

# Doing Business 2011

Tanzania

**Making  
a Difference for  
Entrepreneurs**

COMPARING BUSINESS REGULATION IN 183 ECONOMIES



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1818 H Street NW  
Washington, DC 20433  
Telephone 202-473-1000  
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## Introduction

*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 Tanzania. 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](http://www.doingbusiness.org)).

\* Except for the Paying Taxes indicator, which covers the period January to December of 2009.

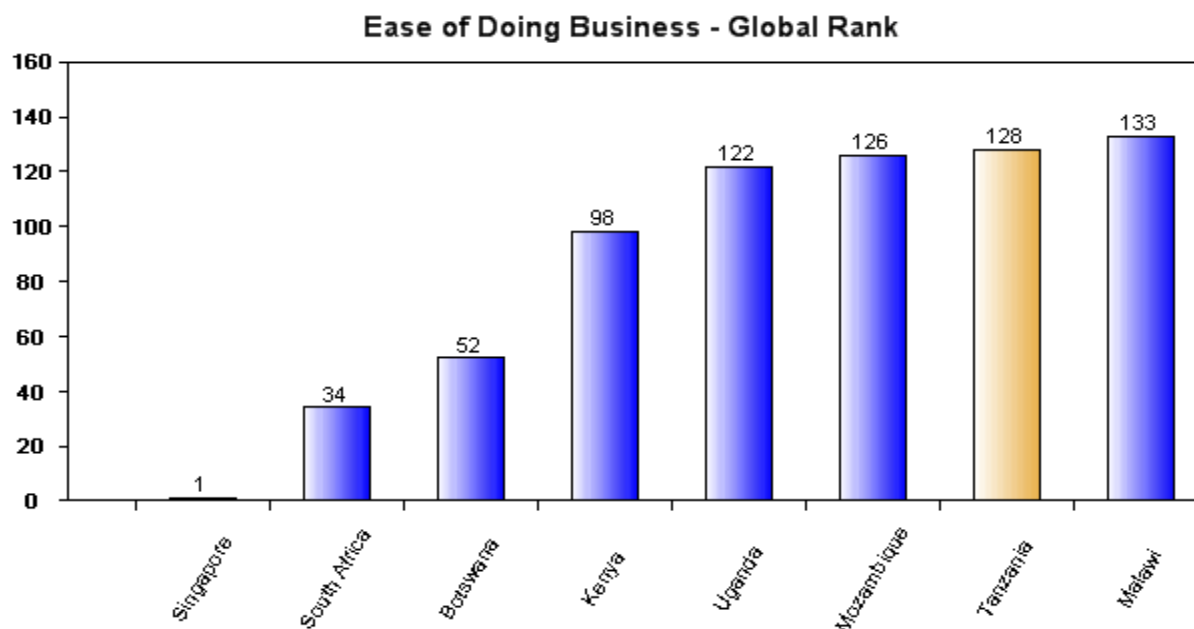
Note: *Doing Business 2010* data and rankings have been recalculated to reflect changes to the methodology.

## Economy Rankings - Ease of Doing Business

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Tanzania is ranked 128 out of 183 economies. Singapore is the top ranked economy in the Ease of Doing Business.

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



**Tanzania's ranking in Doing Business 2011**

Rank	Doing Business 2011
Ease of Doing Business	128
Starting a Business	122
Dealing with Construction Permits	179
Registering Property	151
Getting Credit	89
Protecting Investors	93
Paying Taxes	120
Trading Across Borders	109
Enforcing Contracts	32
Closing a Business	113

## Summary of Indicators - Tanzania

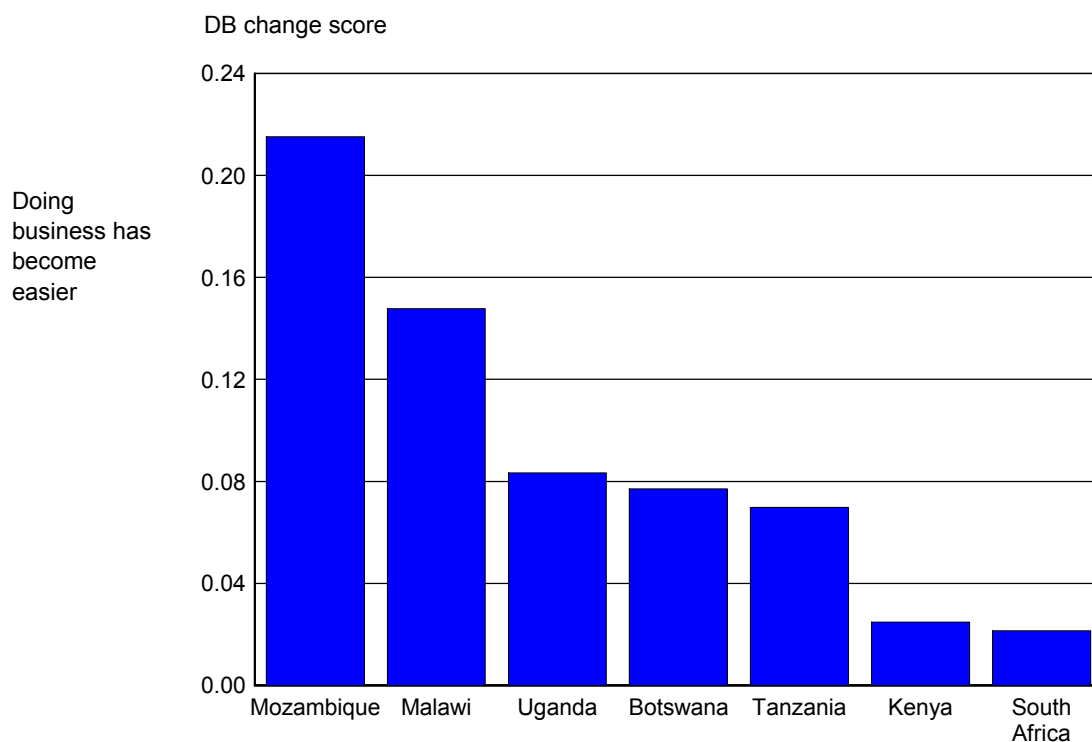
<b>Starting a Business</b>	Procedures (number)	12
	Time (days)	29
	Cost (% of income per capita)	30.9
	Paid-in Min. Capital (% of income per capita)	0.0
<b>Dealing with Construction Permits</b>	Procedures (number)	22
	Time (days)	328
	Cost (% of income per capita)	2756.3
<b>Registering Property</b>	Procedures (number)	9
	Time (days)	73
	Cost (% of property value)	4.4
<b>Getting Credit</b>	Strength of legal rights index (0-10)	8
	Depth of credit information index (0-6)	0
	Public registry coverage (% of adults)	0.0
	Private bureau coverage (% of adults)	0.0
<b>Protecting Investors</b>	Extent of disclosure index (0-10)	3
	Extent of director liability index (0-10)	4
	Ease of shareholder suits index (0-10)	8
	Strength of investor protection index (0-10)	5.0
<b>Paying Taxes</b>	Payments (number per year)	48
	Time (hours per year)	172
	Profit tax (%)	19.9
	Labor tax and contributions (%)	18.0
	Other taxes (%)	7.3
	Total tax rate (% profit)	45.2
<b>Trading Across Borders</b>	Documents to export (number)	5
	Time to export (days)	24
	Cost to export (US\$ per container)	1262
	Documents to import (number)	7
	Time to import (days)	31
	Cost to import (US\$ per container)	1475 <sub>3</sub>

<b>Enforcing Contracts</b>	Procedures (number)	38
	Time (days)	462
	Cost (% of claim)	14.3
<b>Closing a Business</b>	Recovery rate (cents on the dollar)	21.9
	Time (years)	3.0
	Cost (% of estate)	22

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 economies 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*.



Note: This year's DB change score ranges from -0.1 to 0.54. More details on how the DB change score is constructed can be found in the methodology section of the website.

\* Bahrain, The Bahamas, Brunei, Cyprus, Kosovo, Liberia, Luxembourg, Montenegro and Qatar do not feature in the new metric because they were included in the *Doing Business* report in years subsequent to the *Doing Business 2005* report and hence, 5 years of data are not yet available.



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

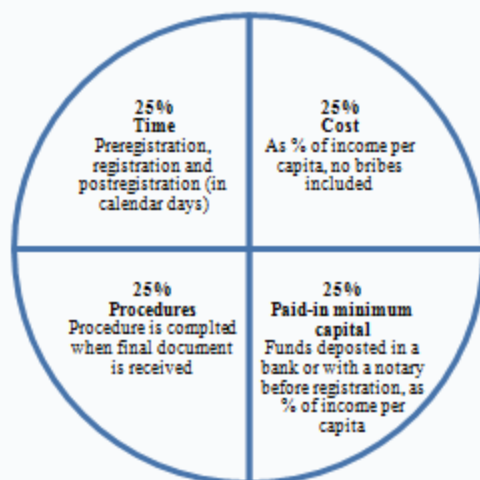
### Cost required to complete each procedure (% of income per capita)

- 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.

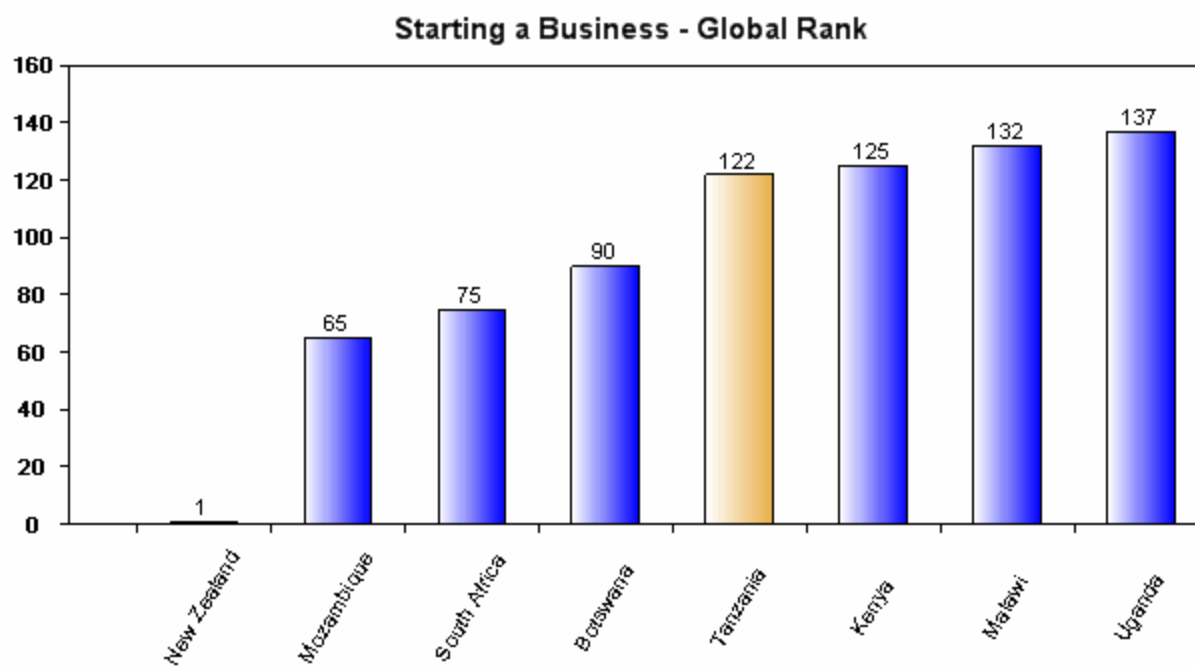
### The business:

- 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

Tanzania is ranked 122 overall for Starting a Business.

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



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

<b>Good Practice Economies</b>	<b>Procedures (number)</b>	<b>Time (days)</b>	<b>Cost (% of income per capita)</b>	<b>Paid-in Min. Capital (% of income per capita)</b>
<b>Denmark</b>			0.0	
<b>New Zealand</b>	1	1		0.0

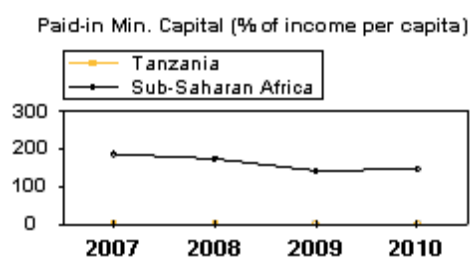
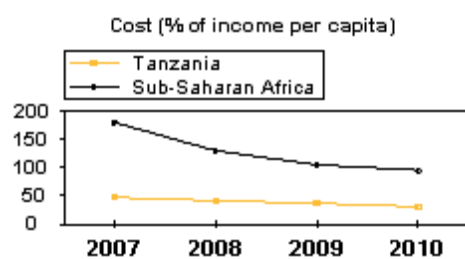
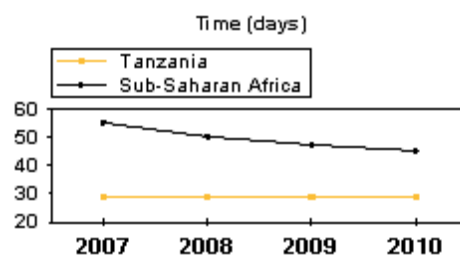
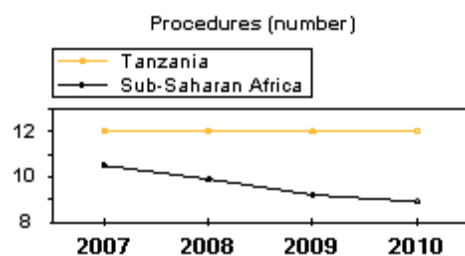
<i><b>Selected Economy</b></i>				
<b>Tanzania</b>	<b>12</b>	<b>29</b>	<b>30.9</b>	<b>0.0</b>

<i><b>Comparator Economies</b></i>				
<b>Botswana</b>	10	61	2.2	0.0
<b>Kenya</b>	11	33	38.3	0.0
<b>Malawi</b>	10	39	108.4	0.0
<b>Mozambique</b>	9	13	13.9	0.0
<b>South Africa</b>	6	22	6.0	0.0
<b>Uganda</b>	18	25	94.4	0.0

