

Doing Business 2011

Greece

**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 Greece. 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).

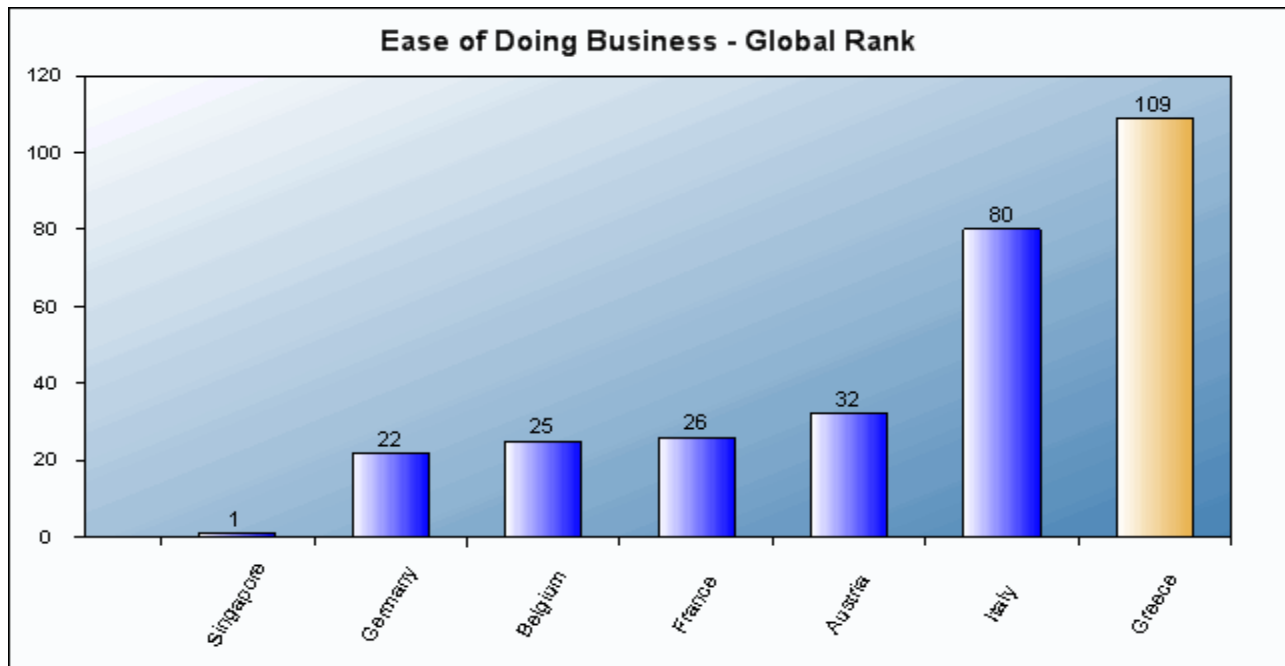
* Except for the Paying Taxes indicator that refers to the period January to December of 2009.

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

Greece is ranked 109 out of 183 economies. Singapore is the top ranked economy in the Ease of Doing Business.

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



Greece's ranking in Doing Business 2011

Rank	Doing Business 2011
Ease of Doing Business	109
Starting a Business	149
Dealing with Construction Permits	51
Registering Property	153
Getting Credit	89
Protecting Investors	154
Paying Taxes	74
Trading Across Borders	84
Enforcing Contracts	88
Closing a Business	49

Summary of Indicators - Greece

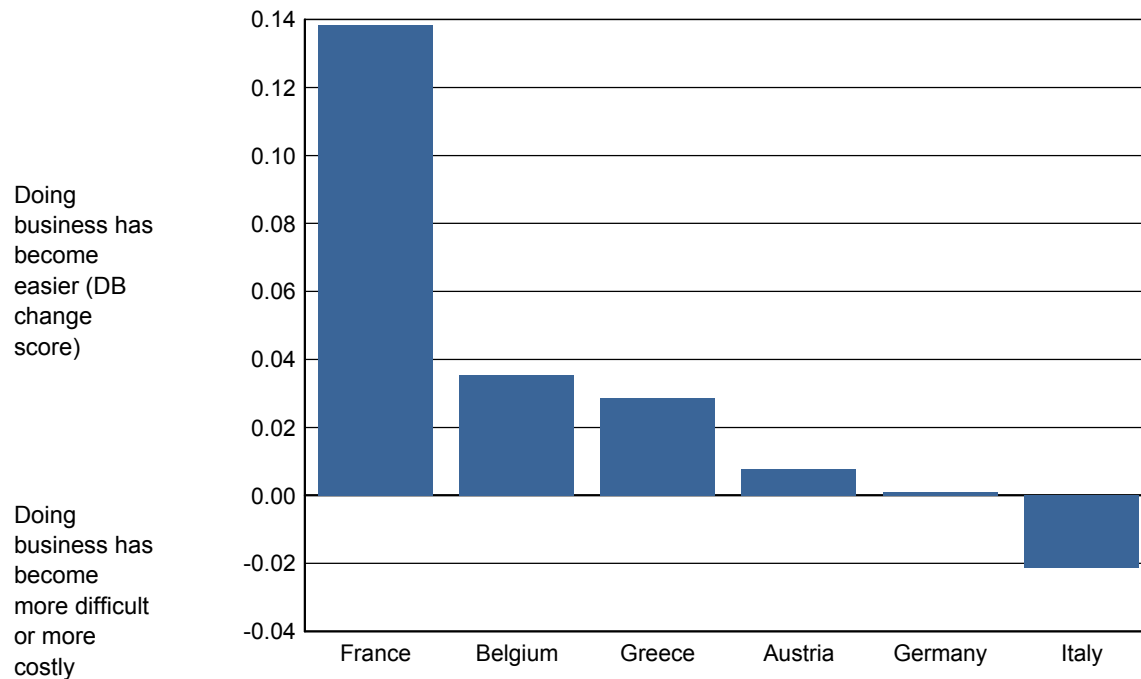
Starting a Business	Procedures (number)	15
	Time (days)	19
	Cost (% of income per capita)	20.7
	Min. capital (% of income per capita)	22.3
Dealing with Construction Permits	Procedures (number)	15
	Time (days)	169
	Cost (% of income per capita)	52.9
Registering Property	Procedures (number)	11
	Time (days)	22
	Cost (% of property value)	12.7
Getting Credit	Strength of legal rights index (0-10)	3
	Depth of credit information index (0-6)	5
	Public registry coverage (% of adults)	0.0
	Private bureau coverage (% of adults)	61.5
Protecting Investors	Extent of disclosure index (0-10)	1
	Extent of director liability index (0-10)	4
	Ease of shareholder suits index (0-10)	5
	Strength of investor protection index (0-10)	3.3
Paying Taxes	Payments (number per year)	10
	Time (hours per year)	224
	Profit tax (%)	13.9
	Labor tax and contributions (%)	31.7
	Other taxes (%)	1.6
	Total tax rate (% profit)	47.2
Trading Across Borders	Documents to export (number)	5
	Time to export (days)	20
	Cost to export (US\$ per container)	1153
	Documents to import (number)	6
	Time to import (days)	25
	Cost to import (US\$ per container)	1265

Enforcing Contracts	Procedures (number)	39
	Time (days)	819
	Cost (% of claim)	14.4
Closing a Business	Recovery rate (cents on the dollar)	43.2
	Time (years)	2.0
	Cost (% of estate)	9

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.

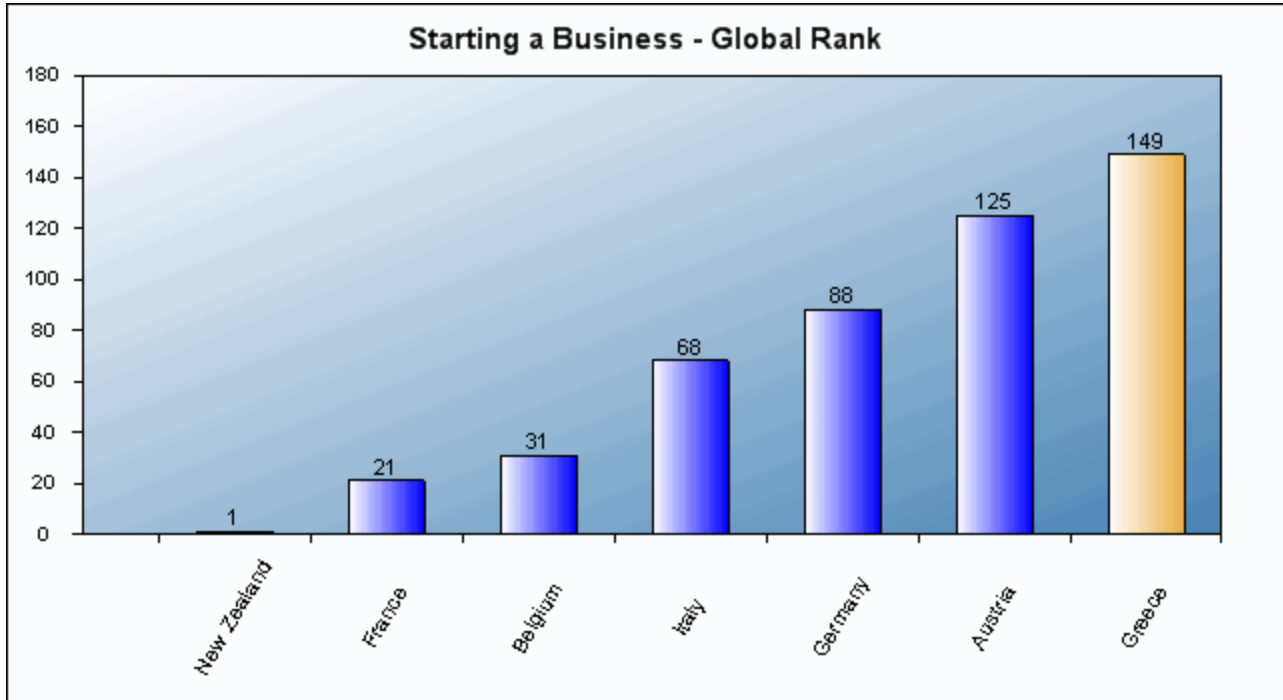
The business:

- 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:

Greece is ranked 149 overall for Starting a Business.

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



The following table shows Starting a Business data for Greece 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>				
Greece	15	19	20.7	22.3

<i>Comparator Economies</i>				
Austria	8	28	5.2	53.1
Belgium	3	4	5.4	19.6
France	5	7	0.9	0.0
Germany	9	15	4.8	0.0
Italy	6	6	18.5	10.1

* The following economies are also good practice economies for :

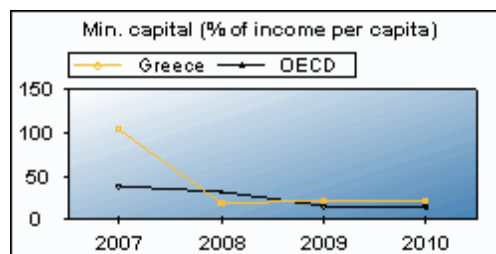
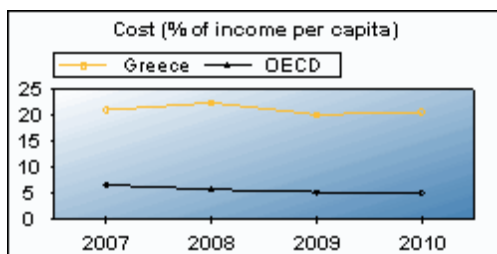
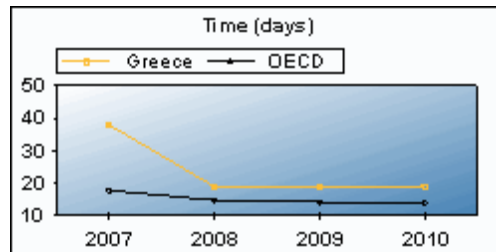
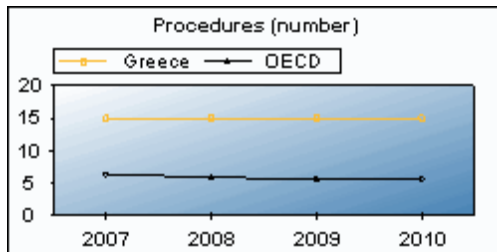
Procedures (number): **Canada**

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

2. Historical data: Starting a Business in Greece

Starting a Business data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	146	149
Procedures (number)	15	15	15	15
Time (days)	38	19	19	19
Cost (% of income per capita)	21.1	22.5	20.2	20.7
Min. capital (% of income per capita)	104.1	19.6	21.4	22.3

3. The following graphs illustrate the Starting a Business sub indicators in Greece 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 Greece.

