# Overview

*Investing Across Borders 2010* (IAB) presents cross-country indicators analyzing laws, regulations, and practices affecting foreign direct investment (FDI) in 87 economies. The indicators focus on 4 thematic areas measuring how foreign companies invest across sectors, start local businesses, access industrial land, and arbitrate commercial disputes. The indicators combine analysis of laws and regulations, as well as their implementation. They explore differences across countries to identify good practices, facilitate learning opportunities, stimulate reforms, and provide cross-country data for research and analysis.

The project's methodology is based on the World Bank Group's *Doing Business* initiative.[1] The IAB indicators draw on data collected through a survey of lawyers, other professional service providers (mainly accounting and consulting firms), investment promotion institutions, chambers of commerce, and other expert respondents in each of the countries measured. Between April and December 2009 more than 2,350 experts in 87 economies responded to the survey to provide data for this report.

This chapter presents the report's main findings including examples of FDI competitiveness-enhancing practices for each indicator area. It also provides key results for each region. IAB does not measure all aspects of the business environment that matter to investors. For example, it does not measure security, macroeconomic stability, market size and potential, corruption, skill levels, or infrastructure quality. Still, the indicators provide a starting point for governments seeking to improve their competitiveness in attracting foreign investment.

## MAIN FINDINGS

### Restrictive and obsolete laws and regulations impede FDI

Most of the 87 economies measured by IAB have FDI-specific restrictions that hinder foreign investment. For example, a fifth of the countries surveyed require foreign companies to go through a foreign investment approval process before proceeding with investments in light manufacturing (figure 2.1). This requirement adds, on average, nearly 1 month to the establishment process—and in some countries up to 6 months.

In addition, almost 90% of countries limit foreign companies' ability to participate in some sectors of their economies. While there are few restrictions on foreign ownership in the primary sectors and manufacturing, services—such as media, transportation, and electricity—have stricter limits on foreign participation (figure 2.2).

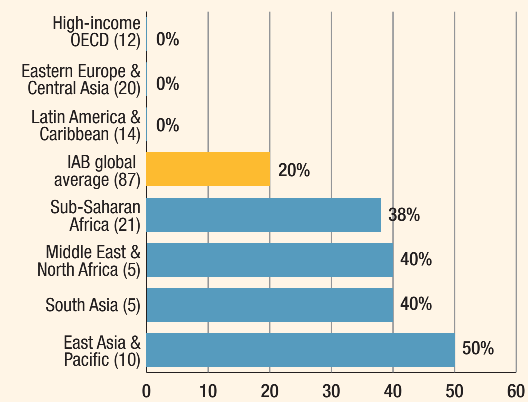
In some sectors—such as banking, insurance, and media—laws often limit the share of foreign equity ownership allowed in enterprises. In others—such as transportation and electricity—state-owned monopolies preclude both foreign and domestic private firms from engaging in the sectors.

When it comes to international commercial arbitration, nearly 10% of IAB countries do not have special statutes for commercial arbitration. Furthermore, 1 in 4 countries has not ratified the New York Convention, the ICSID Convention, or both.[2] Adherence to and implementation of international and regional conventions on arbitration signal a government's commitment to the rule of law and its investment treaty obligations, which reassures investors.

### Red tape and poor implementation of laws create further barriers to FDI

The IAB indicators go beyond analyzing the text of laws and the ratification of international conventions. They also examine the typical experience of investors as they go through administrative processes

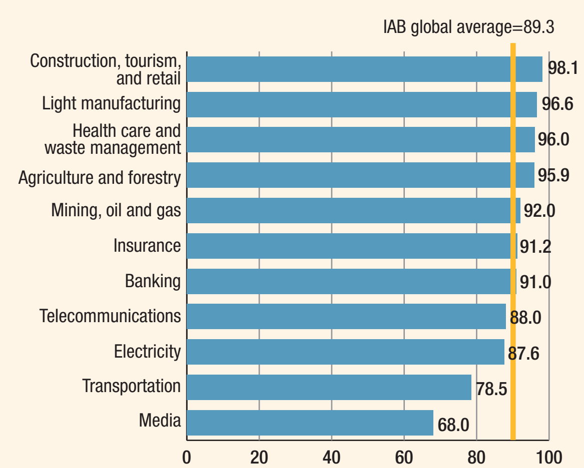
FIGURE 2.1: Share of IAB countries requiring foreign investment approval, by region




*Note:* 0% denotes that none of the countries in that region require an investment approval.
*Source: Investing Across Borders* database.

FIGURE 2.2: Restrictions on foreign ownership of companies vary by sector

Foreign equity ownership index (100=full foreign ownership allowed)




*Source: Investing Across Borders* database.

and interact with public institutions. For instance, the indicators find that leasing privately held industrial land takes, on average, 2 months—and leasing public land almost 5 months (figure 2.3). But there is also large variation across countries. Leasing private industrial land in Nicaragua and Sierra Leone typically requires half a year, as opposed to less than 2 weeks in Armenia, the Republic of Korea, and Sudan.

The amount of time required to enforce an arbitration award in local courts also varies by country. On average, more than a year is needed in the South Asian economies measured by IAB. In contrast, in high-income OECD countries such as France and the United Kingdom, enforcement can be completed in less than 2 months (figure 2.4).

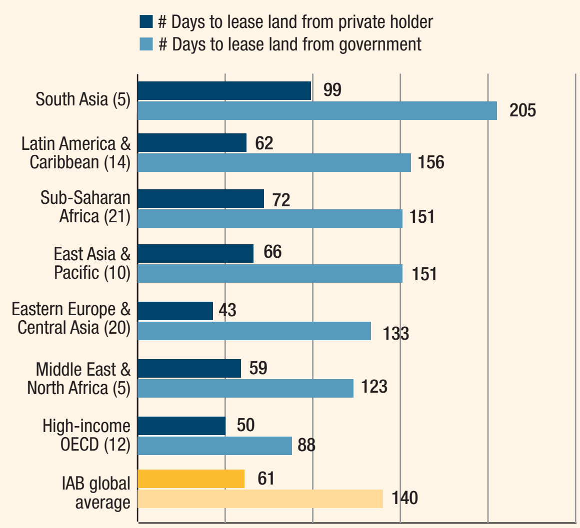
The typical experience of foreign companies trying to start a business also varies greatly across countries. In Angola and Haiti establishing a subsidiary of a foreign company can take more than 6 months (figure 2.5). In Canada, Georgia, and Rwanda it can be done in less than a week. In Sub-Saharan Africa and the Middle East and North Africa the procedures required of foreign companies take twice as long to complete as those for domestic companies. In high-income OECD countries and Eastern Europe and Central Asia these FDI-specific additional procedures add only a couple of days, on average.

## Good regulations and efficient processes matter for FDI

Countries with poor regulations and inefficient processes for foreign companies receive less FDI and have smaller accumulated stocks of FDI (figure 2.6). Based on IAB results, countries tend to attract more FDI if they allow foreign ownership of companies in a variety of sectors, make start-up, land acquisition, and commercial arbitration procedures efficient and transparent, and have strong laws protecting investor interests. But this correlation does not imply existence or direction of a causal relationship. Many other variables—such as market size, political stability, infrastructure quality, or level of economic development—are likely to better explain the relationship.

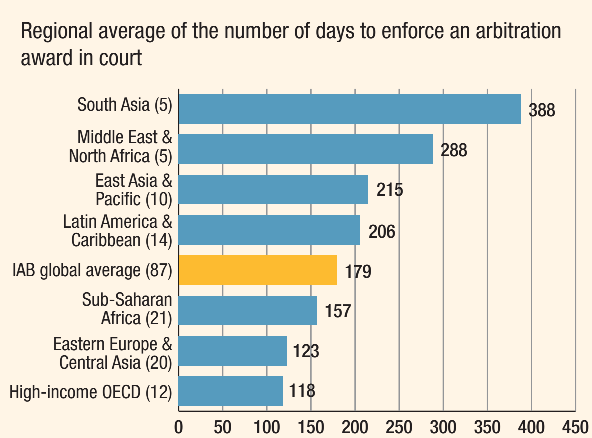
IAB also finds that countries with smaller populations and markets tend to have fewer restrictions on FDI. And countries that have done particularly well in attracting FDI (before the recent economic crisis)—such as Ireland, Singapore, the United Kingdom, and the United States—also score well on the IAB indicators.[3]

FIGURE 2.3: Far more time is needed to lease public than private land



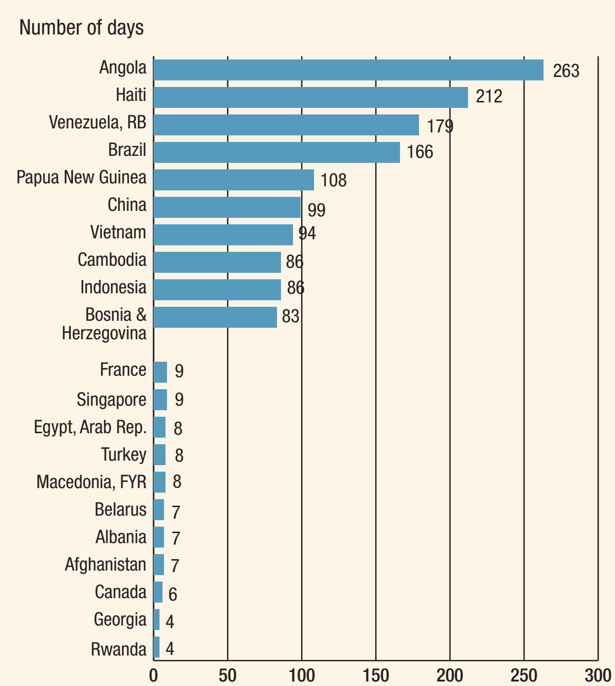

*Source: Investing Across Borders* database.