## 2. Historical data: Starting a Business in Tanzania

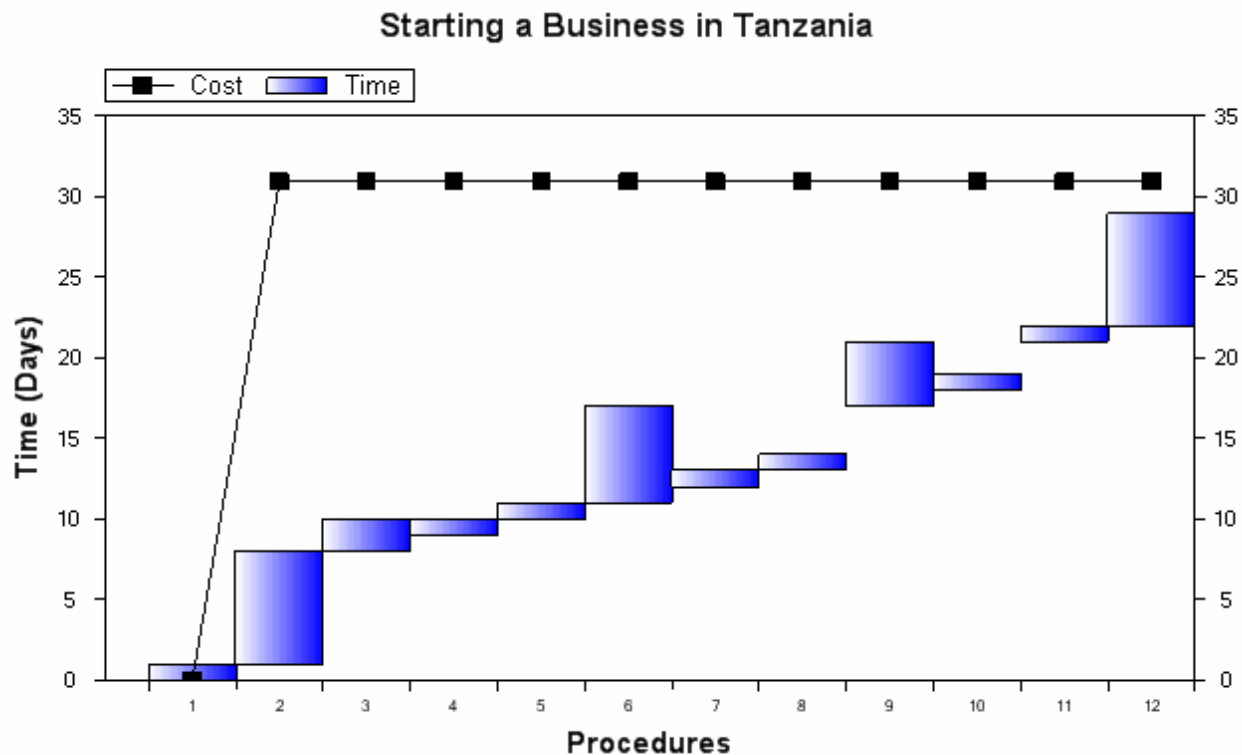
Starting a Business data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	122	122
Procedures (number)	12	12	12	12
Time (days)	29	29	29	29
Cost (% of income per capita)	47.1	41.5	36.8	30.9
Paid-in Min. Capital (% of income per capita)	0.0	0.0	0.0	0.0

## 3. Starting a Business sub indicators in Tanzania over the past 4 years



#### 4. Overview of the steps to Starting a Business in Tanzania

It requires 12 procedures, takes 29 days, and costs 30.95 % GNI per capita to start a business in Tanzania.

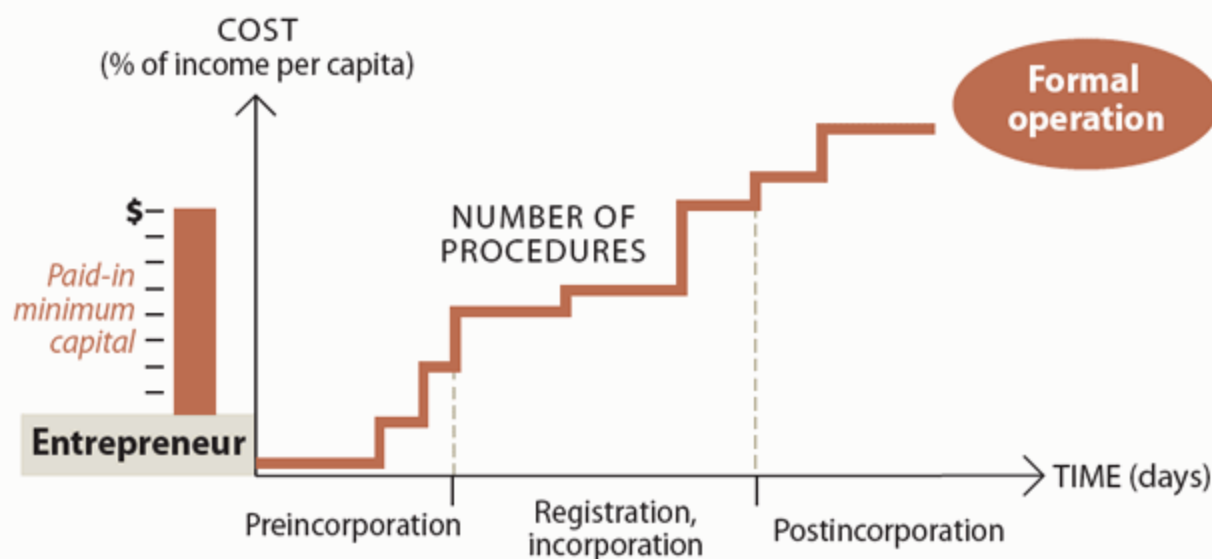


No:	Procedure	Time to complete (days)	Cost to complete
1	Apply for clearance of the proposed company name at the Business Registration and Licensing Authority "BRELA"	1	no charge
2	Apply for a certificate of incorporation and of commencement to Registrar of Companies	7	TZS 206,200
3	Apply for taxpayer identification number (TIN) with the Tanzania Revenue Authority	2	no charge
4	* Income tax officials inspect the office site of the new company	1	no charge
5	* Apply for PAYE with the Tanzania Revenue Authority	1	no charge
6	Apply for business license from the regional trade officer (depending on the nature of business)	6	no charge
7	* Have the land and town-planning officer inspect the premises and obtain his signature	1	transport cost, trivial
8	* Have the health officer inspect the premises and obtain his signature	1	transport cost, trivial
9	Apply for VAT certificate with the Tanzania Revenue Authority	4	no charge

10	* Receive VAT/stamp duty inspection	1	no charge
11	Register for the workmen's compensation insurance at the National Insurance Corporation or other alternative insurance policy	1	no charge
12	Obtain registration number at the National Social Security Fund (NSSF)	7	no charge

\* Takes place simultaneously with another procedure.

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



### 5. Details on Starting a Business in Tanzania

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

#### STANDARDIZED COMPANY

Legal Form: Private Limited Liability Company

Paid-in Minimum Capital: 0.0 (% of income per capita)

City: Dar es Salaam

Procedure	1	Apply for clearance of the proposed company name at the Business Registration and Licensing Authority "BRELA"
Time to complete(days):	1	
Cost to complete:	no charge	
Comment:	A letter of application for clearance for a proposed company name can be submitted by mail to the Registrar of Companies, which clears the name upon search automatically. The search establishes the availability of the proposed name. Upon receiving notification whether the name is available, applicants prepare the memorandum and articles of association and submit them for the company registration process. When these documents are prepared and presented for registration without name clearance, the search is done during the registration process with a chance of rejection if the search reveals a similar name in the Register.	
Procedure	2	Apply for a certificate of incorporation and of commencement to Registrar of Companies
Time to complete(days):	7	
Cost to complete:	TZS 206,200	

**Comment:** Business trade names (Cap 213) and companies (Cap 212) can be registered only in Dar es Salaam. A lawyer is not required, but using one is standard practice.

To apply for a certificate of incorporation, a subscriber, secretary, or a person named in the articles of association as a director must submit the following to the Registrar of Companies:

- 14a (First Directors and Secretary and Intended situation of Registered Office)
- 14b (Declaration of Compliance on Application for the Registration of a Company)

The Memorandum and Articles of Association are also filed with the forms.

After the forms are filed, the certificate of incorporation is usually processed 2-3 days after the forms are filed. Registration forms are free, and applicable registration fees (according to the New Companies Act 2002) are shown below.

Although there are no standard articles of association, Table A of the Schedules to the Companies Ordinance may be adopted. The fee for incorporating companies with capital below TZS 1 million is 10% but is negotiable.

Company registration fee (based on share capital):

- Share capital from 20,000 to 500,000: TZS 50,000.
- Share capital from 500,000 to 1,000,000: TZS 80,000.
- Share capital from 1,000,000 to 2,000,000: TZS 100,000.
- Share capital from 2,000,000 to 3,000,000: TZS 120,000.
- Share capital from 3,000,000 to 5,000,000: TZS 150,000.
- Share capital from 5,000,000 to 10,000,000: TZS 180,000.
- Share capital from 10,000,000 to 30,000,000: TZS 200,000.
- Share capital 30,000,000 and over: TZS 300,000.

Filing fee: TZS 45,000 : 15,000 per document

Stamp duty fee:

- Original memorandum and articles of association: TZS 6,200.
- Additional copies: TZS 5,000.

#### **Procedure 3 Apply for taxpayer identification number (TIN) with the Tanzania Revenue Authority**

**Time to complete(days):** 2

**Cost to complete:** no charge

**Comment:** TIN registration is at no cost. Tax registration has been fully computerized. It takes a minimum of 2 days to obtain TIN number, depending on the number of request made to the Revenue Authority at the time.

#### **Procedure 4 Income tax officials inspect the office site of the new company**

**Time to complete(days):** 1

**Cost to complete:** no charge

**Comment:**

#### **Procedure 5 Apply for PAYE with the Tanzania Revenue Authority**

**Time to complete(days):** 1

**Cost to complete:** no charge

**Comment:**

#### **Procedure 6 Apply for business license from the regional trade officer (depending on the nature of business)**



**Time to complete(days):** 6

**Cost to complete:** no charge

**Comment:** The business license automatically registers the company for various taxes imposed by the Dar es Salaam City Commission (for example, the development levy). The application is at no charge for companies with a turnover of less than TZS 40 million and certain health providers.

**Procedure 7 Have the land and town-planning officer inspect the premises and obtain his signature**

**Time to complete(days):** 1

**Cost to complete:** transport cost, trivial

**Comment:** The promoters must provide transportation for the land- and town-planning officer to inspect the company premises.

**Procedure 8 Have the health officer inspect the premises and obtain his signature**

**Time to complete(days):** 1

**Cost to complete:** transport cost, trivial

**Comment:** The promoters must provide transportation for the health officer to inspect the company premises.

**Procedure 9 Apply for VAT certificate with the Tanzania Revenue Authority**

**Time to complete(days):** 4

**Cost to complete:** no charge

**Comment:** VAT registration takes 3–5 days if the proposed company will have a threshold income of TZS 40 million.

**Procedure 10 Receive VAT/stamp duty inspection**

**Time to complete(days):** 1

**Cost to complete:** no charge

**Comment:** Manufacturing firms can submit Form 225 to the VAT Commissioner for exemption of VAT on capital goods. VAT registration and inspection takes 4 days, so it is assumed that the inspection takes 3 days. When the annual company turnover is less than USD 20,000, the company must register for stamp duty instead of VAT. The composition number gives the right to pay a lower stamp duty than otherwise

**Procedure 11 Register for the workmen's compensation insurance at the National Insurance Corporation or other alternative insurance policy**

**Time to complete(days):** 1

**Cost to complete:** no charge

**Comment:** To register for workers' compensation insurance, employers must complete the Workmen's Compensation Tariff Proposal Form. This form should be completed once the firm begins hiring employees and just before the firm becomes operational. However, because the insurance industry is privatized in Tanzania, employers may opt to take an insurance policy instead of workmen's compensation claims.

**Procedure 12 Obtain registration number at the National Social Security Fund (NSSF)**

**Time to complete(days):** 7

**Cost to complete:** no charge

**Comment:** It takes a week to obtain the registration number at the National Social Security Fund.

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

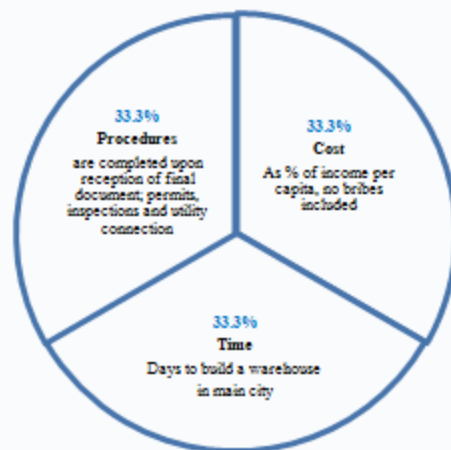
### The warehouse:

- 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

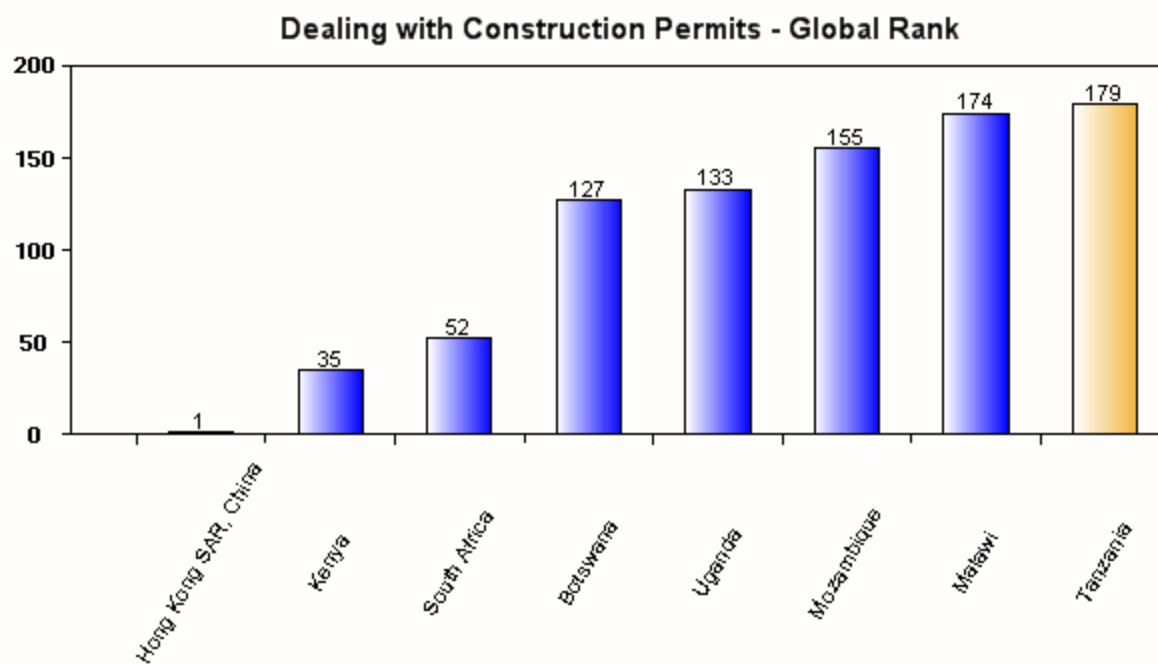
Rankings are based on 3 subindicators



## 1. Benchmarking Dealing with Construction Permits Regulations

Tanzania is ranked 179 overall for Dealing with Construction Permits.

