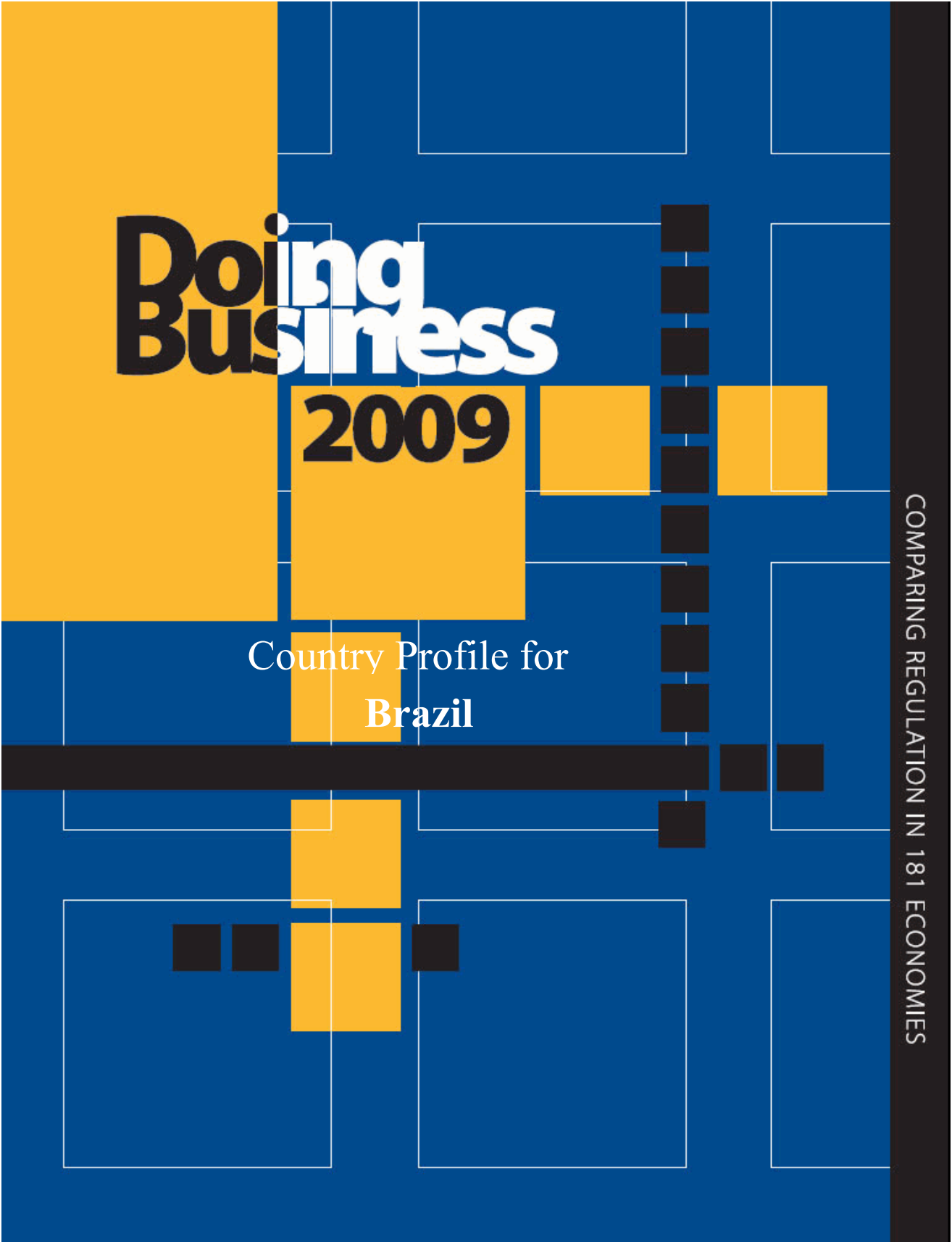


Doing Business

2009

Country Profile for Brazil

COMPARING REGULATION IN 181 ECONOMIES



© 2008 The International Bank for Reconstruction and Development / The World Bank

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

Internet www.worldbank.org

e-mail feedback@worldbank.org

All rights reserved.
1 2 3 4 08 07 06 05

A copublication of the World Bank and the International Finance Corporation.

This volume is a product of the staff of the World Bank Group. The findings, interpretations and conclusions expressed in this volume do not necessarily reflect the views of the Executive Directors of The World Bank or the governments they represent. The World Bank Group does not guarantee the accuracy of the data included in this work.

Rights and Permissions

The material in this publication is copyrighted. Copying and/or transmitting portions or all of this work without permission may be a violation of applicable law. The World Bank Group encourages dissemination of its work and will normally grant permission to reproduce portions of the work promptly.

For permission to photocopy or reprint any part of this work, please send a request with complete information to the Copyright Clearance Center Inc., 222 Rosewood Drive, Danvers, MA 01923, USA; telephone: 978-750-8400; fax: 978-750-4470; Internet: www.copyright.com

All other queries on rights and licenses, including subsidiary rights, should be addressed to the Office of the Publisher, The World Bank
1818 H Street NW
Washington, DC 20433, USA

fax: 202-522-2422
e-mail: pubrights@worldbank.org

Additional copies of *Doing Business 2009*, *Doing Business 2008*, *Doing Business 2007: How to Reform*, *Doing Business in 2006: Creating Jobs*, *Doing Business in 2005: Removing Obstacles to Growth* and *Doing Business in 2004: Understanding Regulations* may be purchased at www.doingbusiness.org

ISBN: 978-0-8213-7609-6
E-ISBN: 978-0-8213-7610-2
DOI: 10.1596/978-0-8213-7609-6

Current features

News on the Doing Business project

www.doingbusiness.org

Rankings

How economies rank-from 1 to 181

www.doingbusiness.org/economyrankings

Reformers

Short summaries of DB2009 reforms, lists of reformers since DB2004 and a ranking simulation tool

www.doingbusiness.org/reformers

Data time series

Customized data sets since DB2004

www.doingbusiness.org/customquery

Methodology and research

The methodologies and research papers underlying Doing Business

www.doingbusiness.org/MethodologySurveys

Blog

Online journal focusing on business regulation reform

<http://blog.doingbusiness.org>

Downloads

Doing Business reports as well as subnational, country and regional reports and case studies

www.doingbusiness.org/downloads

Subnational projects

Differences in business regulations at the subnational level

www.doingbusiness.org/subnational

Law library

Online collection of business laws and regulations

www.doingbusiness.org/lawlibrary

Local partners

More than 6,700 specialists in 181 economies who participate

www.doingbusiness.org/LocalPartners

Reformers' Club

Celebrating the top 10 Doing Business reformers

www.reformersclub.org

Business Planet

Interactive map on the ease of doing business

<http://www.doingbusiness.org/map>

Contents

Introduction and Aggregate Rankings	1
Starting a Business	5
Dealing with Construction Permits	10
Employing Workers	15
Registering Property	19
Getting Credit	24
Protecting Investors	28
Paying Taxes	32
Trading across Borders	36
Enforcing Contracts	40
Closing a Business	44
DB2009 Reforms	48



Introduction

Doing Business 2009 is the sixth 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 181 economies, from Afghanistan to Zimbabwe, over time.

A set of regulations affecting 10 stages of a business's life are measured : starting a business, dealing with construction permits, employing workers, registering property, getting credit, protecting investors, paying taxes, trading across borders, enforcing contracts and closing a business. Data in Doing Business 2009 are current as of June 1, 2008*. 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 181 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, 19 in the Middle East and North Africa and 8 in South Asia, as well as 27 OECD high-income economies as benchmarks.

The following pages present the summary Doing Business indicators for Brazil. The data used for this country 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.

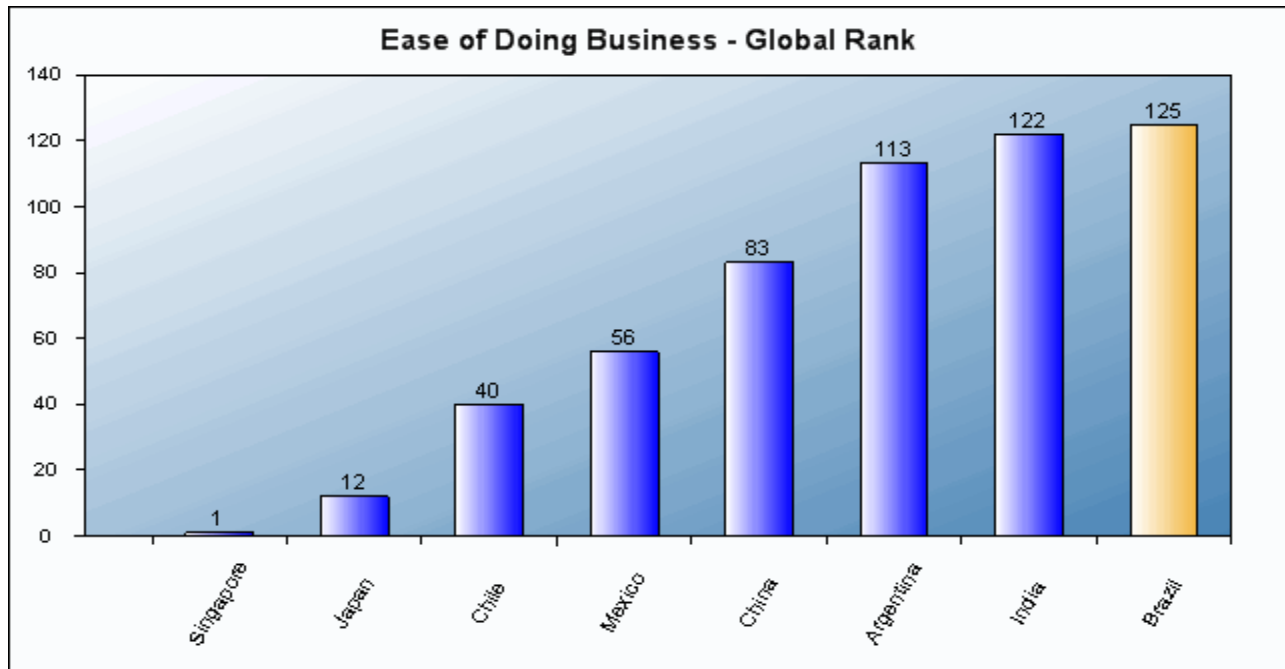
More information is available in the full report. Doing Business 2009 presents the indicators, analyzes their relationship with economic outcomes and recommends reforms. The data, along with information on ordering the report, are available on the Doing Business website (www.doingbusiness.org).