FIGURE 2.4: The time required to enforce an arbitration award varies significantly across regions



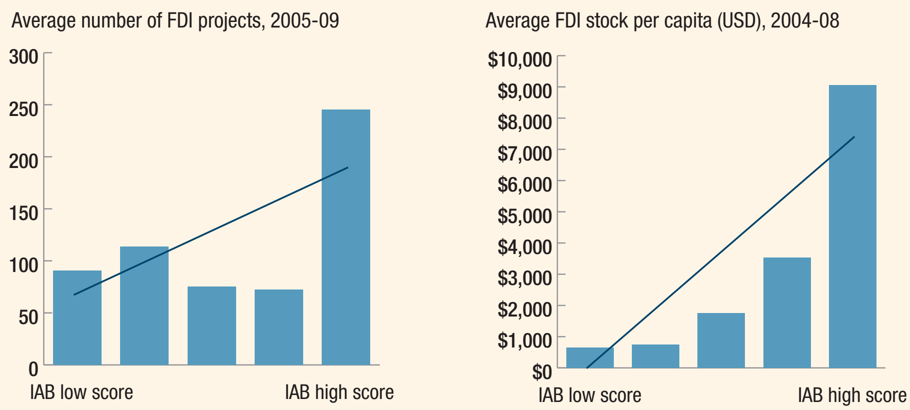

*Source: Investing Across Borders* database.

FIGURE 2.5: Fastest and slowest countries for starting a foreign business




*Source: Investing Across Borders* database.

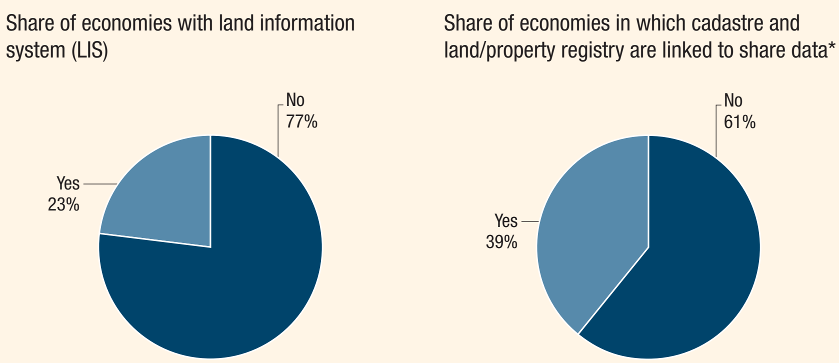
FIGURE 2.6: Good regulations and efficient processes are associated with more FDI




*Note:* Correlations compare aggregate IAB score with two measures of FDI. The first figure shows the correlation with the 5-year average number of new FDI projects and is significant at the 5% level. The second shows the 5-year average FDI stock per capita and is significant at the 1% level. The aggregate IAB score is the average of the share of total possible points of the 4 topics. The IAB aggregate is broken into 5 quintiles expressed as groups of economies below the 20th, 40th, 60th, 80th, and 100th percentile ranking.

*Source*: fDi Intelligence database, UNCTAD FDI Statistics database, World Bank Group World Development Indicators database, *Investing Across Borders* database.

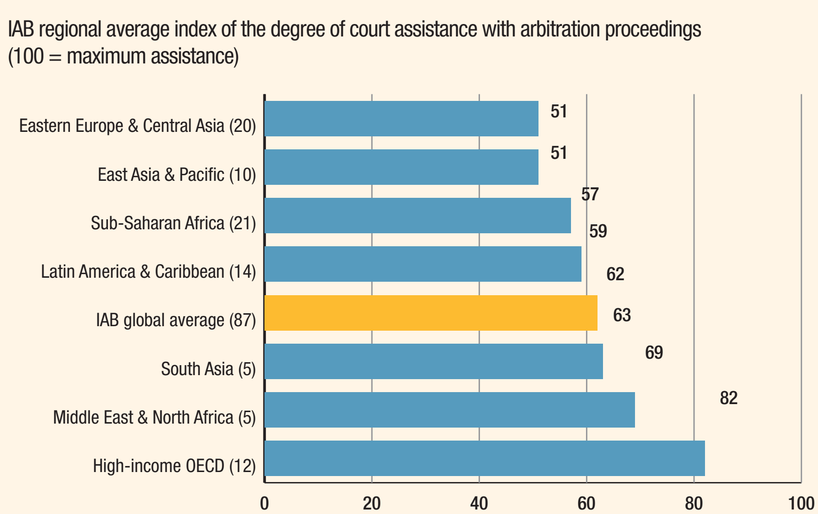
FIGURE 2.7: Countries vary widely on the effectiveness of land management systems




*Source: Investing Across Borders* database.

* Only includes 41 economies which have cadastre and land registry.

FIGURE 2.8: Court assistance with arbitration varies by region




## Effective institutions help foster FDI

Easily accessible and reliable information, and efficient and predictable actions by public institutions help create a business environment conducive to investment. For instance, studies have shown that 70% of countries miss out on foreign investment due to deficiencies of investment promotion institutions in providing potential investors with accurate and up-to-date information.[4]

Electronic services can make administrative processes more efficient and transparent and do not necessarily require costly or complex technological solutions. Any public agency with a Web site can start by posting key information online and, over time, provide some services electronically.

The convenience of online access to laws and regulations is important to all businesses, but particularly for foreign investors not physically present in a country. IAB shows that laws on establishing a foreign business are available online in all IAB countries except Ethiopia, Ghana, and Liberia. In 83% of IAB countries laws on commercial arbitration are available online. But many of these are not Web sites of government institutions, but of law firms. Economies that provide a lot of information about land, often through a land information system, usually make it accessible online.

There is significant variation in the effectiveness of institutions providing land information (mainly land registries and cadastres). Except in some Eastern European and Central Asian and high-income OECD countries, public land management institutions are not organized well enough to make information easily accessible. Less than a quarter of the countries surveyed have functioning land information systems, and many lack effective and coordinated land management institutions (figure 2.7).[5] As technology develops, access to information becomes paramount—not only to inform investors, but also to improve the countries' business climates.

The existence of a functioning arbitral institution in a country is an indication of a solid arbitration practice. But more than 10% of the countries surveyed do not have such an institution, including Afghanistan, Angola, Bangladesh, Cambodia, Kosovo, Montenegro, Papua New Guinea, Rwanda, Sierra Leone, and the Solomon Islands. In some countries such institutions are no longer active, as in Ethiopia and Liberia.

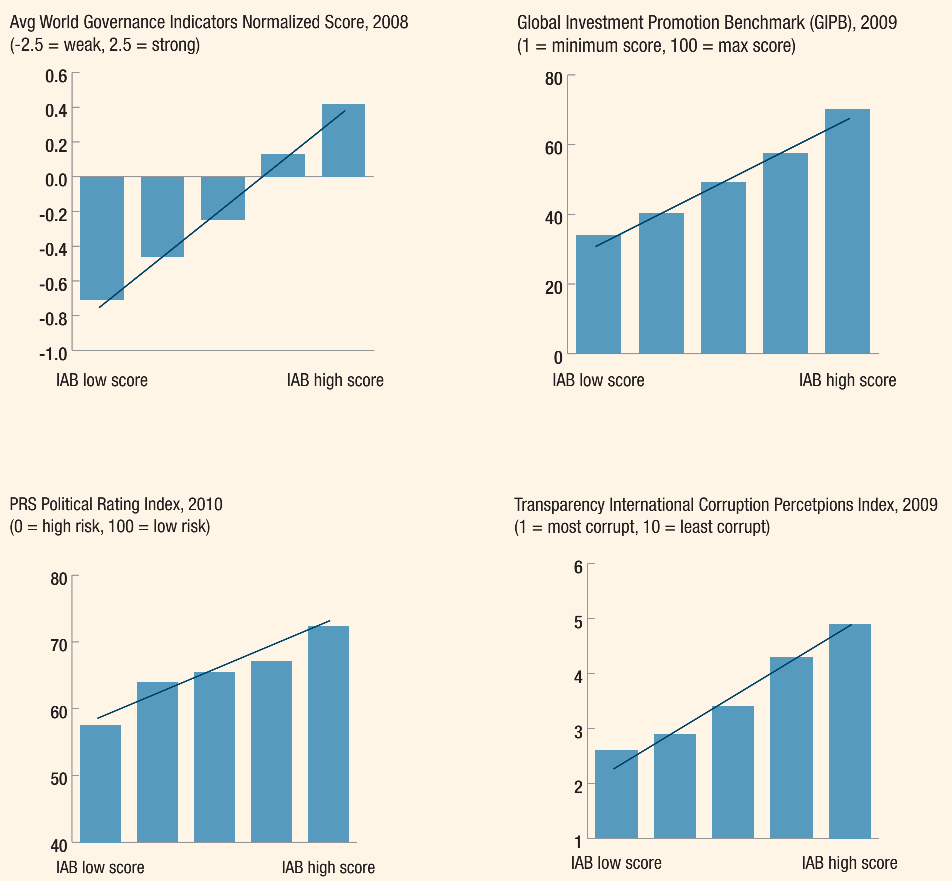
Courts can make arbitration more effective. During arbitration proceedings, courts may be required to support arbitral tribunals. Similarly, if interim measures are required—such as freezing assets, making interim payments, or seizing property—courts must be approached by the party seeking the order. In many countries in East Asia and the Pacific and Eastern Europe and Central Asia laws do not expressly provide for domestic courts to assist the arbitration process with orders for production of documents or appearance of witnesses (figure 2.8).