STANDARDIZED COMPANY

Legal Form: Eteria Periorismenis Efthinis (EPE)

City: Athens

Registration Requirements:

No:	Procedure	Time to complete	Cost to complete
1	Get approval of the company's name by the Chamber of Commerce and Industry	1	EUR 75
2	File company documents with the Athens Bar Association	1	EUR 1,229
3	Sign the articles of incorporation before a notary public	5	EUR 392
4	Deposit capital in a bank	1	no charge
5	Pay the capital tax on the concentration of capital to the local tax authority	1	EUR 2,018
6	Obtain a stamp from the Lawyers Pension Fund	1	EUR 0
7	Obtain certification by the Lawyers Welfare Fund	1	EUR 6
8	Submit the articles of incorporation and register with the secretariat of the court of first instance, which issues a register number	1	EUR 5

9	Submit summary of the Articles of Incorporation to the Printing Office for publication in the Official Gazette (Fyllo Efhmeridas ths Kyvernhsews)	3	EUR 272
10	* Register at the Chamber of Commerce and Industry	1	EUR 150
11	* Register with the relevant social security authorities	1	no charge
12	* Obtain a tax registration number (AFM)	1	no charge
13	* Make a seal	1	EUR 40
14	* Have the Tax Authority hole-stamp the company's invoice and account books	1	no charge
15	* Notify the Manpower Employment Organization (OAED) within 30 days of hiring a worker	1	no charge

* Takes place simultaneously with another procedure.

Starting a Business Details - Greece

Procedure 1 Get approval of the company's name by the Chamber of Commerce and Industry

Time to complete: 1

Cost to complete: EUR 75

Comment: The Chamber of Commerce and Industry examines, before giving the approval, whether the proposed company's name or title "is distinctly different from those recorded in the books" (according to Art. 4 paragraph 5 of Law 1089/1980).

Procedure 2 File company documents with the Athens Bar Association

Time to complete: 1

Cost to complete: EUR 1,229

Comment: The fee for filing company documents with the bar association varies, based on company capital:

- EUR 29,347 to EUR 44,020: 1% of company capital.
- EUR 44,020 to EUR 1,467,351: 0.5%.
- EUR 1,467,351 to EUR 2,934,702: 0.4%.
- EUR 2,934,702 to EUR 5,869,405: 0.3%.
- EUR 5,869,405 to EUR 14,673,514: 0.2%.
- EUR 14,673,514 to EUR 29,347,028: 0.1%.
- EUR 29,347,028 to EUR 58,694,057: 0.05%.
- Over EUR 58,694,057: 0.01%.

The filing fee is payable only when company capital exceeds EUR 29,347. A fixed fee of EUR 10 is levied for certifying the signature of the attorney who signed said draft.

Procedure 3 Sign the articles of incorporation before a notary public

Time to complete: 5

Cost to complete: EUR 392

Comment: According to the revised Notary fee : Nr K 32126/10.3.1988 (Government Gazette B/418/14.3.1988), there is a fixed amount of 44, 02 € which covers the first two pages. Also, according to art.4 of Common decision of Ministers of Justice and Economy and Finance (Government Gazette B/599/5.5.2005) notaries collect fees for a) every additional paper 6 € and b) every paper of the copies 5 €.

Procedure 4 Deposit capital in a bank

Time to complete: 1

Cost to complete: no charge

Comment:

Procedure 5 Pay the capital tax on the concentration of capital to the local tax authority

Time to complete: 1

Cost to complete: EUR 2,018

Comment: Capital tax on the concentration of capital must be paid-in within 15 days of the signing of the articles of incorporation; otherwise, a penalty is imposed.

Procedure 6 Obtain a stamp from the Lawyers Pension Fund

Time to complete: 1

Cost to complete: EUR 0

Comment: The Lawyers' Pension Fund is located in Athens at Pireaus and Sokratous streets.

Procedure 7 Obtain certification by the Lawyers Welfare Fund

Time to complete: 1

Cost to complete: EUR 6

Comment: The Lawyers' Welfare Fund is located in Athens at Harilaou Trikoupi and Navarinou streets.

Procedure 8 Submit the articles of incorporation and register with the secretariat of the court of first instance, which issues a register number

Time to complete: 1

Cost to complete: EUR 5

Comment: Required to register the company are the articles of incorporation (two copies, one authenticated and one unauthenticated, of which one is retained by the secretariat and the other is stamped and returned).

Procedure 9 Submit summary of the Articles of Incorporation to the Printing Office for publication in the Official Gazette (Fyllo Efhmeridas ths Kyvernhsews)

Time to complete: 3

Cost to complete: EUR 272

Comment: A part of the fee is paid to a tax office, which issues a duplicate, and another part is paid to the National Printing Office. After the papers are filed with the Official Gazette, a protocol number is issued verifying submission. The actual publication of the company's articles of incorporation by the National Printing Office may take 1 to 2 months, depending on the Gazette's workload (when company financial statements are published, substantial delays may occur).

Procedure 10 Register at the Chamber of Commerce and Industry

Time to complete: 1

Cost to complete: EUR 150

Comment: The following documents are required to register the company for taxes and social security contributions: notarized articles of incorporation that are stamped by the tax authority, the Lawyers' Pension Fund, and the Lawyers' Welfare Fund; the certification of the preapproval of company name by the Chamber of Commerce and Industry, a copy of the Official Gazette containing the published summary of the articles of association, a copy of the original articles of incorporation; and copies of the police identity cards of all company owners. It is possible that the founder can first file the protocol number and then file the published issue.

Procedure 11 Register with the relevant social security authorities**Time to complete:** 1**Cost to complete:** no charge**Comment:****Procedure 12 Obtain a tax registration number (AFM)****Time to complete:** 1**Cost to complete:** no charge

Comment: The company must submit a statement on the commencement of its operations within 30 days of submitting its articles of association to the Secretariat of the Court of First Instance. The statement is filed with the District Tax Office of the company's registered seat and must be supported by the following documents:

- Company's official articles of incorporation (certified copy).
- Official Gazette announcement, with the summary of the articles of incorporation (two copies).
- Lease agreement or agreement for the free assignment of use of the office space to be used as the company's registered seat, duly certified by the landlord's competent tax authority.
- Registration certificate from the competent chamber of commerce.
- Social security certificate for the company's partners, issued by the competent social security fund or, if applicable, a certificate of exemption.
- Receipt of payment of capital concentration tax (photocopy).
- Identity card of the company's administrator and the individual's tax registration number (photocopy).
- Authorization letter by the company's administrator to the individual who will undertake all filing procedures before the tax authorities.
- Preprinted forms provided by the Greek tax authority.

Upon submitting these documents, the competent tax office furnishes the company with the tax registration number and the required certificate to start its business operations.

Procedure 13 Make a seal**Time to complete:** 1**Cost to complete:** EUR 40

Comment: A company seal is compulsory because all company books and records must be sealed before they are certified, and because the company seal must contain the company's tax registration number and competent tax office.

Procedure 14 Have the Tax Authority hole-stamp the company's invoice and account books**Time to complete:** 1**Cost to complete:** no charge

Comment: Following issuance of the tax registration number, the company accountant first prepares the computerized accounting books, which must contain all required company information (address, contact information, and tax registration number). The company then presents the accounting books and the required tax records (invoices, dispatch notes, etc.) to the competent tax office for perforation.

Procedure 15 Notify the Manpower Employment Organization (OAED) within 30 days of hiring a worker

Time to complete: 1

Cost to complete: no charge

Comment: In case of a newly-established company, the timeframe for the notification of OAED is extended to 30 days upon hiring the worker, for the first three months of the company's operation.

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

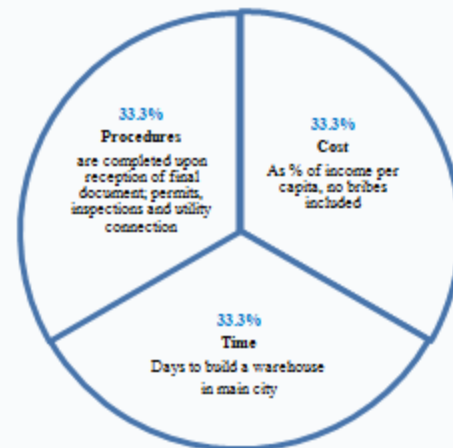
The warehouse:

- 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:

Greece is ranked 51 overall for Dealing with Construction Permits.

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



The following table shows Dealing with Construction Permits data for Greece 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	

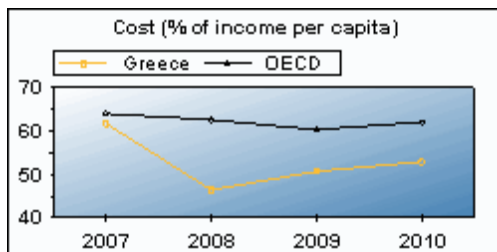
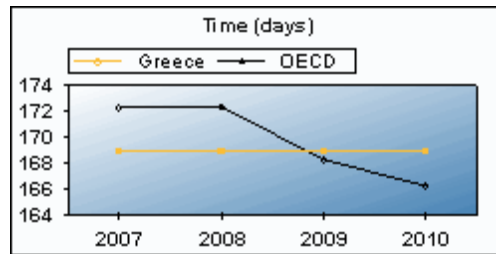
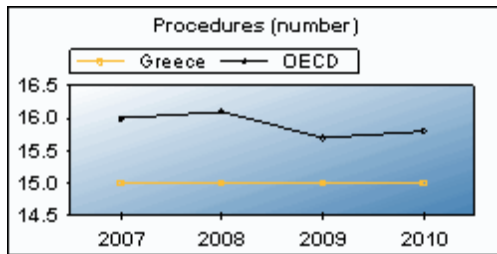
<i>Selected Economy</i>			
Greece	15	169	52.9

<i>Comparator Economies</i>			
Austria	14	194	72.9
Belgium	14	169	64.1
France	13	137	23.6
Germany	12	100	61.8
Italy	14	257	142.3

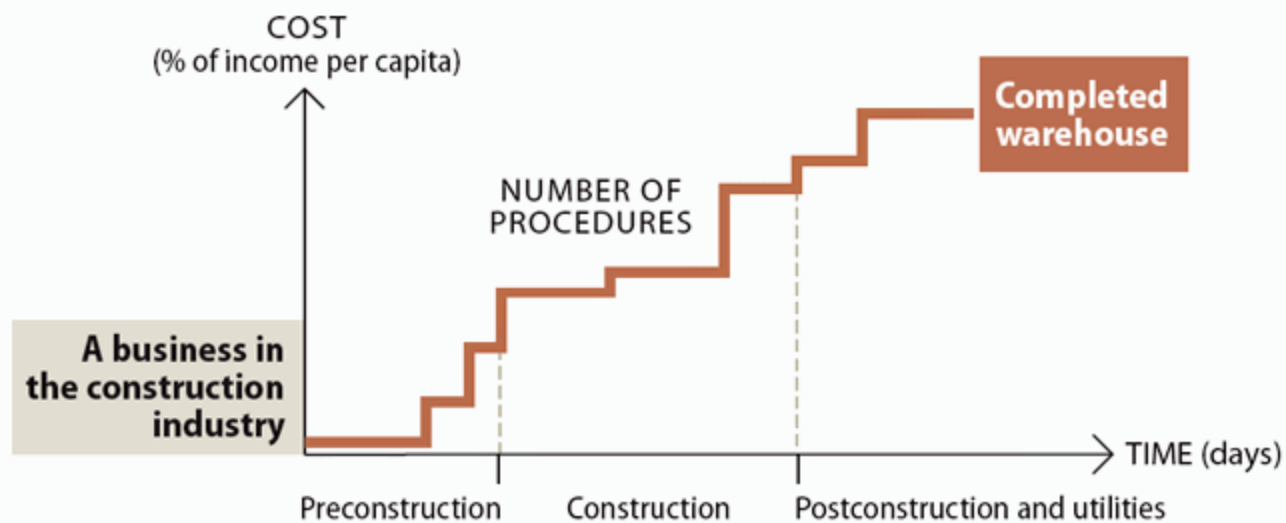
2. Historical data: Dealing with Construction Permits in Greece

Dealing with Construction Permits data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	51	51
Procedures (number)	15	15	15	15
Time (days)	169	169	169	169
Cost (% of income per capita)	61.7	46.4	50.7	52.9

3. The following graphs illustrate the Dealing with Construction Permits sub indicators in Greece 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 Greece.

