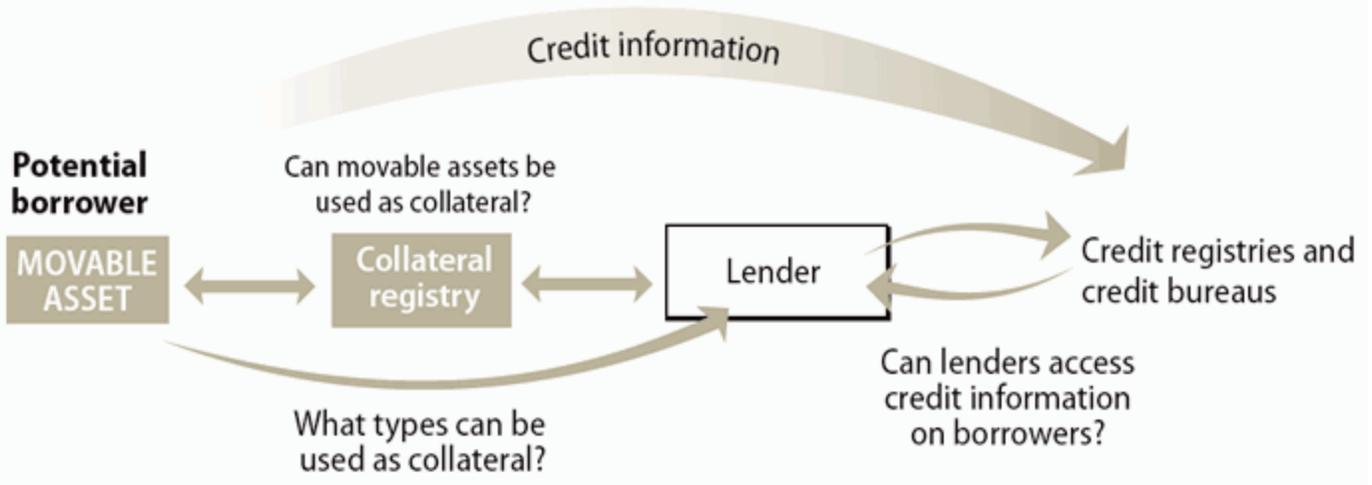
2. Historical data: Getting Credit in Slovenia

Getting Credit data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	109	116
Strength of legal rights index (0-10)	5	5	5	5
Depth of credit information index (0-6)	2	2	2	2
Private bureau coverage (% of adults)	0.0	0.0	0.0	0.0
Public registry coverage (% of adults)	2.5	2.7	2.7	2.7

3. The following graphs illustrate the Getting Credit sub indicators in Slovenia over the past 4 years:



**Do lenders have credit information on entrepreneurs seeking credit?
Is the law favorable to borrowers and lenders using movable assets as collateral?**



The following table summarize legal rights of borrowers and lenders, and the availability and legal framework of credit registries in Slovenia.

Getting Credit Indicators (2010)			Indicator
Private bureau coverage (% of adults)	Private credit bureau	Public credit registry	2
Are data on both firms and individuals distributed?	No	No	0
Are both positive and negative data distributed?	No	Yes	1
Does the registry distribute credit information from retailers, trade creditors or utility companies as well as financial institutions?	No	No	0
Are more than 2 years of historical credit information distributed?	No	Yes	1
Is data on all loans below 1% of income per capita distributed?	No	No	0
Is it guaranteed by law that borrowers can inspect their data in the largest credit registry?	No	No	0
Coverage	0.0	2.7	
Number of individuals		0	0
Number of firms		0	47,048

Strength of legal rights index (0-10)**5**

Can any business use movable assets as collateral while keeping possession of the assets; and any financial institution accept such assets as collateral ?	Yes
Does the law allow businesses to grant a non possessory security right in a single category of movable assets, without requiring a specific description of collateral?	No
Does the law allow businesses to grant a non possessory security right in substantially all of its assets, without requiring a specific description of collateral?	No
May a security right extend to future or after-acquired assets, and may it extend automatically to the products, proceeds or replacements of the original assets ?	No
Is a general description of debts and obligations permitted in collateral agreements, so that all types of obligations and debts can be secured by stating a maximum amount rather than a specific amount between the parties ?	No
Is a collateral registry in operation, that is unified geographically and by asset type, as well as indexed by the grantor's name of a security right ?	No
Do secured creditors have absolute priority to their collateral outside bankruptcy procedures?	Yes
Do secured creditors have absolute priority to their collateral in bankruptcy procedures?	Yes
During reorganization, are secured creditors' claims exempt from an automatic stay on enforcement?	Yes
Does the law authorize parties to agree on out of court enforcement?	Yes

Stronger investor protections matter for the ability of companies to raise the capital needed to grow, innovate, diversify and compete. This is all the more crucial in times of financial crisis when entrepreneurs must navigate through defiant environments to finance their activities. Using 3 indices of investor protection, *Doing Business* measures how economies regulate a standard case of self-dealing, use of corporate assets for personal gains. Since 2005, 51 economies have strengthened investor protections as measured by *Doing Business*.

Some reform outcomes

In Indonesia, an economy that consistently improved its laws regulating investor protections, the number of firms listed on the Indonesia Stock Exchange increased from 331 to 396 between 2004 and 2009. Meanwhile, market capitalization grew from 680 trillion rupiah (\$75 billion) to 1,077 trillion rupiah (\$119 billion).

After Thailand amended its laws in 2006 and 2008, more than 85 transactions that failed to comply with the disclosure standards were suspended. Thirteen were deemed prejudicial and were therefore canceled, thus preventing damage to the companies involved and preserving their value. Companies were not deterred either, as more than 30 new companies joined the stock exchange since 2005 bringing the number of listed companies to 523.

What do the Protecting Investors indicators measure?

Extent of disclosure index (0–10)

- Who can approve related-party transactions
- Requirements for external and internal disclosure in case of related-party transactions

Extent of director liability index (0–10)

- Ability of shareholders to hold the interested party and the approving body liable in case of a prejudicial related-party transaction
- Available legal remedies (damages, repayment of profits, fines, imprisonment and rescission of the transaction)
- Ability of shareholders to sue directly or derivatively

Ease of shareholder suits index (0–10)

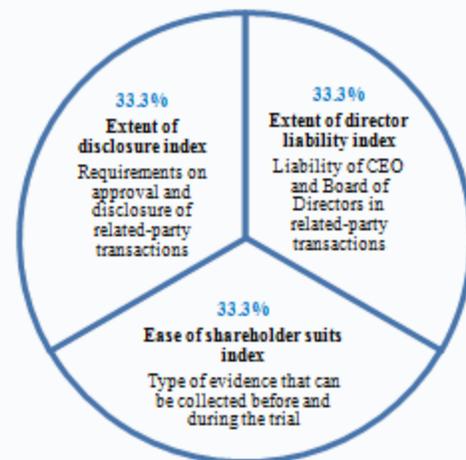
- Documents and information available during trial
- Access to internal corporate documents (directly or through a government inspector)

Strength of investor protection index (0–10)

- Simple average of the extent of disclosure, extent of director liability and ease of shareholder suits indices

Protecting Investors: minority shareholder rights in related-party transactions

Rankings are based on 3 subindicators



Case Study Assumptions

The business (Buyer):

- Is a publicly traded corporation listed on the economy's most important stock exchange (or at least 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.