In general, IAB shows that effective institutions that provide easily accessible and reliable information matter for creating an enabling investment climate. Furthermore, countries that provide their citizens with good public services, have good institutions, enjoy political stability, and do not suffer from corruption tend to score well on the IAB indicators (figure 2.9).

## Countries can improve their FDI competitiveness

The IAB indicators are designed to identify good practices that offer governments concrete tools for improving their investment climates in the 4 measured indicator areas. Though legal frameworks and their implementation may not be the main drivers of foreign investment decisions (see the Introduction chapter), they can tip the balance in favor of one country over another if all other factors are equal. Countries that score well on the IAB indicators share certain features (box 2.1).

FIGURE 2.9: Higher IAB scores are associated with better governance, higher institutional quality, lower political risk, and less corruption




*Note:* The first figure (top left) shows the correlation between IAB aggregate scores and the average normalized score for the six indicators that compose the World Bank Governance Indicators: voice and accountability, political stability and absence of violence, government effectiveness, regulatory quality, rule of law, and control of corruption. The second figure (top right) shows the correlation between IAB aggregate scores and the Global Investment Promotion Benchmark percentile rank of each country's investment promotion agency. This indicator measures the quality of each agency's handling of investor inquiries and its Web site. The third figure (bottom left) shows the correlation between IAB aggregate scores and the PRS Group's International Country Risk Guide political risk ratings. The fourth figure (bottom right) shows the correlation between IAB aggregate scores and Transparency International's Corruption Perceptions Index, which orders countries based on "the degree to which corruption is perceived to exist among public officials and politicians." The IAB aggregate scores are averages of the share of possible point score per topic. The scores have been broken into 5 quintiles ranked from the least to highest number of scored points. All correlations are significant at the 1% level.

*Source:* World Bank Group Worldwide Governance Indicators database, World Bank Group Global Investment Promotion Benchmarking database, PRS Group Political Risk Ratings, Transparency International Corruption Perceptions Index database, *Investing Across Borders* database.

## BOX 2.1: Characteristics of countries that score well on the IAB indicators

*Investing Across Sectors*

- **Allowing foreign ownership in the primary, manufacturing, and service sectors.** The results of the Investing Across Sectors indicators illustrate 2 key points. First, the global trend has been to liberalize a growing range of economic sectors. Second, in many countries the benefits of openness to foreign capital participation have trumped reasons for restricting certain sectors from foreign ownership. For every country that limits or prohibits foreign equity ownership in certain sectors, several others with similar features allow unrestricted foreign ownership. But having an open economy is not enough. Other requirements include good regulation and strong investment climate fundamentals, with features such as well-functioning institutions, economic and political stability, and respect for the rule of law.

*Starting a Foreign Business*

- **Equal treatment of foreign and domestic investors.** The start-up process should be governed by the same rules for all companies regardless of their ownership. Any differences in treatment should be due to companies' size, legal form, or commercial activity—not the nationality of its shareholders.
- **Simple and transparent establishment process.** Countries should consolidate start-up procedures and abolish unnecessary ones (such as company seal requirements or investment approvals for small projects). Obtaining investment approvals can be burdensome for foreign investors. Countries should simplify or abolish such requirements unless foreign investment is in a sector that affects national or economic security. In addition, countries can enable investors to register businesses online. Fast-track alternatives, even if they entail higher processing fees, are also usually valuable to foreign investors. Finally, countries should not require foreign companies to go through a local third party (lawyer, notary, public entity).

*Accessing Industrial Land*

- **Clear laws which provide fair and equal treatment for foreign and domestic companies.** Laws should provide sufficient security to investors—foreign and domestic—so that they feel comfortable operating and expanding their businesses, and should not limit their ability to develop, renew, transfer, mortgage, or sublease land. Laws and regulations should take into account the interests of all stakeholders related to land use—including investors, governments, and local communities. Attention must also be paid to environmental protection.
- **Accessible land information.** Land records should be up-to-date, centralized, integrated (linked across relevant government agencies), easily accessible (preferably with online access), and provide information useful to investors and the general public.
- **Efficient land acquisition procedures.** A country should have clear rules for acquiring private and public land. Rules should remove unnecessary and burdensome steps while enabling authorities to conduct a proper process with fair protections for the greater public good.

*Arbitrating Commercial Disputes*

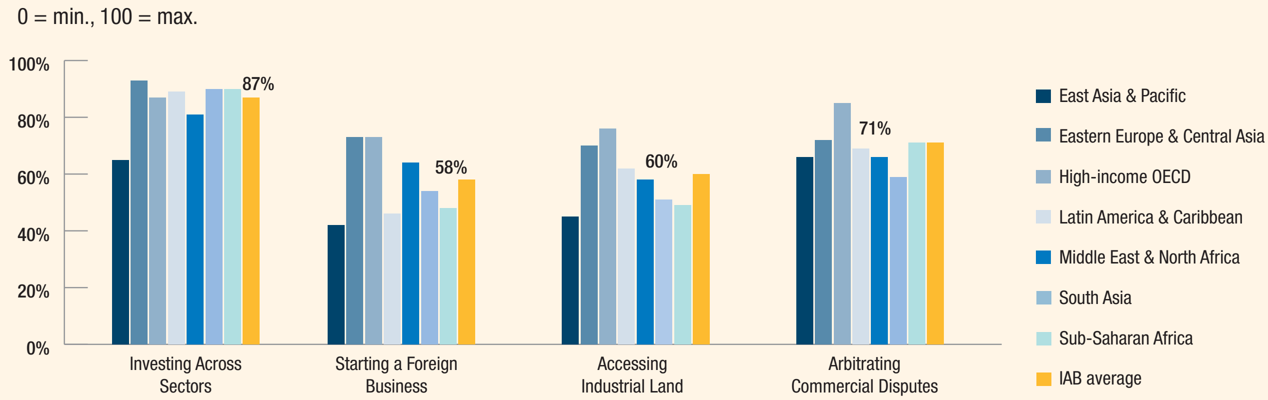
- **Strong arbitration laws in line with arbitration practice.** Many countries have enacted modern arbitration laws. Ideally these are consolidated in one law or a chapter in civil code and are coherent, up-to-date, and easily accessible. A strong legal framework should be associated with effective arbitration practices and greater awareness of the benefits of arbitration.
- **Autonomy to tailor arbitration proceedings.** Good arbitration regimes provide a flexible choice for commercial dispute resolution. Parties should be able to choose how to run their arbitration processes, including whether they will be ad hoc or administered by an arbitral institution, the qualifications of the arbitrators, and the language of the proceedings.
- **Supportive local courts.** A good arbitration regime is associated with strong support from local courts for arbitration proceedings and consistent, efficient enforcement of arbitration awards.
- **Adherence to international conventions.** Adherence to and implementation of international and regional conventions on arbitration such as the New York Convention and the ICSID Convention signal a government's commitment to the rule of law and the protection of investor rights.

*Source: Investing Across Borders* database.

## REGIONAL FINDINGS

The IAB indicators show significant variation across regions (figure 2.10).

FIGURE 2.10: Share of possible points per IAB indicator topic by regional average




*Note:* The IAB average is a simple average of the 87 economies measured by IAB.
*Source: Investing Across Borders* database.

### EAST ASIA AND THE PACIFIC

#### *Investing Across Sectors*

East Asia and the Pacific has more restrictions on foreign equity ownership in all sectors than any other region. At the same time, the region displays the greatest intraregional variance, with less populous economies being more open. For example, Singapore and the Solomon Islands have few restrictions, while China and Indonesia impose foreign equity limits in many service sectors.

#### *Starting a Foreign Business*

The ease of establishing a foreign subsidiary varies greatly across East Asia and the Pacific. Papua New Guinea (108 days), China (99), Vietnam (94), Indonesia (86), and Cambodia (86) are among the 10 IAB economies with the longest start-up processes. On the other hand, Singapore has one of the world's fastest start-up processes (9 days). Half of the region's economies surveyed by IAB require investment approvals—China, Indonesia, Papua New Guinea, the Solomon Islands, and Vietnam. In China, Papua New Guinea, and the Solomon Islands foreign companies can hold foreign currency bank accounts only after obtaining approval from authorities.