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



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

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

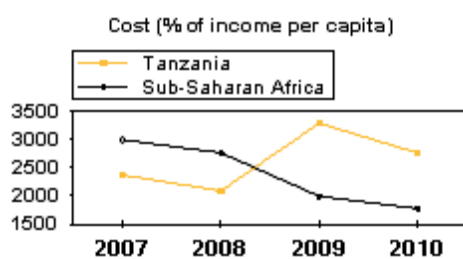
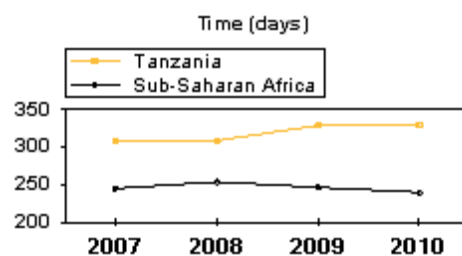
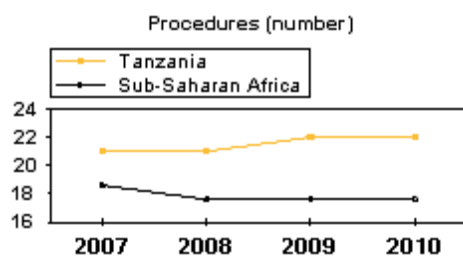
<i><b>Selected Economy</b></i>			
<b>Tanzania</b>	<b>22</b>	<b>328</b>	<b>2756.3</b>

<i><b>Comparator Economies</b></i>			
<b>Botswana</b>	24	167	264.5
<b>Kenya</b>	11	120	167.8
<b>Malawi</b>	21	268	1316.7
<b>Mozambique</b>	17	381	530.3
<b>South Africa</b>	17	174	23.1
<b>Uganda</b>	18	171	1287.8

## 2. Historical data: Dealing with Construction Permits in Tanzania

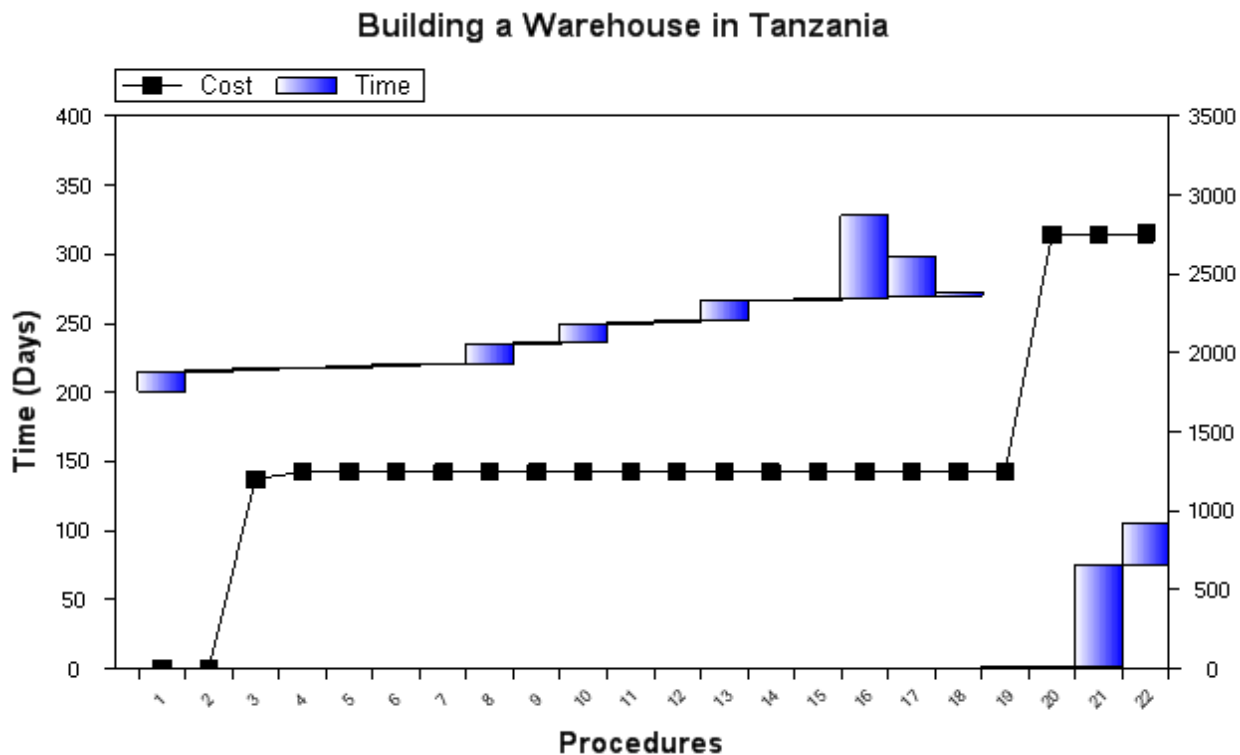
Dealing with Construction Permits data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	179	179
Procedures (number)	21	21	22	22
Time (days)	308	308	328	328
Cost (% of income per capita)	2365.5	2087.0	3281.3	2756.3

## 3. Dealing with Construction Permits sub indicators in Tanzania over the past 4 years



#### 4. Overview of the steps to Building a Warehouse in Tanzania

It requires 22 procedures, takes 328 days, and costs 2,756.29 % GNI per capita to build a warehouse in Tanzania.



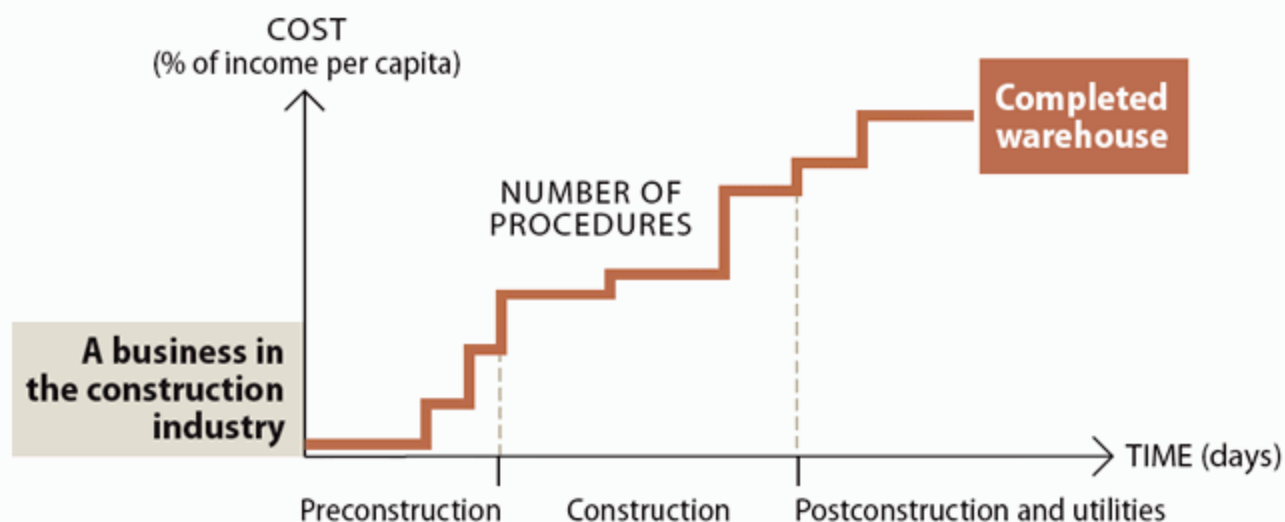
No:	Procedure	Time to complete (days)	Cost to complete
1	Obtain location plan from City Council, Ministry of Lands	7 days	TZS 5,000
2	Obtain certified copy of the land rent receipts from the Internal Revenue Authority	7 days	no charge
3 *	Obtain geological survey	20 days	TZS 8,000,000
4	Obtain building permit	180 days	TZS 300,000
5	Request and receive pre-construction inspection from the City Council officers	14 days	no charge
6	Request and receive excavation work inspection from the City Council officers	1 day	no charge
7	Request and receive foundations work inspection from the City Council officers	1 day	no charge
8	Request and receive concrete work inspection from the City Council officers	1 day	no charge
9	Request and receive slabs work inspection from the City Council officers	1 day	no charge

10	Request and receive roof work inspection from the City Council officers	1 day	no charge
11	Request and receive inspection from the fire department once construction is completed	1 day	no charge
12	Obtain approval of the building from the fire department upon completion	14 days	no charge
13	Receive inspection from the health department	1 day	no charge
14	Obtain approval of the building from the health department upon completion	14 days	no charge
15	Apply for occupancy permit from the City Council and request final inspection	1 day	no charge
16 *	Receive final inspection from the City Council officers	1 day	no charge
17	Obtain occupancy permit	14 days	no charge
18	Apply for electricity connection	1 day	no charge
19	Receive electricity inspection from Tanesco	1 day	no charge
20	Obtain electricity connection from Tanesco	60 days	TZS 10,000,000
21 *	Obtain water and sewage connection from Dawasa	30 days	no charge
22 *	Obtain telephone connection	3 days	TZS 60,000

\* Takes place simultaneously with another procedure.



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



### 5. Details on Building a Warehouse in Tanzania

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

#### BUILDING A WAREHOUSE

Estimated warehouse value: TZS 325,000,000

City: Dar es Salaam

Procedure	1	Obtain location plan from City Council, Ministry of Lands
Time to complete:	7 days	
Cost to complete:	TZS 5,000	
Agency:	City Council (Ministry of Lands)	
Comment:		
Procedure	2	Obtain certified copy of the land rent receipts from the Internal Revenue Authority
Time to complete:	7 days	
Cost to complete:	no charge	
Agency:	Internal Revenue Authority	
Comment:		
Procedure	3	Obtain geological survey

<b>Time to complete:</b>	20 days
<b>Cost to complete:</b>	TZS 8,000,000
<b>Comment:</b>	Additionally, companies as of second half of 2008 have to submit a geological survey along with application for building permit at the City Council. This comes at additional cost to businesses. It costs TZS 8,000,000, and takes on average 20 days to complete.

<b>Procedure</b>	<b>4</b>	<b>Obtain building permit</b>
------------------	----------	-------------------------------

<b>Time to complete:</b>	180 days
<b>Cost to complete:</b>	TZS 300,000
<b>Agency:</b>	City Council (Ministry of Lands)
<b>Comment:</b>	<p>The documents required for obtaining a building permit are the following:</p> <ul style="list-style-type: none"> <li>- Architectural/engineering drawings and calculations, including site layout and location plans, plans, elevations, sections of the building including storm water drainage, fire protection, driveways and parking.</li> <li>- Title deed showing ownership.</li> <li>- Receipts of payments of land rents and other statutory fees.</li> </ul> <p>Four copies of the documents must be submitted to the City Council for planning approvals and obtaining the building permit. The City Council distributes three of the copies of the files to the Health Department, Fire Department, and Planning Department, and retains a copy for itself. Each of these entities must approve the project. To speed the approval, BuildCo should follow up with each of these departments directly. After these departments grant their approval, the city engineer approves the plans, and then the City Council must approve the application. This last approval can take around 3 months because the City Council does not meet often.</p>

<b>Procedure</b>	<b>5</b>	<b>Request and receive pre-construction inspection from the City Council officers</b>
------------------	----------	---

<b>Time to complete:</b>	14 days
<b>Cost to complete:</b>	no charge
<b>Agency:</b>	City Council (Ministry of Lands)
<b>Comment:</b>	<p>BuildCo must notify the City Council 7 days before beginning construction, and within those 7 days City Council officers should perform the inspection. BuildCo should provide transport for City Council officers to and from the site to speed the process.</p> <p>Following the devastating collapse of 10 storey building, the regional directorate of Dar es Salam has undertaken several ad hoc measures to ensure safety and security of citizens. This has led to increased requirements for notification of commencement of construction works. Now companies have to submit a formal letter explaining the parameters and specifics of projects. However, it led to backlog and delays by 2-3 weeks of inspections that have to approve the site before works begin.</p>

<b>Procedure</b>	<b>6</b>	<b>Request and receive excavation work inspection from the City Council officers</b>
------------------	----------	--

<b>Time to complete:</b>	1 day
<b>Cost to complete:</b>	no charge
<b>Agency:</b>	City Council (Ministry of Lands)

**Comment:**

<b>Procedure</b>	<b>7</b>	<b>Request and receive foundations work inspection from the City Council officers</b>
------------------	----------	---

**Time to complete:** 1 day

**Cost to complete:** no charge

**Agency:** City Council (Ministry of Lands)

**Comment:** BuildCo must provide transport to City Council officers to and from the site.

<b>Procedure</b>	<b>8</b>	<b>Request and receive concrete work inspection from the City Council officers</b>
------------------	----------	--

**Time to complete:** 1 day

**Cost to complete:** no charge

**Agency:** City Council (Ministry of Lands)

**Comment:**

<b>Procedure</b>	<b>9</b>	<b>Request and receive slabs work inspection from the City Council officers</b>
------------------	----------	---

**Time to complete:** 1 day

**Cost to complete:** no charge

**Agency:** City Council (Ministry of Lands)

**Comment:**

<b>Procedure</b>	<b>10</b>	<b>Request and receive roof work inspection from the City Council officers</b>
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**Time to complete:** 1 day

**Cost to complete:** no charge

**Agency:** City Council (Ministry of Lands)

**Comment:**

<b>Procedure</b>	<b>11</b>	<b>Request and receive inspection from the fire department once construction is completed</b>
------------------	-----------	---

**Time to complete:** 1 day

**Cost to complete:** no charge

**Agency:** Fire Department

**Comment:**

<b>Procedure</b>	<b>12</b>	<b>Obtain approval of the building from the fire department upon completion</b>
------------------	-----------	---

**Time to complete:** 14 days

**Cost to complete:** no charge

**Agency:** Fire Department

**Comment:** After receiving the inspection from the Fire Department, BuildCo receives a certificate from the Fire Department. That certificate is necessary to obtain an occupancy permit from City Council.