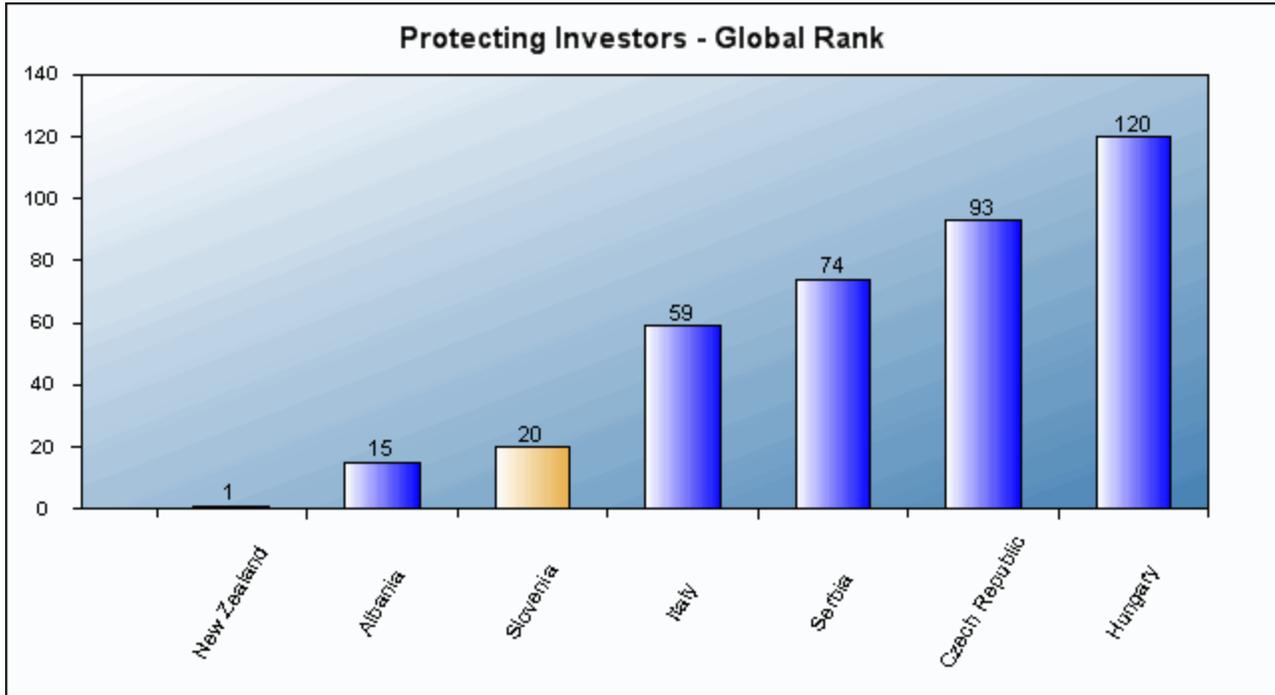
The transaction

- Mr. James, a director and the majority shareholder of the company, proposes that the company purchase used trucks from another company he owns.
- The price is higher than the going price for used trucks, but the transaction goes forward.
- All required approvals are obtained, and all required disclosures made, though the transaction is prejudicial to the purchasing company.
- Shareholders sue the interested parties and the members of the board of directors.

1. Benchmarking Protecting Investors Regulations:

Slovenia is ranked 20 overall for Protecting Investors.

Ranking of Slovenia in Protecting Investors - Compared to good practice and selected economies:



The following table shows Protecting Investors data for Slovenia compared to good practice and comparator economies:

Good Practice Economies	Strength of investor protection index (0-10)
New Zealand	9.7

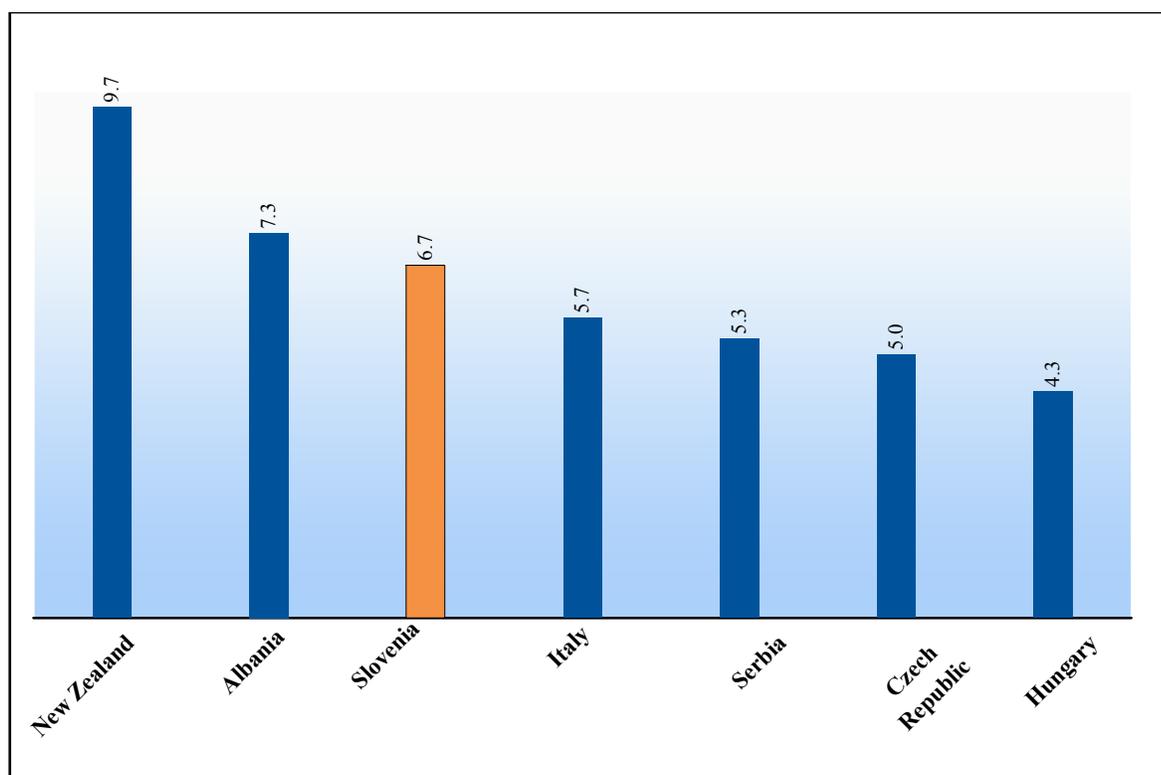
<i>Selected Economy</i>	
Slovenia	6.7

<i>Comparator Economies</i>	
Albania	7.3
Czech Republic	5.0
Hungary	4.3
Italy	5.7
Serbia	5.3

2. Historical data: Protecting Investors in Slovenia

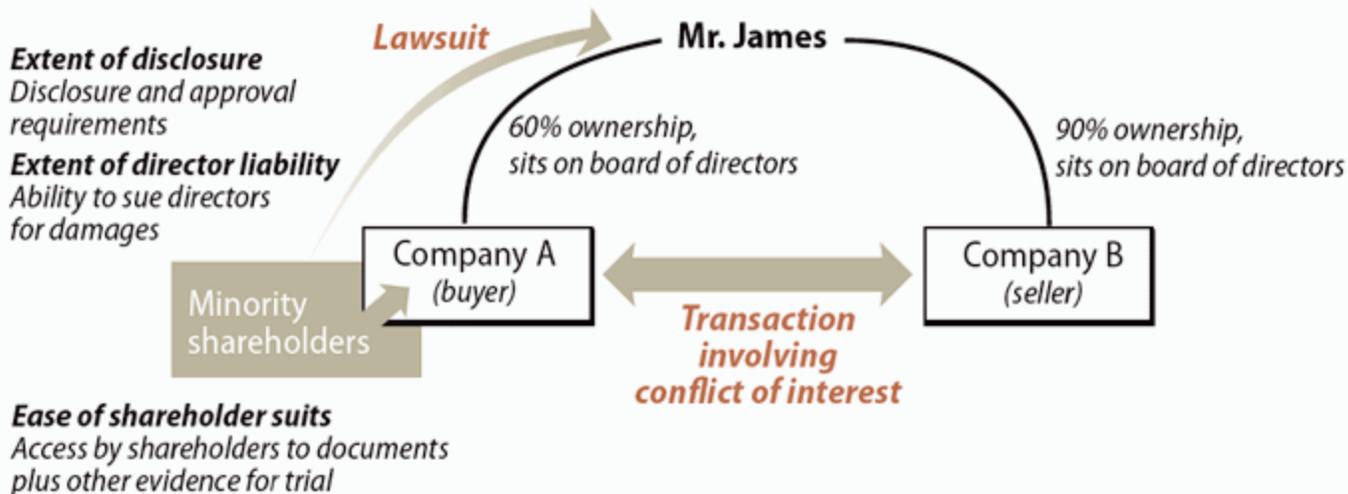
Protecting Investors data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	20	20
Strength of investor protection index (0-10)	6.3	6.7	6.7	6.7

3. The following graph illustrates the Protecting Investors index in Slovenia compared to best practice and selected Economies:



Note: The higher the score, the greater the investor protection.