* Except for the Paying Taxes indicator that refers to the period January to December of 2007.

Economy Rankings - Ease of Doing Business

Brazil is ranked 125 out of 181 economies. Singapore is the top ranked economy in the Ease of Doing Business.

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



Brazil's ranking in Doing Business 2009

Rank	Doing Business 2009
Ease of Doing Business	125
Starting a Business	127
Dealing with Construction Permits	108
Employing Workers	121
Registering Property	111
Getting Credit	84
Protecting Investors	70
Paying Taxes	145
Trading Across Borders	92
Enforcing Contracts	100
Closing a Business	127

Summary of Indicators - Brazil

Starting a Business	Procedures (number)	18
	Duration (days)	152
	Cost (% GNI per capita)	8.2
	Paid in Min. Capital (% of GNI per capita)	0.0
Dealing with Construction Permits	Procedures (number)	18
	Duration (days)	411
	Cost (% of income per capita)	46.7
Employing Workers	Difficulty of Hiring Index	78
	Rigidity of Hours Index	60
	Difficulty of Firing Index	0
	Rigidity of Employment Index	46
	Firing costs (weeks of salary)	37
Registering Property	Procedures (number)	14
	Duration (days)	42
	Cost (% of property value)	2.7
Getting Credit	Legal Rights Index	3
	Credit Information Index	5
	Public registry coverage (% adults)	20.2
	Private bureau coverage (% adults)	62.2
Protecting Investors	Disclosure Index	6

Protecting Investors	Director Liability Index	7
	Shareholder Suits Index	3
	Investor Protection Index	5.3
Paying Taxes	Payments (number)	11
	Time (hours)	2600
	Profit tax (%)	21.3
	Labor tax and contributions (%)	40.6
	Other taxes (%)	7.5
	Total tax rate (% profit)	69.4
Trading Across Borders	Documents for export (number)	8
	Time for export (days)	14
	Cost to export (US\$ per container)	1240
	Documents for import (number)	7
	Time for import (days)	19
	Cost to import (US\$ per container)	1275
Enforcing Contracts	Procedures (number)	45
	Duration (days)	616
	Cost (% of claim)	16.5
Closing a Business	Time (years)	4.0
	Cost (% of estate)	12
	Recovery rate (cents on the dollar)	17.1



Starting a Business

When entrepreneurs draw up a business plan and try to get under way, the first hurdles they face are the procedures required to incorporate and register the new firm before they can legally operate. Economies differ greatly in how they regulate the entry of new businesses. In some the process is straightforward and affordable. In others the procedures are so burdensome that entrepreneurs may have to bribe officials to speed the process or may decide to run their business informally.

The data on starting a business is based on a survey and research investigating the procedures that a standard small to medium-size company needs to complete to start operations legally. These include obtaining all necessary permits and licenses and completing all required inscriptions, verifications and notifications with authorities to enable the company to formally operate. The time and cost required to complete each procedure under normal circumstances are calculated, as well as the minimum capital that must be paid in. It is assumed that all information is readily available to the entrepreneur, that there has been no prior contact with officials and that all government and nongovernment entities involved in the process function without corruption.

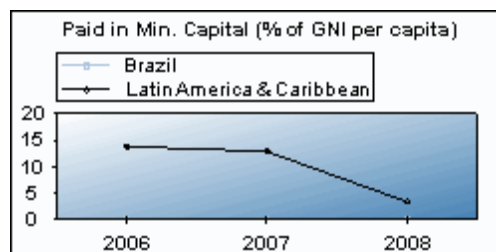
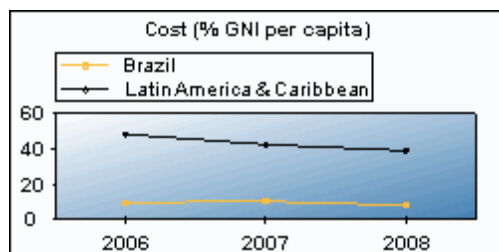
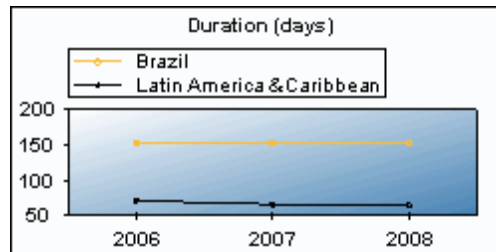
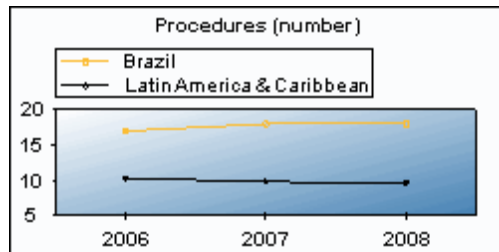
To make the data comparable across economies, detailed assumptions about the type of business are used. Among these assumptions are the following: the business is a limited liability company conducting general commercial activities in the largest business city; it is 100% domestically owned, with a start-up capital of 10 times income per capita, a turnover of at least 100 times income per capita and between 10 and 50 employees; and it does not qualify for any special benefits, nor does it own real estate. Procedures are recorded only where interaction is required with an external party. It is assumed that the founders complete all procedures themselves unless professional services (such as by a notary or lawyer) are required by law. Voluntary procedures are not counted, nor are industry-specific requirements and utility hook-ups. Lawful shortcuts are counted.

Cumbersome entry procedures are associated with more corruption, particularly in developing economies. Each procedure is a point of contact, a potential opportunity to extract a bribe. Analysis shows that burdensome entry regulations do not increase the quality of products, make work safer or reduce pollution. Instead, they constrain private investment; push more people into the informal economy; increase consumer prices and fuel corruption.

1. Historical data: Starting a Business in Brazil

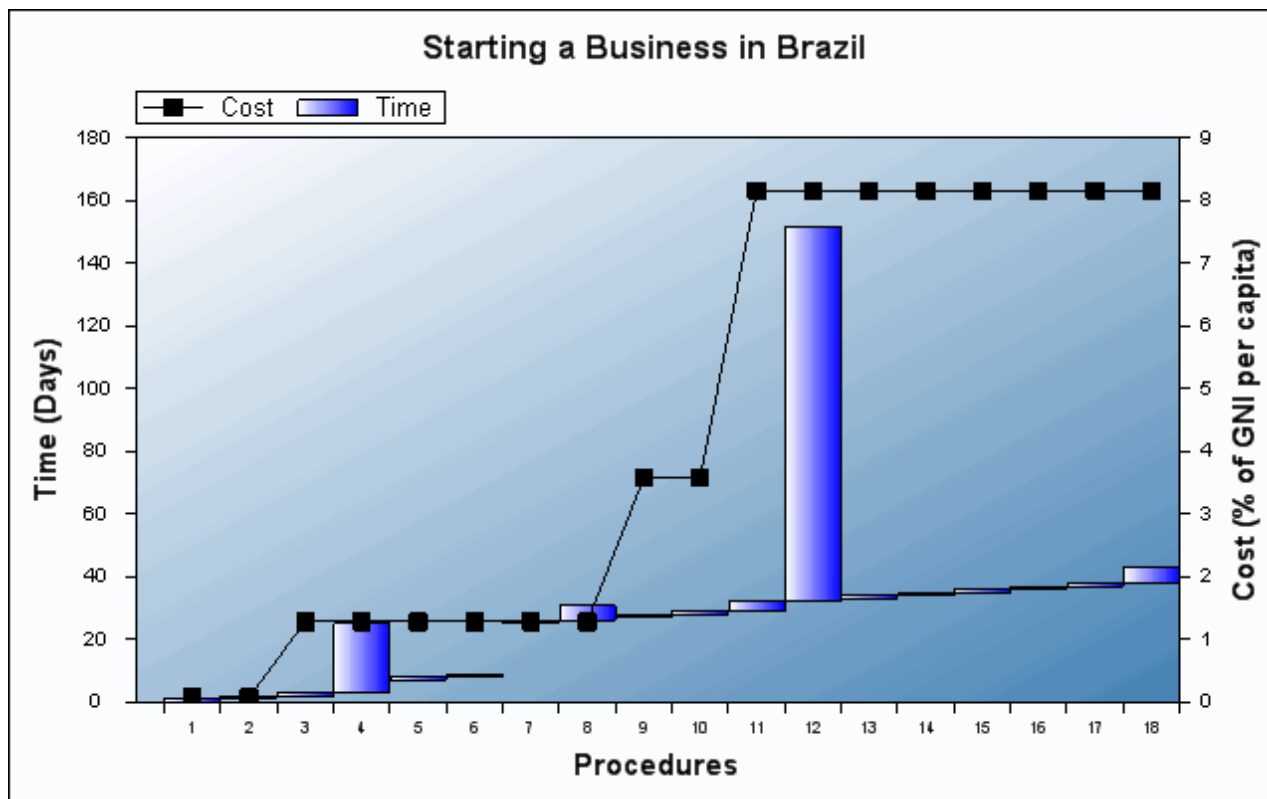
Starting a Business data	Doing Business 2007	Doing Business 2008	Doing Business 2009
Rank		125	127
Procedures (number)	17	18	18
Duration (days)	152	152	152
Cost (% GNI per capita)	9.9	10.4	8.2
Paid in Min. Capital (% of GNI per capita)	0.0	0.0	0.0

2. The following graphs illustrates the Starting a Business indicators in Brazil over the past 3 years:



3. Steps to Starting a Business in Brazil

It requires 18 procedures, takes 152 days, and costs 8.17 % GNI per capita to start a business in Brazil.