<b>Procedure</b>	<b>13</b>	<b>Receive inspection from the health department</b>
------------------	-----------	--

**Time to complete:** 1 day

**Cost to complete:** no charge

**Agency:** Health Department

**Comment:**

<b>Procedure</b>	<b>14</b>	<b>Obtain approval of the building from the health department upon completion</b>
------------------	-----------	---

**Time to complete:** 14 days

**Cost to complete:** no charge

**Agency:** Health Department

**Comment:**

<b>Procedure</b>	<b>15</b>	<b>Apply for occupancy permit from the City Council and request final inspection</b>
------------------	-----------	--

**Time to complete:** 1 day

**Cost to complete:** no charge

**Agency:** City Council (Ministry of Lands)

**Comment:**

<b>Procedure</b>	<b>16</b>	<b>Receive final inspection from the City Council officers</b>
------------------	-----------	--

**Time to complete:** 1 day

**Cost to complete:** no charge

**Agency:** City Council (Ministry of Lands)

**Comment:**

<b>Procedure</b>	<b>17</b>	<b>Obtain occupancy permit</b>
------------------	-----------	--------------------------------

**Time to complete:** 14 days

**Cost to complete:** no charge

**Agency:** City Council (Ministry of Lands)

**Comment:**

<b>Procedure</b>	<b>18</b>	<b>Apply for electricity connection</b>
------------------	-----------	---

**Time to complete:** 1 day

**Cost to complete:** no charge

**Agency:** Tanzania Electric Supply Company Limited (Tanesco)

**Comment:**

<b>Procedure</b>	<b>19</b>	<b>Receive electricity inspection from Tanesco</b>
------------------	-----------	--

**Time to complete:** 1 day

**Cost to complete:** no charge

**Agency:** Tanzania Electric Supply Company Limited (Tanesco)

**Comment:**

<b>Procedure</b>	<b>20</b>	<b>Obtain electricity connection from Tanesco</b>
------------------	-----------	---

**Time to complete:** 60 days

**Cost to complete:** TZS 10,000,000

**Agency:** Tanzania Electric Supply Company Limited (Tanesco)

**Comment:**

<b>Procedure</b>	<b>21</b>	<b>Obtain water and sewage connection from Dawasa</b>
------------------	-----------	---

**Time to complete:** 30 days

**Cost to complete:** no charge

**Agency:** Dar es Salaam Water and Sewerage Authority (DAWASA)

**Comment:**

<b>Procedure</b>	<b>22</b>	<b>Obtain telephone connection</b>
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**Time to complete:** 3 days

**Cost to complete:** TZS 60,000

**Agency:** Tanzania Telecommunications Company Limited (TTCL)

**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?

### 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)

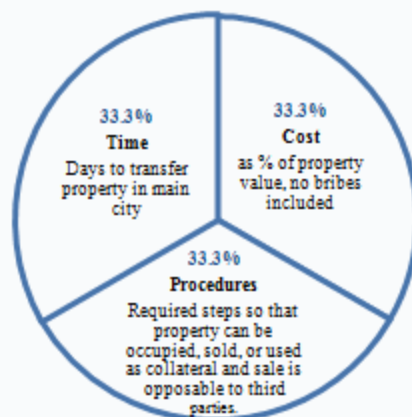
- Does not include time spent gathering information
- Each procedure starts on a separate day
- Procedure completed once final document is received
- No prior personal contact with officials

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

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

**Registering Property:** transfer of property between 2 local companies

Rankings are based on 3 subindicators



## 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

Tanzania is ranked 151 overall for Registering Property.

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





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

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

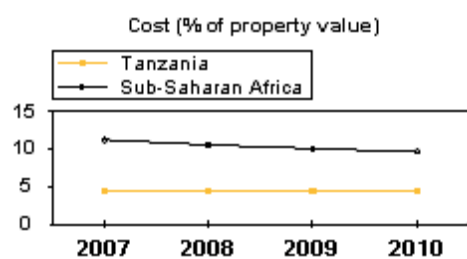
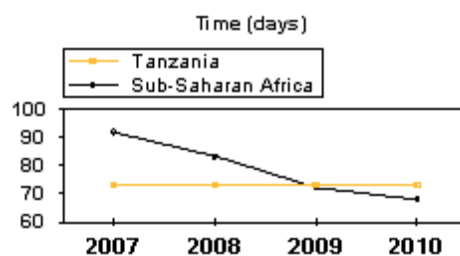
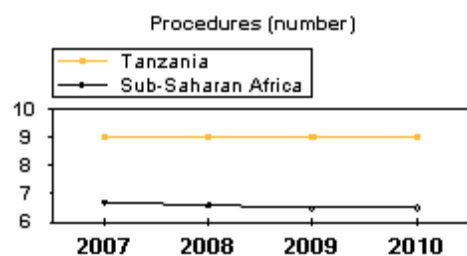
<i><b>Selected Economy</b></i>			
<b>Tanzania</b>	<b>9</b>	<b>73</b>	<b>4.4</b>

<i><b>Comparator Economies</b></i>			
<b>Botswana</b>	5	16	5.0
<b>Kenya</b>	8	64	4.2
<b>Malawi</b>	6	49	3.2
<b>Mozambique</b>	8	42	9.9
<b>South Africa</b>	6	24	8.8
<b>Uganda</b>	13	77	3.2

## 2. Historical data: Registering Property in Tanzania

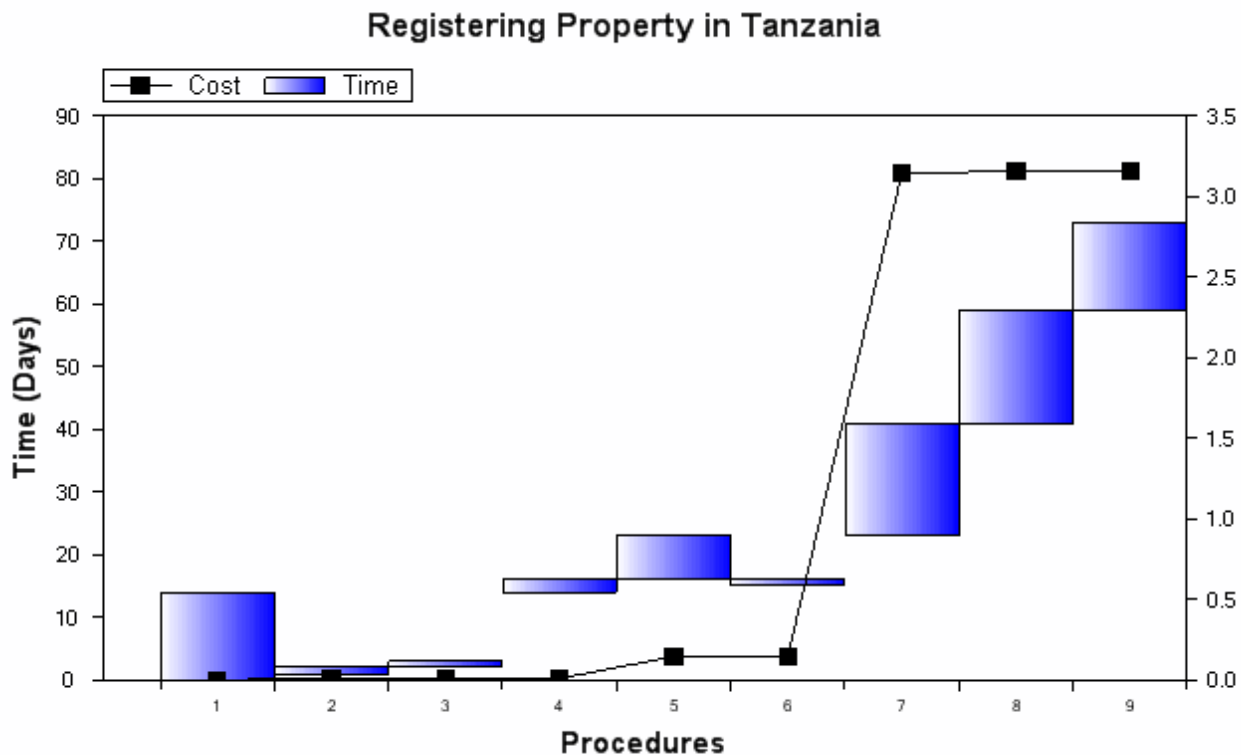
Registering Property data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	148	151
Procedures (number)	9	9	9	9
Time (days)	73	73	73	73
Cost (% of property value)	4.4	4.4	4.4	4.4

## 3. Registering Property sub indicators in Tanzania over the past 4 years



#### 4. Overview of the steps to Registering Property in Tanzania

It requires 9 procedures, takes 73 days, and costs 4.41 % of property value to register the property in Tanzania.

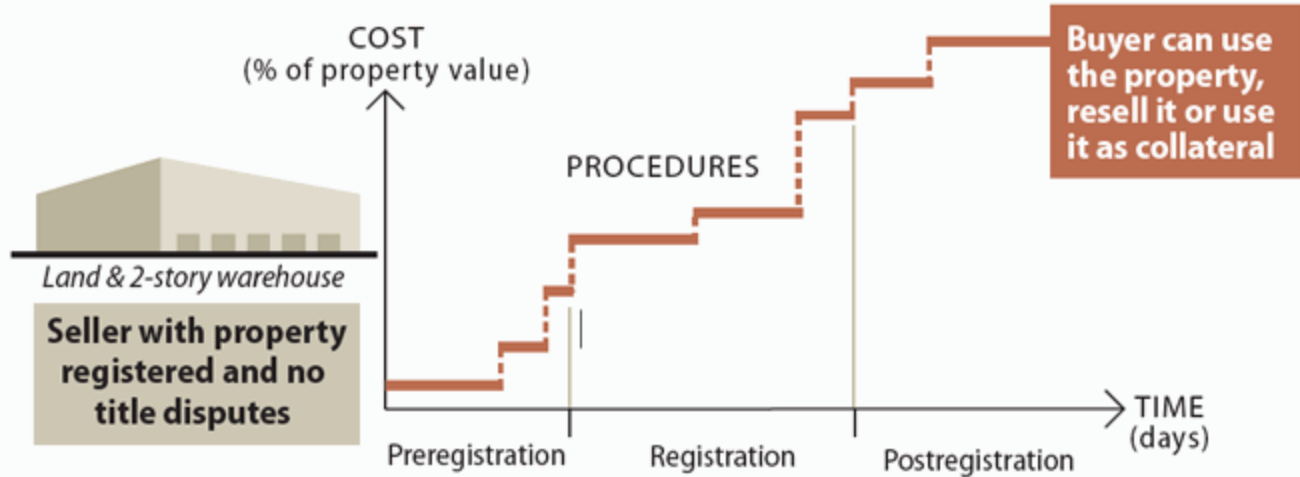


No:	Procedure	Time to complete (days)	Cost to complete
1	* Obtain an official search at the Land Registry	14 days (simultaneous with procedures 2, 3, and 4)	TZS 2,000 – 4,000
2	* Obtain clearance by the Land Ministry of payment of land tax for ten years	1 day (simultaneous with procedures 1, 3, and 4)	no cost
3	* Obtain a property tax clearance from the Municipality for the last 10 years	1 day (simultaneous with procedures 1, 2, and 4)	no cost
4	* Obtain a valuation report	2 days (simultaneous with procedure 6)	The official valuation fee is calculated by using the following formula: (Property Value – 200,000) * (1.25/1000) + 550 + valuation approval fee of 0.01% of property value
5	A government valuer inspects the property to determine its value	7 days	Already paid in Procedure 5

6	* Notarization and execution of the sale agreement and preparation of the transfer deed	1 day (simultaneous with procedure 4)	Approximately 3% of property value
7	Obtain approval for the transfer	14-21 days	TZS 5,000 approval fee
8	Obtain a capital gains tax certificate from the Tanzania Revenue Authority	14-21 days	no cost
9	The transfer deed is delivered to the Land Officer for its recording under the name of the buyer at the Lands Registry	14 days	1% of property value (Stamp duty) + Registration Fee as follows: (Property value – 100,000) * (2.5/1000) + 1000

\* Takes place simultaneously with another procedure.

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



### 5. Details on Registering Property in Tanzania

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

#### STANDARDIZED PROPERTY

Property Value: TZS 33,314,726.93

City: Dar es Salaam

Procedure	1	Obtain an official search at the Land Registry
<b>Time to complete:</b>	14 days (simultaneous with procedures 2, 3, and 4)	
<b>Cost to complete:</b>	TZS 2,000 – 4,000	
<b>Agency:</b>	Registry of Titles	
<b>Comment:</b>	The seller must obtain the search of any encumbrance before starting the transaction formally. The document does not necessarily show all the owners of the property in the last 10 years. If the title number of the property is provided then the fee is TZS 2000. If only a plot number is provided then the fee is TZS 4000. The search may take longer than 2 weeks if the file cannot be located due to the disorganization of the Land Registry.	
Procedure	2	Obtain clearance by the Land Ministry of payment of land tax for ten years
<b>Time to complete:</b>	1 day (simultaneous with procedures 1, 3, and 4)	
<b>Cost to complete:</b>	no cost	
<b>Agency:</b>	Land Ministry	

**Comment:**

**Procedure 3 Obtain a property tax clearance from the Municipality for the last 10 years**

**Time to complete:** 1 day (simultaneous with procedures 1, 2, and 4)

**Cost to complete:** no cost

**Agency:** Municipality

**Comment:** The seller must obtain clearance by the Municipality of any property tax dues for the last ten years. If the seller is not up-to-date with payments of property tax, then the seller has to pay the arrears along with a penalty as assessed by the Municipal Authority.