How well are minority shareholders protected against self-dealing in related-party transactions?



The table below provides a full breakdown of how the disclosure, director liability, and shareholder suits indexes are calculated in Slovenia.

Protecting Investors Data (2010)	Indicator
Extent of disclosure index (0-10)	3
What corporate body provides legally sufficient approval for the transaction?	0
Whether immediate disclosure of the transaction to the public and/or shareholders is required?	0
Whether disclosure of the transaction in published periodic filings (annual reports) is required?	2
Whether disclosure of the conflict of interest by Mr. James to the board of directors is required?	1
Whether an external body must review the terms of the transaction before it takes place?	0
Extent of director liability index (0-10)	9
Whether shareholders can hold Mr. James liable for the damage that the Buyer-Seller transaction causes to the company?	2
Whether shareholders can hold the approving body (the CEO or board of directors) liable for the damage that the Buyer-Seller transaction causes to the company?	2
Whether a court can void the transaction upon a successful claim by a shareholder plaintiff?	1
Whether Mr. James pays damages for the harm caused to the company upon a successful claim by the shareholder plaintiff?	1

Whether Mr. James repays profits made from the transaction upon a successful claim by the shareholder plaintiff?	1
Whether fines and imprisonment can be applied against Mr. James?	1
Whether shareholders can sue directly or derivatively for the damage that the Buyer-Seller transaction causes to the company?	1
Ease of shareholder suits index (0-10)	8
Whether the plaintiff can obtain any documents from the defendant and witnesses during trial?	4
Whether the plaintiff can directly question the defendant and witnesses during trial?	2
Whether the plaintiff can request categories of documents from the defendant without identifying specific ones?	0
Whether shareholders owning 10% or less of Buyer's shares can request an inspector to investigate the transaction?	1
Whether the level of proof required for civil suits is lower than that of criminal cases?	1
Whether shareholders owning 10% or less of Buyer's shares can inspect transaction documents before filing suit?	0
Strength of investor protection index (0-10)	6.7

Taxes are essential to provide public amenities, infrastructure and services which are crucial for a properly functioning economy. *Doing Business* data show that economies where it is more difficult and costly to pay taxes have larger shares of informal sector activity. More than 60% of economies have reformed in the last 6 years and are starting to see concrete results.

Some reform outcomes

Colombia introduced a new electronic system for social security and labor taxes in 2006 and by 2008 the social security contributions collected from small and medium-size companies rose by 42%, to 550 billion pesos.

Mauritius reduced the corporate income tax rate from 25% to 15% and removed exemptions and industry-specific allowances in 2006 and saw their corporate income tax revenue grow by 27% in the following year, and in 2008/09 it increased by 65%.

What do the Paying taxes indicators measure?

Tax payments for a manufacturing company in 2009
(number per year adjusted for electronic or 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)

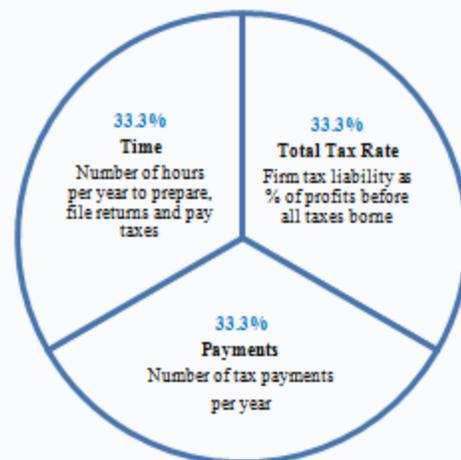
- Collecting information and computing the tax payable
- Completing tax return forms, filing with proper agencies
- Arranging payment or withholding
- Preparing separate tax accounting books, if required

Total tax rate (% of profit)

- Profit or corporate income tax
- Mandatory social contributions and labor taxes paid by the employer
- Property and property transfer taxes
- Dividend, capital gains and financial transactions taxes
- Waste collection, vehicle, road and other taxes

Paying Taxes: tax compliance for a local manufacturing company

Rankings are based on 3 subindicators



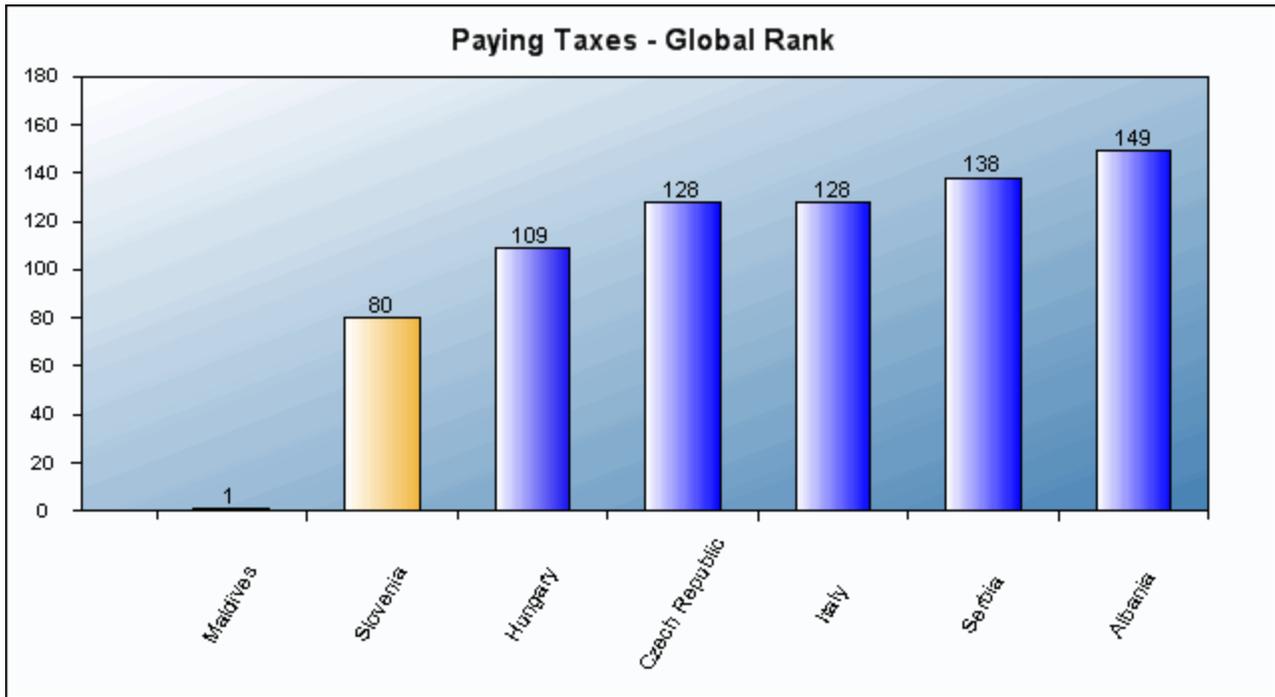
Case Study Assumptions

- TaxpayerCo is a medium-size business that started operations 2 years ago.
- Tax practitioners are asked to review its financial statements, as well as a standard list of transactions that the company completed during the year.
- Respondents are asked how much in taxes and mandatory contributions the business must pay and what the process is for doing so.
- The business starts from the same financial position in each economy. All the taxes and mandatory contributions paid during the second year of operation are recorded.
- Taxes and mandatory contributions are measured at all levels of government
- Taxes and mandatory contributions include corporate income tax, turnover tax, all labor taxes and contributions paid by the company.
- A range of standard deductions and exemptions are also recorded.