List of Procedures:

- | | |
|---|--|
| <ol style="list-style-type: none"> 1. Check company name with State Commercial Registry Office 2. Pay registration fees 3. Register with the commercial board of the state where the main office is located and obtain identification number (NIRE) 4. Register for federal and state tax (Secretaria da Receita Federal do Ministério da Fazenda, SRF/MF), obtain the CNPJ number, which also registers employees with the National Institute of Social Security (Instituto Nacional da Seguridade Social, INSS) 5. Confirm INSS enrollment 6. Receive state tax inspection 7. Get the authorization to print receipts/invoices from the Secretaria da Fazenda Estadual | <ol style="list-style-type: none"> 8. Register with the Municipal Taxpayers' Registry (Secretaria Municipal de Finanças) of the City of São Paulo 9. Pay TFE to the Municipal Taxpayers' Registry 10. Get the authorization to print receipts/invoices from the Secretaria Municipal de Finanças 11. Order receipts/invoices (notas fiscais) with CNPJ numbers from authorized printing companies 12. Obtain fire brigade license from the State of São Paulo 13. Inspection from the Fire Brigade 14. Apply to the municipality for an operations permit (Alvará de Funcionamento) 15. Register the employees in the social integration program (Programa de Integração Social, PIS) 16. Open a special fund for unemployment (FGTS) account in bank |
|---|--|

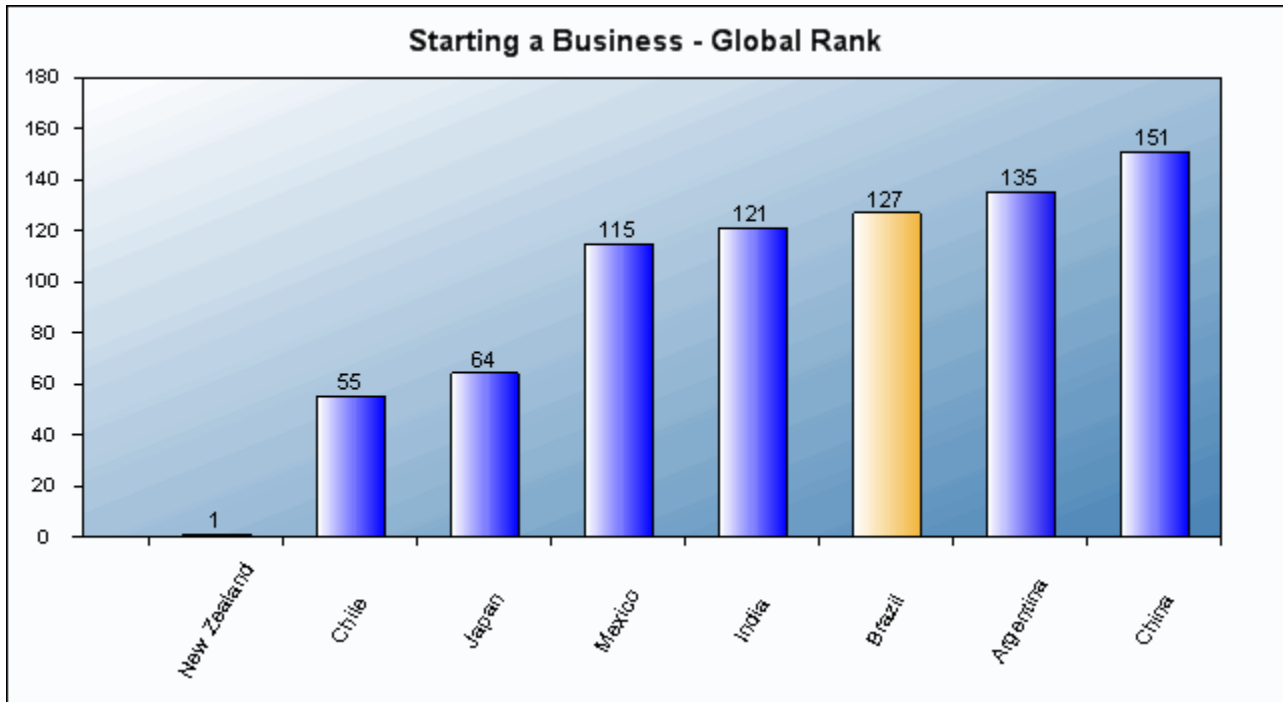
17. Notify the Ministry of Labor (Cadastro Geral de empregados e desempregados, CAGED)
18. Registration with the Patronal Union and with the Employees Union.

More detail is included in the appendix.

4. Benchmarking Starting a Business Regulations:

Brazil is ranked 127 overall for Starting a Business.

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



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

Good Practice Economies	Procedures (number)	Duration (days)	Cost (% GNI per capita)	Paid in Min. Capital (% of GNI per capita)
Denmark			0.0	
New Zealand*	1	1		0.0

<i>Selected Economy</i>				
Brazil	18	152	8.2	0.0

<i>Comparator Economies</i>				
Argentina	15	32	9.0	3.7
Chile	9	27	7.5	0.0
China	14	40	8.4	158.1
India	13	30	70.1	0.0
Japan	8	23	7.5	0.0
Mexico	9	28	12.5	11.0

* The following economies are also good practice economies for :

Procedures (number): Canada

Dealing with Construction Permits

Once entrepreneurs have registered a business, what regulations do they face in operating it? To measure such regulation, Doing Business focuses on the construction sector. Construction companies are under constant pressure; from government to comply with inspections and with licensing and safety regulations and from customers to be quick and cost-effective. These conflicting pressures point to the tradeoff in building regulation; the tradeoff between protecting people (construction workers, tenants, passersby) and keeping the cost of building affordable. Striking the right balance is a challenge when it comes to construction regulations. Good regulations ensure safety standards that protect the public while making the permitting process efficient, transparent and affordable for both building authorities and the private professionals who use it. If procedures are overly complicated or costly, builders build without a permit, leading to hazardous construction.

The indicators on dealing with construction permits record all procedures officially required for an entrepreneur in the construction industry to build a warehouse. These include submitting project documents (building plans, site maps) to the authorities, obtaining all necessary licenses and permits, completing all required notifications and receiving all necessary inspections. They also include procedures for obtaining utility connections, such as electricity, telephone, water and sewerage. The time and cost to complete each procedure under normal circumstances are calculated. All official fees associated with legally completing the procedures are included (bribes not included). Time is recorded in calendar days. The survey assumes that the entrepreneur is aware of all existing regulations and does not use an intermediary to complete the procedures unless required to do so by law. To make the data comparable across economies, several assumptions about the business and its operations are used. The business is a small to medium-size limited liability company, located in the most populous city, domestically owned and operated, in the construction business, with 60 qualified employees. The warehouse to be built:

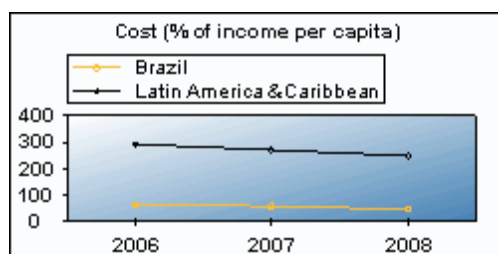
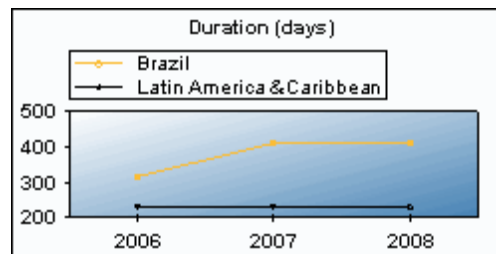
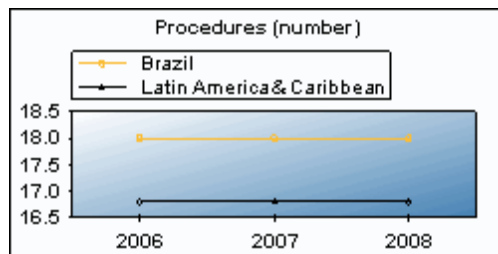
- Is a new construction (there was no previous construction on the land).
- Has 2 stories, both above ground, with a total surface of approximately 1,300.6 square meters (14,000 square feet). Each floor is 3 meters (9 feet, 10 inches) high
- Has complete architectural and technical plans prepared by a licensed architect.
- Will be connected to electricity, water, sewerage (sewage system, septic tank or their equivalent) and one land phone line. The connection to each utility network will be 32 feet, 10 inches (10 meters) long.
- Will be used for general storage, such as of books or stationery. The warehouse will not be used for any goods requiring special conditions, such as food, chemicals or pharmaceuticals.
- Will take 30 weeks to construct (excluding all delays due to administrative and regulatory requirements).