BUILDING A WAREHOUSE

City: Athens

Registration Requirements:

No:	Procedure	Time to complete	Cost to complete
1	Obtain a copy of notary deed	1 day	no charge
2 *	Obtain a copy of the land registry certificate	1 day	no charge
3 *	Obtain a waste disposal study	10 days	no charge
4 *	Obtain active fire protection approval	10 days	no charge
5	Obtain an installation permit	15 days	no charge
6	Obtain a building permit	90 days	no charge
7 *	Pay workers' social security	3 days	no charge
8	Obtain police approval for the start of construction	3 days	no charge

9 *	Obtain municipal approval for the start of construction and for the occupation of pavement	3 days	EUR 600
10	Receive the final inspection from the municipality	1 day	no charge
11	Obtain electric power connection	45 days	EUR 10,000
12 *	Obtain water connection	45 days	EUR 35
13 *	Obtain sewerage connection	7 days	EUR 1
14 *	Obtain telephone connection	7 days	EUR 30
15	Register the building with the municipal authorities	1 day	no charge

* Takes place simultaneously with another procedure.

Dealing with Construction Permits Details - Greece

Procedure 1 Obtain a copy of notary deed

Time to complete:	1 day
Cost to complete:	no charge
Agency:	Notary Public
Comment:	Obtain a copy of notary deed

Procedure 2 Obtain a copy of the land registry certificate

Time to complete:	1 day
Cost to complete:	no charge
Agency:	Land Registry
Comment:	Obtain a copy of the land registry certificate

Procedure 3 Obtain a waste disposal study

Time to complete:	10 days
Cost to complete:	no charge
Agency:	Prefecture (Department of Health)
Comment:	Obtain a waste disposal study

Procedure 4 Obtain active fire protection approval

Time to complete:	10 days
Cost to complete:	no charge
Agency:	Fire Brigade
Comment:	Obtain active fire protection approval

Procedure 5 Obtain an installation permit

Time to complete:	15 days
Cost to complete:	no charge
Agency:	Prefecture (Department of Industry)

Comment: Obtain an installation permit

Procedure 6 Obtain a building permit

Time to complete: 90 days

Cost to complete: no charge

Agency: Town Planning Department

Comment: Obtain a building permit

Procedure 7 Pay workers' social security

Time to complete: 3 days

Cost to complete: no charge

Agency: Social Security (IKA)

Comment: Pay workers' social security

Procedure 8 Obtain police approval for the start of construction

Time to complete: 3 days

Cost to complete: no charge

Agency: Police

Comment: Obtain police approval for the start of construction

Procedure 9 Obtain municipal approval for the start of construction and for the occupation of pavement

Time to complete: 3 days

Cost to complete: EUR 600

Agency: Municipality

Comment: Obtain municipal approval for the start of construction and for the occupation of pavement

Procedure 10 Receive the final inspection from the municipality

Time to complete: 1 day

Cost to complete: no charge

Agency: Municipality

Comment: Receive the final inspection from the municipality

Procedure 11 Obtain electric power connection

Time to complete: 45 days

Cost to complete: EUR 10,000

Agency: Dimosia Epicheirisi Ilektrismou (DEI)

Comment: Obtain electric power connection

Procedure 12 Obtain water connection

Time to complete: 45 days

Cost to complete: EUR 35

Agency: Athens Water And Sewerage Company (EYDAP)

Comment: Obtain water connection

Procedure 13 Obtain sewerage connection

Time to complete: 7 days

Cost to complete: EUR 1

Agency: Municipality

Comment: Obtain sewerage connection

Procedure 14 Obtain telephone connection

Time to complete: 7 days

Cost to complete: EUR 30

Agency: Hellenic Telecommunications Organization S.A. (OTE)

Comment: Obtain telephone connection

Procedure 15 Register the building with the municipal authorities

Time to complete: 1 day

Cost to complete: no charge

Agency: Municipality

Comment:

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)

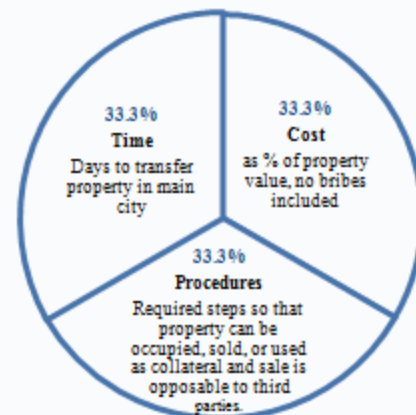
- Preregistration (for example, checking for liens, notarizing sales agreement, paying property transfer taxes)
- Registration in the economy's largest business city
- Post registration (for example, transactions with the local authority, tax authority or cadastre)

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.

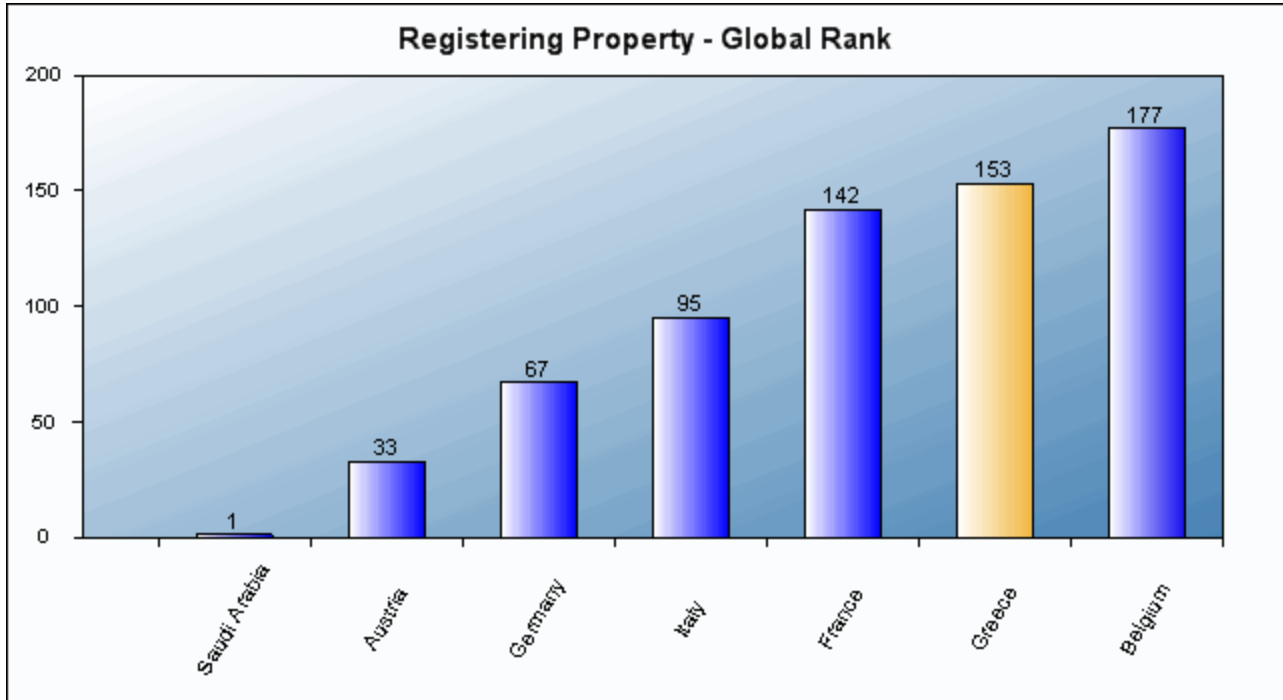
The property (fully owned by the seller):

- 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:

Greece is ranked 153 overall for Registering Property.

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



The following table shows Registering Property data for Greece 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>			
Greece	11	22	12.7

<i>Comparator Economies</i>			
Austria	3	21	4.5
Belgium	8	79	12.7
France	8	59	6.1
Germany	5	40	5.1
Italy	8	27	4.5

* The following economies are also good practice economies for :

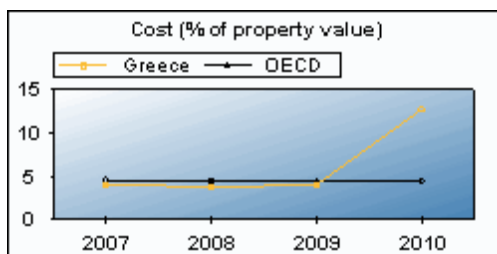
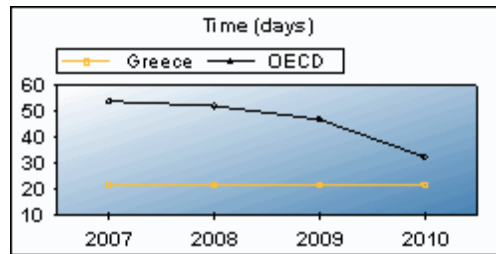
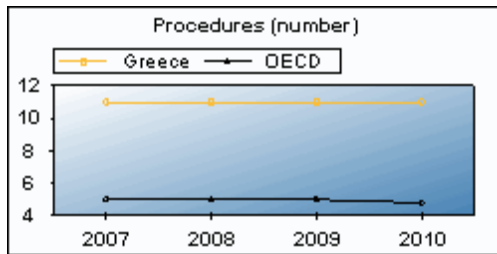
Procedures (number): United Arab Emirates

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

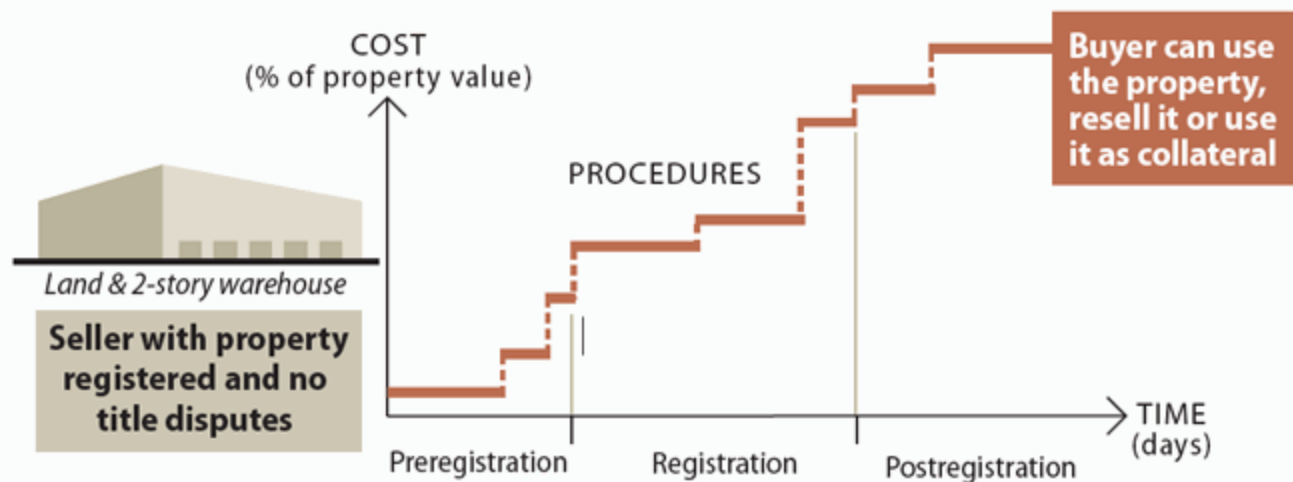
2. Historical data: Registering Property in Greece

Registering Property data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	107	153
Procedures (number)	11	11	11	11
Time (days)	22	22	22	22
Cost (% of property value)	4.0	3.8	4.0	12.7

3. The following graphs illustrate the Registering Property sub indicators in Greece 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 Greece.