1. Benchmarking Paying Taxes Regulations:

Slovenia is ranked 80 overall for Paying Taxes.

Ranking of Slovenia in Paying Taxes - Compared to good practice and selected economies:



The following table shows Paying Taxes data for Slovenia compared to good practice and comparator economies:

Good Practice Economies	Payments (number per year)	Time (hours per year)	Total tax rate (% profit)
Maldives*	3	0	
Timor-Leste			0.2

<i>Selected Economy</i>			
Slovenia	22	260	35.4

<i>Comparator Economies</i>			
Albania	44	360	40.6
Czech Republic	12	557	48.8
Hungary	14	277	53.3
Italy	15	285	68.6
Serbia	66	279	34.0

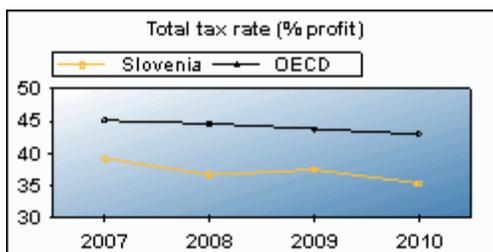
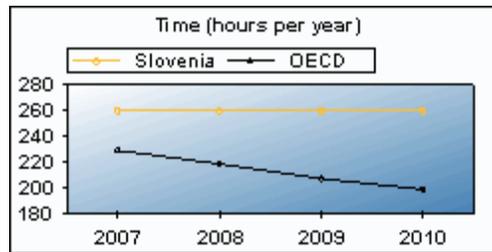
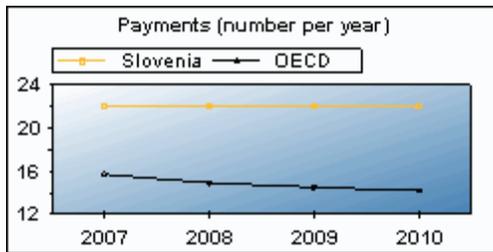
* The following economies are also good practice economies for :

Payments (number per year): Qatar

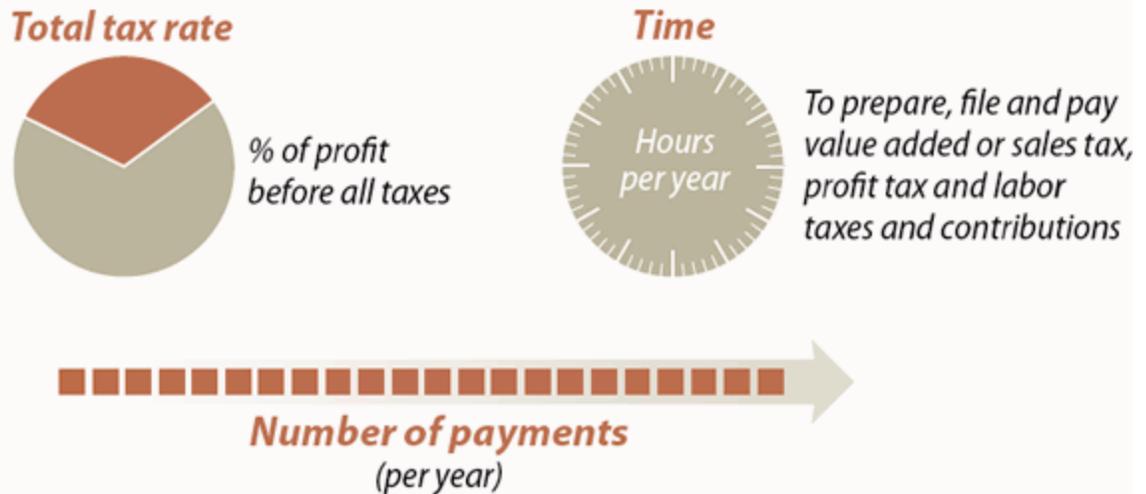
2. Historical data: Paying Taxes in Slovenia

Paying Taxes data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	81	80
Total tax rate (% profit)	39.2	36.7	37.5	35.4
Payments (number per year)	22	22	22	22
Time (hours per year)	260	260	260	260

3. The following graphs illustrate the Paying Taxes sub indicators in Slovenia over the past 4 years:



What are the time, total tax rate and number of payments necessary for a local medium-sized company to pay all taxes?



The table below addresses the taxes and mandatory contributions that a medium-size company must pay or withhold in a given year in Slovenia, as well as measures of administrative burden in paying taxes.

Tax or mandatory contribution	Payments (number)	Notes on Payments	Time (hours)	Statutory tax rate	Tax base	Total tax rate (% profit)	Notes on TTR
Value added tax (VAT)	1	online filing	74	20.0%	value added		
Payroll tax	0			abolished in 2009	gross salaries	0.00	
Property tax (local duties)	4			various rates	type and value of construction	0.10	
Tax on insurance	1			6.5%	insurance premium	0.10	
Road tax	1			various rates	type and weight of vehicle	0.10	
Fuel tax	1				included in fuel price	1.00	
Property transfer tax	1			2.0%	market value of property sold	1.20	
Corporate income tax	1	online filing	90	21.0%	taxable profit	14.80	

Social security contributions	12	96	16.1%	gross salaries	18.20
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Totals	22	260			35.4
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Making trade between countries easier is increasingly important for business in today's globalized world. Excessive document requirements, burdensome customs procedures, inefficient port operations and inadequate infrastructure all lead to extra costs and delays for exporters and importers, stifling trade potential. Trade facilitation tools such as electronic data interchange systems, risk-based inspections, and single windows help improve an economy's trading environment and boost firms' international competitiveness. *Doing Business* trade indicators take into account documents, cost and time associated with every procedure for trading a standard shipment of goods by ocean transport. Research indicates that exporters in developing countries have much more to gain by a 10% drop in their trading costs than from a similar decrease of the tariffs applied to their products in global markets.

Some reform outcomes

In Georgia, reducing customs clearance time by a day has led to operational savings of an estimated \$288 per truck, or an annual \$133 million for the country's whole trading community given the growing amount of cross-border trade in recent years.

In Korea, predictable cargo processing times and rapid turnover by ports and warehouses provide a benefit to the Korean economy of some \$2 billion annually.

What do the Trading Across Borders indicators measure?

Trading Across Borders: exporting and importing by ocean transport

Rankings are based on 3 subindicators

Documents required to export and import (number)

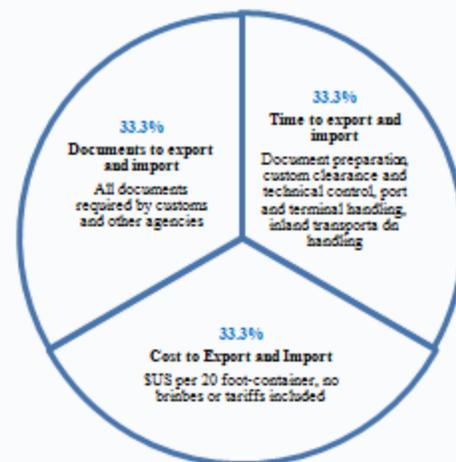
- Bank documents
- Customs clearance documents
- Port and terminal handling documents
- Transport documents

Time required to export and import (days)

- Obtaining all the documents
- Inland transport and handling
- Customs clearance and inspections
- Port and terminal handling
- Does not include ocean transport time

Cost required to export and import (US\$ per container)

- All documentation
- Inland transport and handling
- Customs clearance and inspections
- Port and terminal handling
- Official costs only, no bribes



Case Study Assumptions

The Business

- Has at least 60 employees and is located in the economy's largest business city
- Is a private, limited liability company, which exports more than 10% of its sales. It is fully domestically owned and does not operate in an export processing zone or an industrial estate with special export or import privileges