**Procedure 4 Obtain a valuation report**

**Time to complete:** 2 days (simultaneous with procedure 6)

**Cost to complete:** The official valuation fee is calculated by using the following formula:  $(\text{Property Value} - 200,000) * (1.25/1000) + 550 + \text{valuation approval fee of } 0.01\% \text{ of property value}$

**Agency:** Municipality

**Comment:** The seller can request the valuation report at the Municipal Valuers office in the Municipality in which the plot is situated. (Note that Dar es Salaam City is made up of three different municipalities.) The valuation report can also be prepared by a private valuer and sent to a government valuer for approval. Regardless, final approval must be given by the Chief Government Valuer. It does not necessarily include or reflect cadastral value of the property. Valuation of the property is for purposes of ascertaining Capital Gains Tax.

The documentation shall include:

Property title issued by the Land Office and/or Land Registry

Land rent payment clearance for the current year (obtained in Procedure 3)

ID of the seller (citizenship, photo, if married and property is matrimonial property to prove spouse consent to the transaction.)

Cadastral map/plan of the property prepared by an architect if it is a lease of part of the property such as a flat in a block building.

**Procedure 5 A government valuer inspects the property to determine its value**

**Time to complete:** 7 days

**Cost to complete:** Already paid in Procedure 5

**Comment:** A government valuer must determine the value of the property and, where necessary, establish a cadastral value and prepare a cadastral plan. The Chief Government valuer does the valuation but if the seller or buyer has had one done by a registered valuer he normally just copies in the reported figure. The valuation report must be approved by the Chief Government Valuer.

**Procedure 6 Notarization and execution of the sale agreement and preparation of the transfer deed**

**Time to complete:** 1 day (simultaneous with procedure 4)

**Cost to complete:** Approximately 3% of property value

**Comment:** A lawyer usually prepares and notarizes the sale agreement, and prepares the transfer deed, which takes about two days. Notarization of the sale agreement is mandatory.  
The process can be delayed if the seller fails to provide all the necessary documents for the preparation of the sale agreement and transfer deed. The process can also be delayed if the parties take a long time to negotiate and execute the documents.  
The cost of preparation is officially 3%, however this is negotiable with the lawyers involved.

#### **Procedure 7 Obtain approval for the transfer**

**Time to complete:** 14-21 days

**Cost to complete:** TZS 5,000 approval fee

**Agency:** Commissioner of Lands

**Comment:** This stage involves obtaining approval from the Commissioner of Lands for the disposition of the property.

Documentation shall include:  
original Certificate of Title  
original Land Rent receipt for the relevant year  
original Valuation Report  
original Valuation Approval receipt  
Transfer Forms  
Forms 29 (form for Notification of a disposition)  
Form 30 (form for Application of grant of approval for disposition)  
Copy of Passport/birth certificate (of two directors of the seller and buyer)  
Certificate of Incorporation and Memorandum and Articles of Association of the Company (seller and buyer)  
Board Minutes approving the disposition of the property in respect of the seller and Board minutes approving the purchase in respect of the buyer.

#### **Procedure 8 Obtain a capital gains tax certificate from the Tanzania Revenue Authority**

**Time to complete:** 14-21 days

**Cost to complete:** no cost

**Agency:** Tanzania Revenue Authority

**Comment:** A Capital Gains Tax Clearance Certificate is obtained from the Tanzania Revenue Authority before the name of buyer is recorded in the Land Office or the Land Registry.

#### **Procedure 9 The transfer deed is delivered to the Land Officer for its recording under the name of the buyer at the Lands Registry**

**Time to complete:** 14 days

**Cost to complete:** 1% of property value (Stamp duty) + Registration Fee as follows:  $(\text{Property value} - 100,000) * (2.5/1000) + 1000$

**Agency:** Registry of Titles

**Comment:**

Once approval has been obtained (see procedure 8) the seller then pays the stamp duty and registration fees and also ensures that all the other taxes in respect of the property have been settled including Capital Gains Tax described in procedure 9 above. Once all these fees are paid the transfer is then registered and the buyer is recorded as the owner of the property.

**Documentation Requirements:**

- Notarized sale agreement and transfer deed
- Capital Gains Tax clearance certificate from the TRA
- Consent letter from the Commissioner of Lands



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

## Some reform outcomes

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

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

## What do the Getting Credit indicators measure?

### Strength of legal rights index (0–10)

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

### Depth of credit information index (0–6)

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

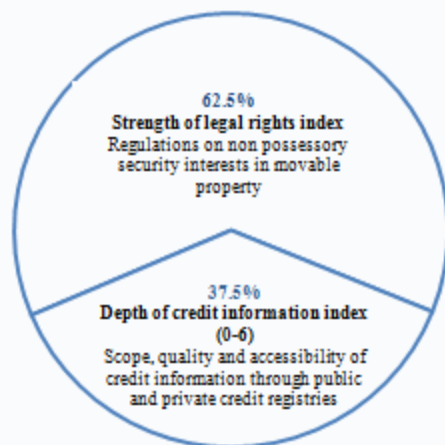
### Public credit registry coverage (% of adults)

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

### Private credit bureau coverage (% of adults)

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

## Getting Credit: collateral rules and credit information



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

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

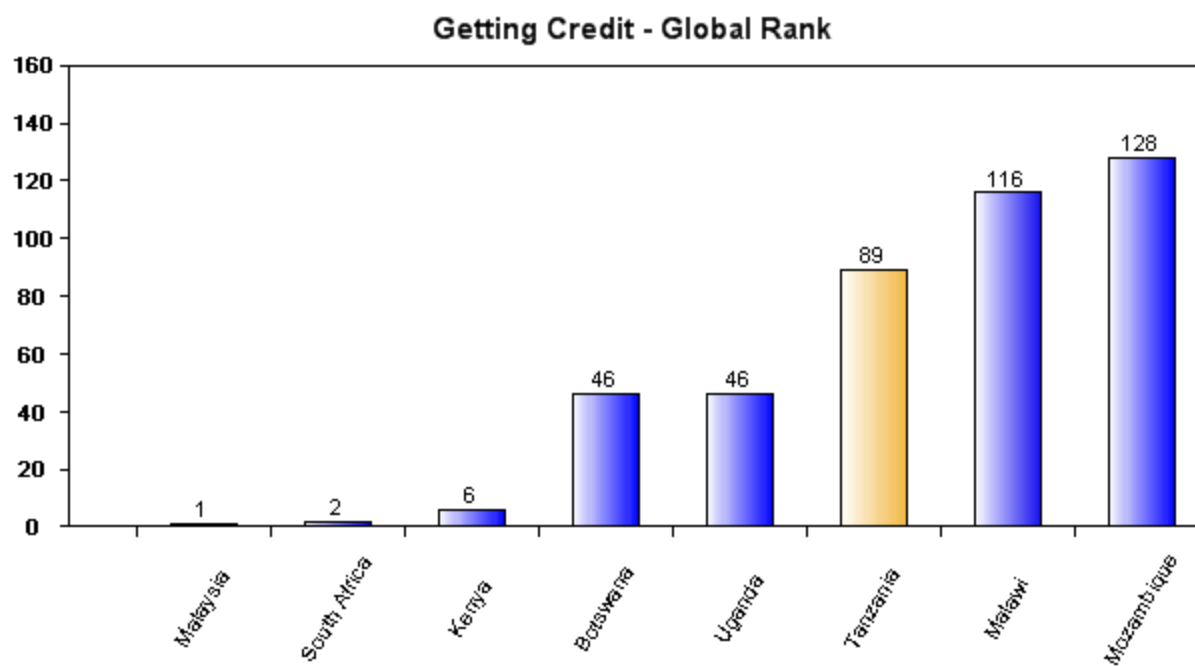
### The Debtor

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

## 1. Benchmarking Getting Credit Regulations

Tanzania is ranked 89 overall for Getting Credit.

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



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

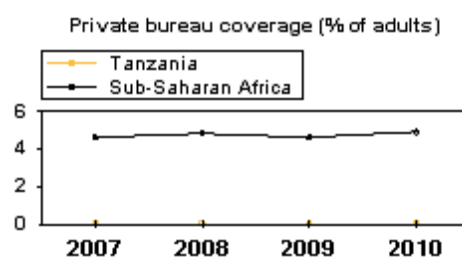
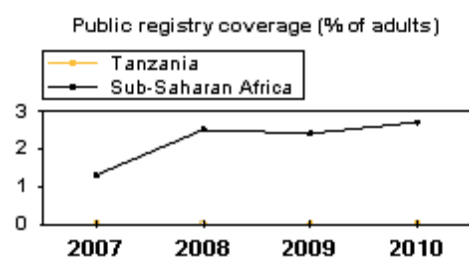
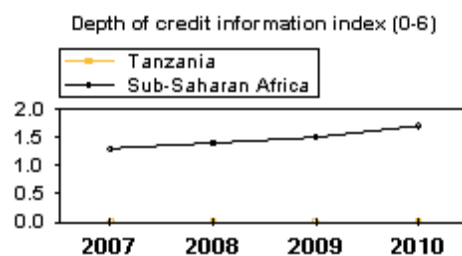
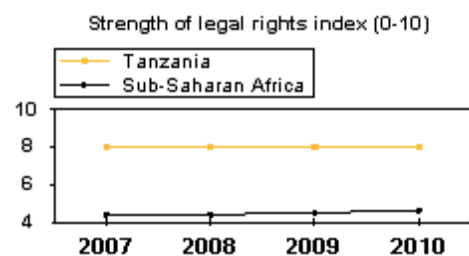
<b>Good Practice Economies</b>	<b>Strength of legal rights index (0-10)</b>	<b>Depth of credit information index (0-6)</b>	<b>Public registry coverage (% of adults)</b>	<b>Private bureau coverage (% of adults)</b>
<b>New Zealand</b>				100.0
<b>Portugal</b>			67.1	
<b>Singapore</b>	10			
<b>United Kingdom</b>		6		
<b><i>Selected Economy</i></b>				
<b>Tanzania</b>	<b>8</b>	<b>0</b>	<b>0.0</b>	<b>0.0</b>

<b><i>Comparator Economies</i></b>				
<b>Botswana</b>	7	4	0.0	57.6
<b>Kenya</b>	10	4	0.0	3.3
<b>Malawi</b>	7	0	0.0	0.0
<b>Mozambique</b>	2	4	2.2	0.0
<b>South Africa</b>	9	6	0.0	54.9
<b>Uganda</b>	7	4	0.0	1.1

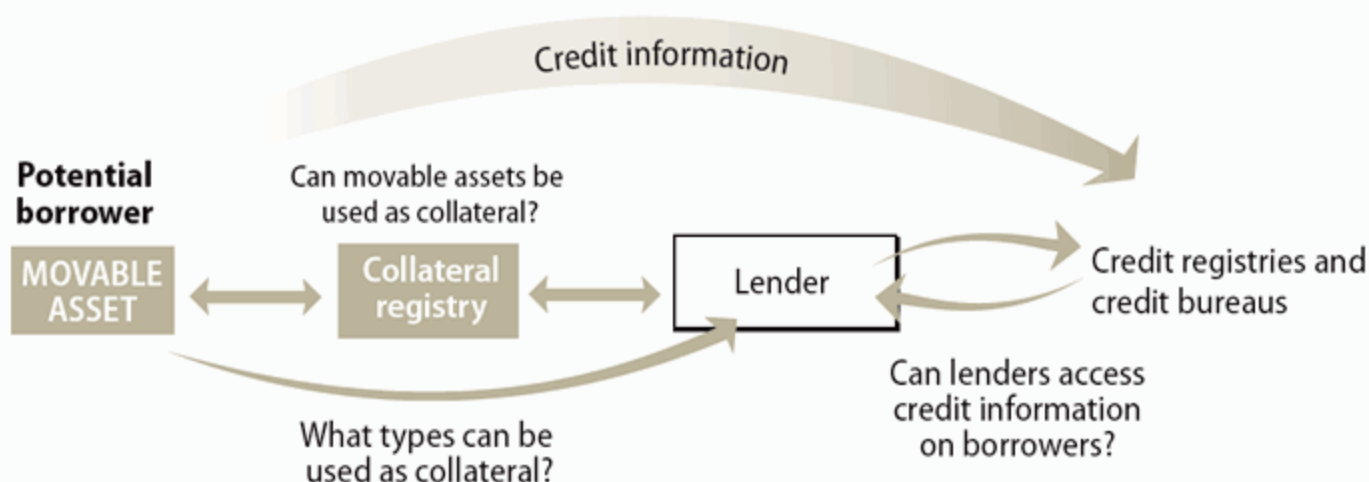
## 2. Historical data: Getting Credit in Tanzania

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)	8	8	8	8
Depth of credit information index (0-6)	0	0	0	0
Private bureau coverage (% of adults)	0.0	0.0	0.0	0.0
Public registry coverage (% of adults)	0.0	0.0	0.0	0.0

## 3. Getting Credit sub indicators in Tanzania 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?



### 4. Details on Getting Credit in Tanzania

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

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

## Strength of legal rights index (0-10)

8

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?	Yes
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?	Yes
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 ?	Yes
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?	Yes
Does the law authorize parties to agree on out of court enforcement?	Yes

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

## Some reform outcomes

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

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

## What do the Protecting Investors indicators measure?

### Extent of disclosure index (0–10)

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

### Extent of director liability index (0–10)

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

### Ease of shareholder suits index (0–10)

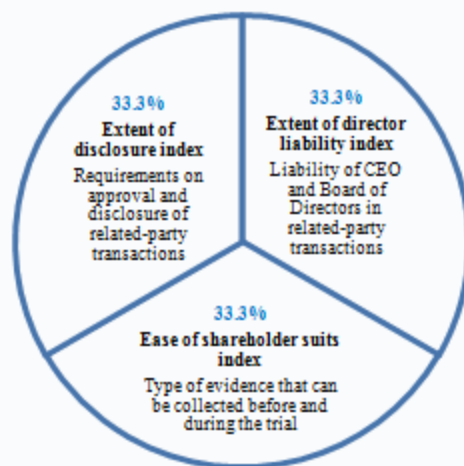
- Documents and information available during trial
- Access to internal corporate documents (directly or through a government inspector)

### Strength of investor protection index (0–10)

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

**Protecting Investors:** minority shareholder rights in related-party transactions

Rankings are based on 3 subindicators



## Case Study Assumptions

### The business (Buyer):

- Is a publicly traded corporation listed on the economy's most important stock exchange (or at least a large private company with multiple shareholders).
- Has a board of directors and a chief executive officer (CEO) who may legally act on behalf of Buyer where permitted, even if this is not specifically required by law.