#### *Accessing Industrial Land*

Except for Malaysia, Thailand, and Singapore, none of the 10 economies surveyed in East Asia and the Pacific allows private ownership of land. Accordingly, foreign companies lease rather than buy land in the region. But lease rights are not particularly strong. In the Philippines a foreign company cannot mortgage leased land or use it as collateral to buy production equipment. Singapore offers the strongest lease rights, allowing investors to use land as collateral and to sublease and subdivide it. The time required to lease private land ranges from 1 month in Thailand to 4 months in Vietnam. Leasing land from the government takes 3 months in Indonesia—and almost a year in Malaysia. Overall, access to and availability of land information are low in the region.

#### *Arbitrating Commercial Disputes*

All the countries surveyed in East Asia and the Pacific have laws on commercial arbitration and display them online. The laws generally offer broad party autonomy in arbitration, though some restrictions apply. For instance, Cambodia requires parties to choose an arbitrator who is a member of the National Arbitration Center. In Indonesia arbitrators must be at least 35 and have 15 years of experience in the field. Most countries in the region have active arbitration centers, with the exception of Cambodia, Papua New Guinea, and the Solomon Islands. Enforcement of arbitration awards is slow in most of the region, taking more than a year in the Philippines and Thailand. Papua New Guinea, Thailand, and Vietnam are not parties to the ICSID Convention. In addition, Papua New Guinea has not ratified the New York Convention.

## EASTERN EUROPE AND CENTRAL ASIA

### *Investing Across Sectors*

Across sectors, Eastern Europe and Central Asia is the region most open to foreign equity ownership. Georgia and Montenegro have no restrictions on foreign ownership of companies in any of the sectors measured by the IAB indicators. And every country in the region allows full foreign ownership of companies in banking, construction, health care, retail, tourism, and waste management. Media and transportation are more restricted. Azerbaijan, Belarus, Kazakhstan, and Ukraine impose more restrictions in media than most other countries in the region. Within the region, countries in Central and Eastern Europe have fewer restrictions on foreign equity ownership than those in the Commonwealth of Independent States.

### *Starting a Foreign Business*

Eastern European and Central Asian countries offer simple establishment processes for foreign companies. Bulgaria, Croatia, and Romania offer online business registration. Half the world's 10 countries with the fastest start-up processes are from this region—Georgia (4 days), Albania (7 days), Belarus (7 days), the former Yugoslav Republic of Macedonia (8 days), and Turkey (8 days). Although none of the 20 countries surveyed in the region requires an investment approval, 5 require investment notifications or declarations.

### *Accessing Industrial Land*

Foreign companies typically buy rather than lease land in Eastern Europe and Central Asia. Every country in the region except the Kyrgyz Republic allows private ownership of land. Ownership rights are strong. Access to and availability of land information are also generally strong throughout the region, though they vary significantly by country. In Armenia land information and geotechnical maps are publicly accessible through a land information system. But in Romania and Ukraine publicly available land information is limited. The time required to lease land from a private holder ranges from about 1 week in Georgia to nearly 5 months in Poland. The time required to lease land from the government ranges from 2 months in Kosovo to almost a year in Bulgaria.

### *Arbitrating Commercial Disputes*

About 80% of countries in Eastern Europe and Central Asia have enacted specific laws on commercial arbitration, less than in other regions. In contrast, the region has the largest share of countries with laws on commercial mediation and conciliation (11 of 20). All economies except Kosovo are members of the New York Convention. But Eastern Europe and Central Asia also has the largest share of economies that have not ratified the ICSID Convention: the Kyrgyz Republic, Moldova, Montenegro, Poland, and the Russian Federation. Most economies in the region restrict arbitration of commercial disputes over immovable property (70%), and many restrict arbitration of intracompany disputes (55%), shareholders disputes (25%), and disputes involving patents or trademarks (20%). Enforcement of arbitration awards is fast. For domestic awards, excluding appeals, the time ranges from 38 days in Kazakhstan to more than a year in Armenia.

## HIGH-INCOME OECD

### *Investing Across Sectors*

High-income OECD countries have relatively few restrictions on foreign equity ownership, though foreign ownership of companies in transportation is far more restricted than in most other regions. In particular, foreign ownership of airlines is limited to a less than 50% stake in all high-income OECD countries covered by the IAB indicators. Greece and Spain apply additional equity restrictions on airport operations, and Japan, France, and Spain have limits on foreign ownership of ports. In the Czech Republic, Ireland, and the Slovak Republic restrictions on foreign equity are limited to the transportation sector, while other countries—such as Greece and Spain—limit foreign ownership in more sectors, including electricity and media.

### *Starting a Foreign Business*

High-income OECD countries offer easy establishment processes. Canada (6 days) and France (9 days) are among the world's 10 countries with the fastest start-up processes. Though none of the 12 high-income OECD economies surveyed require investment approvals, 7 require some type of investment notification or declaration—Canada, the Czech Republic, France, Japan, the Republic of Korea, the Slovak Republic, and Spain. Except for Greece and Spain, all the surveyed high-income OECD countries offer downloadable registration documents.

### Accessing Industrial Land

All the surveyed high-income OECD countries allow private ownership of land and provide strong lease and ownership rights. Access to land information is relatively easy throughout these countries, and many have land and geographic information systems. Ireland offers extensive information on land plots, including environmental impact assessments, tax classifications, and utility connections. In Korea, however, such information is not publicly available. Overall, leasing procedures are quick relative to other regions. The time required to lease private land ranges from 2 weeks in Japan to 3 months in the Czech Republic, and the time required to lease land from the government ranges from 3 weeks in Greece to almost 5 months in France.

### Arbitrating Commercial Disputes

Arbitration is a long-established, common mechanism for resolving commercial disputes in all surveyed high-income OECD countries. All have enacted laws on commercial arbitration and make them available online. In addition, all are members of the New York Convention, and only Canada has not ratified the ICSID Convention. Party autonomy in arbitration proceedings is respected in all these countries, though Spain requires arbitrators in domestic arbitrations to be lawyers and Spanish nationals. A number of economies in the region such as Canada, the Czech Republic, France, the United Kingdom, and the United States allow online arbitration, especially for smaller claims. Enforcement of awards is faster than in any other region. For domestic awards excluding appeals, enforcement times range from about 1 month in France to almost a year in Greece.

## LATIN AMERICA AND THE CARIBBEAN

### Investing Across Sectors

Latin American and Caribbean countries impose few restrictions on foreign equity ownership. Chile, Guatemala, and Peru are among the world's most open economies, with almost no restrictions on foreign ownership in any sectors covered by IAB. In all of the region's countries surveyed by IAB, construction, light manufacturing, retail, and tourism have no limits on foreign equity ownership. Banking, insurance, and telecommunications are also more open than in most other regions. However, a number of countries—including Bolivia, Haiti, and Mexico—impose restrictions in these sectors. The electricity sector is more restricted in the region than the global average, with foreign equity ownership of companies limited to a less than 50% stake in Bolivia, Costa Rica, and Mexico.

### Starting a Foreign Business

Establishing a foreign (as well as a domestic) business takes a long time in Latin America and the Caribbean. The region contains countries with some of the world's slowest start-up processes, including Haiti (212 days), República Bolivariana de Venezuela (179 days), and Brazil (166 days). Still, 9 of the 14 countries surveyed do not require foreign investment approval or notification. Some form of capital importation notification or certification is required in more than half the countries in the region. The use of local third parties in the establishment process is widely required in Latin America and the Caribbean. In addition, foreign companies are prohibited from holding bank accounts in foreign currency in Brazil, Colombia, and República Bolivariana de Venezuela.

### Accessing Industrial Land

Foreign companies typically buy private land in Latin America and the Caribbean, and all the countries surveyed allow private land ownership. While most countries in the region offer strong ownership rights, the strength of lease rights varies. In Guatemala there is no public inventory of lands or buildings and the land registry and cadastre are not linked to share data. By contrast, Costa Rica has a publicly accessible land information system. The time required to lease private land ranges from 3 weeks in Peru to 5 months in Nicaragua. The time to lease land from the government ranges from 3 months in Chile to more than 7 months in Haiti.

### Arbitrating Commercial Disputes

Aside from Argentina, all the countries surveyed in the region have specific laws on commercial arbitration. In some countries the legal framework for arbitration is spread across various decrees and codes, resulting in legal controversies and complexities (as in Colombia). Almost half the countries surveyed in the region have also enacted laws on commercial mediation. Every country in the region has ratified the New York Convention, but Bolivia, Brazil, Ecuador, and Mexico are not parties to the ICSID Convention. There are few restrictions on the arbitrability of commercial disputes except in Mexico and República Bolivariana de Venezuela (which restrict the arbitrability of disputes over immovable property), Colombia (which restricts the arbitrability of intracompany disputes), and Chile (which restricts the arbitrability of patent and trademark disputes). Some countries prohibit the selection of foreign nationals as arbitrators in domestic arbitrations. Some require that parties select locally licensed lawyers as arbitrators and that local language be used in domestic arbitration proceedings. Enforcement of domestic awards ranges from 85 days in Ecuador to more than a year in Colombia.