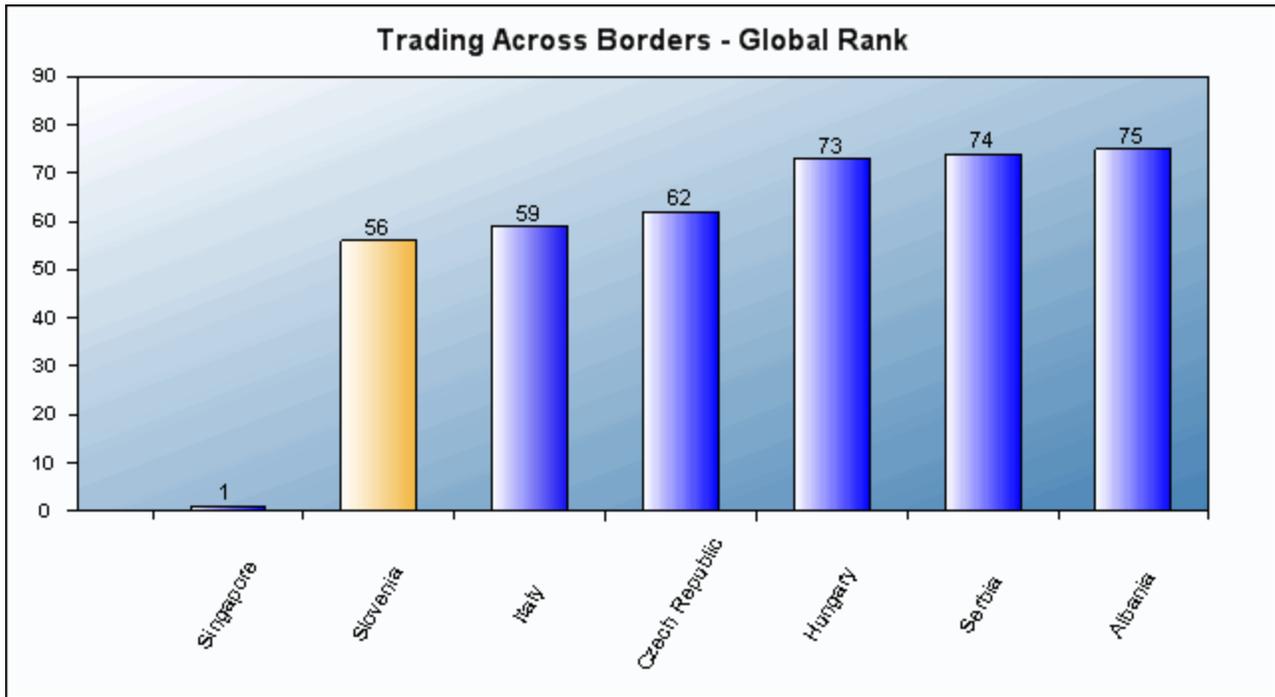
The traded product

- Is transported in a dry-cargo, 20-foot full container load; weighs 10 tons and is valued at \$20,000
- Is not hazardous or include military items; it does not require special phytosanitary or environmental safety standards, refrigeration or any other special environment
- Is one of the economy's leading export or import products

1. Benchmarking Trading Across Borders Regulations:

Slovenia is ranked 56 overall for Trading Across Borders.

Ranking of Slovenia in Trading Across Borders - Compared to good practice and selected economies:



The following table shows Trading Across Borders data for Slovenia compared to good practice and comparator economies:

Good Practice Economies	Documents to export (number)	Time to export (days)	Cost to export (US\$ per container)	Documents to import (number)	Time to import (days)	Cost to import (US\$ per container)
Denmark*		5				
France	2			2		
Malaysia			450			
Singapore					4	439

<i>Selected Economy</i>						
Slovenia	6	19	710	8	17	765

<i>Comparator Economies</i>						
Albania	7	19	725	9	18	710
Czech Republic	4	17	1060	7	20	1165
Hungary	5	18	1225	7	17	1215
Italy	4	20	1245	4	18	1245
Serbia	6	12	1398	6	14	1559

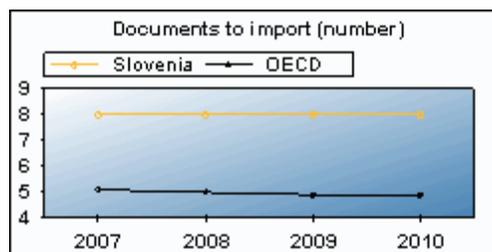
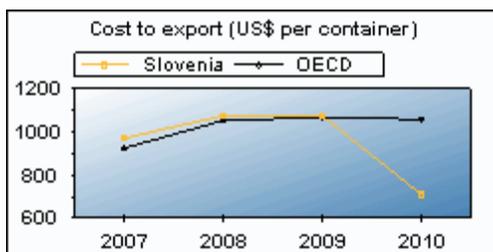
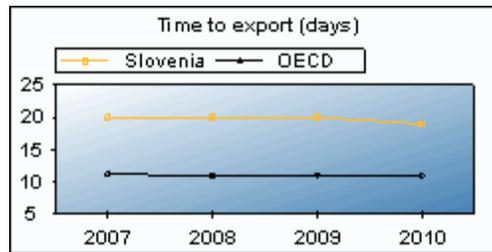
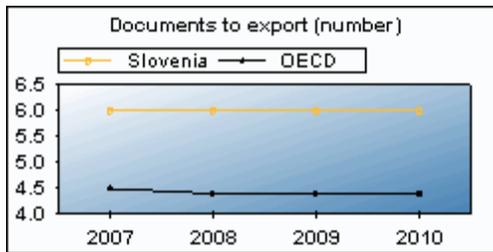
* The following economies are also good practice economies for :

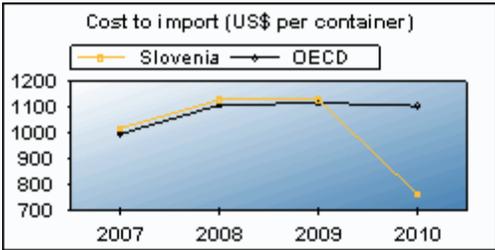
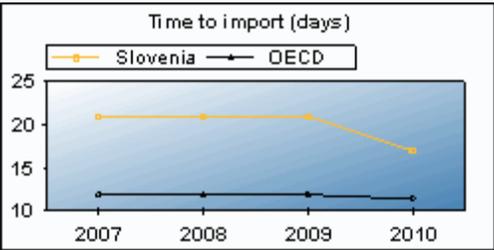
Time to export (days): Estonia