Where the regulatory burden is large, entrepreneurs move their activity into the informal economy. There they operate with less concern for safety, leaving everyone worse off.

1. Historical data: Dealing with Construction Permits in Brazil

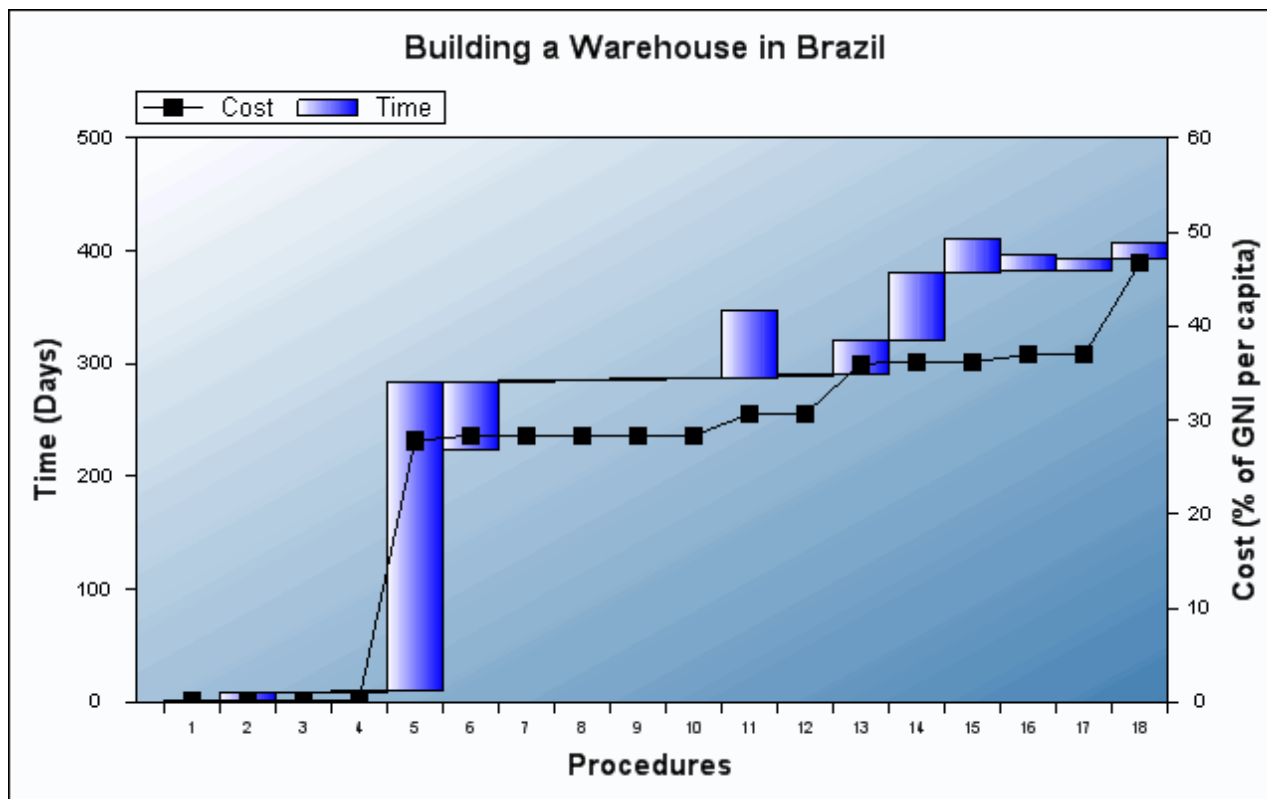
Dealing with Construction Permits data	Doing Business 2007	Doing Business 2008	Doing Business 2009
Rank		105	108
Procedures (number)	18	18	18
Duration (days)	316	411	411
Cost (% of income per capita)	62.2	59.4	46.7

2. The following graphs illustrates the Dealing with Construction Permits indicators in Brazil over the past 3 years:



3. Steps to Building a Warehouse in Brazil

It requires 18 procedures, takes 411 days, and costs 46.70 % GNI per capita to build a warehouse in Brazil.



List of Procedures:

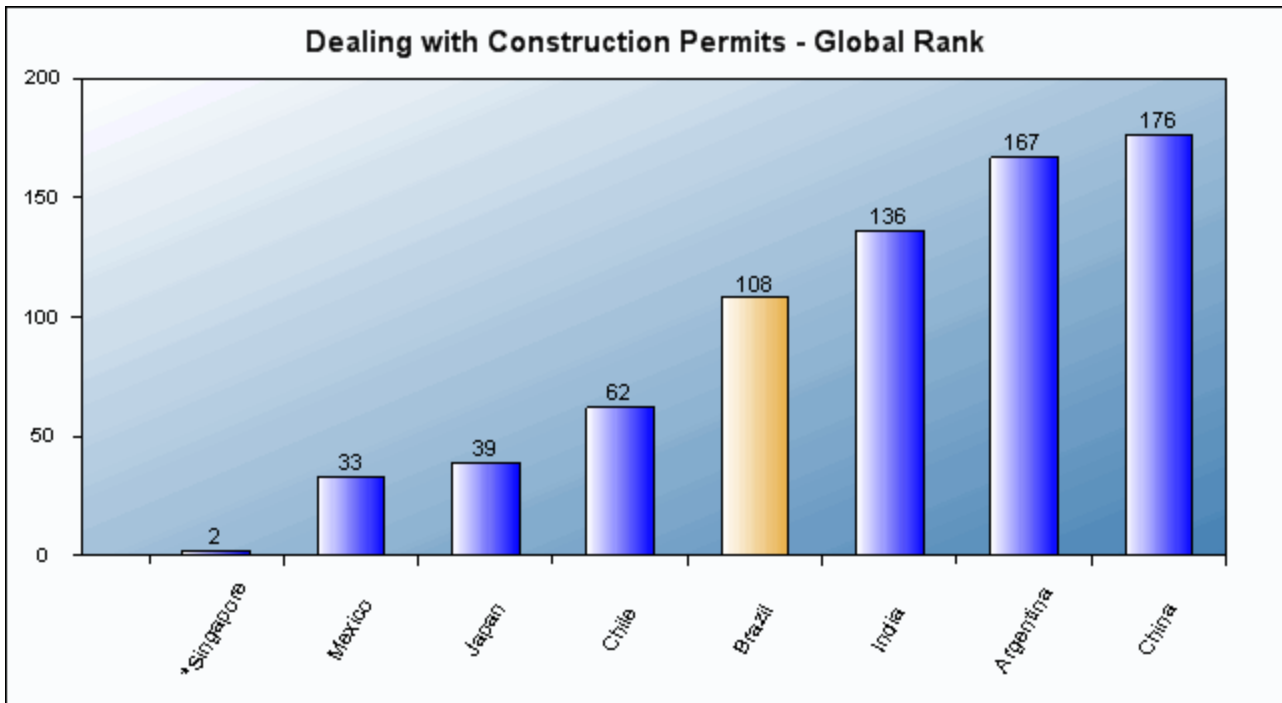
- | | |
|--|---|
| 1. Request and obtain proof of land ownership from Real Estate Registry Office | 10. Request and receive sanitary inspection from Municipality |
| 2. Request and obtain proof of land tax payment from Treasury of the Municipality | 11. Request and obtain conclusion approval |
| 3. Register employees with the Social security Office | 12. Receive final inspection from Municipality |
| 4. Submit proof of payment to Social security | 13. Request and receive Fire Department Inspection |
| 5. Request and obtain Construction Approval Permit and Construction Execution Permit | 14. Request and obtain operation License |
| 6. Request and obtain Equipment Operating Permit | 15. Request and connect to water and sewage |
| 7. Request and receive frame inspection from Municipality | 16. Request and connect to telephone |
| 8. Request and receive inspection of the structures from Municipality | 17. Request and connect to electricity |
| 9. Request and receive labor inspection from Labor Public Attorneys' Office | 18. Register with the Real Estate Registry Office |

More detail is included in the appendix.

4. Benchmarking Dealing with Construction Permits Regulations:

Brazil is ranked 108 overall for Dealing with Construction Permits.

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



* The following economies are also good practice economies for Building a Warehouse: Belize, New Zealand, St. Vincent and the Grenadines

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

Good Practice Economies	Procedures (number)	Duration (days)	Cost (% of income per capita)
Denmark	6		
Korea		34	
Malaysia*			7.9

<i>Selected Economy</i>			
Brazil	18	411	46.7

<i>Comparator Economies</i>			
Argentina	28	338	183.3
Chile	18	155	101.3
China	37	336	698.4
India	20	224	414.7
Japan	15	187	19.1
Mexico	12	138	131.0

* The following economies are also good practice economies for :

Cost (% of income per capita): Brunei, Palau, Qatar, St. Kitts and Nevis, Trinidad and Tobago, United Arab Emirates



Employing Workers

Economies worldwide have established a system of laws and institutions intended to protect workers and guarantee a minimum standard of living for its population. This system generally encompasses four bodies of law: employment, industrial relations, social security and occupational health and safety laws. Doing Business examines government regulation in the area of employment.