## MIDDLE EAST AND NORTH AFRICA

### *Investing Across Sectors*

Relative to other regions, countries in the Middle East and North Africa are fairly restrictive on foreign equity ownership in many sectors. An exception is Tunisia, which has no limits on foreign ownership of firms in nearly all sectors measured by IAB. In several countries in the region, extractive industries (mining, oil, and gas) are much less open to foreign capital participation than in other regions, as are electricity and transportation. Morocco, Tunisia, and the Republic of Yemen restrict foreign equity ownership in electricity transmission and distribution. Equity restrictions also exist in port and airport operations. On the other hand, no country in the region imposes limits on foreign participation in agriculture and forestry.

### *Starting a Foreign Business*

In the Middle Eastern and North African economies surveyed by IAB, it takes twice as long to start a foreign company as it does a domestic company. Still, the start-up process in the region takes only 19 days on average, compared with the IAB global average of 42 days. The Arab Republic of Egypt (8 days) has one of the fastest establishment processes of all countries covered by IAB. In Saudi Arabia and the Republic of Yemen foreign companies are required to obtain investment approvals or authorizations, which take about 2 weeks. Foreign companies have to go through investment promotion agencies to establish subsidiaries in Egypt and Saudi Arabia. All the countries surveyed in the region except Egypt post business registration documents online.

### *Accessing Industrial Land*

Foreign companies typically lease private land in the Middle East and North Africa. All the countries surveyed except Morocco allow private land ownership. Compared with other regions, lease rights are not very strong in the region. For example, in Saudi Arabia it is not possible to subdivide or use land as collateral under a lease contract. In Egypt both are possible. Availability of land information is on par with other regions but varies by country. In Morocco the inventory of available land is publicly available, while in Tunisia the land registry does not provide this information. The time required to lease private land ranges from almost 4 weeks in Saudi Arabia to 3 months in Morocco, and the time it takes to lease land from the government ranges from 2 months in the Republic of Yemen to 10 months in Morocco.

### *Arbitrating Commercial Disputes*

All the countries surveyed in the Middle East and North Africa have laws on commercial arbitration, though only Morocco has enacted a law on mediation. All the region's countries except the Republic of Yemen are parties to the New York Convention. All have ratified the ICSID Convention. There are few restrictions on subject matter arbitrability—except in Egypt, which restricts arbitration of disputes over immovable property and of intracompany disputes. In contrast, there are restrictions across the region on party autonomy in arbitration proceedings. These include a prohibition on the selection of foreign arbitrators (Saudi Arabia) and of foreign counsel to represent parties in arbitration proceedings (Egypt, Morocco, Saudi Arabia). Only in Egypt and Tunisia have courts stated pro-arbitration policies. The region's enforcement of arbitration awards in local courts is among the slowest in the world. For domestic awards excluding appeal, this time ranges from almost 3 months in Morocco to more than a year in Saudi Arabia.

## SOUTH ASIA

### *Investing Across Sectors*

Economies in South Asia restrict foreign ownership in the primary sector more than do most other regions. In Sri Lanka foreign equity ownership is restricted in the mining, oil, and gas sectors, and in India forestry is closed to foreign investors. On the other hand, many service sectors—including telecommunications and electricity—have fewer restrictions on foreign equity participation than in other regions. India is the only country in the region with restrictions on foreign ownership in telecommunications, and Sri Lanka in electricity. Foreign capital participation in insurance is limited to 26% in India and 51% in Pakistan. In general, India has the region's most restrictions on foreign equity ownership.

### *Starting a Foreign Business*

It takes on average 39 days to establish a foreign subsidiary in the South Asian economies surveyed. With 7 days and 4 procedures, Afghanistan offers one of the fastest start-up processes. Except for Pakistan, all countries in the region require some form of investment approval or notification. In Afghanistan and Sri Lanka it takes foreign companies 5 and 26 days, respectively, to obtain investment approvals, while Bangladesh and India merely require declarations. All the countries surveyed in South Asia offer business registration documents online. Restrictions on holding foreign currency bank accounts exist in 3 of the 5 economies covered. In Pakistan and Sri Lanka foreign companies can hold such accounts only after obtaining approvals from public authorities, which take 27 and 5 days, respectively.

### *Accessing Industrial Land*

Foreign companies typically lease land from governments in South Asia even though private ownership of land is allowed in all countries except Afghanistan. Lease rights are not particularly strong in the region. For example, in Afghanistan a foreign company cannot mortgage leased land or use it as collateral to buy production equipment. Bangladesh offers the strongest lease rights in the region, allowing land to be used as collateral and in a mortgage contract. Access to and availability of land information are generally high in the region, though they vary. The time it takes to lease land is longer than in most other regions. For private land the time required to lease ranges from 2 months in Bangladesh to 7 months in Afghanistan, and for government land from 3 months in Sri Lanka to 10 months in India.

### *Arbitrating Commercial Disputes*

All the countries surveyed in South Asia have laws on commercial arbitration, and Afghanistan and Sri Lanka have enacted laws on mediation. In addition, all the region's countries are parties to the New York Convention and all, except India, to the ICSID Convention. Arbitration laws in the region allow broad party autonomy in arbitration proceedings, with the exception of restrictions on using foreign counsel in domestic arbitration proceedings in Bangladesh, India, and Sri Lanka. None of the laws in the region provide for the confidentiality of arbitration proceedings. In general, arbitration is not a common method of resolving commercial disputes in the region. Only India and Sri Lanka have active arbitration centers. South Asia is also the slowest region in court enforcement of arbitration awards. In Pakistan and Sri Lanka it takes more than 2 years to enforce arbitration awards.

## SUB-SAHARAN AFRICA

### *Investing Across Sectors*

Sub-Saharan countries tend to be more open to foreign equity ownership than those in other regions—particularly in agriculture and forestry, where no countries except Sierra Leone and Sudan have restrictions on foreign equity ownership. On the other hand, countries such as Angola, Tanzania, and Uganda have more restrictions on foreign ownership in banking, insurance, and telecommunications than do most other countries. In Ethiopia these industries are completely closed to foreign capital participation. Indeed, Ethiopia is one of the most restricted countries measured by IAB, with foreign equity limits in most of its service sectors. In contrast, Mauritius and Zambia are among the world's most open economies to foreign ownership and have consistently been among the largest recipients of FDI per capita.

### *Starting a Foreign Business*

Establishing a foreign-owned company in Sub-Saharan Africa takes longer, on average, than in other regions. It takes twice as long to start a foreign-owned company than a domestic one. Yet while Angola (263 days) has the slowest establishment process of all the countries surveyed by IAB, Rwanda (4 days) offers the fastest. Investment approval requirements are common in the region. On average, it takes 33 days to obtain an approval—longer than in any other region. Less than a third of the Sub-Saharan countries surveyed make incorporation documents available for download, and only Mauritius allows online company registration. In 8 of the 21 economies surveyed, foreign companies are required to go through local representatives to establish a subsidiary. In some countries foreign investors can open foreign currency bank accounts only after obtaining approval from public authorities. In Burkina Faso, Côte d'Ivoire, Mali, and Senegal the Monetary Union of West Africa (UEMOA) requires a foreign company to receive authorization from a minister of finance and ultimately the Central Bank of the West African States (BCEAO) to open a foreign currency bank account.

### *Accessing Industrial Land*

Foreign companies typically lease land from the state in Sub-Saharan Africa. Almost half the countries surveyed in the region do not allow private ownership of land. The strength of long-term lease rights over state land varies. In Sierra Leone the maximum duration of a land lease contract is only 21 years. In addition, land cannot be subdivided, subleased, or used as collateral. On the other hand, Ghana allows leased land to be mortgaged or used as collateral. Across the region the access to and availability of land information are relatively poor, with some variations. In Nigeria it is easy to find information on land and buildings through the land registry in Lagos, while in Madagascar there is no such public registry. Land information is also publicly available in Mauritius, but not in Ethiopia. The time required to lease land from a private holder ranges from 10 days in Rwanda to 5 months in Mozambique, and the time required to lease land from the government ranges from 2 months in Mali to 10 months in South Africa.

### *Arbitrating Commercial Disputes*

Many Sub-Saharan economies have modern arbitration statutes that incorporate international standards and good practices. None of the 21 countries surveyed impose legal restrictions on appointing an arbitrator of a different nationality. Many West and Central African economies are subject to the Law on Arbitration of the Organization for the Harmonization of Business Law in Africa (OHADA), which provides uniform provisions on arbitration, including confidentiality of arbitration proceedings. A third of the region's economies do not post their arbitration statutes online—a higher share than in other regions. And despite having modern statutes, their implementation is often problematic. In Ghana and Tanzania it takes more than a year to enforce arbitration awards. Liberia and Rwanda have no or only nascent arbitration institutions, making institutional arbitration difficult. In contrast, Mozambique and South Africa have well-functioning arbitral institutions. All Sub-Saharan economies except Angola, Ethiopia, Sierra Leone, and Sudan have ratified the New York Convention. Angola, Ethiopia, and South Africa have not ratified the ICSID Convention.