STANDARDIZED PROPERTY

Property Value: 1,008,805.06

City: Athens

Registration Requirements:

No:	Procedure	Time to complete	Cost to complete
1 *	Receive site visit by the engineer	1 day (simultaneous with proc. 2,3,4,5,6)	Included in proc. 2
2 *	Obtain a topographic site plan sealed and signed by the engineer	1 day (simultaneous with proc.1,3,4,5,6)	EUR 300
3 *	Search of information in the Land Registry and preparation of the sale agreement by a lawyer	1 days (simultaneous with proc.1, 2, 4,5,6)	EUR 450
4 *	Seller obtains tax clearance certificate from the tax authority	1 day (simultaneous with proc.1 , 2,3,5,6)	no cost
5 *	Seller obtains a certificate from Social Security Institute	1 day (simultaneous with proc.1 , 2, 3, 4,6)	no cost
6 *	Obtain tax clearance from the Municipality	1 day (simultaneous with proc.1 , 2, 3, 4,5)	no cost
7	Payment of property transfer tax at the Tax Authority	1 day	8% up to the amount of EUR 20,000 and 10% for the excess

8	Deliver the draft of the sale agreement to the Bar Association	1 day	Lawyer fees, according to the following schedule: Value of contract (in EUR) Lawyer fees (in EUR) Up to 44,020.55 1% of the contract value From 44,020.55 to 1,467,351.43 440.21 + 0.5% of excess over 44,020.55 From 1,467,351.43 to 2,934,702.86 7,556.87 + 0.4% of excess over 1,467,351.43
9	A notary public notarizes the sale agreement and prepares the transfer deed	1 day	1% of property value
10	The deed is recorded under the name of the buyer at the Land Registry	8 days (1 day for registration and 7 days for issuing the certificates)	0.475% of property value (registrar's rights)+ EUR 25 + EUR 5 for each certificate (4 certificates)
11	Registration of the transfer in the Cadastre (ktimatologio)	5 days	EUR 25 (cadastral extract) + 0.575% of property value (registrar's rights) + EUR 5 for each certificate

* Takes place simultaneously with another procedure.

Registering Property Details - Greece

Procedure 1 Receive site visit by the engineer

Time to complete: 1 day (simultaneous with proc. 2,3,4,5,6)

Cost to complete: Included in proc. 2

Comment: An inspection by an engineer is required for the new topographic site plan to be drafted.

Procedure 2 Obtain a topographic site plan sealed and signed by the engineer

Time to complete: 1 day (simultaneous with proc.1,3,4,5,6)

Cost to complete: EUR 300

Comment: After the inspection in Procedure 1, it is necessary to issue a recent topographic diagram depicting the boundaries of the property (new site plan) sealed and signed by the engineer. The plan shall be submitted to the notary public a few days before the conclusion of the sale contract. Given that the property has been owned by the seller for 10 years, we may easily assume that the topographic site plan used for the previous transaction (the acquisition of the property by the current seller) is still valid and therefore there is no need for a new topographic site plan.

Procedure 3 Search of information in the Land Registry and preparation of the sale agreement by a lawyer

Time to complete: 1 days (simultaneous with proc.1, 2, 4,5,6)

Cost to complete: EUR 450

Agency: Land Registry (“Ypothikofilakeion”)

Comment: A lawyer conducts a search of information in the Real Estate office and then prepares the sale agreement. Only lawyers are entitled to conduct a search in the Real Estate Office. The research in the Land Registry mentioned in procedure 3 may take more than 2 days, since the due diligence of the ownership titles goes back 20 years at least; the duration of the research also depends on the findings of the due diligence of the ownership titles of the real property. An attorney’s participation at the conclusion of the sale contract is obligatory only if the contract value (determined by the real estate’s real value) exceeds € 29,347. The sale agreement is usually prepared by the notary and then reviewed by the seller’s and the buyer’s lawyers.

Procedure 4 Seller obtains tax clearance certificate from the tax authority

Time to complete: 1 day (simultaneous with proc.1 , 2,3,5,6)

Cost to complete: no cost

Agency: Tax Authority

Comment: The seller should provide a Tax certificate issued by the competent Tax Authority, according

to Law 1882/1990 . The certificate assures that the seller has been paying his taxes accordingly. The tax certificate may also be obtained by the notary public.

Procedure 5 Seller obtains a certificate from Social Security Institute

Time to complete:	1 day (simultaneous with proc.1 , 2, 3, 4,6)
Cost to complete:	no cost
Agency:	Social Security Institute
Comment:	The seller must obtain a certificate of good standing from the Social Security Institute, which assures that the seller (company) has been paying its social security.

Procedure 6 Obtain tax clearance from the Municipality

Time to complete:	1 day (simultaneous with proc.1 , 2, 3, 4,5)
Cost to complete:	no cost
Agency:	Municipality
Comment:	The seller must obtain a tax clearance certificate from the Municipality. The certificate assures that the seller has been paying the real estate fees.

Procedure 7 Payment of property transfer tax at the Tax Authority

Time to complete:	1 day
Cost to complete:	8% up to the amount of EUR 20,000 and 10% for the excess
Agency:	Inland Revenue Service
Comment:	Parties obtain a copy of the declaration made before the Tax Authority competent in the locality of the property verifying that the buyer has paid the property transfer tax. The transfer tax is paid on the objective value of the property.

In April 2010, Greece introduced a new regulations increasing the transfer tax from a 1% of the property to a scale of 8% up to the amount of €20,000 and 10% for the excess (according to art. 22 & 23 of tax bill under no. 3842/2010). This tax bill under no. 3842/2010 “Tax Equity Reform and Tax Evasion Control” implemented in 2010, repelled the law no 3427/2005 which provided for the percentage of 1% to be applied in cases in which the property had been acquired by the seller after 01.01.2006.

Procedure 8 Deliver the draft of the sale agreement to the Bar Association

Time to complete:	1 day
Cost to complete:	Lawyer fees, according to the following schedule: Value of contract (in EUR) Lawyer fees (in EUR) Up to 44,020.55 1% of the contract value From 44,020.55 to 1,467,351.43 440.21 + 0.5% of excess over 44,020.55 From 1,467,351.43 to 2,934,702.86 7,556.87 + 0.4% of excess over 1,467,351.43

Agency: Bar Association

Comment: The draft of the sale agreement is delivered to the Bar Association of the Lawyers. Article 37 par 1 of law 2915/2001 sets the value above which a lawyer must be retained to appear and be a signatory to a notarial document. These limits are: €29,347.03 for the areas of Athens and Piraeus Bar Associations. Bar association fees must be paid before the execution of the sales contract at the notary. Either the lawyer or the parties can deliver the agreement to the Bar Association.

Procedure 9 A notary public notarizes the sale agreement and prepares the transfer deed

Time to complete: 1 day

Cost to complete: 1% of property value

Comment: The notary notarizes the sale agreement and prepares the public deed in the presence of the parties and their lawyers, who must also sign. The notary checks up on the documentation which legitimizes the legal representatives of the contracting parties (i.e. Minutes of the Board of Directors regarding the representation of the company published in the Government Gazette, Minutes of the Board of Directors and notarized Power of Attorney regarding the authorization of the contracting party to act on behalf of the company and execute a sale agreement regarding the specific real estate), the ID's of seller and buyer and attaches to the Public Deed the documentation obtained in the previous procedures.

The documentation includes:
Site plan or Cadastral extract (obtained in Procedure 2)
Sale agreement (prepared in Procedures 3 and 4)
Tax clearance certificate (obtained in Procedure 5)
Social Security certificate (obtained in Procedure 6)
Municipal tax clearance (obtained in Procedure 7)
Verification of payment of transfer tax (obtained in Procedure 8)
Copy of the building license (already in possession of seller)

At the same time, the Ministerial Decision no 100692/08.07.2009, published in Official Gazette no 1487/23.07.2009 decreased the notary fees from 1.2% to 1% of the amount of the transaction.

Procedure 10 The deed is recorded under the name of the buyer at the Land Registry

Time to complete: 8 days (1 day for registration and 7 days for issuing the certificates)

Cost to complete: 0.475% of property value (registrar's rights)+ EUR 25 + EUR 5 for each certificate (4 certificates)

Agency: Land Registry ("Ypothikofilakeion")

Comment: As per article 369 of the Greek Civil Code, contracts relating to real property (such as a purchase document) must be drafted and executed by and before a notary public. The public deed is delivered to the Real Estate Office to be recorded under the name of the buyer. At the same time, parties request a property certificate, an ownership certificate, a non-opposition certificate and a records certificate from the Real Estate Office. The transfer of deeds usually takes place during the day of application.

Procedure 11 Registration of the transfer in the Cadastre (ktimatologio)

Time to complete: 5 days

Cost to complete: EUR 25 (cadastral extract) + 0.575% of property value (registrar's rights) + EUR 5 for each certificate

Agency: Cadastre ("Ktimatologio")

Comment: The transfer is registered in the Cadastre. During this period the Registrar checks the legality of the deeds' transfer by using the cadastral database.

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?

Getting Credit: collateral rules and credit information

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)

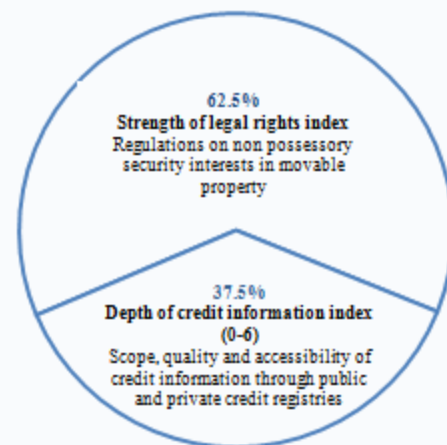
- Scope and accessibility of credit information distributed by public credit registries and private credit bureaus

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



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)