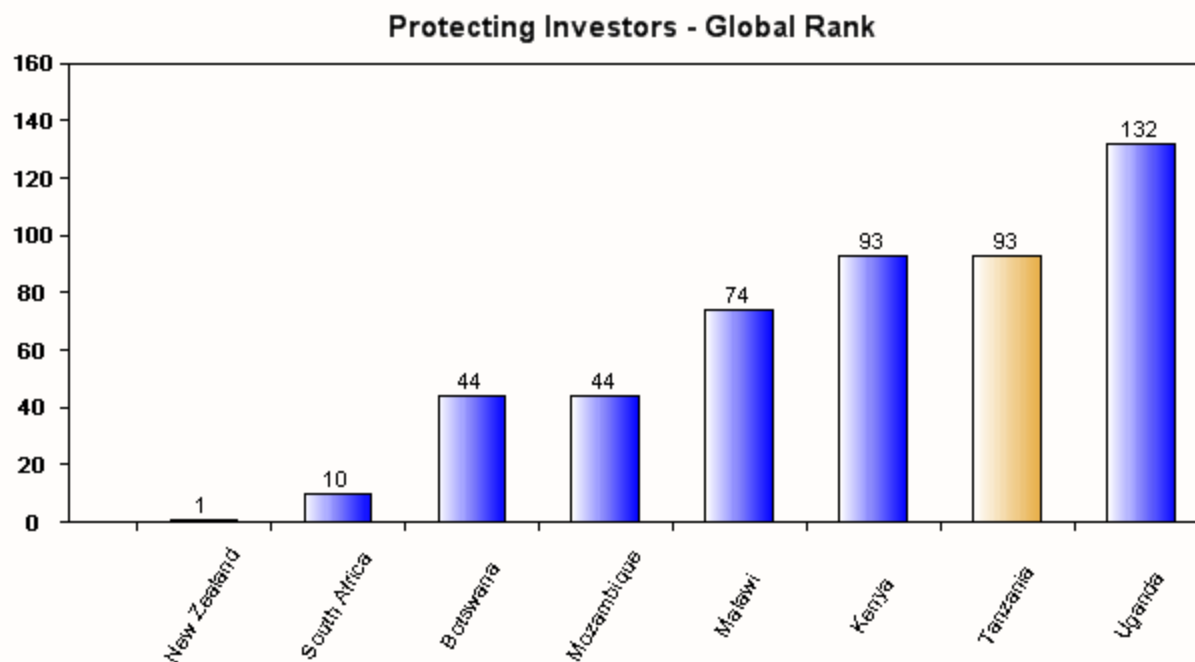
### The transaction

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

## 1. Benchmarking Protecting Investors Regulations

Tanzania is ranked 93 overall for Protecting Investors.

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





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

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

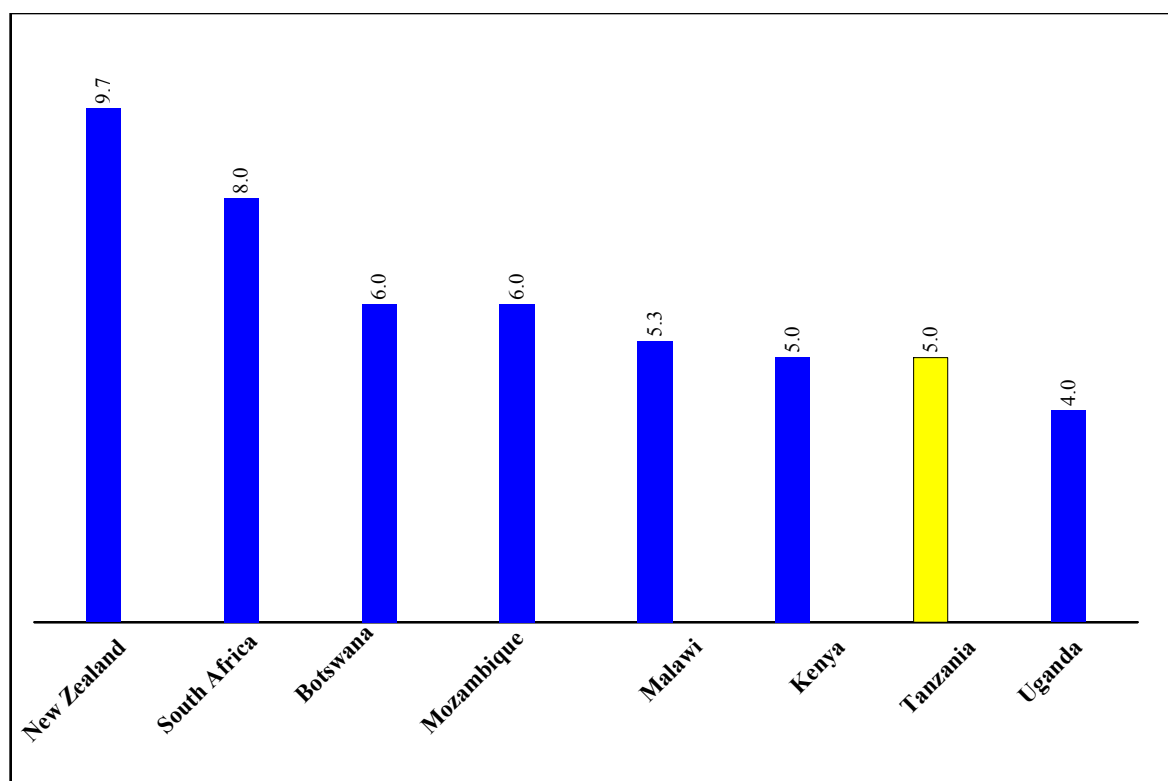
<i>Selected Economy</i>	
<b>Tanzania</b>	<b>5.0</b>

<i>Comparator Economies</i>	
<b>Botswana</b>	6.0
<b>Kenya</b>	5.0
<b>Malawi</b>	5.3
<b>Mozambique</b>	6.0
<b>South Africa</b>	8.0
<b>Uganda</b>	4.0

## 2. Historical data: Protecting Investors in Tanzania

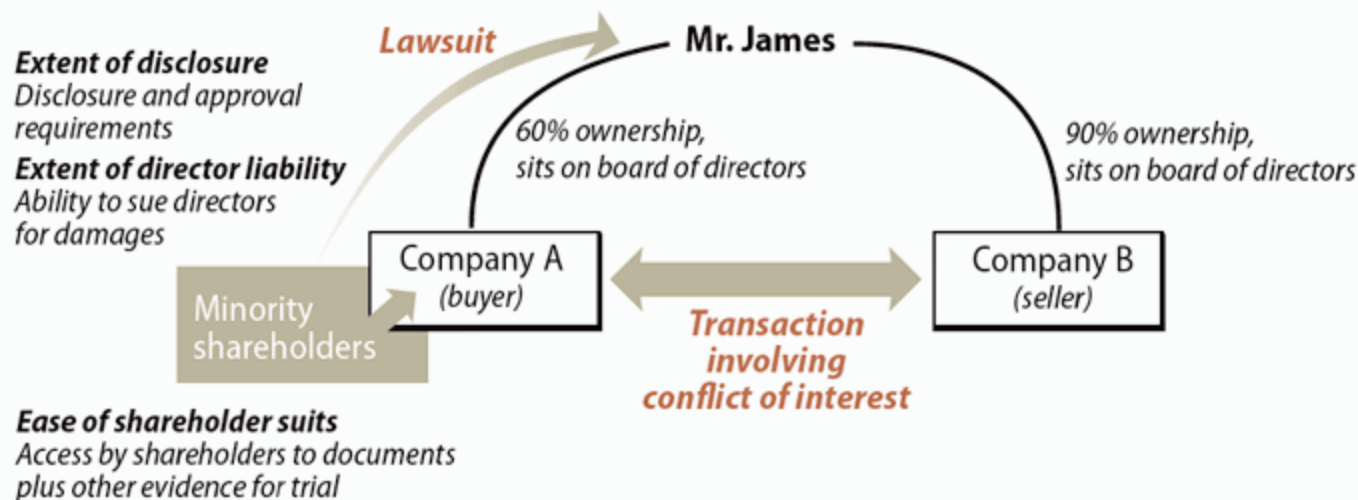
Protecting Investors data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	92	93
Strength of investor protection index (0-10)	5.0	5.0	5.0	5.0

3. The following graph illustrates the Protecting Investors index in Tanzania 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?



### 4. Details on Protecting Investors in Tanzania

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

Protecting Investors Data (2010)	Indicator
<b>Extent of disclosure index (0-10)</b>	<b>3</b>
What corporate body provides legally sufficient approval for the transaction?	2
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
<b>Extent of director liability index (0-10)</b>	<b>4</b>
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
<b>Ease of shareholder suits index (0-10)</b>	<b>8</b>
Whether the plaintiff can obtain any documents from the defendant and witnesses during trial?	3
Whether the plaintiff can directly question the defendant and witnesses during trial?	2
Whether the plaintiff can request categories of documents from the defendant without identifying specific ones?	1
Whether shareholders owning 10% or less of Buyer's shares can request an inspector to investigate the transaction?	1
Whether the level of proof required for civil suits is lower than that of criminal cases?	1
Whether shareholders owning 10% or less of Buyer's shares can inspect transaction documents before filing suit?	0
<b>Strength of investor protection index (0-10)</b>	<b>5.0</b>

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)

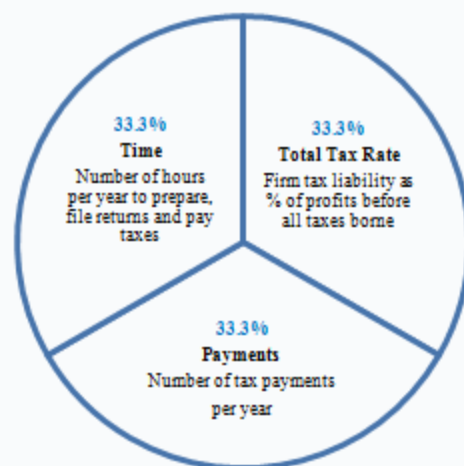
- Collecting information and computing the tax payable
- Completing tax return forms, filing with proper agencies
- Arranging payment or withholding
- Preparing separate tax accounting books, if required

**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



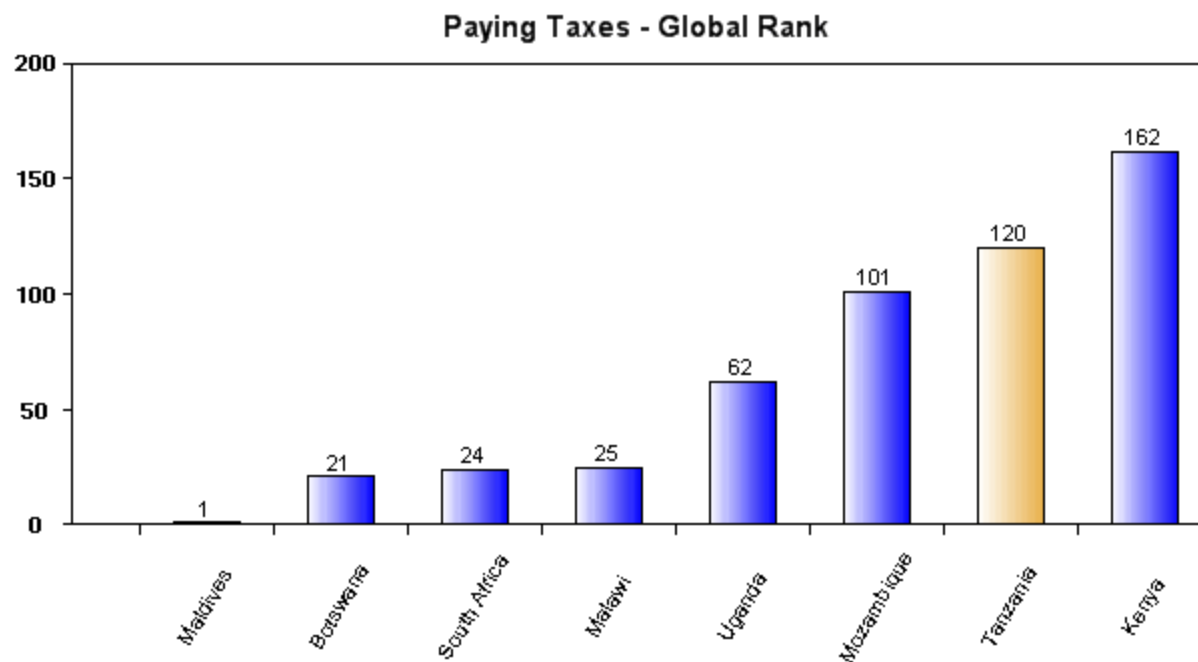
## Case Study Assumptions

- 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

Tanzania is ranked 120 overall for Paying Taxes.