## TABLE 2.1: Summary of IAB indicators

| INDEX / ECONOMY | Investing Across Sectors — Foreign equity ownership indexes (100 = full foreign ownership allowed): MINING, OIL AND GAS | AGRICULTURE AND FORESTRY | LIGHT MANUFACTURING | TELECOMMUNICATIONS | ELECTRICITY | BANKING | INSURANCE | TRANSPORTATION | MEDIA | SECTOR GROUP 1 (CONSTR., TOURISM, RETAIL) | SECTOR GROUP 2 (HEALTH CARE, WASTE MGT.) | Starting a Foreign Business: TIME (DAYS) | PROCEDURES (NUMBER) | EASE OF ESTABLISHMENT INDEX (0 = MIN, 100 = MAX) | Accessing Industrial Land: STRENGTH OF LEASE RIGHTS INDEX (0 = MIN, 100 = MAX) | STRENGTH OF OWNERSHIP RIGHTS INDEX (0 = MIN, 100 = MAX) | ACCESS TO LAND INFORMATION INDEX (0 = MIN, 100 = MAX) | AVAILABILITY OF LAND INFORMATION INDEX (0 = MIN, 100 = MAX) | TIME TO LEASE PRIVATE LAND (DAYS) | TIME TO LEASE PUBLIC LAND (DAYS) | Arbitrating Commercial Disputes: STRENGTH OF LAWS INDEX (0 = MIN, 100 = MAX) | EASE OF PROCESS INDEX (0 = MIN, 100 = MAX) | EXTENT OF JUDICIAL ASSISTANCE INDEX (0 = MIN, 100 = MAX) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Afghanistan | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 7 | 4 | 68.4 | 73.3 | n/a | 9.1 | 0.0 | 218 | 301 | 68.1 | 0.0 | 0.0 |
| Albania | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 79.6 | 70.0 | 100.0 | 100.0 | 7 | 7 | 84.2 | 80.7 | 100.0 | 47.4 | 85.0 | 36 | 129 | 84.0 | 40.7 | 68.5 |
| Angola | 74.5 | 100.0 | 82.5 | 75.0 | 100.0 | 10.0 | 50.0 | 80.0 | 30.0 | 100.0 | 100.0 | 263 | 12 | 39.5 | 87.9 | 75.0 | 36.8 | 60.0 | 40 | 129 | 74.9 | 57.3 | 59.9 |
| Argentina | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 79.6 | 30.0 | 100.0 | 100.0 | 50 | 18 | 65.0 | 79.3 | 100.0 | 44.4 | 85.0 | 48 | 112 | 63.5 | 72.2 | 55.1 |
| Armenia | 74.5 | 50.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 55.6 | 100.0 | 100.0 | 100.0 | 18 | 8 | 78.9 | 92.8 | 100.0 | 73.7 | 95.0 | 10 | 57 | 89.9 | 82.3 | 27.3 |
| Austria | 100.0 | 100.0 | 100.0 | 100.0 | 70.9 | 100.0 | 100.0 | 79.6 | 74.5 | 100.0 | 100.0 | 30 | 10 | 73.7 | 85.7 | 100.0 | 42.1 | 80.0 | 33 | 79 | 95.4 | 83.7 | 83.0 |
| Azerbaijan | 49.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 16.5 | 100.0 | 100.0 | 11 | 7 | 71.6 | 78.5 | 100.0 | 42.1 | 85.0 | 58 | 105 | 82.4 | 53.6 | 37.0 |
| Bangladesh | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 55 | 9 | 55.3 | 100.0 | 100.0 | 26.3 | 73.7 | 58 | 240 | 84.9 | 67.5 | 55.3 |
| Belarus | 100.0 | 100.0 | 100.0 | 75.0 | 64.3 | 100.0 | 49.0 | 80.0 | 30.0 | 100.0 | 100.0 | 7 | 6 | 78.9 | 71.4 | 100.0 | 50.0 | 60.0 | 34 | 97 | 78.3 | 79.0 | 84.9 |
| Bolivia | 49.0 | 100.0 | 100.0 | 49.0 | 49.0 | 100.0 | 100.0 | 89.8 | 100.0 | 100.0 | 100.0 | 54 | 18 | 63.2 | 65.0 | 87.5 | 33.3 | 65.0 | 42 | 170 | 80.3 | 65.7 | 54.2 |
| Bosnia and Herzegovina | 100.0 | 100.0 | 87.3 | 100.0 | 85.7 | 100.0 | 100.0 | 100.0 | 49.0 | 100.0 | 100.0 | 83 | 14 | 65.8 | 75.0 | 100.0 | 45.0 | 75.0 | 31 | n/a | 72.6 | 57.1 | 76.3 |
| Brazil | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 68.0 | 30.0 | 100.0 | 50.0 | 166 | 17 | 62.5 | 85.7 | 100.0 | 33.3 | 75.0 | 66 | 180 | 84.9 | 45.7 | 57.2 |
| Bulgaria | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 79.6 | 100.0 | 100.0 | 100.0 | 20 | 5 | 78.9 | 85.7 | 100.0 | 36.8 | 95.0 | 60 | 351 | 93.1 | 64.7 | 68.6 |
| Burkina Faso | 95.0 | 100.0 | 100.0 | 87.5 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 15 | 5 | 44.7 | 74.9 | 50.0 | 31.6 | 50.0 | .. | 120 | 94.9 | 67.6 | 67.9 |
| Cambodia | 100.0 | 100.0 | 100.0 | 100.0 | 85.7 | 100.0 | 100.0 | 69.8 | 100.0 | 100.0 | 100.0 | 86 | 10 | 44.7 | 92.9 | n/a | 41.7 | 52.5 | 41 | 119 | 92.4 | 48.6 | 46.0 |
| Cameroon | 95.0 | 100.0 | 100.0 | 100.0 | 71.4 | 100.0 | 100.0 | 49.0 | 49.0 | 100.0 | 100.0 | 82 | 14 | 41.1 | 73.6 | 75.0 | 52.6 | 55.0 | 75 | 108 | 87.4 | 79.6 | 64.6 |
| Canada | 100.0 | 100.0 | 81.1 | 46.7 | 100.0 | 65.0 | 100.0 | 79.6 | 73.4 | 100.0 | 50.0 | 6 | 2 | 81.6 | 100.0 | 100.0 | 46.2 | 85.0 | 68 | 131 | 89.9 | 84.7 | 94.0 |
| Chile | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 29 | 11 | 63.2 | 85.7 | 100.0 | 33.3 | 80.0 | 23 | 93 | 94.9 | 62.8 | 74.8 |
| China | 75.0 | 100.0 | 75.0 | 49.0 | 85.4 | 62.5 | 50.0 | 49.0 | 0.0 | 83.3 | 85.0 | 99 | 18 | 63.7 | 96.4 | n/a | 50.0 | 52.5 | 59 | 129 | 94.9 | 76.1 | 60.2 |
| Colombia | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 70.0 | 100.0 | 100.0 | 27 | 13 | 68.4 | 85.7 | 100.0 | 52.6 | 80.0 | 40 | 111 | 93.1 | 52.3 | 18.2 |
| Costa Rica | 100.0 | 100.0 | 100.0 | 100.0 | 35.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 63 | 14 | 73.7 | 100.0 | 100.0 | 73.7 | 60.0 | 23 | 136 | 92.4 | 59.0 | 50.9 |
| Côte d'Ivoire | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 42 | 12 | 52.6 | 86.6 | 62.5 | 47.4 | 75.0 | 62 | 276 | 94.9 | 82.9 | 55.8 |
| Croatia | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 69.4 | 100.0 | 100.0 | 100.0 | 23 | 9 | 81.6 | 85.7 | 100.0 | 55.0 | 75.0 | 78 | 107 | 93.1 | 71.4 | 52.7 |
| Czech Republic | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 79.6 | 100.0 | 100.0 | 100.0 | 18 | 11 | 81.6 | 85.7 | 100.0 | 75.0 | 90.0 | 96 | 131 | 97.4 | 88.5 | 65.8 |
| Ecuador | 100.0 | 100.0 | 100.0 | 100.0 | 85.4 | 100.0 | 100.0 | 69.8 | 74.5 | 100.0 | 100.0 | 68 | 16 | 55.3 | 61.5 | 100.0 | 27.8 | 77.5 | 106 | 151 | 86.3 | 58.3 | 59.8 |
| Egypt, Arab Rep. | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 50.0 | 100.0 | 76.0 | 50.0 | 83.0 | 100.0 | 8 | 7 | 63.2 | 85.7 | 75.0 | 30.0 | 50.0 | 45 | .. | 89.9 | 74.9 | 54.2 |
| Ethiopia | 100.0 | 100.0 | 100.0 | 0.0 | 50.0 | 0.0 | 0.0 | 10.0 | 0.0 | 50.0 | 100.0 | 28 | 10 | 21.1 | 74.9 | n/a | 0.0 | 2.5 | 75 | 142 | 49.9 | 74.0 | 34.8 |
| France | 100.0 | 100.0 | 80.0 | 100.0 | 100.0 | 100.0 | 100.0 | 59.6 | 20.0 | 100.0 | 100.0 | 9 | 7 | 77.5 | 99.9 | 100.0 | 47.4 | 90.0 | 91 | 142 | 90.0 | 86.6 | 94.0 |
| Georgia | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 4 | 4 | 84.2 | 86.7 | 100.0 | 52.6 | 80.0 | 8 | 50 | 85.8 | 75.2 | 53.6 |
| Ghana | 90.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 72 | 10 | 34.2 | 90.0 | n/a | 30.0 | 85.0 | 104 | 247 | 74.9 | 88.5 | 40.9 |
| Greece | 100.0 | 100.0 | 100.0 | 100.0 | 0.0 | 100.0 | 100.0 | 49.4 | 100.0 | 100.0 | 100.0 | 22 | 18 | 68.4 | 85.7 | 100.0 | 47.4 | 80.0 | 15 | 20 | 97.4 | 86.1 | 48.6 |
| Guatemala | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 30 | 12 | 57.9 | 78.6 | 100.0 | 27.8 | 70.0 | 34 | 168 | 91.6 | 72.3 | 58.4 |
| Haiti | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 49.0 | 100.0 | 80.0 | 100.0 | 100.0 | 100.0 | 212 | 13 | 63.2 | 71.4 | 87.5 | 30.0 | 40.0 | 90 | 219 | 79.9 | 74.9 | 28.5 |
| Honduras | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 89.8 | 100.0 | 100.0 | 100.0 | 35 | 15 | 68.4 | 78.6 | 100.0 | 55.6 | 75.0 | 61 | 182 | 97.6 | 73.3 | 59.5 |
| India | 100.0 | 50.0 | 81.5 | 74.0 | 100.0 | 87.0 | 26.0 | 59.6 | 63.0 | 83.7 | 100.0 | 46 | 16 | 76.3 | 92.9 | 87.5 | 15.8 | 85.0 | 90 | 295 | 88.5 | 67.6 | 53.4 |
| Indonesia | 97.5 | 72.0 | 68.8 | 57.0 | 95.0 | 99.0 | 80.0 | 49.0 | 5.0 | 85.0 | 82.5 | 86 | 12 | 52.6 | 78.6 | n/a | 21.4 | 85.0 | 35 | 81 | 95.4 | 81.8 | 41.3 |
| Ireland | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 79.6 | 100.0 | 100.0 | 100.0 | 14 | 5 | 70.0 | 92.9 | 100.0 | 50.0 | 100.0 | 70 | 77 | 94.9 | 79.6 | 75.8 |
| Japan | 100.0 | 100.0 | 100.0 | 83.3 | 100.0 | 100.0 | 100.0 | 39.8 | 60.0 | 100.0 | 50.0 | 25 | 10 | 81.6 | 85.7 | 100.0 | 30.8 | 75.0 | 17 | 96 | 95.4 | 77.7 | 65.9 |
| Kazakhstan | 100.0 | 100.0 | 100.0 | 49.0 | 100.0 | 100.0 | 100.0 | 100.0 | 20.0 | 100.0 | 100.0 | 34 | 9 | 65.8 | 86.7 | 66.7 | 36.8 | 95.0 | 37 | 159 | 77.5 | 70.4 | 78.2 |
| Kenya | 100.0 | 100.0 | 100.0 | 70.0 | 92.9 | 100.0 | 66.7 | 70.0 | 75.0 | 100.0 | 100.0 | 34 | 12 | 57.9 | 78.6 | 100.0 | 22.2 | 85.0 | 72 | 113 | 94.9 | 77.1 | 56.3 |
| Korea, Rep. | 100.0 | 100.0 | 100.0 | 49.0 | 85.4 | 100.0 | 100.0 | 79.6 | 39.5 | 100.0 | 100.0 | 17 | 11 | 71.1 | 85.7 | 100.0 | 68.4 | 70.0 | 10 | 53 | 94.9 | 81.9 | 70.2 |
| Kosovo | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 90.0 | 100.0 | 100.0 | 100.0 | 54 | 11 | 73.7 | 85.7 | 100.0 | 47.4 | 65.0 | 25 | 59 | 74.9 | 63.9 | 27.5 |
| Kyrgyz Republic | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 79.6 | 100.0 | 100.0 | 100.0 | 12 | 4 | 73.7 | 91.2 | n/a | 55.6 | 82.5 | 15 | 154 | 74.9 | 72.3 | 61.7 |
| Liberia | 100.0 | 100.0 | 100.0 | 100.0 | 71.4 | 100.0 | 100.0 | 90.0 | 100.0 | 100.0 | 100.0 | 25 | 8 | 55.3 | 57.7 | n/a | 28.6 | 15.0 | 28 | 193 | 44.9 | 56.4 | 42.0 |