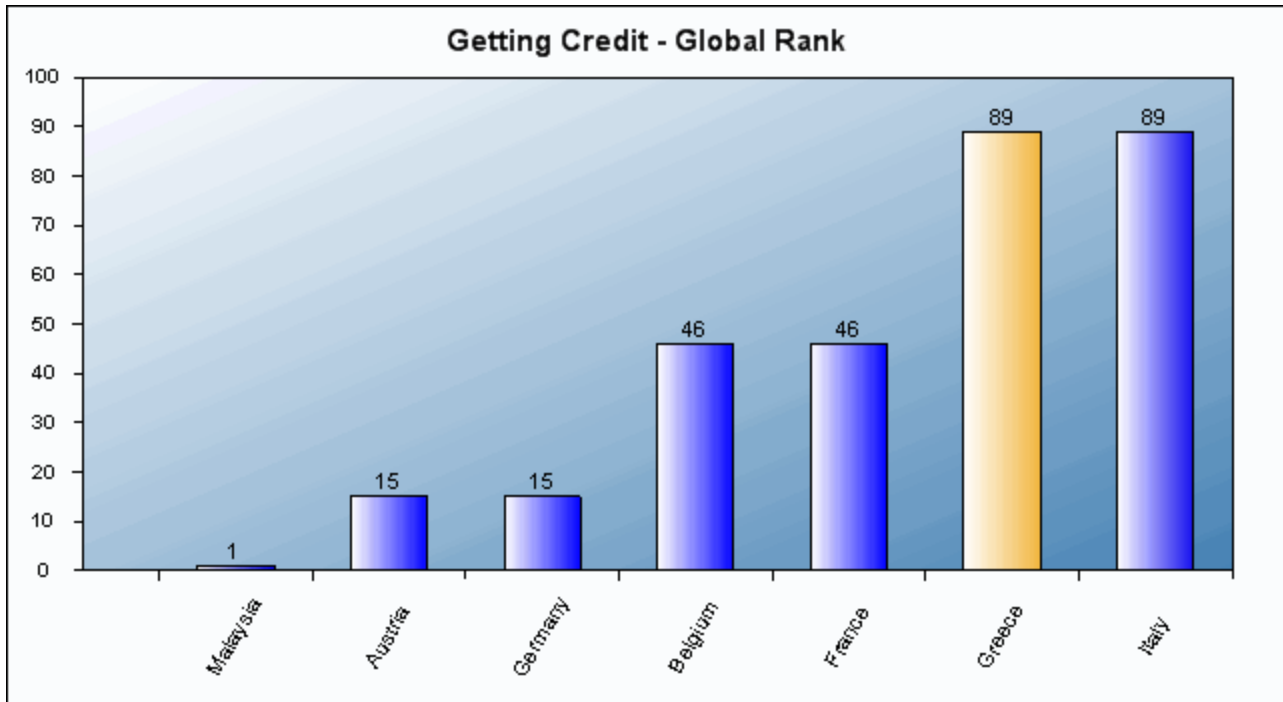
The Debtor

- 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:

Greece is ranked 89 overall for Getting Credit.

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



The following table shows Getting Credit data for Greece 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>				
Greece	3	5	0.0	61.5

<i>Comparator Economies</i>				
Austria	7	6	1.4	40.6
Belgium	7	4	57.2	0.0
France	7	4	33.3	0.0
Germany	7	6	1.0	98.4
Italy	3	5	16.6	80.5

* The following economies are also good practice economies for :

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

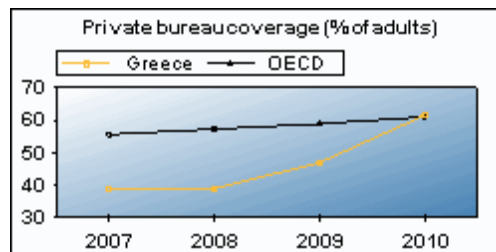
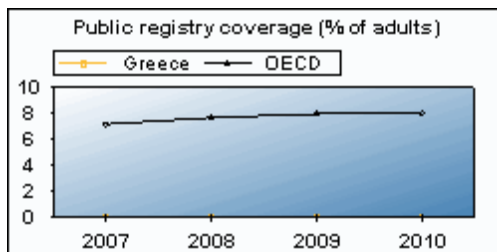
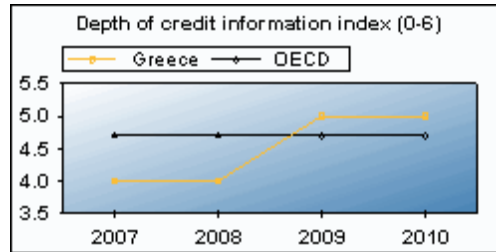
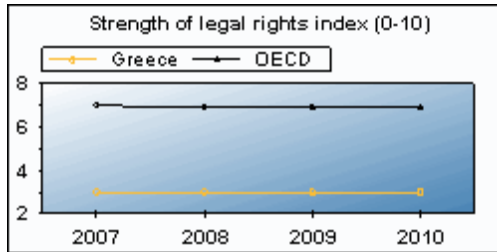
Private bureau coverage (% of adults): Argentina, Australia, Canada, Iceland, Ireland, Norway, Sweden, United Kingdom, United States

27 countries have the highest credit information index.

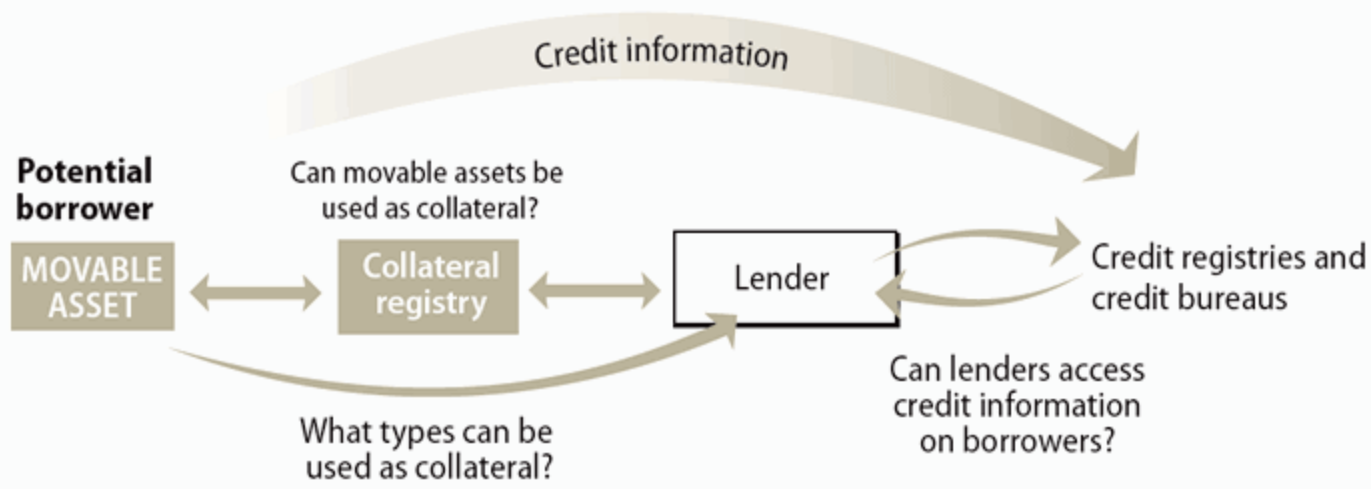
2. Historical data: Getting Credit in Greece

Getting Credit data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	87	89
Strength of legal rights index (0-10)	3	3	3	3
Depth of credit information index (0-6)	4	4	5	5
Private bureau coverage (% of adults)	38.7	39.0	46.9	61.5
Public registry coverage (% of adults)	0.0	0.0	0.0	0.0

3. The following graphs illustrate the Getting Credit sub indicators in Greece 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 Greece.

Getting Credit Indicators (2010)			Indicator
Private bureau coverage (% of adults)	Private credit bureau	Public credit registry	5
Are data on both firms and individuals distributed?	Yes	No	1
Are both positive and negative data distributed?	Yes	No	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?	Yes	No	1
Is data on all loans below 1% of income per capita distributed?	Yes	No	1
Is it guaranteed by law that borrowers can inspect their data in the largest credit registry?	Yes	No	1
Coverage	61.5	0.0	
Number of individuals	5,856,600		0
Number of firms	95,594		0

Strength of legal rights index (0-10)**3**

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 ?	Yes
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 ?	Yes
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?	No
Do secured creditors have absolute priority to their collateral in bankruptcy procedures?	No
During reorganization, are secured creditors' claims exempt from an automatic stay on enforcement?	No
Does the law authorize parties to agree on out of court enforcement?	No

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)

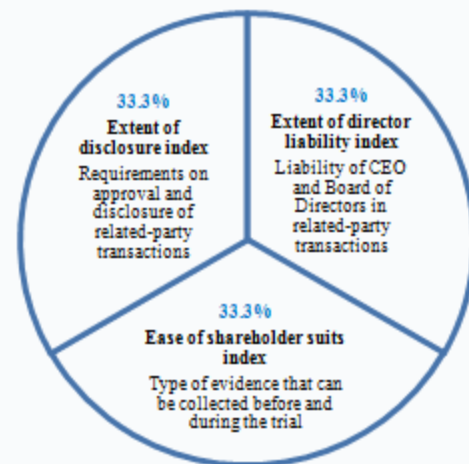
- Documents and information available during trial
- Access to internal corporate documents (directly or through a government inspector)

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.

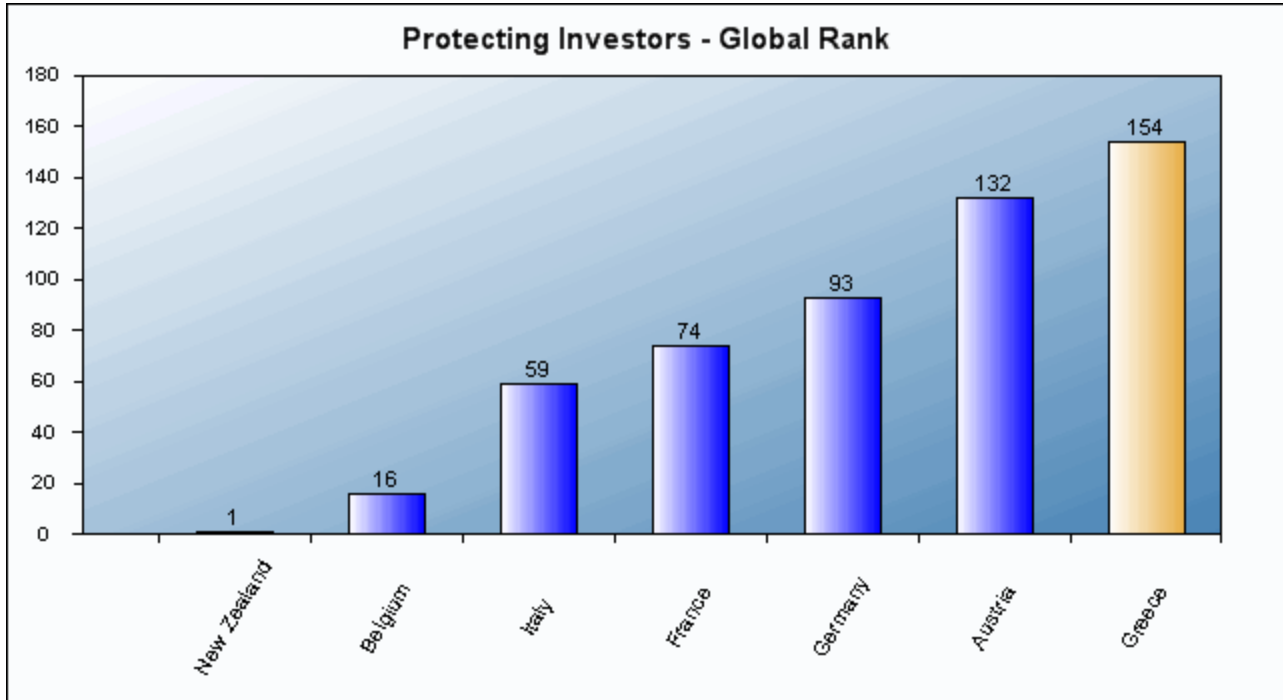
The transaction

- 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:

Greece is ranked 154 overall for Protecting Investors.