Two measures are presented: a rigidity of employment index and a firing cost measure. The rigidity of employment index is the average of three subindices: difficulty of hiring, rigidity of hours and difficulty of firing. Each index takes values between 0 and 100, with higher values indicating more rigid regulation. The difficulty of hiring index measures the flexibility of contracts and the ratio of the minimum wage to the value added per worker. The rigidity of hours index covers restrictions on weekend and night work, requirements relating to working time and the workweek, and mandated days of annual leave with pay. The difficulty of firing index covers workers' legal protections against dismissal, including the grounds permitted for dismissal and procedures for dismissal (individual and collective): notification and approval requirements, retraining or reassignment obligations and priority rules for dismissals and reemployment.

The firing cost indicator measures the cost of advance notice requirements, severance payments and penalties due when terminating a redundant worker, expressed in weeks of salary.

To make the data comparable across economies, a range of assumptions about the worker and the company are used. The company is assumed to be a limited liability manufacturing corporation that operates in the economy's most populous city, is 100% domestically owned and has 201 employees. The company is also assumed to be subject to collective bargaining agreements in economies where such agreements cover more than half the manufacturing sector and apply even to firms not party to them.

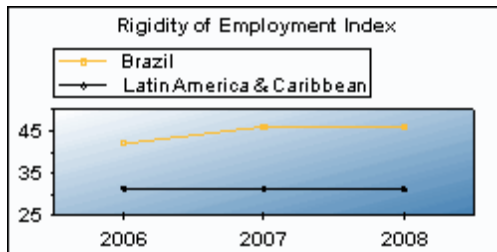
Employment regulations are needed to allow efficient contracting between employers and workers and to protect workers from discriminatory or unfair treatment by employers. In its indicators on employing workers, Doing Business measures flexibility in the regulation of hiring, working hours and dismissal in a manner consistent with the conventions of the International Labour Organization (ILO). An economy can have the most flexible labor regulations as measured by Doing Business while ratifying and complying with all conventions directly relevant to the factors measured by Doing Business and with the ILO core labor standards. No economy can achieve a better score by failing to comply with these conventions.

Governments all over the world face the challenge of finding the right balance between worker protection and labor market flexibility. But in developing countries especially, regulators often err to one extreme, pushing employers and workers into the informal sector. Analysis across economies shows that while employment regulation generally increases the tenure and wages of incumbent workers, overly rigid regulations may have undesirable side effects. These include less job creation, smaller company size, less investment in research and development, and longer spells of unemployment and thus the obsolescence of skills, all of which may reduce productivity growth. When economies err on the side of excessive rigidity, it is to the detriment of businesses and workers alike.

1. Historical data: Employing Workers in Brazil

Employing Workers data	Doing Business 2007	Doing Business 2008	Doing Business 2009
Rank		120	121
Rigidity of Employment Index	42	46	46
Firing costs (weeks of salary)	37	37	37

2. The following graphs illustrates the Employing Workers indicators in Brazil over the past 3 years:



3. Benchmarking Employing Workers Regulations:

Brazil is ranked 121 overall for Employing Workers.

Ranking of Brazil in Employing Workers - Compared to good practice and selected economies:



* The following economies are also good practice economies for Employing Workers: Marshall Islands, Singapore

The following table shows Employing Workers data for Brazil compared to good practice and comparator economies:

Good Practice Economies	Rigidity of Employment Index	Firing costs (weeks of salary)
Hong Kong, China*	0	
New Zealand*		0

<i>Selected Economy</i>		
Brazil	46	37

<i>Comparator Economies</i>		
Argentina	35	95
Chile	24	52
China	27	91
India	30	56
Japan	17	4
Mexico	48	52

* The following economies are also good practice economies for :

Rigidity of Employment Index: Maldives, Marshall Islands, Singapore, United States

Firing costs (weeks of salary): Afghanistan, Denmark, Iraq, Marshall Islands, Micronesia, Palau, Puerto Rico, Tonga, United States



Registering Property

Formal property titles help promote the transfer of land, encourage investment and give entrepreneurs access to formal credit markets. But a large share of property in developing economies is not formally registered. Informal titles cannot be used as security in obtaining loans, which limits financing opportunities for businesses. Many governments have recognized this and started extensive property titling programs. But bringing assets into the formal sector is only part of the story. The more difficult and costly it is to formally transfer property, the greater the chances that formalized titles will quickly become informal again. Eliminating unnecessary obstacles to registering and transferring property is therefore important for economic development.

Doing Business records the full sequence of procedures necessary for a business (buyer) to purchase a property from another business (seller) and to transfer the property title to the buyer's name. The property of land and building will be transferred in its entirety. The transaction is considered complete when the buyer can use the property as collateral for a bank loan.

Local property lawyers and officials in property registries provide information on required procedures as well as the time and cost to complete each one. For most economies the data are based on responses from both. Based on the responses, three indicators are constructed.

- Number of procedures to register property.
- Time to register property (in calendar days).
- Official costs to register property (as a percentage of the property value).

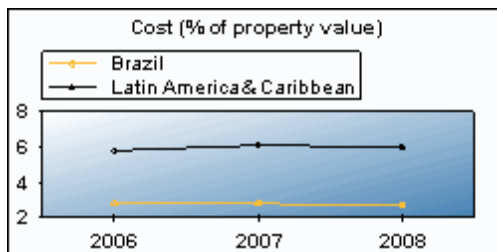
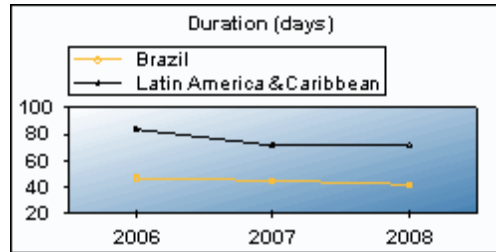
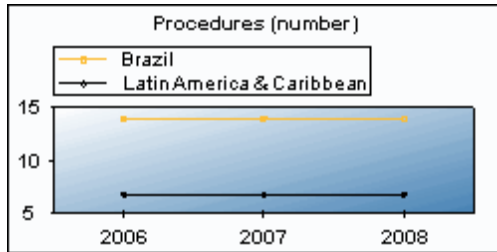
Many titling programs in Africa were futile because people bought and sold property informally, neglecting to update the title records in the property registry. Why? Doing Business shows that completing a simple formal property transfer in the largest business city of an African economy cost 10% of the value of the property and takes on average 90 days. Worse, the property registries are so poorly organized that they provide little security of ownership.

Efficient property registration reduces transaction costs and helps to formalize property titles. Simple procedures to register property are also associated with greater perceived security of property rights and less corruption. That benefits all entrepreneurs, especially women, the young and the poor. The rich have few problems protecting their property rights. They can afford to invest in security systems and other measures to defend their property. But small entrepreneurs cannot. Reform can change this. Twenty-four economies made it easier to register property in 2007/08. The most popular reform: lowering the cost of registration by reducing the property transfer tax, registration fees or stamp duty.

1. Historical data: Registering Property in Brazil

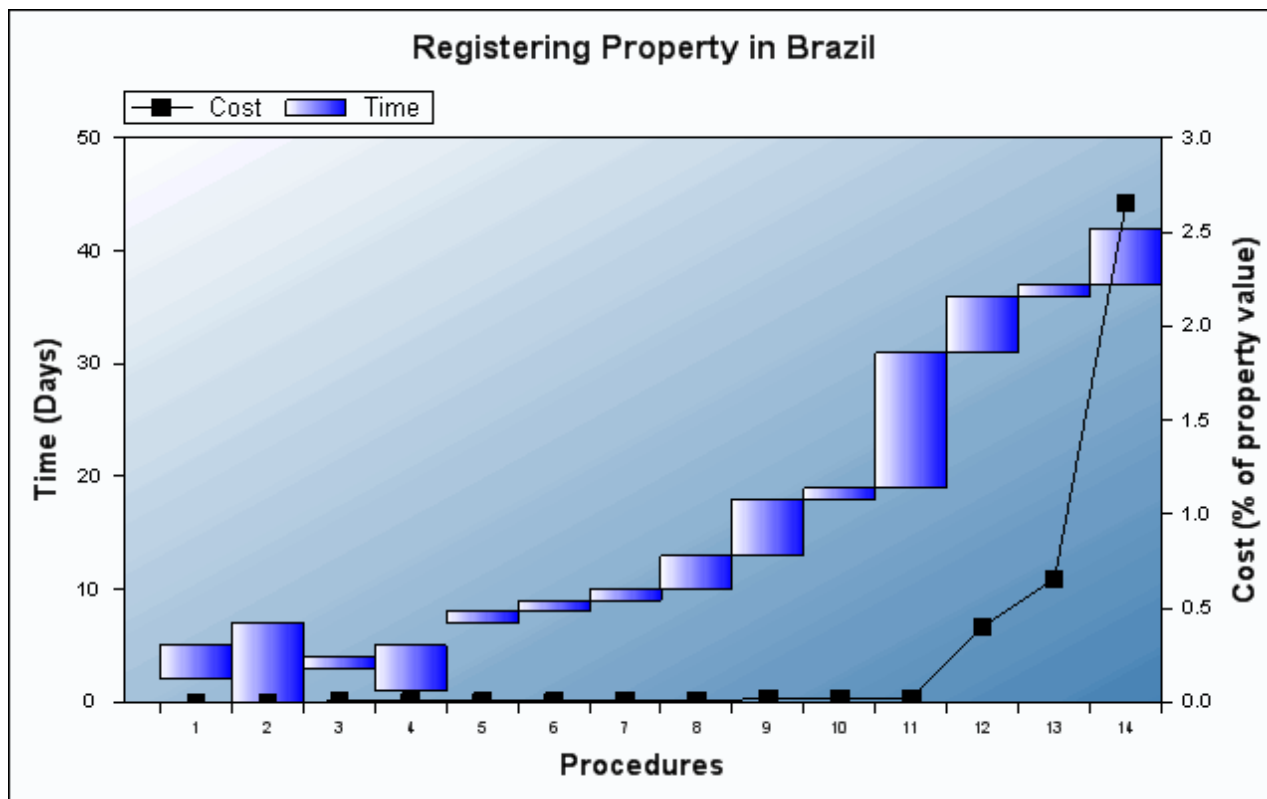
Registering Property data	Doing Business 2007	Doing Business 2008	Doing Business 2009
Rank		115	111
Procedures (number)	14	14	14
Duration (days)	47	45	42
Cost (% of property value)	2.8	2.8	2.7