## TABLE 2.1: Summary of IAB indicators *(continued)*

| INDEX | Investing Across Sectors — *Foreign equity ownership indexes (100 = full foreign ownership allowed)* | | | | | | | | | | | Starting a Foreign Business | | | Accessing Industrial Land | | | | | | Arbitrating Commercial Disputes | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| ECONOMY | MINING, OIL AND GAS | AGRICULTURE AND FORESTRY | LIGHT MANUFACTURING | TELECOMMUNICATIONS | ELECTRICITY | BANKING | INSURANCE | TRANSPORTATION | MEDIA | SECTOR GROUP 1 (CONSTR., TOURISM, RETAIL) | SECTOR GROUP 2 (HEALTH CARE, WASTE MGT.) | TIME (DAYS) | PROCEDURES (NUMBER) | EASE OF ESTABLISHMENT INDEX (0 = MIN, 100 = MAX) | STRENGTH OF LEASE RIGHTS INDEX (0 = MIN, 100 = MAX) | STRENGTH OF OWNERSHIP RIGHTS INDEX (0 = MIN, 100 = MAX) | ACCESS TO LAND INFORMATION INDEX (0 = MIN, 100 = MAX) | AVAILABILITY OF LAND INFORMATION INDEX (0 = MIN, 100 = MAX) | TIME TO LEASE PRIVATE LAND (DAYS) | TIME TO LEASE PUBLIC LAND (DAYS) | STRENGTH OF LAWS INDEX (0 = MIN, 100 = MAX) | EASE OF PROCESS INDEX (0 = MIN, 100 = MAX) | EXTENT OF JUDICIAL ASSISTANCE INDEX (0 = MIN, 100 = MAX) |
| Macedonia, FYR | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 79.6 | 100.0 | 100.0 | 100.0 | 8 | 6 | 76.3 | 85.6 | 100.0 | 68.4 | 90.0 | 13 | 79 | 93.1 | 74.9 | 69.7 |
| Madagascar | 100.0 | 100.0 | 100.0 | 74.5 | 92.9 | 100.0 | 100.0 | 80.0 | 100.0 | 100.0 | 100.0 | 12 | 3 | 65.0 | 84.5 | 75.0 | 26.3 | 85.0 | 81 | 132 | 85.0 | 74.2 | 83.3 |
| Malaysia | 70.0 | 85.0 | 100.0 | 39.5 | 30.0 | 49.0 | 49.0 | 100.0 | 65.0 | 90.0 | 65.0 | 14 | 11 | 60.5 | 78.5 | 87.5 | 23.1 | 85.0 | 96 | 355 | 94.9 | 81.8 | 66.7 |
| Mali | 95.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 49.0 | 100.0 | 100.0 | 29 | 8 | 42.5 | 80.0 | 50.0 | 28.6 | 5.0 | .. | 63 | 80.0 | 67.5 | 8.3 |
| Mauritius | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 60.0 | 100.0 | 100.0 | 11 | 9 | 68.4 | 90.0 | 87.5 | 31.3 | 95.0 | 19 | 100 | 84.9 | 71.2 | 77.1 |
| Mexico | 50.0 | 49.0 | 100.0 | 74.5 | 0.0 | 100.0 | 49.0 | 54.4 | 24.5 | 100.0 | 100.0 | 31 | 11 | 65.8 | 81.3 | 100.0 | 33.3 | 90.0 | 83 | 151 | 79.1 | 84.7 | 52.7 |
| Moldova | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 74.5 | 100.0 | 100.0 | 10 | 9 | 70.0 | 79.9 | 100.0 | 52.6 | 70.0 | 19 | 75 | 84.0 | 81.8 | 60.9 |
| Montenegro | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 15 | 14 | 78.9 | 69.2 | 100.0 | 78.9 | 65.0 | 40 | 185 | 63.5 | 60.0 | 46.5 |
| Morocco | 93.8 | 100.0 | 100.0 | 100.0 | 0.0 | 100.0 | 100.0 | 39.8 | 100.0 | 100.0 | 100.0 | 18 | 8 | 55.3 | 86.8 | n/a | 73.7 | 65.0 | 101 | 296 | 97.6 | 69.5 | 64.7 |
| Mozambique | 100.0 | 100.0 | 100.0 | 75.0 | 100.0 | 100.0 | 100.0 | 100.0 | 20.0 | 100.0 | 100.0 | 34 | 12 | 65.8 | 53.1 | n/a | 33.3 | 62.5 | 148 | 175 | 95.4 | 80.9 | 22.2 |
| Nicaragua | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 89.8 | 74.5 | 100.0 | 100.0 | 42 | 8 | 57.9 | 72.1 | 100.0 | 31.6 | 75.0 | 149 | 267 | 95.4 | 73.3 | 40.3 |
| Nigeria | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 70.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 44 | 12 | 47.5 | 78.5 | n/a | 50.0 | 67.5 | 123 | 254 | 95.4 | 82.3 | 71.5 |
| Pakistan | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 49.0 | 51.0 | 79.6 | 37.0 | 100.0 | 100.0 | 21 | 11 | 64.7 | 85.7 | 100.0 | 10.5 | 65.0 | 59 | 96 | 94.9 | 68.5 | 35.5 |
| Papua New Guinea | .. | .. | .. | .. | .. | .. | .. | .. | .. | .. | .. | 108 | 10 | 48.9 | .. | .. | .. | .. | .. | .. | 59.9 | 55.6 | 26.2 |
| Peru | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 89.8 | 100.0 | 100.0 | 100.0 | 43 | 11 | 72.5 | 79.3 | 100.0 | 44.4 | 75.0 | 20 | 112 | 97.4 | 83.3 | 62.6 |
| Philippines | 40.0 | 40.0 | 75.0 | 40.0 | 65.7 | 60.0 | 100.0 | 40.0 | 0.0 | 100.0 | 100.0 | 80 | 17 | 57.9 | 68.8 | n/a | 23.5 | 87.5 | 16 | n/a | 95.4 | 87.0 | 33.7 |
| Poland | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 59.2 | 74.5 | 100.0 | 100.0 | 33 | 7 | 85.0 | 78.6 | 100.0 | 35.0 | 65.0 | 146 | 162 | 74.2 | 82.8 | 77.3 |
| Romania | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 79.6 | 100.0 | 100.0 | 100.0 | 11 | 7 | 89.5 | 86.7 | 100.0 | 33.3 | 85.0 | 57 | 65 | 84.8 | 75.2 | 93.2 |
| Russian Federation | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 49.0 | 79.6 | 75.0 | 100.0 | 100.0 | 31 | 10 | 68.4 | 85.7 | 100.0 | 44.4 | 90.0 | 62 | 231 | 71.6 | 76.1 | 76.6 |
| Rwanda | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 4 | 3 | 60.5 | 89.2 | 87.5 | 38.5 | 50.0 | 10 | 99 | 93.1 | 80.1 | 73.3 |
| Saudi Arabia | 0.0 | 100.0 | 75.0 | 70.0 | 100.0 | 60.0 | 60.0 | 40.0 | 0.0 | 91.7 | 50.0 | 21 | 6 | 35.0 | 64.3 | 50.0 | 33.3 | 50.0 | 25 | 60 | 70.0 | 30.4 | 28.6 |