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



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

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

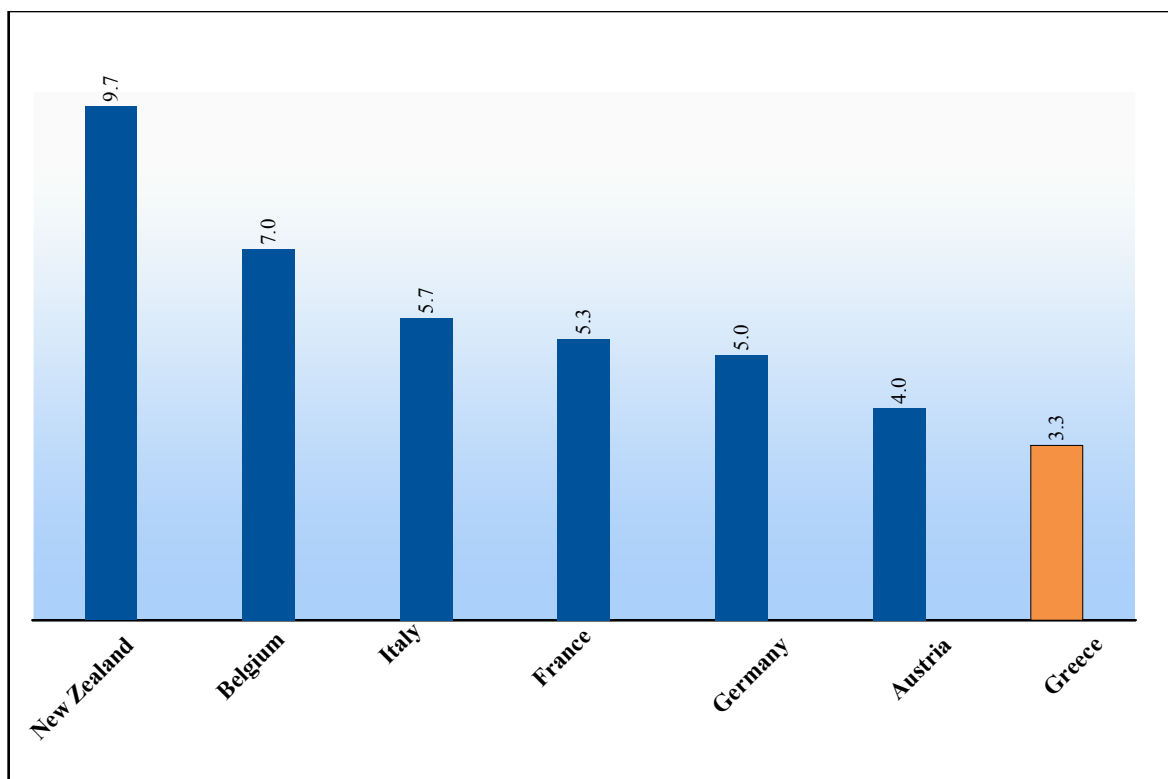
<i>Selected Economy</i>	
Greece	3.3

<i>Comparator Economies</i>	
Austria	4.0
Belgium	7.0
France	5.3
Germany	5.0
Italy	5.7

2. Historical data: Protecting Investors in Greece

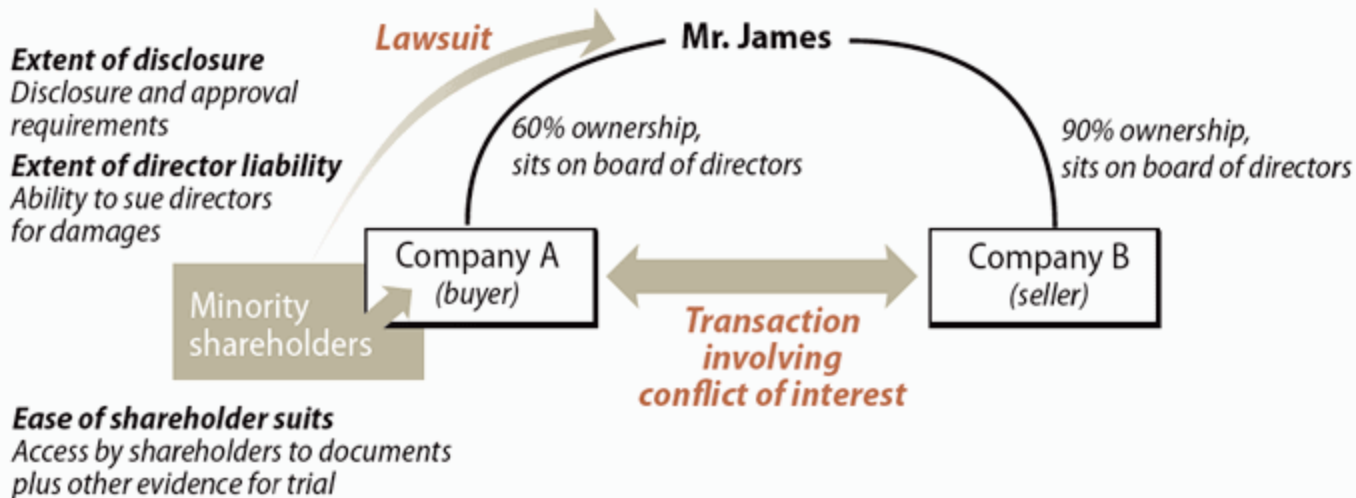
Protecting Investors data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	153	154
Strength of investor protection index (0-10)	3.0	3.3	3.3	3.3

3. The following graph illustrates the Protecting Investors index in Greece 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 Greece.

Protecting Investors Data (2010)	Indicator
Extent of disclosure index (0-10)	1
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?	0
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)	4
Whether shareholders can hold Mr. James liable for the damage that the Buyer-Seller transaction causes to the company?	1
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?	1
Whether a court can void the transaction upon a successful claim by a shareholder plaintiff?	0
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?	0
Whether fines and imprisonment can be applied against Mr. James?	0
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)	5
Whether the plaintiff can obtain any documents from the defendant and witnesses during trial?	2
Whether the plaintiff can directly question the defendant and witnesses during trial?	1
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?	0
Whether shareholders owning 10% or less of Buyer's shares can inspect transaction documents before filing suit?	1
Strength of investor protection index (0-10)	3.3

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)

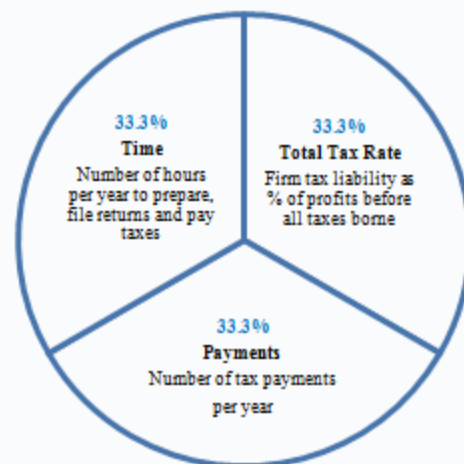
- Collecting information and computing the tax payable
- Completing tax return forms, filing with proper agencies
- Arranging payment or withholding
- Preparing separate tax accounting books, if required

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



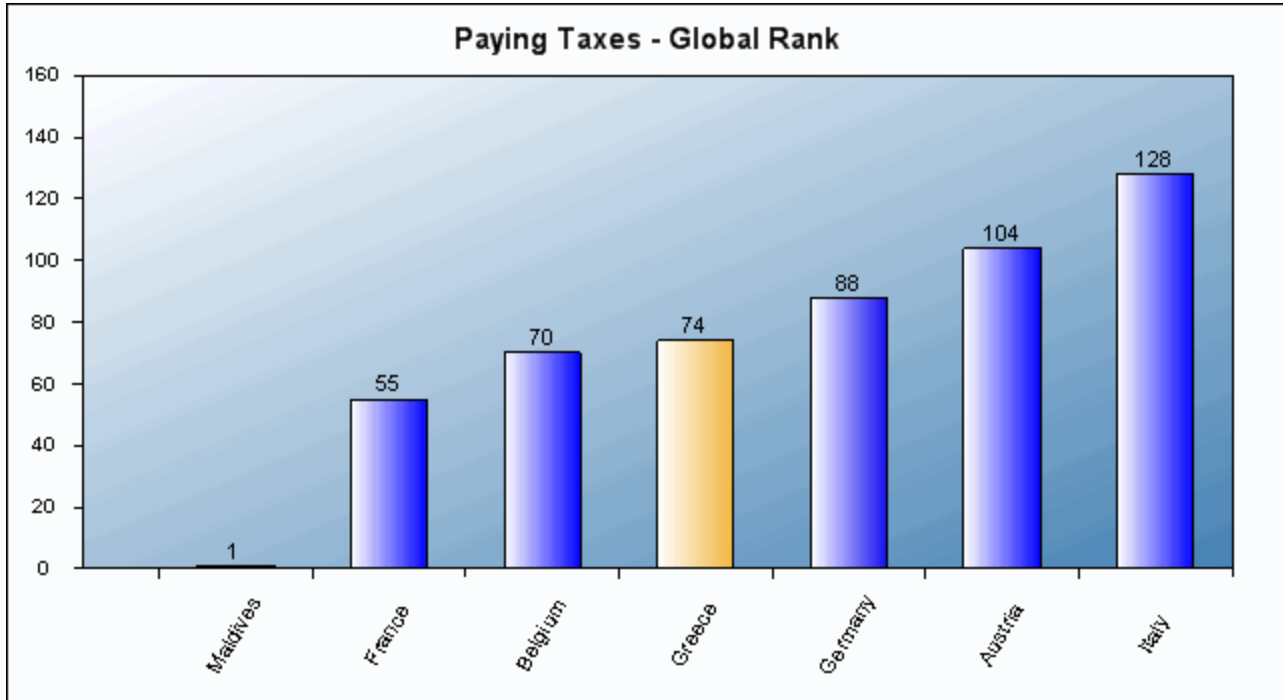
Case Study Assumptions

- 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:

Greece is ranked 74 overall for Paying Taxes.

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



The following table shows Paying Taxes data for Greece 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>			
Greece	10	224	47.2

<i>Comparator Economies</i>			
Austria	22	170	55.5
Belgium	11	156	57.0
France	7	132	65.8
Germany	16	215	48.2
Italy	15	285	68.6

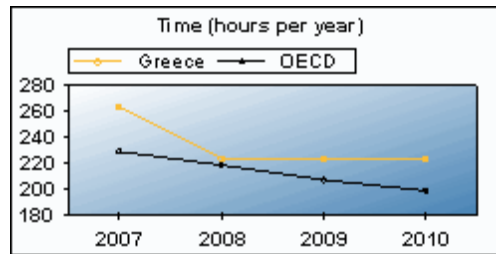
* The following economies are also good practice economies for :

Payments (number per year): Qatar

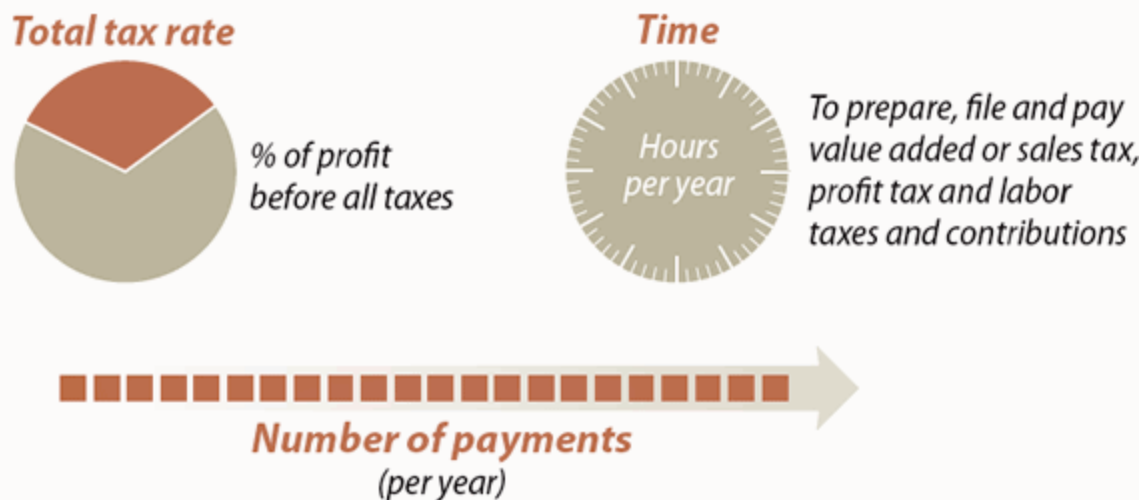
2. Historical data: Paying Taxes in Greece