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



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

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

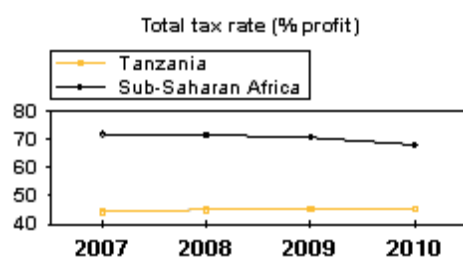
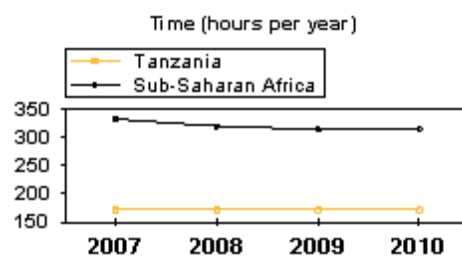
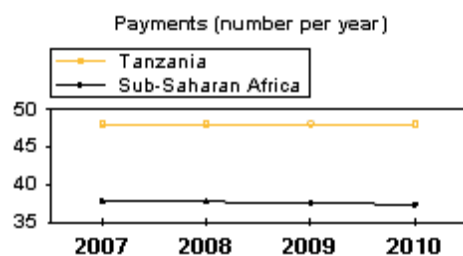
<i><b>Selected Economy</b></i>			
<b>Tanzania</b>	<b>48</b>	<b>172</b>	<b>45.2</b>

<i><b>Comparator Economies</b></i>			
<b>Botswana</b>	19	152	19.5
<b>Kenya</b>	41	393	49.7
<b>Malawi</b>	19	157	25.1
<b>Mozambique</b>	37	230	34.3
<b>South Africa</b>	9	200	30.5
<b>Uganda</b>	32	161	35.7

## 2. Historical data: Paying Taxes in Tanzania

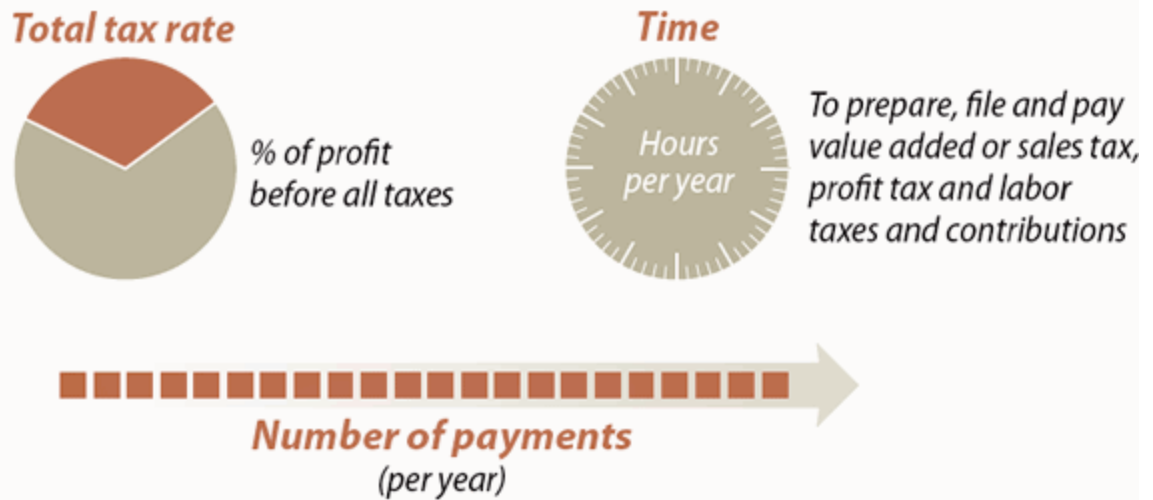
Paying Taxes data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	116	120
Total tax rate (% profit)	44.3	45.1	45.2	45.2
Payments (number per year)	48	48	48	48
Time (hours per year)	172	172	172	172

## 3. Paying Taxes sub indicators in Tanzania 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?



### 4. Details on Paying Taxes in Tanzania

The table below addresses the taxes and mandatory contributions that a medium-size company must pay or withhold in a given year in Tanzania, 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	12		60	18.0%	value added		
Property tax	1			0.2%	property value	0.10	
Tax on interest	0	withheld		10.0%	interest income	0.30	
Vehicle taxes	1			fixed fee (TZS 150,000)		0.70	
Fuel Tax	1			TZS 514 per litre	liters	1.20	
City Service Levy	4			0.3%	turnover	5.30	
Labor tax	12		52	6.0%	gross salaries	6.80	
Social security contributions (NSSF)	12			10.0%	gross salaries	11.30	
Corporate income tax	5		60	30.0%	taxable profit	19.90	

Totals	48	172	45.2
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Making trade between countries easier is increasingly important for business in today's globalized world. Excessive document requirements, burdensome customs procedures, inefficient port operations and inadequate infrastructure all lead to extra costs and delays for exporters and importers, stifling trade potential. Trade facilitation tools such as electronic data interchange systems, risk-based inspections, and single windows help improve an economy's trading environment and boost firms' international competitiveness. *Doing Business* trade indicators take into account documents, cost and time associated with every procedure for trading a standard shipment of goods by ocean transport. Research indicates that exporters in developing countries have much more to gain by a 10% drop in their trading costs than from a similar decrease of the tariffs applied to their products in global markets.

## Some reform outcomes

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

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

## What do the Trading Across Borders indicators measure?

### 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)

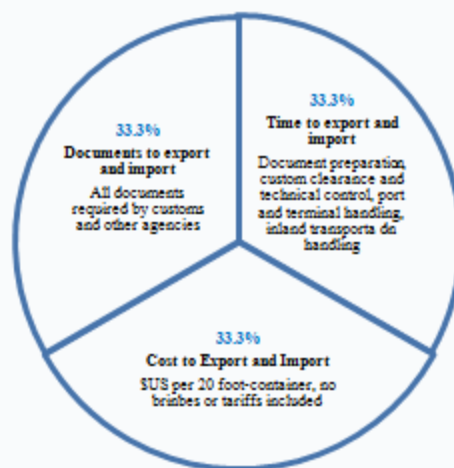
- Obtaining all the documents
- Inland transport and handling
- Customs clearance and inspections
- Port and terminal handling
- Does not include ocean transport time

### 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

**Trading Across Borders:** exporting and importing by ocean transport

Rankings are based on 3 subindicators



## 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

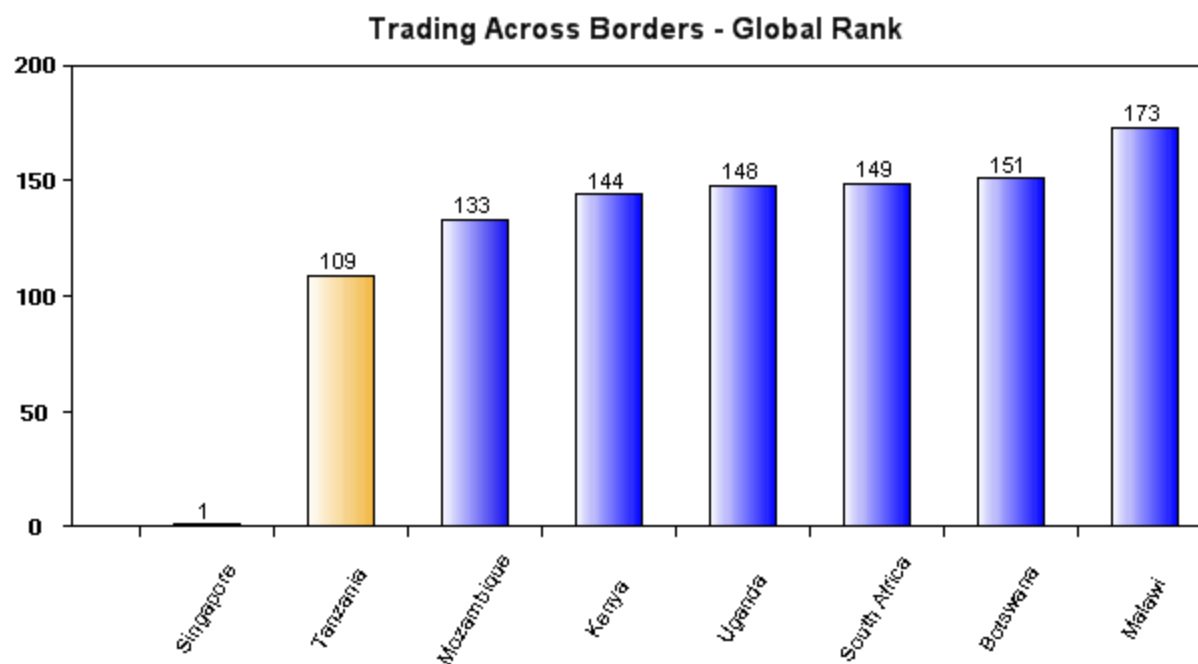
### The traded product

- 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

Tanzania is ranked 109 overall for Trading Across Borders.

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



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

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

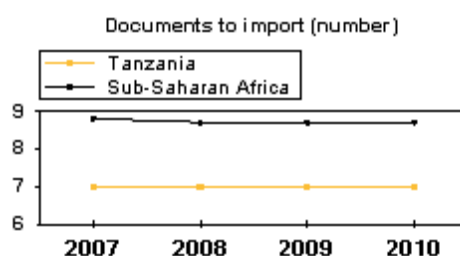
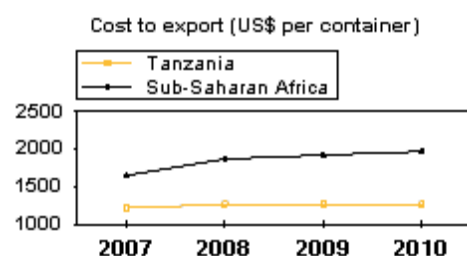
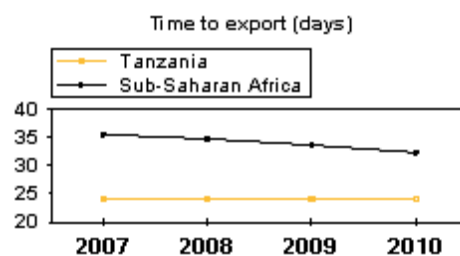
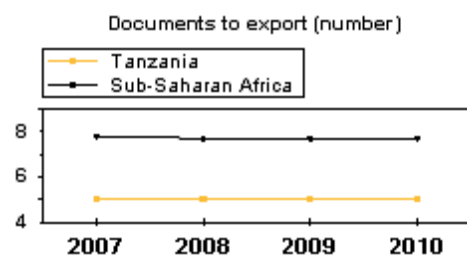
<i><b>Selected Economy</b></i>						
<b>Tanzania</b>	5	24	1262	7	31	1475

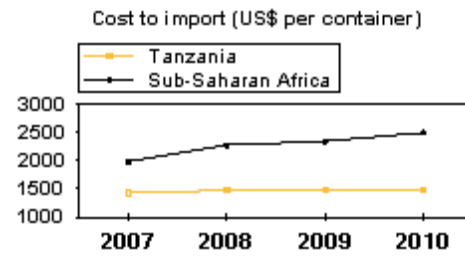
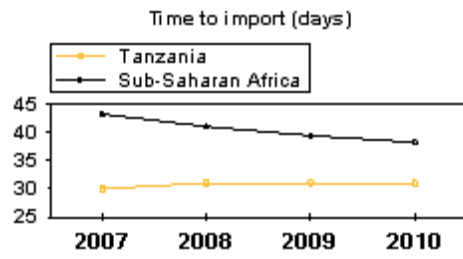
<i><b>Comparator Economies</b></i>						
<b>Botswana</b>	6	28	3010	9	41	3390
<b>Kenya</b>	8	26	2055	7	24	2190
<b>Malawi</b>	11	41	1713	10	51	2570
<b>Mozambique</b>	7	23	1100	10	30	1475
<b>South Africa</b>	8	30	1531	9	35	1807
<b>Uganda</b>	6	37	2780	8	34	2940

## 2. Historical data: Trading Across Borders in Tanzania

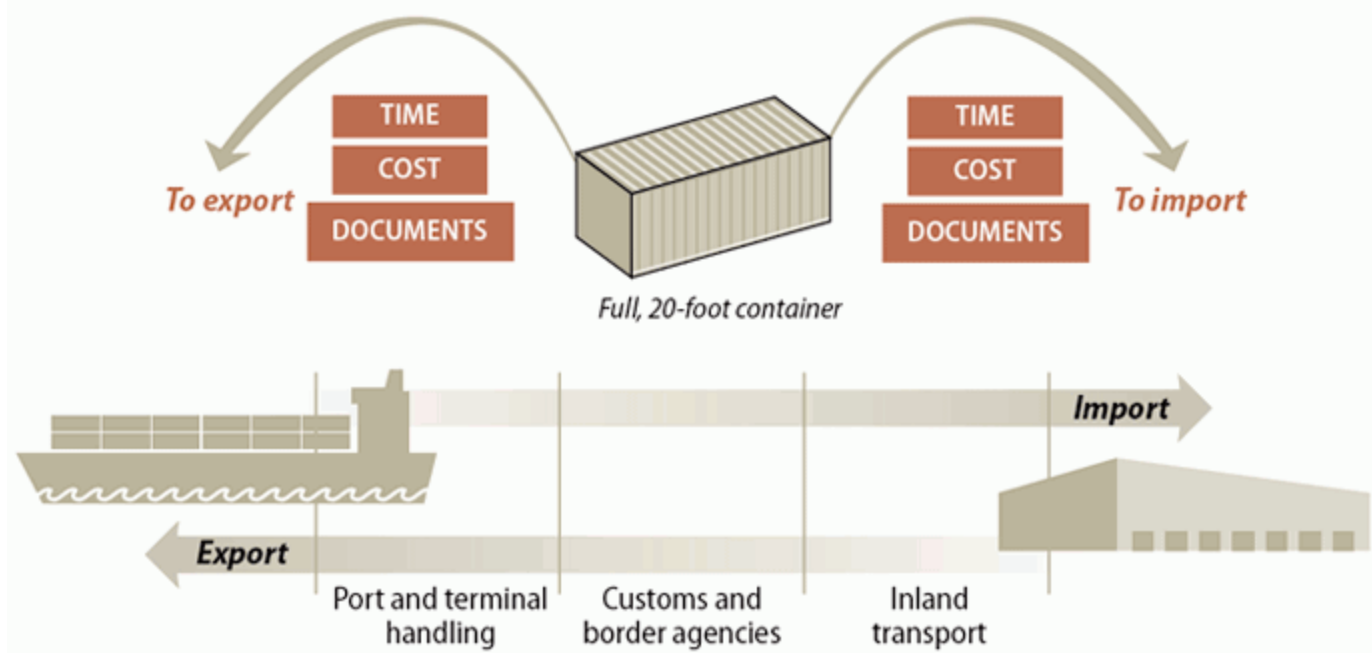
Trading Across Borders data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	111	109
Cost to export (US\$ per container)	1212	1262	1262	1262
Cost to import (US\$ per container)	1425	1475	1475	1475
Documents to export (number)	5	5	5	5
Documents to import (number)	7	7	7	7
Time to export (days)	24	24	24	24
Time to import (days)	30	31	31	31

## 3. Trading Across Borders sub indicators in Tanzania over the past 4 years





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



### 4. Details on Trading Across Borders in Tanzania

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

Nature of Export Procedures (2010)	Duration (days)	US\$ Cost
Documents preparation	14	520
Customs clearance and technical control	4	240
Ports and terminal handling	4	302
Inland transportation and handling	2	200
Totals	24	1262

Nature of Import Procedures (2010)	Duration (days)	US\$ Cost
Documents preparation	15	520
Customs clearance and technical control	5	240
Ports and terminal handling	10	515
Inland transportation and handling	1	200
Totals	31	1475



## Documents for Export and Import

Export
Bill of lading
Commercial invoice
Customs export declaration
Export license
Packing list
Import
Bill of lading
Certificate of origin
Collection order
Commercial invoice
Customs import declaration
Import license
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?