2. The following graphs illustrates the Registering Property indicators in Brazil over the past 3 years:



3. Steps to Registering Property in Brazil

It requires 14 procedures, takes 42 days, and costs 2.66 % of property value to register the property in Brazil.



List of Procedures:

- | | |
|---|---|
| <ol style="list-style-type: none"> 1. Acquire a Labor Justice Certificate (Certidão da Justiça do Trabalho) from the Labor Justice Department 2. Request three documents on the property from the relevant jurisdictional Land Property Registry (cartório) 3. Request a Land-Tax Certificate from City Hall 4. Acquire the most recent Commercial Certificate (Certidão de Breve Relato) at the city's chamber of commerce (Junta Comercial) 5. Acquire a Clearance Certificate (Certidão Negativa de Débito do INSS) from the National Social Security Institute 6. Acquire a Worker's Fund Certificate (Certidão de Regularidade de Situação do FGTS) at the federal bank- Caixa Economica Federal 7. Acquire a Federal Tax Clearance Certificate from the Ministério da Fazenda (Certidão Negativa de Tributos Federais) | <ol style="list-style-type: none"> 8. Acquire a Certificate of Registries and Disputes (Certidão dos Cartórios de Protestos) from the Distributor of Disputes Registry 9. Acquire a Civil Distributor's Certificate (Certidão dos Distribuidores Cívies), a Fiscal Executive Certificate (Certidão de Executivos Fiscais) and a Bankruptcy Certificate (Certidão de Falencias e Concordatas) from the City Court Office 10. Acquire a Federal Justice Certificate (Certidão da Justiça Federal) from the Receita Federal 11. Drafting of Public Deed of Purchase and Sale (Escritura Pública de Venda e Compra) by a Public Notary (Tabelião de Notas) 12. Register the escritura (transfer deed) at the appropriate Real Estate Registry with jurisdiction over the property to finalize registration and name change 13. Pay ITBI (transfer tax) at Banco do Brasil |
|---|---|

14. Update the land taxation records (IPTU – Imposto Predial e Territorial Urbano) to the new owner's name at City Hall

More detail is included in the appendix.

4. Benchmarking Registering Property Regulations:

Brazil is ranked 111 overall for Registering Property.

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



* The following economies are also good practice economies for Registering Property: Georgia, Saudi Arabia

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

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

<i>Selected Economy</i>			
Brazil	14	42	2.7

<i>Comparator Economies</i>			
Argentina	5	51	7.5
Chile	6	31	1.3
China	4	29	3.2
India	6	45	7.5
Japan	6	14	5.0
Mexico	5	74	4.8

* The following economies are also good practice economies for :

Procedures (number): Sweden

Duration (days): Saudi Arabia, Sweden, Thailand



Getting Credit

Firms consistently rate access to credit as among the greatest barriers to their operation and growth. Doing Business constructs two sets of indicators of how well credit markets function: one on credit registries and the other on legal rights of borrowers and lenders. Credit registries, institutions that collect and distribute credit information on borrowers, can greatly expand access to credit. By sharing credit information, they help lenders assess risk and allocate credit more efficiently. And they free entrepreneurs from having to rely on personal connections alone when trying to obtain credit. Three indicators are constructed to measure the sharing of credit information:

- Depth of credit information index, which measures the extent to which the rules of a credit information system facilitate lending based on the scope of information distributed, the ease of access to information and the quality of information.
- Public registry coverage, which reports the number of individuals and firms covered by a public credit registry as a percentage of the adult population.
- Private bureau coverage, which reports the number of individuals and firms, covered by a private credit bureau as a percentage of the adult population.

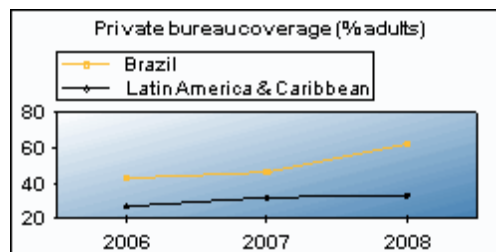
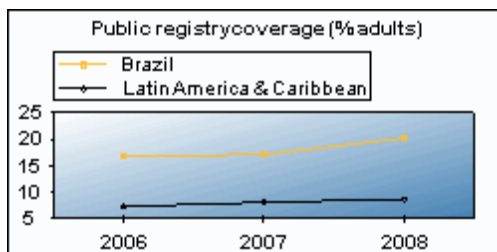
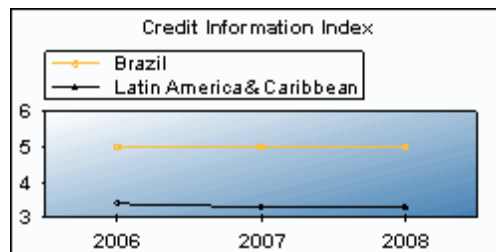
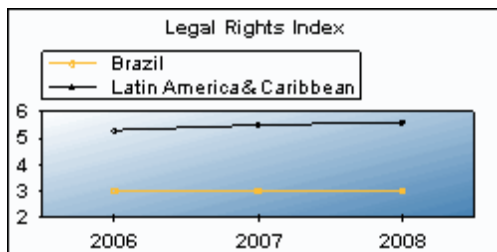
The strength of legal rights index measures the degree to which collateral and bankruptcy laws protect the rights of borrowers and lenders and thus facilitate lending. This year, three main changes were made; first, a standardized case scenario with specific assumptions was introduced to bring this indicator into line with other Doing Business indicators. Second, the indicator now focuses not on tangible movable collateral, such as equipment, but on revolving movable collateral, such as accounts receivable and inventory. Third, the indicator no longer considers whether management remains in place during a reorganization procedure, better accommodating economies that adopt reorganization procedures. The strength of legal rights index includes 8 aspects related to legal rights in collateral law and 2 aspects in bankruptcy law:

- Any business may use movable assets as collateral while keeping possession of the assets, and any financial institution may accept such assets as collateral.
- The law allows a business to grant a non possessory security right in a single category of revolving movable assets, without requiring a specific description of the secured assets.
- The law allows a business to grant a non possessory security right in substantially all of its assets, without requiring a specific description of the secured assets.
- A security right may extend to future or after-acquired assets and may extend automatically to the products, proceeds or replacements of the original assets.
- General description of debts and obligations is permitted in collateral agreements and in registration documents, so that all types of obligations and debts can be secured by stating a maximum rather than a specific amount between the parties.
- A collateral registry is in operation that is unified geographically and by asset type and that is indexed by the name of the grantor of a security right.
- Secured creditors are paid first when a debtor defaults outside an insolvency procedure or when a business is liquidated.
- Secured creditors are not subject to an automatic stay or moratorium on enforcement procedures when a debtor enters a court-supervised reorganization procedure.
- The law allows parties to agree in a collateral agreement that the lender may enforce its security right out of court.