2. Historical data: Trading Across Borders in Slovenia

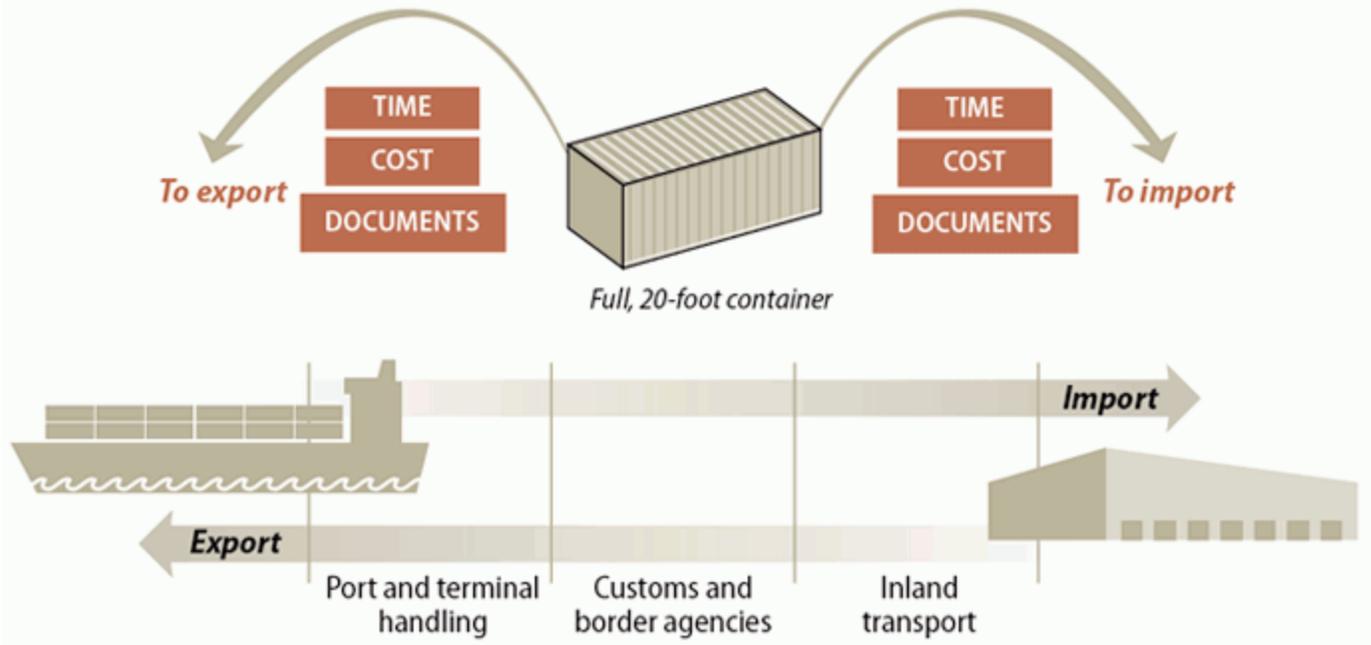
Trading Across Borders data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	86	56
Cost to export (US\$ per container)	971	1075	1075	710
Cost to import (US\$ per container)	1019	1130	1130	765
Documents to export (number)	6	6	6	6
Documents to import (number)	8	8	8	8
Time to export (days)	20	20	20	19
Time to import (days)	21	21	21	17

3. The following graphs illustrate the Trading Across Borders sub indicators in Slovenia over the past 4 years:





How much time, how many documents and what cost to export and import across borders by ocean transport?



These tables list the procedures necessary to import and export a standardized cargo of goods in Slovenia. The documents required to export and import the goods are also shown.

Nature of Export Procedures (2010)	Duration (days)	US\$ Cost
Documents preparation	13	100
Customs clearance and technical control	1	60
Ports and terminal handling	3	200
Inland transportation and handling	2	350
Totals	19	710

Nature of Import Procedures (2010)	Duration (days)	US\$ Cost
Documents preparation	11	130
Customs clearance and technical control	2	85
Ports and terminal handling	3	200
Inland transportation and handling	1	350
Totals	17	765

Documents for Export and Import

Export

- Bill of lading
- Cargo release order
- Certificate of origin
- Commercial invoice
- Customs export declaration
- Packing list

Import

- Bill of lading
- Cargo release order
- Commercial invoice
- Customs import declaration
- Customs transit document
- Inspection report
- Packing list
- Technical standard/health certificate

Well functioning courts help businesses expand their network and markets. Where contract enforcement is efficient, firms have greater access to credit and are more likely to engage with new borrowers or customers. *Doing Business* measures the efficiency of the judicial system in resolving a commercial sale dispute before local courts. Following the step-by-step evolution of a standardized case study, data relating to the time, cost and procedural complexity of resolving a commercial lawsuit are collected through study of the codes of civil procedure and other court regulations, as well as through surveys completed by local litigation lawyers (and, in a quarter of the countries, by judges as well).

Some reform outcomes

In Rwanda the implementation of specialized commercial courts in May 2008 resulted in a significant decrease of the case backlog, and contributed to reduce the time to resolve a commercial dispute by nearly 3 months.

In Austria a "data highway" for the courts that allows attachments to be sent electronically has produced savings of €4.4 million in postage alone.

What do the Enforcing Contracts indicators measure?

Enforcing Contracts: resolving a commercial dispute through the courts

Rankings are based on 3 subindicators

Procedures to enforce a contract (number)

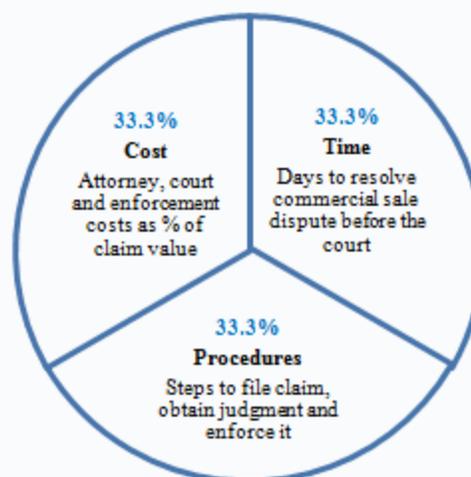
- Any interaction between the parties in a commercial dispute, or between them and the judge or court officer
- Steps to file the case
- Steps for trial and judgment
- Steps to enforce the judgment

Time required to complete procedures (calendar days)

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

Cost required to complete procedures (% of claim)

- No bribes
- Average attorney fees
- Court costs, including expert fees
- Enforcement costs



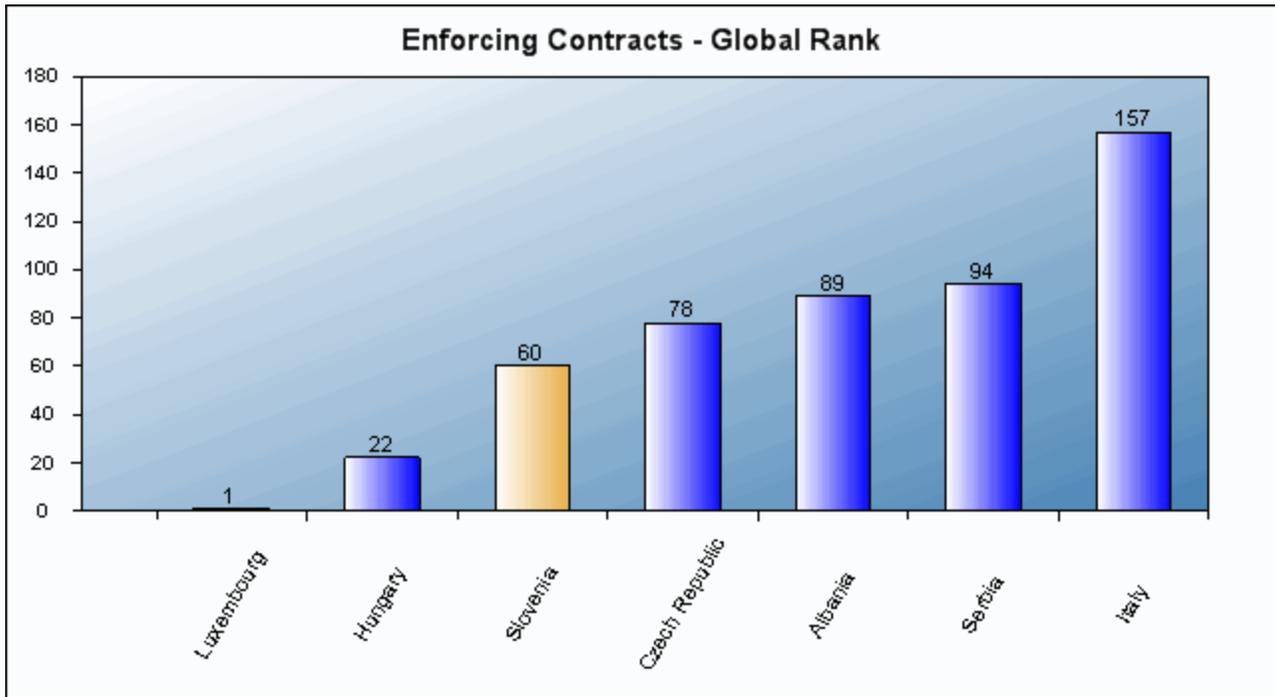
Case Study Assumptions

- Seller and Buyer are domestic companies
- Buyer orders custom-made goods, then does not pay
- Seller sues Buyer before competent court
- Value of claim is 200% of GNI per capita
- Seller requests pre-trial attachment to secure claim
- Dispute on quality of the goods requires expert opinion
- Judge decides in favor of Seller, no appeal
- Seller enforces judgment through a public sale of Buyer's movable assets.