### 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)

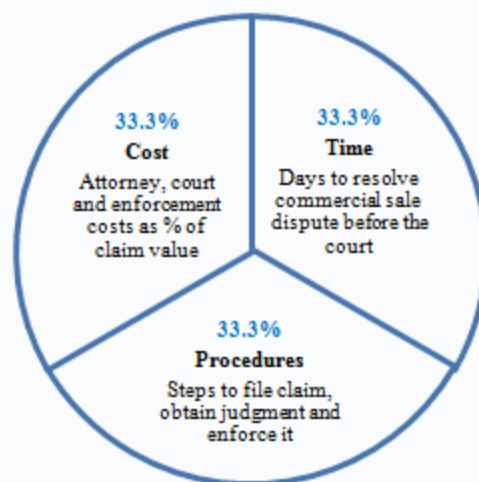
- Time to file and serve the case
- Time for trial and obtaining judgment
- Time to enforce the judgment

### Cost required to complete procedures (% of claim)

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

**Enforcing Contracts:** resolving a commercial dispute through the courts

Rankings are based on 3 subindicators



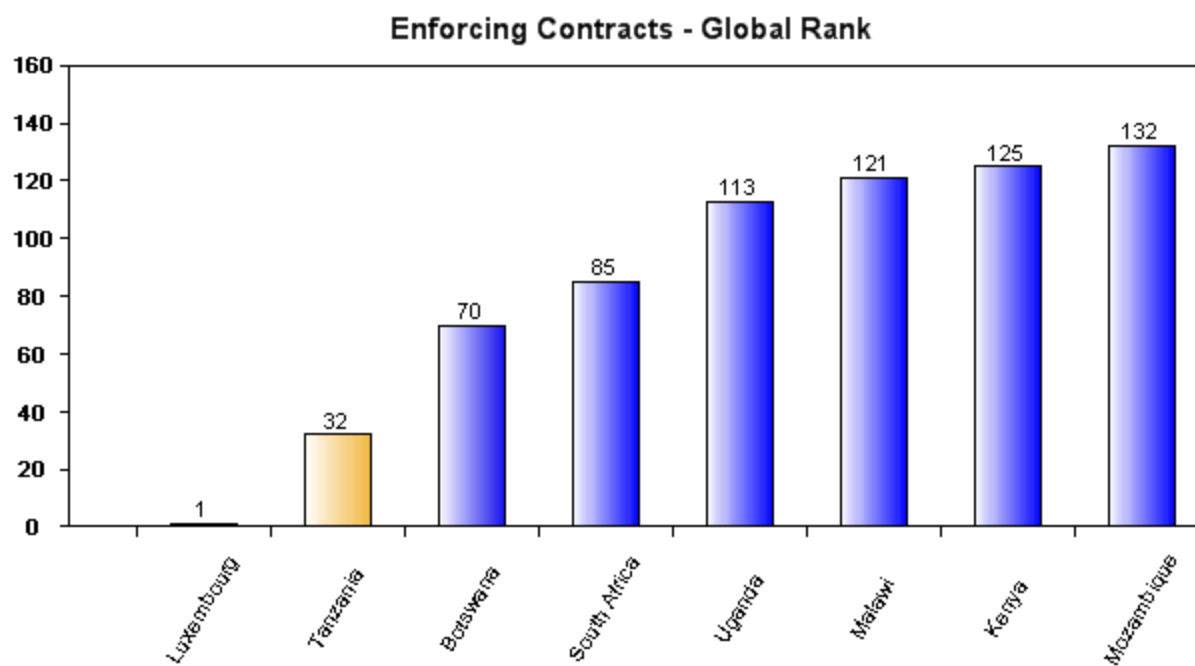
## Case Study Assumptions

- 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

Tanzania is ranked 32 overall for Enforcing Contracts.

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



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

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

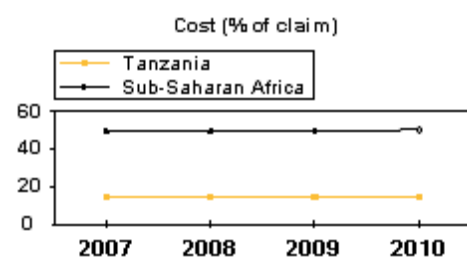
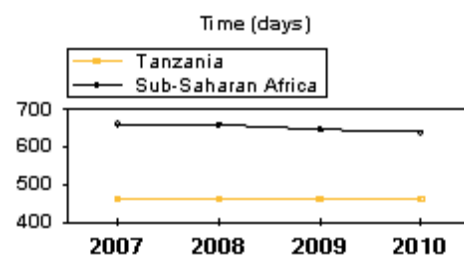
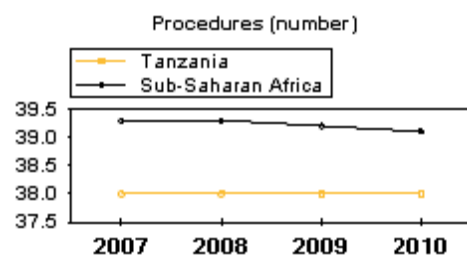
<i><b>Selected Economy</b></i>			
<b>Tanzania</b>	<b>38</b>	<b>462</b>	<b>14.3</b>

<i><b>Comparator Economies</b></i>			
<b>Botswana</b>	29	625	28.1
<b>Kenya</b>	40	465	47.2
<b>Malawi</b>	42	312	94.1
<b>Mozambique</b>	30	730	142.5
<b>South Africa</b>	30	600	33.2
<b>Uganda</b>	38	490	44.9

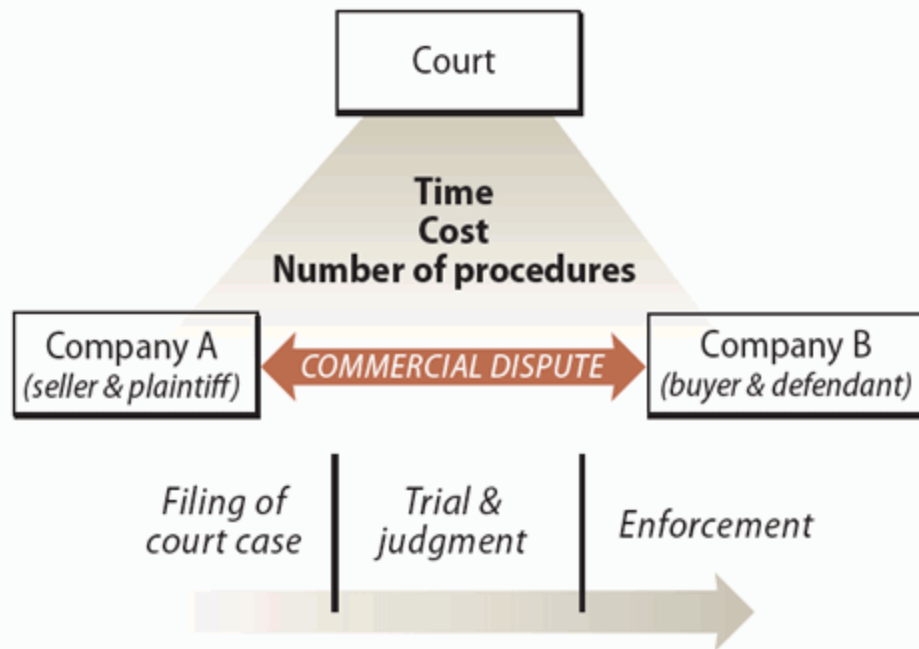
## 2. Historical data: Enforcing Contracts in Tanzania

Enforcing Contracts data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	32	32
Procedures (number)	38	38	38	38
Time (days)	462	462	462	462
Cost (% of claim)	14.3	14.3	14.3	14.3

## 3. Enforcing Contracts sub indicators in Tanzania over the past 4 years



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



### 4. Details on Contract Enforcement in Tanzania

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

**Court information:** Dar es Salaam Resident ("Mahakama ya Wilaya")  
Magistrates Court- Kisutu

Nature of Procedure (2010)	Indicator
Procedures (number)	38
Time (days)	462
Filing and service	72.0
Trial and judgment	300.0
Enforcement of judgment	90.0
Cost (% of claim)*	14.30
Attorney cost (% of claim)	10.0
Court cost (% of claim)	4.3
Enforcement Cost (% of claim)	0.0

\* 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

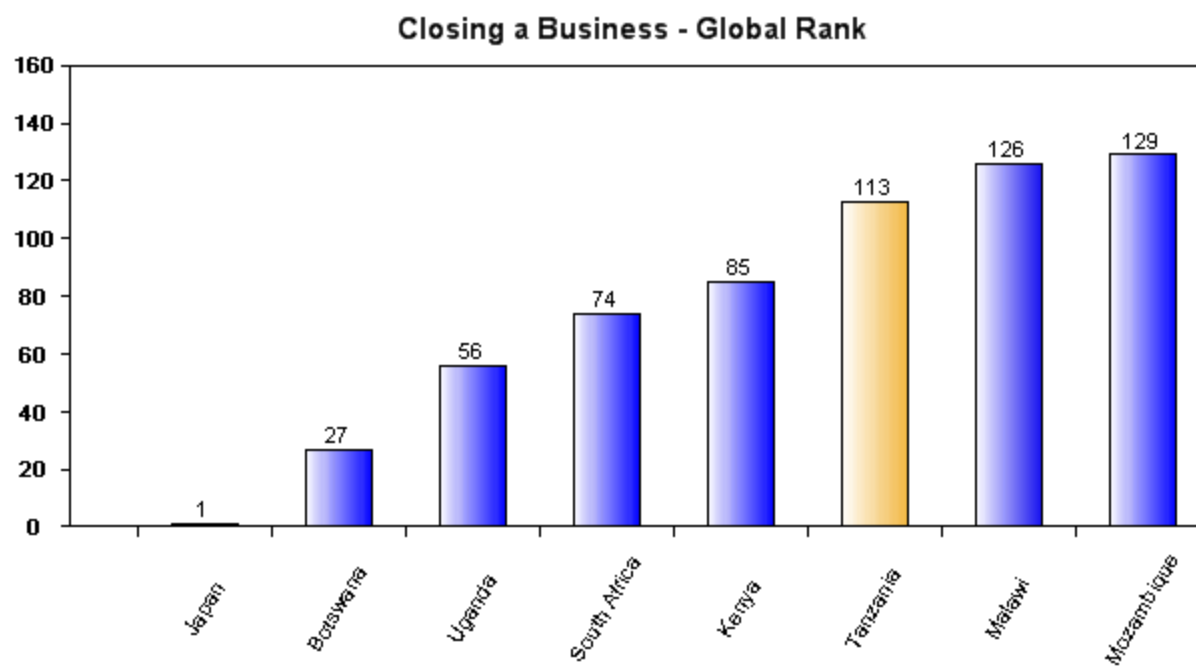
### The Company:

- 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

Tanzania is ranked 113 overall for Closing a Business.

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





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

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

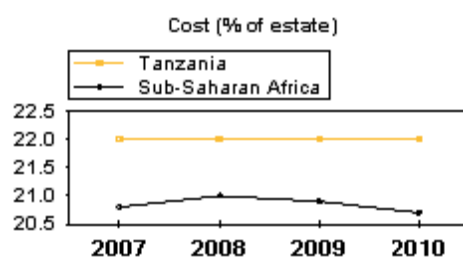
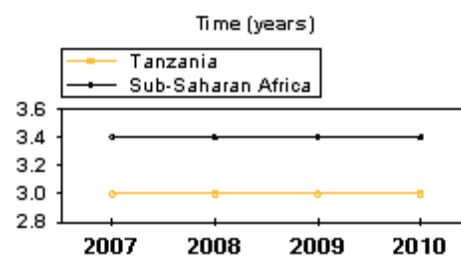
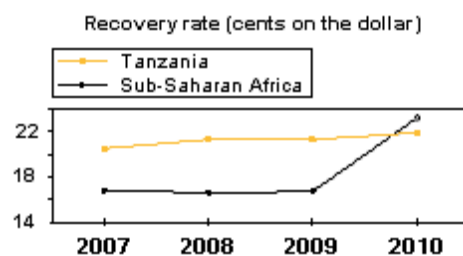
<i><b>Selected Economy</b></i>			
<b>Tanzania</b>	<b>21.9</b>	<b>3.0</b>	<b>22</b>

<i><b>Comparator Economies</b></i>			
<b>Botswana</b>	63.7	1.7	15
<b>Kenya</b>	29.8	4.5	22
<b>Malawi</b>	17.9	2.6	25
<b>Mozambique</b>	17.7	5.0	9
<b>South Africa</b>	34.4	2.0	18
<b>Uganda</b>	39.7	2.2	30

## 2. Historical data: Closing Business in Tanzania



Closing a Business data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	112	113
Time (years)	3.0	3.0	3.0	3.0
Cost (% of estate)	22	22	22	22
Recovery rate (cents on the dollar)	20.5	21.3	21.3	21.9

## 3. Closing Business sub indicators in Tanzania 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	<div><div> Positive Change</div><div> Negative Change</div></div>								
	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	✓						✓	✓	

\* 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.

<b>Brunei Darussalam</b>	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.
<b>Cape Verde</b>	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.
<b>Grenada</b>	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.
<b>Hungary</b>	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.
<b>Kazakhstan</b>	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.
<b>Kenya</b>	Kenya eased business start-up by reducing the time it takes to get the memorandum and articles of association stamped, merging the tax and value added tax registration procedures and digitizing records at the registrar. Kenya increased the administrative burden of paying taxes by requiring quarterly filing of payroll taxes. Kenya speeded up trade by implementing an electronic cargo tracking system and linking this system to the Kenya Revenue Authority's electronic data interchange system for customs clearance.
<b>Malawi</b>	Malawi eased property transfers by cutting the wait for consents and registration of legal instruments by half. Malawi simplified the enforcement of contracts by raising the ceiling for commercial claims that can be brought to the magistrates court.
<b>Mozambique</b>	Mozambique eased business start-up by introducing a simplified licensing process.
<b>Peru</b>	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.
<b>Rwanda</b>	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.
<b>Tajikistan</b>	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.

<b>Uganda</b>	Uganda made it more difficult to start a business by increasing the trade licensing fees. Uganda enhanced access to credit by establishing a new private credit bureau. Uganda continues to improve the efficiency of its court system, greatly reducing the time to file and serve a claim.
<b>Vietnam</b>	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.
<b>Zambia</b>	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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