1. Historical data: Getting Credit in Brazil

Getting Credit data	Doing Business 2007	Doing Business 2008	Doing Business 2009
Rank		79	84
Legal Rights Index	3	3	3
Credit Information Index	5	5	5
Public registry coverage (% adults)	16.9	17.1	20.2
Private bureau coverage (% adults)	43.0	46.4	62.2

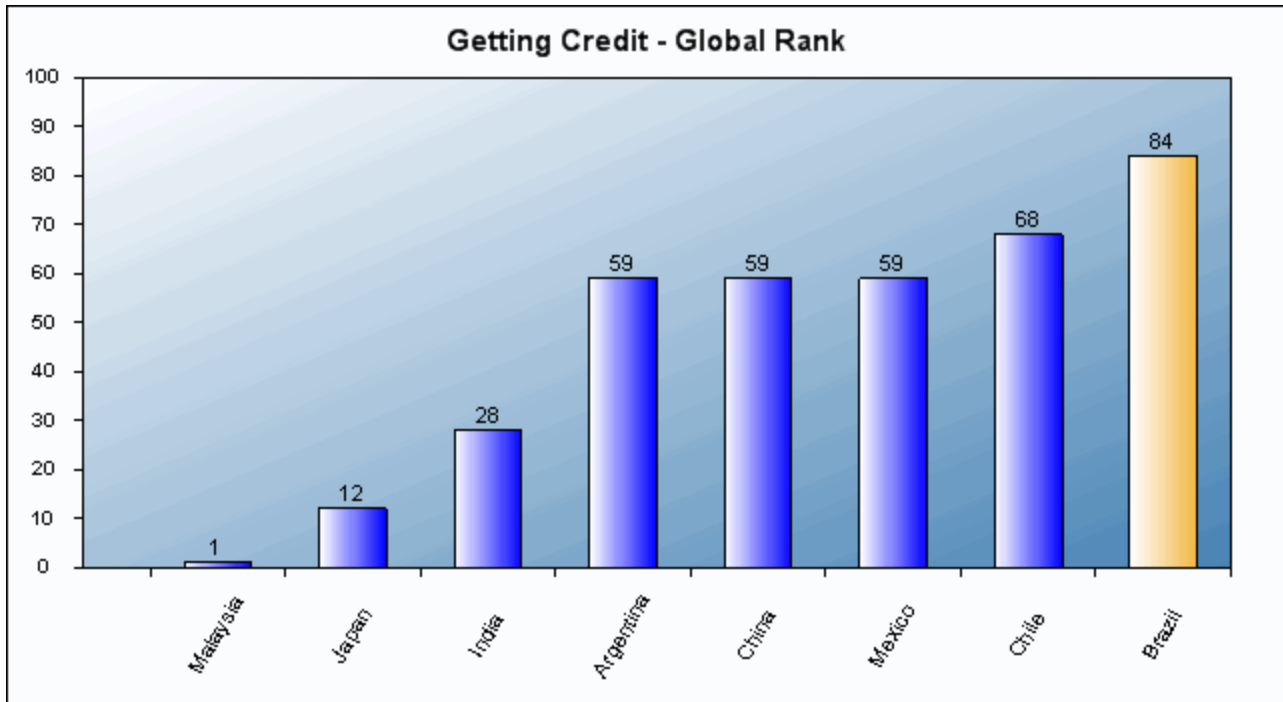
2. The following graphs illustrates the Getting Credit indicators in Brazil over the past 3 years:



3. Benchmarking Getting Credit Regulations:

Brazil is ranked 84 overall for Getting Credit.

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



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

Good Practice Economies	Legal Rights Index	Credit Information Index	Public registry coverage (% adults)	Private bureau coverage (% adults)
Malaysia*	10			
New Zealand*				100.0
Portugal			76.4	
United Kingdom		6		

<i>Selected Economy</i>				
Brazil	3	5	20.2	62.2

<i>Comparator Economies</i>				
Argentina	4	6	31.2	100.0
Chile	4	5	28.1	34.5
China	6	4	58.8	0.0
India	8	4	0.0	10.5
Japan	7	6	0.0	76.2
Mexico	4	6	0.0	70.8

* The following economies are also good practice economies for :

Legal Rights Index: Hong Kong, China, Kenya, Singapore

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

24 countries have the highest credit information index.



Protecting Investors

Companies grow by raising capital, either through a bank loan or by attracting equity investors. Selling shares allows companies to expand without the need to provide collateral and repay bank loans. But investors worry about their money, and look for laws that protect them. A study finds that the presence of legal and regulatory protections for investors explains up to 73% of the decision to invest. In contrast, company characteristics explain only between 4% and 22%*. Good protections for minority shareholders are associated with larger and more active stock markets. Thus both governments and businesses have an interest in reforms strengthening investor protections. To document some of the protections investors have, Doing Business measures how economies regulate a standard case of self-dealing, use of corporate assets for personal gain.

The case facts are straightforward. Mr. James, a director and the majority shareholder of a public company, proposes that the company purchase used trucks from another company he owns. The price is higher than the going price for used trucks. 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. Several questions arise. Who approves the transaction? What information must be disclosed? What company documents can investors access? What do minority shareholders have to prove to get the transaction stopped or to receive compensation from Mr. James? Three indices of investor protection are constructed based on the answers to these and other questions. All indices range from 0 to 10, with higher values indicating more protections or greater disclosure.

- The extent of disclosure index covers approval procedures, requirements for immediate disclosure to the public and shareholders of proposed transactions, requirements for disclosure in periodic filings and reports and the availability of external review of transactions before they take place.
- The extent of director liability index covers the ability of investors to hold Mr. James and the board of directors liable for damages, the ability to rescind the transaction, the availability of fines and jail time associated with self-dealing, the availability of direct or derivative suits and the ability to require Mr. James to pay back his personal profits from the transaction.
- The ease of shareholder suits index covers the availability of documents that can be used during trial, the ability of the investor to examine the defendant and other witnesses, shareholders' access to internal documents of the company, the appointment of an inspector to investigate the transaction and the standard of proof applicable to a civil suit against the directors.

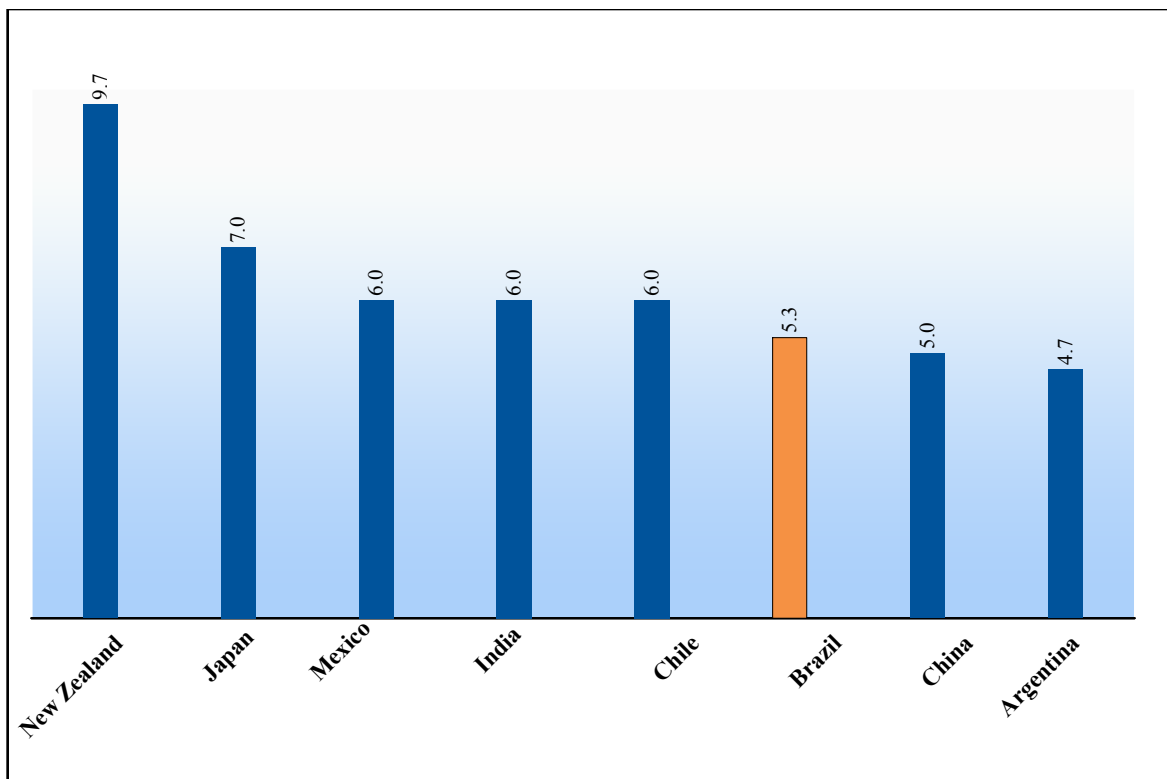
These three indices are averaged to create the strength of investor protection index. This index ranges from 0 to 10, with higher values indicating better investor protection.

*Doidge, Karayi and Stulz (2007)

1. Historical data: Protecting Investors in Brazil

Protecting Investors data	Doing Business 2007	Doing Business 2008	Doing Business 2009
Rank		66	70
Investor Protection Index	5.3	5.3	5.3