1. Benchmarking Enforcing Contracts Regulations:

Slovenia is ranked 60 overall for Enforcing Contracts.

Ranking of Slovenia in Enforcing Contracts - Compared to good practice and selected economies:



The following table shows Enforcing Contracts data for Slovenia compared to good practice and comparator economies:

Good Practice Economies	Procedures (number)	Time (days)	Cost (% of claim)
Bhutan			0.1
Ireland	20		
Singapore		150	

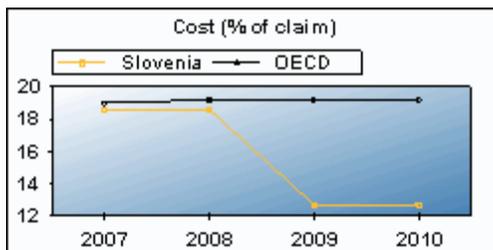
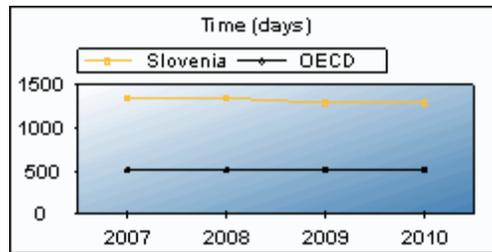
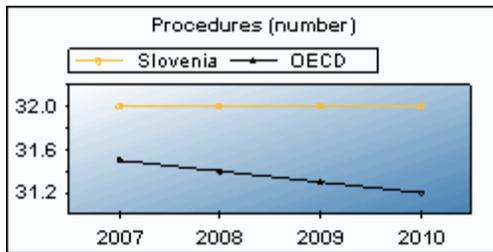
<i>Selected Economy</i>			
Slovenia	32	1290	12.7

<i>Comparator Economies</i>			
Albania	39	390	38.7
Czech Republic	27	611	33.0
Hungary	35	395	15.0
Italy	41	1210	29.9
Serbia	36	635	28.9

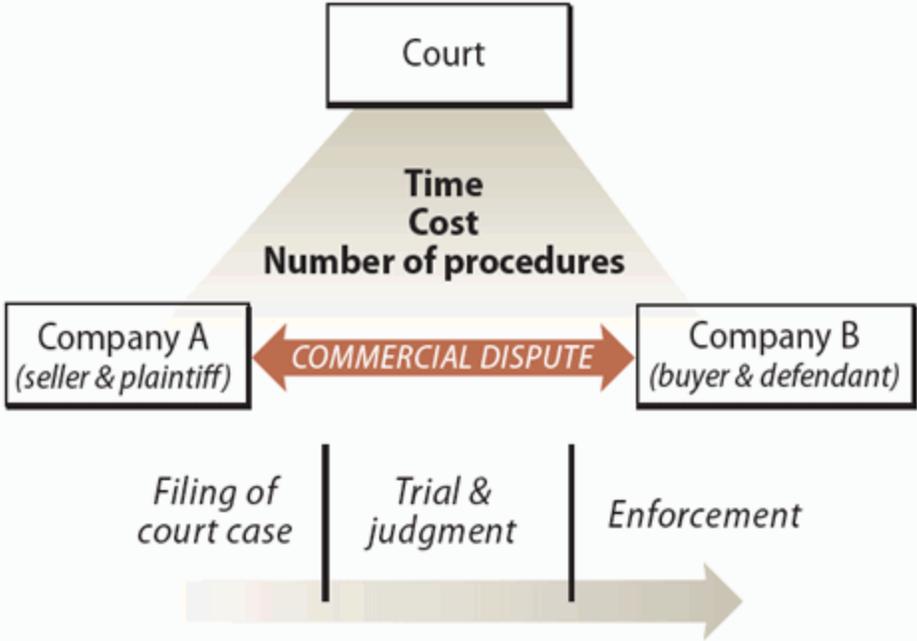
2. Historical data: Enforcing Contracts in Slovenia

Enforcing Contracts data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	60	60
Procedures (number)	32	32	32	32
Time (days)	1350	1350	1290	1290
Cost (% of claim)	18.6	18.6	12.7	12.7

3. The following graphs illustrate the Enforcing Contracts sub indicators in Slovenia over the past 4 years:



What are the time, cost and number of procedures to resolve a commercial dispute through the courts?



This topic looks at the efficiency of contract enforcement in Slovenia.

Nature of Procedure (2010)	Indicator
Procedures (number)	32
Time (days)	1290
Filing and service	30.0
Trial and judgment	930.0
Enforcement of judgment	330.0
Cost (% of claim)*	12.70
Attorney cost (% of claim)	7.6
Court cost (% of claim)	3.5
Enforcement Cost (% of claim)	1.6

Court information: Ljubljana District Court ("Okrožno sodišče v Ljubljani")

* Claim assumed to be equivalent to 200% of income per capita.

A robust bankruptcy system functions as a filter, ensuring the survival of economically efficient companies and reallocating the resources of inefficient ones. Fast and cheap insolvency proceedings result in businesses' speedy return to normal operation and increase returns to creditors. By improving the expectations of creditors and debtors about the outcome of insolvency proceedings, well-functioning insolvency systems can facilitate access to finance, save more viable businesses, and thereby improve growth and sustainability in the economy overall.

Some reform outcomes

A study of the 2005 bankruptcy reform in Brazil found that it had led to an average reduction of 22% in the cost of credit for Brazilian companies, a 39% increase in overall credit and a 79% increase in long-term credit in the economy. The purpose of the reform was to improve creditor protection in insolvency proceedings.

Following the introduction of debtor-in-possession reorganizations in Korea in 2006, the number of reorganization filings increased from 76 in 2006 to 670 in 2009.

What does the Closing a Business indicator measure?

Closing a Business: insolvency proceedings against local company

Time required to recover debt (years)

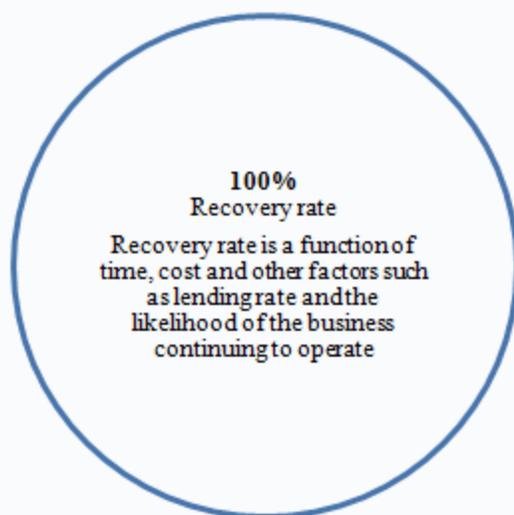
- Measured in calendar years
- Appeals and requests for extension are included

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

- Measured as percentage of estate value
- Court fees
- Fees of insolvency administrators
- Lawyers' fees
- Assessors' and auctioneers' fees
- All other fees and costs

Recovery rate for creditors (cents on the dollar)

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



Case Study Assumptions

The Company

- is domestically owned
- is a limited liability company operating a hotel
- operates in the economy's largest business city
- has 201 employees, 1 secured creditor and 50 unsecured creditors
- has a higher value as a going concern and a lower value in a piecemeal sale of assets

1. Benchmarking Closing Business Regulations:

Slovenia is ranked 38 overall for Closing a Business.