| Senegal | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 10 | 5 | 45.0 | 85.6 | 87.5 | 50.0 | 75.0 | 33 | 101 | 89.9 | 85.1 | 98.8 |
| Serbia | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 74.5 | 100.0 | 100.0 | 14 | 8 | 84.2 | 78.6 | 100.0 | 45.0 | 75.0 | 67 | 177 | 95.4 | 71.4 | 90.2 |
| Sierra Leone | 100.0 | 75.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 80.0 | 100.0 | 100.0 | 100.0 | 43 | 8 | 65.0 | 44.4 | n/a | 26.3 | 30.0 | 210 | 277 | 65.0 | 70.5 | 20.5 |
| Singapore | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 47.4 | 27.0 | 100.0 | 100.0 | 9 | 4 | 78.9 | 100.0 | 100.0 | 55.0 | 80.0 | 56 | 98 | 94.9 | 81.8 | 93.5 |
| Slovak Republic | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 79.6 | 100.0 | 100.0 | 100.0 | 18 | 8 | 92.1 | 84.6 | 100.0 | 61.1 | 75.0 | 73 | 85 | 93.1 | 85.7 | 88.5 |
| Solomon Islands | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 66 | 10 | 47.9 | 91.1 | n/a | 15.8 | 2.5 | 138 | 168 | 40.0 | 0.0 | 0.0 |
| South Africa | 74.0 | 100.0 | 100.0 | 70.0 | 100.0 | 100.0 | 100.0 | 100.0 | 60.0 | 100.0 | 100.0 | 65 | 8 | 78.9 | 84.5 | 100.0 | 47.4 | 85.0 | 42 | 304 | 82.4 | 79.0 | 94.5 |
| Spain | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 39.6 | 50.0 | 100.0 | 100.0 | 61 | 13 | 71.1 | 100.0 | 100.0 | 61.1 | 90.0 | 32 | 90 | 97.4 | 76.1 | 75.3 |
| Sri Lanka | 40.0 | 100.0 | 100.0 | 100.0 | 71.4 | 100.0 | 100.0 | 60.0 | 40.0 | 100.0 | 100.0 | 65 | 6 | 47.9 | 85.7 | 87.5 | 31.6 | 75.0 | 68 | 91 | 95.4 | 71.3 | 38.0 |
| Sudan | 75.0 | 75.0 | 87.5 | 50.0 | 50.0 | 50.0 | 50.0 | 60.0 | 0.0 | 100.0 | 100.0 | 55 | 13 | 40.0 | 71.4 | n/a | 30.8 | 30.0 | 12 | 60 | 77.4 | 73.3 | 67.8 |
| Tanzania | 100.0 | 100.0 | 100.0 | 65.0 | 100.0 | 100.0 | 66.0 | 100.0 | 24.5 | 100.0 | 100.0 | 38 | 14 | 62.5 | 81.2 | n/a | 36.8 | 62.5 | 73 | 82 | 82.4 | 74.7 | 39.1 |
| Thailand | 49.0 | 49.0 | 87.3 | 49.0 | 49.0 | 49.0 | 49.0 | 49.0 | 27.5 | 66.0 | 49.0 | 34 | 9 | 60.5 | 80.7 | 62.5 | 27.8 | 70.0 | 30 | 128 | 84.9 | 81.8 | 40.8 |
| Tunisia | 100.0 | 100.0 | 100.0 | 100.0 | 71.4 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 19 | 14 | 71.1 | 85.7 | 87.5 | 36.8 | 80.0 | 69 | 84 | 77.5 | 71.4 | 52.3 |
| Turkey | 100.0 | 100.0 | 100.0 | 100.0 | 78.6 | 100.0 | 100.0 | 69.4 | 62.5 | 100.0 | 100.0 | 8 | 8 | 65.8 | 85.7 | 87.5 | 63.2 | 90.0 | 15 | 72 | 89.9 | 69.5 | 68.6 |
| Uganda | 100.0 | 100.0 | 100.0 | 100.0 | 71.4 | 49.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 39 | 21 | 47.4 | 71.4 | n/a | 25.0 | 77.5 | 60 | 80 | 86.3 | 62.9 | 39.3 |
| Ukraine | 100.0 | 100.0 | 82.5 | 100.0 | 100.0 | 100.0 | 100.0 | 79.6 | 15.0 | 100.0 | 100.0 | 28 | 11 | 80.0 | 88.5 | 100.0 | 36.8 | 55.0 | 50 | 209 | 86.6 | 78.1 | 72.6 |
| United Kingdom | 100.0 | 100.0 | 65.0 | 100.0 | 100.0 | 100.0 | 100.0 | 79.6 | 100.0 | 100.0 | 100.0 | 14 | 7 | 85.0 | 100.0 | 100.0 | 50.0 | 80.0 | 53 | 62 | 99.9 | 87.5 | 94.5 |
| United States | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 85.0 | 62.5 | 100.0 | 100.0 | 11 | 8 | 80.0 | 100.0 | 100.0 | 50.0 | 95.0 | 44 | 92 | 85.0 | 81.8 | 75.3 |
| Venezuela, RB | 74.5 | 100.0 | 100.0 | 100.0 | 85.7 | 100.0 | 100.0 | 20.0 | 20.0 | 100.0 | 100.0 | 179 | 19 | 42.5 | 72.5 | 100.0 | 44.4 | 75.0 | 87 | 138 | 89.1 | 57.1 | 52.2 |
| Vietnam | 50.0 | 100.0 | 75.0 | 50.0 | 71.4 | 65.0 | 100.0 | 69.4 | 0.0 | 100.0 | 75.5 | 94 | 12 | 57.9 | 77.3 | n/a | 57.9 | 92.5 | 120 | 133 | 84.9 | 61.8 | 57.2 |
| Yemen, Rep. | 100.0 | 100.0 | 100.0 | 50.0 | 71.1 | 100.0 | 100.0 | 60.0 | 100.0 | 100.0 | 100.0 | 29 | 9 | 68.4 | 69.2 | 62.5 | 57.9 | 85.0 | 53 | 52 | 74.9 | 81.4 | 44.0 |
| Zambia | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 58 | 9 | 47.4 | 71.4 | n/a | 37.5 | 75.0 | 104 | 122 | 97.4 | 65.7 | 77.3 |

*Source*: *Investing Across Borders* database.

## ENDNOTES

1 The methodology of the *Doing Business* project can be viewed at http://www.doingbusiness.org.

2 Complete names are the 1958 New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards (New York Convention) and the 1966 Convention on the Settlement of Investment Disputes between States and Nationals of Other States (ICSID Convention).

3 According to World Bank's *World Development Indicators*, of the 87 economies measured by IAB, the countries with the highest FDI per capita between 2000 and 2007 are Austria, Canada, the Czech Republic, France, Ireland, Singapore, the Slovak Republic, Spain, the United Kingdom, and the United States.

4 World Bank Group, *Global Investment Benchmarking Report 2009*, Washington, D.C. World Bank Group.

5 Land information systems are parcel-based databases used to acquire, process, store, and distribute land information. They can also be used for legal, administrative, and economic decisionmaking and for planning and development.