Paying Taxes data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	74	74
Total tax rate (% profit)	49.6	47.4	47.4	47.2
Payments (number per year)	21	10	10	10
Time (hours per year)	264	224	224	224

3. The following graphs illustrate the Paying Taxes sub indicators in Greece 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 Greece, 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	88	19.0%	value added		
Advertising tax	1			various rates	depending on the type of advertising		
Stamp duty	1			2.4%	contract value		
Road Tax	1			various rates	depending on truck weight	0.00	
Vehicle tax	1			various rates	cubic centimeters	0.10	
Insurance premium	1			20.0%	insurance premium	0.20	
Interest tax	0	withheld		15.0%	interest income	0.40	
Fuel tax	1			EUR 260 per 1000 liters	fuel consumption	0.70	
Property tax	1			0.8%	assessed value	0.70	

Corporate income tax	1	online filing	88	25.0%	taxable profit	13.90
Social security contributions	1	online filing	48	28.1%	gross salaries	31.70
Totals	10		224			47.2

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)

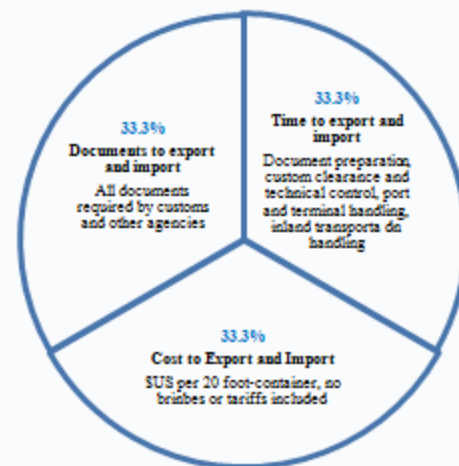
- Bank documents
- Customs clearance documents
- Port and terminal handling documents
- Transport documents

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

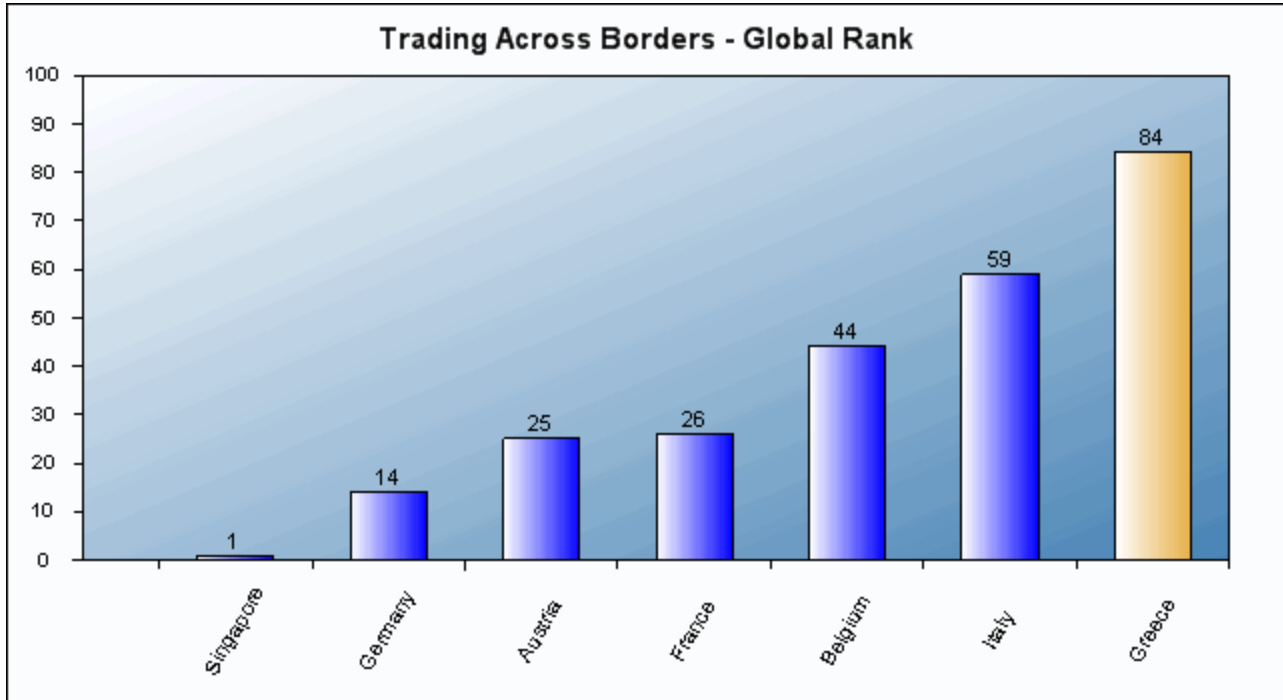
The traded product

- 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:

Greece is ranked 84 overall for Trading Across Borders.

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



The following table shows Trading Across Borders data for Greece 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>						
Greece	5	20	1153	6	25	1265

<i>Comparator Economies</i>						
Austria	4	7	1180	5	8	1195
Belgium	4	8	1619	5	9	1600
France	2	9	1078	2	11	1248
Germany	4	7	872	5	7	937
Italy	4	20	1245	4	18	1245

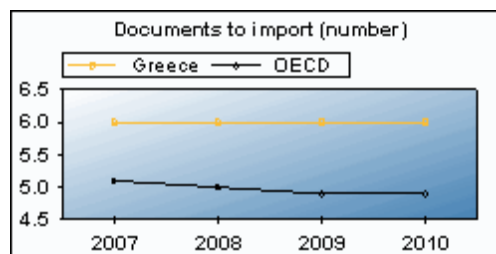
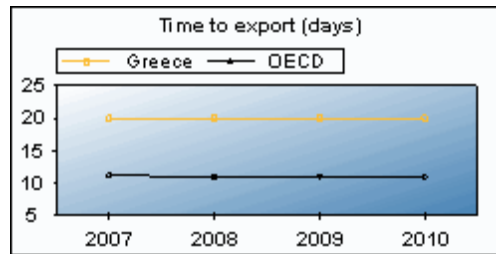
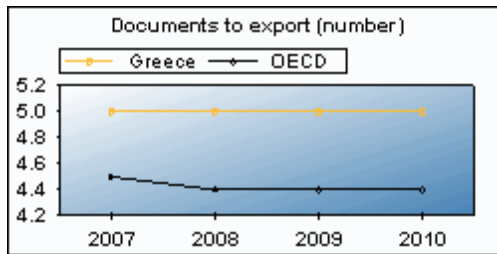
* The following economies are also good practice economies for :

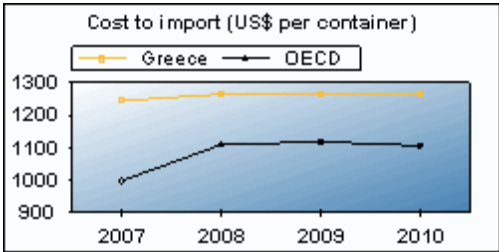
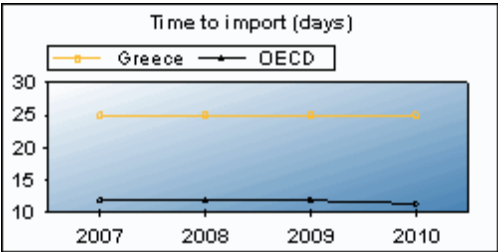
Time to export (days): Estonia

2. Historical data: Trading Across Borders in Greece

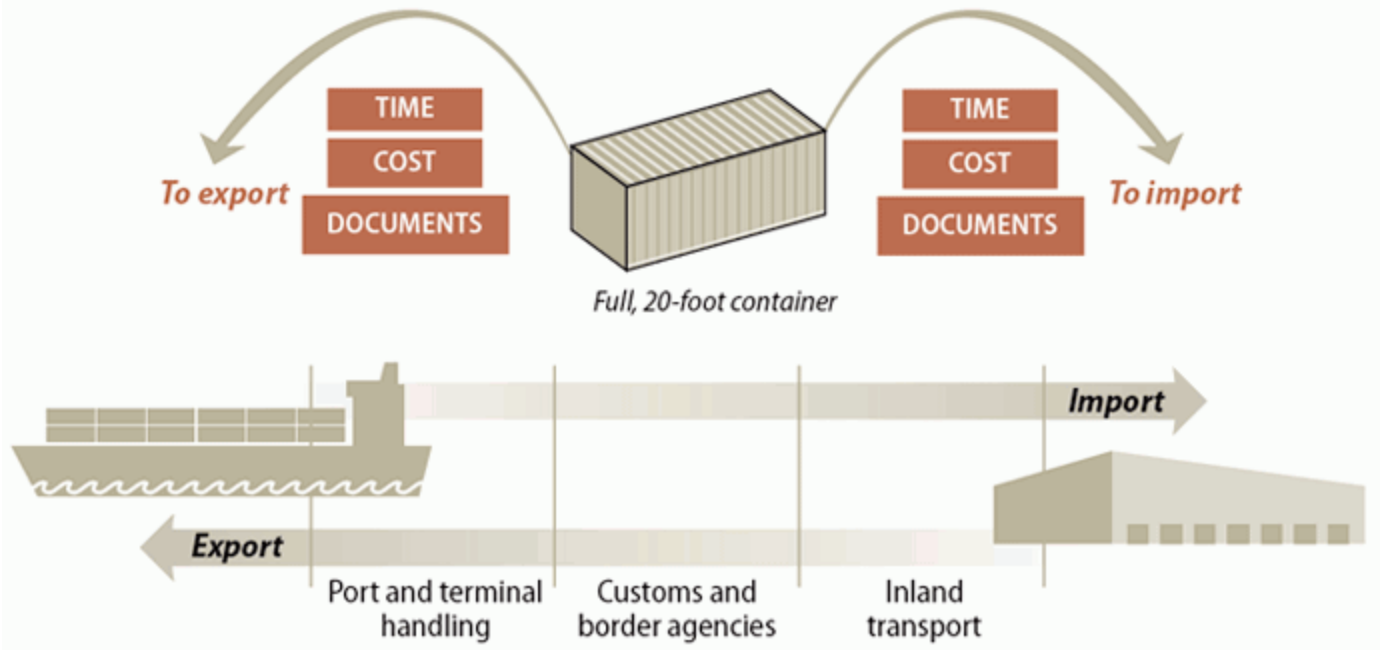
Trading Across Borders data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	81	84
Cost to export (US\$ per container)	998	1153	1153	1153
Cost to import (US\$ per container)	1245	1265	1265	1265
Documents to export (number)	5	5	5	5
Documents to import (number)	6	6	6	6
Time to export (days)	20	20	20	20
Time to import (days)	25	25	25	25

3. The following graphs illustrate the Trading Across Borders sub indicators in Greece 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 Greece. The documents required to export and import the goods are also shown.