Ranking of Slovenia in Closing Business - Compared to good practice and selected economies:



The following table shows Closing Business data for Slovenia compared to good practice and comparator economies:

Good Practice Economies	Recovery rate (cents on the dollar)	Time (years)	Cost (% of estate)
Ireland		0.4	
Japan	92.7		
Singapore*			1

<i>Selected Economy</i>			
Slovenia	50.9	2.0	4

<i>Comparator Economies</i>			
Albania	0.0	no practice	no practice
Czech Republic	55.9	3.2	17
Hungary	37.9	2.0	15
Italy	58.0	1.8	22
Serbia	29.5	2.7	23

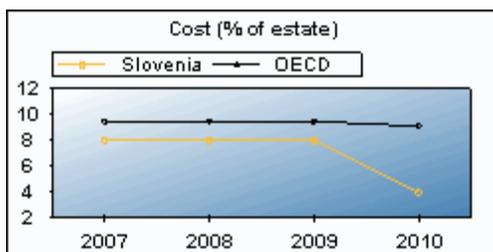
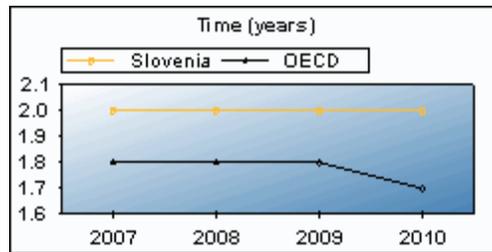
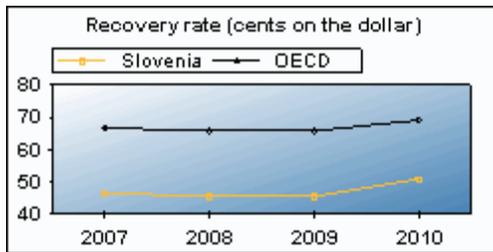
* The following economies are also good practice economies for :

Cost (% of estate): Colombia, Kuwait, Norway

2. Historical data: Closing Business in Slovenia

Closing a Business data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	40	38
Time (years)	2.0	2.0	2.0	2.0
Cost (% of estate)	8	8	8	4
Recovery rate (cents on the dollar)	46.6	45.5	45.5	50.9

3. The following graphs illustrate the Closing Business sub indicators in Slovenia over the past 4 years:



Since 2004 Doing Business has been tracking reforms aimed at simplifying business regulations, strengthening property rights, opening access to credit and enforcing contracts by measuring their impact on 10 indicator sets . * Nearly 1,000 reforms have had an impact on these indicators. *Doing Business 2011*, covering June 2009 to June 2010, reports that 117 economies implemented 216 reforms to make it easier to start a business. 64% of economies measured by Doing Business have reformed this year, focusing on easing business start-up, lightening the tax burden, simplifying import and export regulations and improving credit information systems.

The top 10 most-improved in Doing Business 2011

Economy	Indicator									
	Starting a Business	Dealing with Construction Permits	Registering Property	Getting Credit	Protecting Investors	Paying Taxes	Trading Across Borders	Enforcing Contracts	Closing a Business	Employing Workers
Kazakhstan	✓	✓				✓	✓			
Rwanda		✓		✓			✓			
Peru	✓	✓	✓				✓			
Vietnam	✓	✓		✓						
Cape Verde	✓		✓				✓			
Tajikistan	✓				✓		✓			
Zambia	✓						✓	✓		
Hungary		✓	✓				✓			✓
Grenada	✓		✓				✓			
Brunei Darussalam	✓						✓	✓		

 Positive Change
 Negative Change

* For *Doing Business 2011* the Employing Workers indicator is not included in the aggregate ease of doing business ranking.

Summary of changes to business regulation in top 10 most improved economies in *Doing Business 2011* and selected comparator economies.

Albania	Albania made it easier and less costly for companies to pay taxes by amending several laws, reducing social security contributions and introducing electronic filing and payment.
Brunei Darussalam	Brunei Darussalam made starting a business easier by improving efficiency at the company registrar and implementing an electronic system for name searches. Brunei Darussalam reduced the corporate income tax rate from 23.5% to 22% while also introducing a lower tax rate for small businesses, ranging from 5.5% to 11%. The introduction of an electronic customs system in Brunei Darussalam made trading easier.
Cape Verde	Cape Verde made start-up easier by eliminating the need for a municipal inspection before a business begins operations and computerizing the system for delivering the municipal license. Cape Verde eased property registration by switching from fees based on a percentage of the property value to lower fixed rates. Cape Verde abolished the stamp duties on sales and checks.
Czech Republic	The Czech Republic simplified its labor tax processes and reduced employer contribution rates for social security. 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.
Grenada	Grenada eased business start-up by transferring responsibility for the commercial registry from the courts to the civil administration. The appointment of a registrar focusing only on property cut the time needed to transfer property in Grenada by almost half. Grenada's customs administration made trading faster by simplifying procedures, reducing inspections, improving staff training and enhancing communication with users.
Hungary	Hungary implemented a time limit for the issuance of building permits. Hungary reduced the property registration fee by 6% of the property value. Hungary simplified taxes and tax bases. Amendments to Hungary's bankruptcy law encourage insolvent companies to consider reaching agreements with creditors out of court so as to avoid bankruptcy.
Italy	Italy made starting a business easier by enhancing an online registration system.
Kazakhstan	Kazakhstan eased business start-up by reducing the minimum capital requirement to 100 tenge (\$0.70) and eliminating the need to have the memorandum of association and company charter notarized. Kazakhstan made dealing with construction permits easier by implementing a one-stop shop related to technical conditions for utilities. Kazakhstan strengthened investor protections by requiring greater corporate disclosure in company annual reports. Kazakhstan speeded up trade through efforts to modernize customs, including implementation of a risk management system and improvements in customs automation.
Peru	Peru eased business start-up by simplifying the requirements for operating licenses and creating an online one-stop shop for business registration. Peru streamlined construction permitting by implementing administrative reforms. Peru introduced fast-track procedures at the land registry, cutting by half the time needed to register property. Peru made trading easier by implementing a new web-based electronic data interchange system, risk-based inspections and payment deferrals.
Rwanda	Rwanda made dealing with construction permits easier by passing new building regulations at the end of April 2010 and implementing new time limits for the issuance of various permits. Rwanda enhanced access to credit by allowing borrowers the right to inspect their own credit report and mandating that loans of all sizes be reported to the central bank's public credit registry. Rwanda reduced the number of trade documents required and enhanced its joint border management procedures with Uganda and other neighbors, leading to an improvement in the trade logistics environment.
Serbia	Serbia passed a new bankruptcy law that introduced out-of-court workouts and a unified reorganization procedure.
Slovenia	Slovenia made starting a business easier through improvements to its one-stop shop that allowed more online services. Greater computerization in Slovenia's land registry reduced delays in property registration by 75%. Slovenia abolished its payroll tax and reduced its corporate income tax rate.

Tajikistan

Tajikistan made starting a business easier by creating a one-stop shop that consolidates registration with the state and the tax authority. Tajikistan strengthened investor protections by requiring greater corporate disclosure in the annual report and greater access to corporate information for minority investors. Tajikistan lowered its corporate income tax rate.

Vietnam

Vietnam eased company start-up by creating a one-stop shop that combines the processes for obtaining a business license and tax license and by eliminating the need for a seal for company licensing. Vietnam made dealing with construction permits easier by reducing the cost to register newly completed buildings by 50% and transferring the authority to register buildings from local authorities to the Department of National Resources and Environment. Vietnam improved its credit information system by allowing borrowers to examine their own credit report and correct errors.

Zambia

Zambia eased business start-up by eliminating the minimum capital requirement. Zambia eased trade by implementing a one-stop border post with Zimbabwe, launching web-based submission of customs declarations and introducing scanning machines at border posts. Zambia improved contract enforcement by introducing an electronic case management system in the courts that provides electronic referencing of cases, a database of laws, real-time court reporting and public access to court records.



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