Nature of Export Procedures (2010)	Duration (days)	US\$ Cost
Documents preparation	14	235
Customs clearance and technical control	2	230
Ports and terminal handling	2	228
Inland transportation and handling	2	460
Totals	20	1153

Nature of Import Procedures (2010)	Duration (days)	US\$ Cost
Documents preparation	12	140
Customs clearance and technical control	6	265
Ports and terminal handling	5	380
Inland transportation and handling	2	480
Totals	25	1265

Documents for Export and Import

Export

- Bill of lading
- Certificate of origin
- Commercial invoice
- Customs export declaration
- Technical standard/health certificate

Import

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

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)

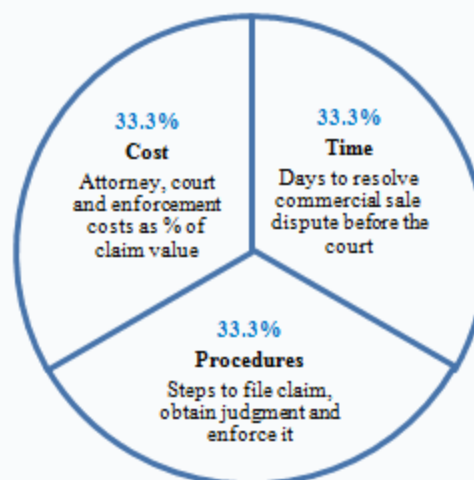
- Any interaction between the parties in a commercial dispute, or between them and the judge or court officer
- Steps to file the case
- Steps for trial and judgment
- Steps to enforce the judgment

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



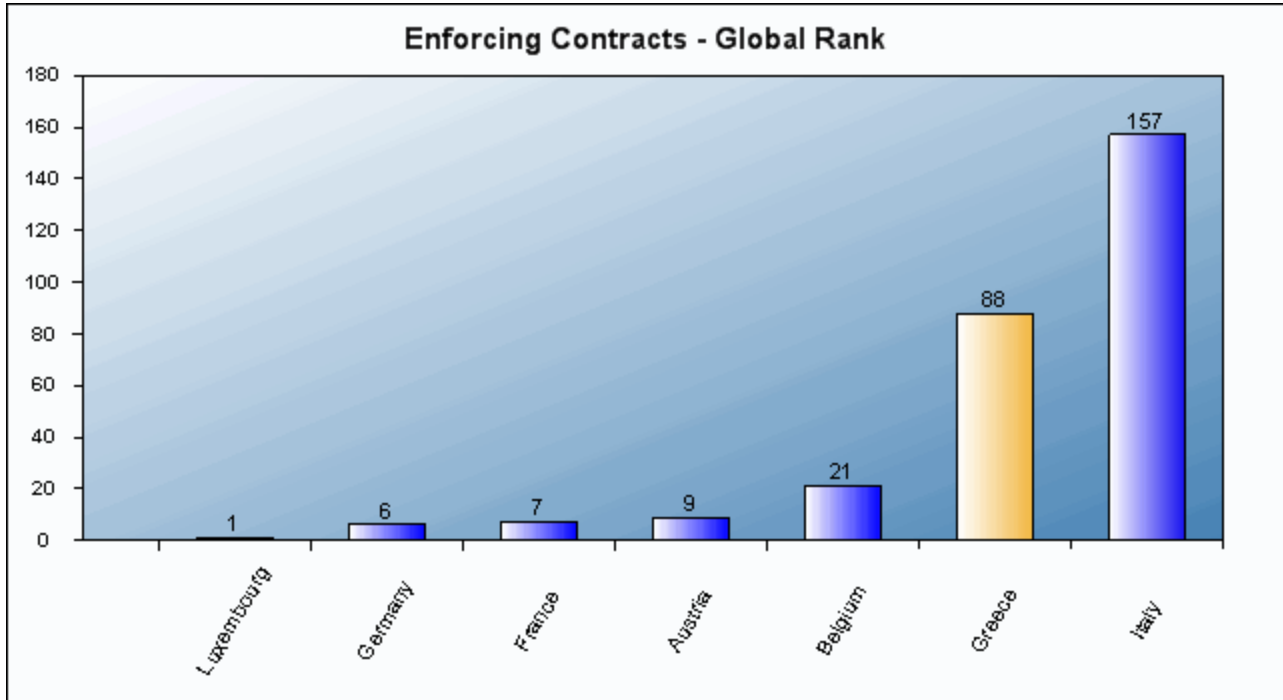
Case Study Assumptions

- 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:

Greece is ranked 88 overall for Enforcing Contracts.

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



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

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

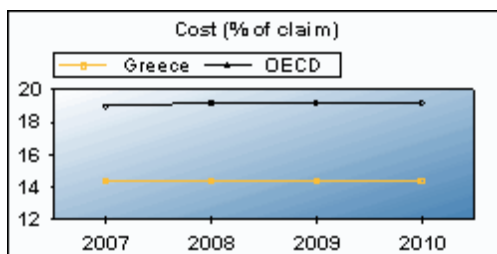
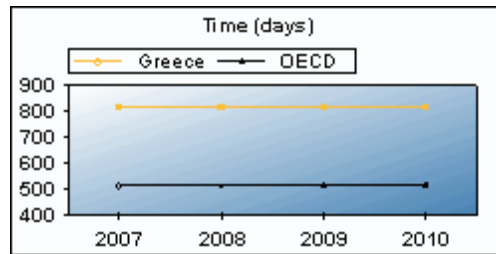
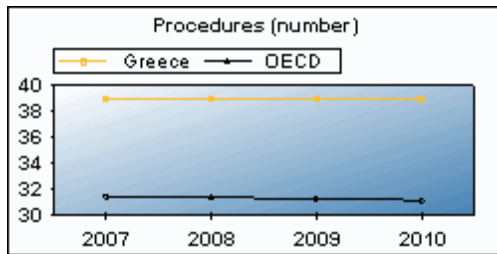
<i>Selected Economy</i>			
Greece	39	819	14.4

<i>Comparator Economies</i>			
Austria	25	397	18.0
Belgium	26	505	16.6
France	29	331	17.4
Germany	30	394	14.4
Italy	41	1210	29.9

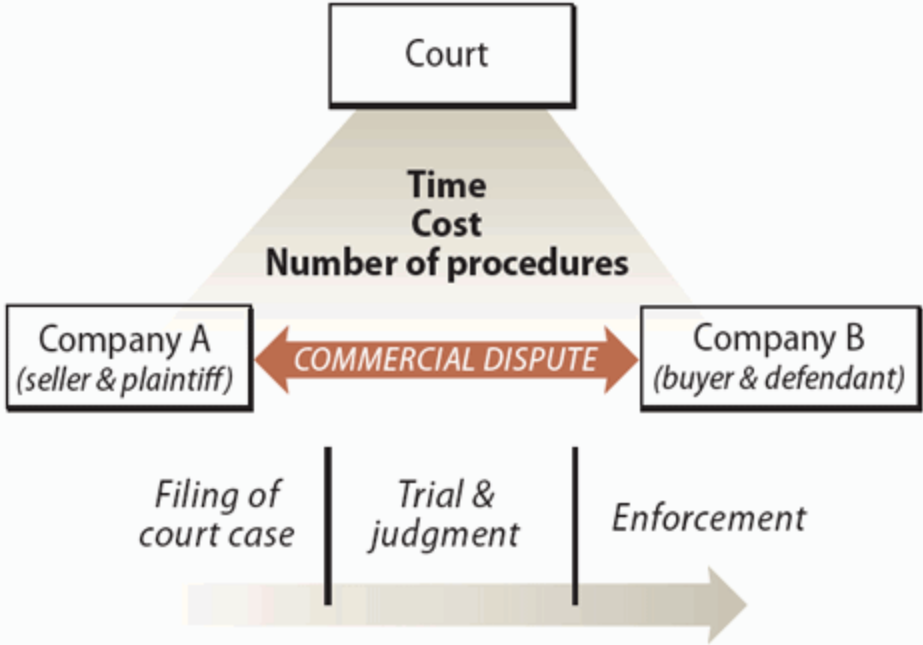
2. Historical data: Enforcing Contracts in Greece

Enforcing Contracts data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	89	88
Procedures (number)	39	39	39	39
Time (days)	819	819	819	819
Cost (% of claim)	14.4	14.4	14.4	14.4

3. The following graphs illustrate the Enforcing Contracts sub indicators in Greece 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 Greece.

Nature of Procedure (2010)	Indicator
Procedures (number)	39
Time (days)	819
Filing and service	60.0
Trial and judgment	639.0
Enforcement of judgment	120.0
Cost (% of claim)*	14.40
Attorney cost (% of claim)	10.0
Court cost (% of claim)	2.7
Enforcement Cost (% of claim)	1.7

Court information: Athens First Instance Court ("ΜΟΝΟΜΕΛΕΣ ΠΡΩΤΟΔΙΚΕΙΟ ΑΘΗΝΩΝ (Monomeles Protodikeio Athinon)")

* 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)

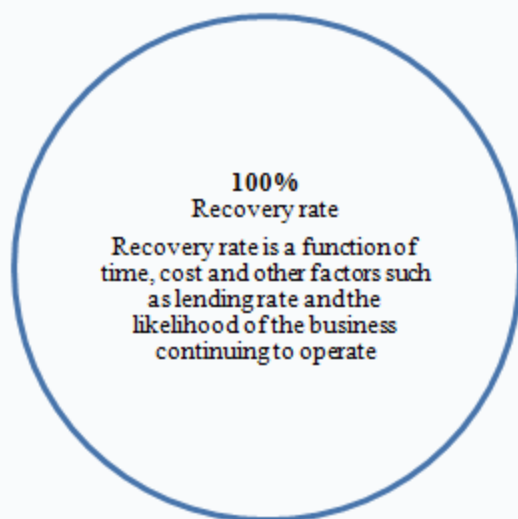
- Measured in calendar years
- Appeals and requests for extension are included

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:

Greece is ranked 49 overall for Closing a Business.

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



The following table shows Closing Business data for Greece 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>			
Greece	43.2	2.0	9

<i>Comparator Economies</i>			
Austria	73.1	1.1	18
Belgium	87.6	0.9	4
France	45.2	1.9	9
Germany	53.1	1.2	8
Italy	58.0	1.8	22

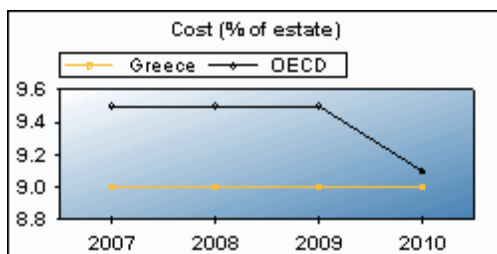
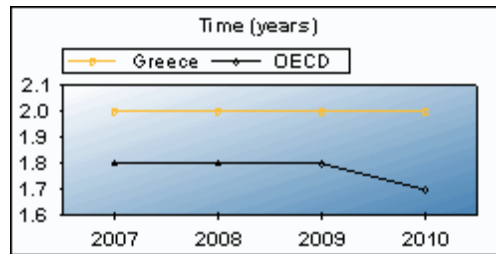
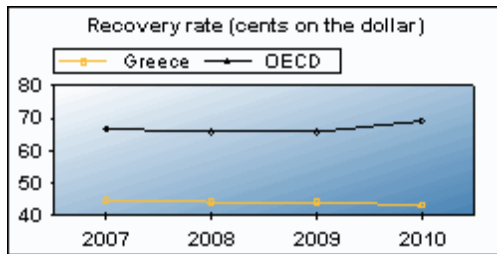
* The following economies are also good practice economies for :

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

2. Historical data: Closing Business in Greece

Closing a Business data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	43	49
Time (years)	2.0	2.0	2.0	2.0
Cost (% of estate)	9	9	9	9
Recovery rate (cents on the dollar)	44.8	44.2	44.2	43.2

3. The following graphs illustrate the Closing Business sub indicators in Greece 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	Starting a Business	Dealing with Construction Permits	Registering Property	Getting Credit	Protecting Investors	Paying Taxes	Trading Across Borders	Enforcing Contracts	Closing a Business
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.

Austria	Austria made it easier to transfer property by requiring online submission of all applications to register property transfers.
Belgium	Belgium's capital city, Brussels, made it more difficult to transfer property by requiring a clean-soil certificate. Belgium introduced a new law that will promote and facilitate the survival of viable businesses experiencing financial difficulties.
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.
Germany	Germany eased business start-up by increasing the efficiency of communications between the notary and the commercial registry and eliminating the need to publish an announcement in a newspaper.
Greece	Greece made transferring property more costly by increasing the transfer tax from 1% of the property value to 10%.
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.

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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