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

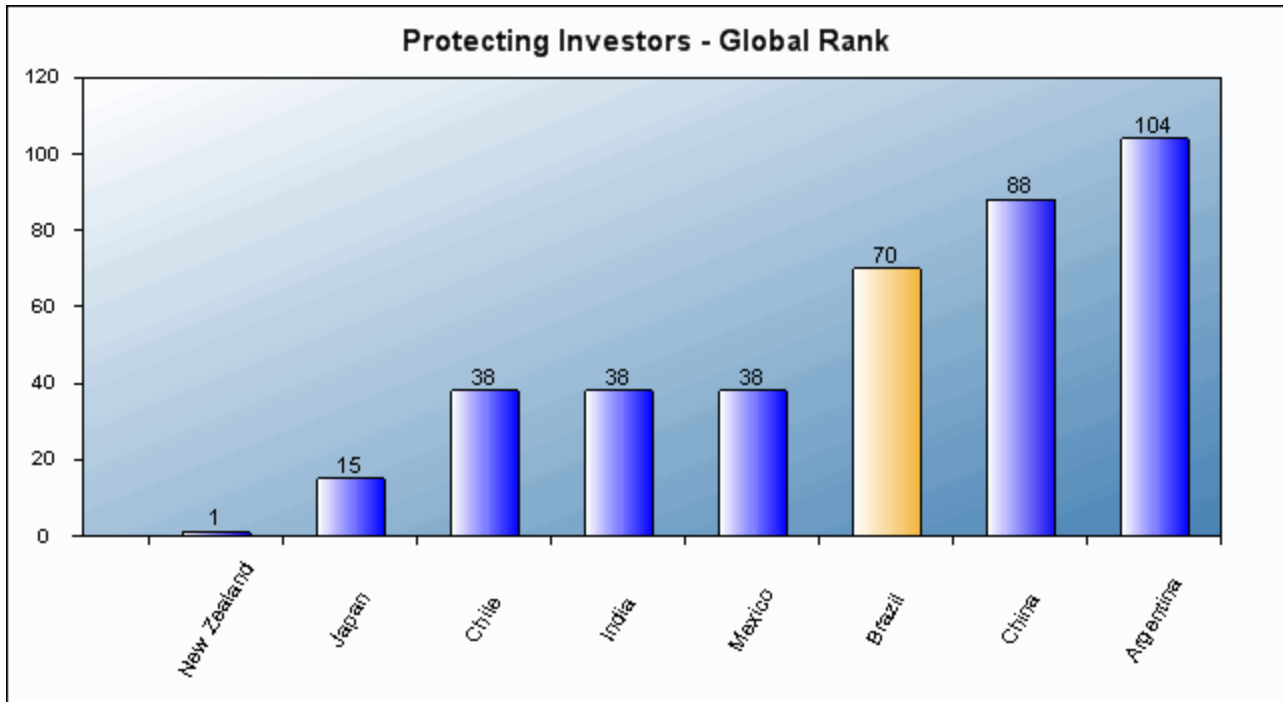


Note: The higher the score, the greater the investor protection.

3. Benchmarking Protecting Investors Regulations:

Brazil is ranked 70 overall for Protecting Investors.

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



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

Good Practice Economies	Investor Protection Index
New Zealand	9.7

<i>Selected Economy</i>	
Brazil	5.3

<i>Comparator Economies</i>	
Argentina	4.7
Chile	6.0
China	5.0
India	6.0
Japan	7.0
Mexico	6.0



Paying Taxes

Taxes are essential. Without them there would be no money to provide public amenities, infrastructure and services which are crucial for a properly functioning economy. But particularly for small and medium size companies, they may opt out and choose to operate in the informal sector. One way to enhance tax compliance is to ease and simplify the process of paying taxes for such businesses.

The Doing Business tax survey records the effective tax that a small and medium company must pay and the administrative costs of doing so. Imagine a medium-size business, TaxpayerCo, that started operations last year. Doing Business asks tax practitioners in 181 economies to review TaxpayerCo's financial statements and 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 and include corporate income tax, turnover tax, all labor taxes and contributions paid by the company (including mandatory contributions paid to private pension or insurance funds), property tax, property transfer tax, dividend tax, capital gains tax, financial transactions tax, vehicle tax, sales tax and other small taxes (such as fuel tax, stamp duty and local taxes). A range of standard deductions and exemptions are also recorded.

Three indicators are constructed:

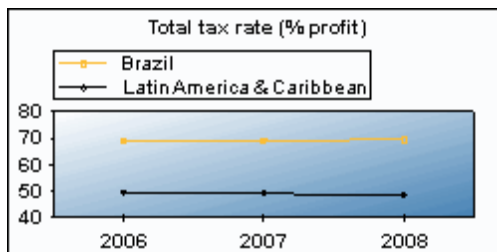
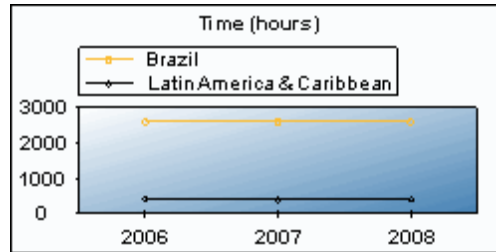
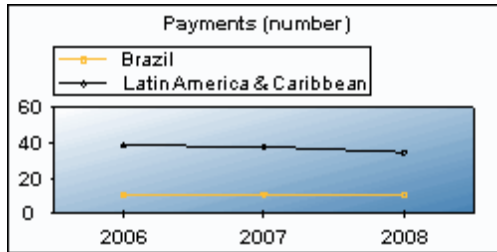
- Number of tax payments, which takes into account the method of payment, the frequency of payments and the number of agencies involved in our standardized case study.
- Time, which measures the number of hours per year necessary to prepare and file tax returns and to pay the corporate income tax, value added tax, sales tax or goods and service tax and labor taxes and mandatory contributions.
- Total tax rate, which measures the amount of taxes and mandatory contributions payable by the company during the second year of operation. This amount, expressed as a percentage of commercial profit, is the sum of all the different taxes payable after accounting for various deductions and exemptions.

Businesses care about what they get for their taxes and contributions, such as the quality of infrastructure and social services. Efficient tax systems tend to have less complex tax arrangements, comprising of straightforward compliance procedures and clear laws. Taxpayers in such economies often get more from their taxes. Simple, moderate taxes and fast, cheap administration mean less hassle for businesses, and also more revenue collected and better public services. More burdensome tax regimes create an incentive to evade taxes.

1. Historical data: Paying Taxes in Brazil

Paying Taxes data	Doing Business 2007	Doing Business 2008	Doing Business 2009
Rank		138	145
Time (hours)	2600	2600	2600
Total tax rate (% profit)	69.2	69.2	69.4
Payments (number)	11	11	11

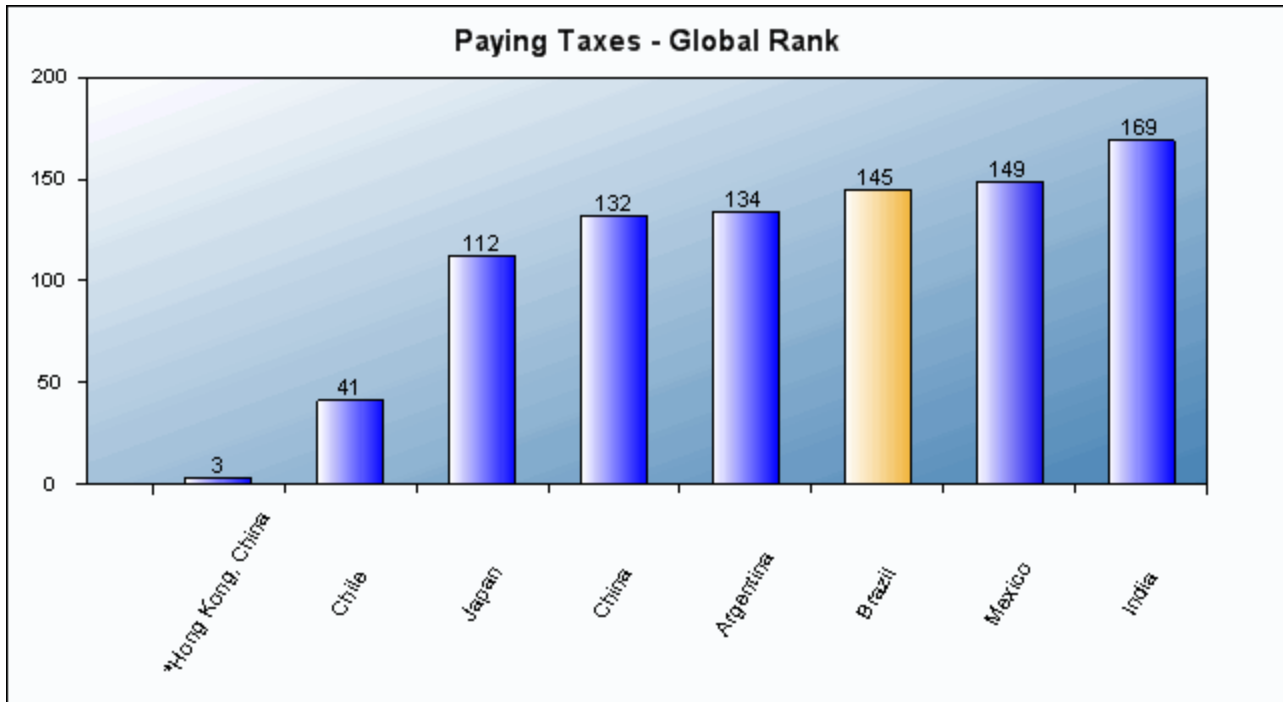
2. The following graphs illustrates the Paying Taxes indicators in Brazil over the past 3 years:



3. Benchmarking Paying Taxes Regulations:

Brazil is ranked 145 overall for Paying Taxes.

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



* The following economies are also good practice economies for Paying Taxes: Maldives, Qatar

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

Good Practice Economies	Payments (number)	Time (hours)	Total tax rate (% profit)
Luxembourg*		59	
Sweden*	2		
Vanuatu			8.4

<i>Selected Economy</i>			
Brazil	11	2600	69.4

<i>Comparator Economies</i>			
Argentina	9	453	108.1
Chile	10	316	25.9
China	9	504	79.9
India	60	271	71.5
Japan	13	355	55.4
Mexico	27	549	51.5

* The following economies are also good practice economies for :

Payments (number): Maldives, Qatar

Time (hours): Bahamas, Bahrain, Maldives, Qatar, United Arab Emirates



Trading Across Borders

The benefits of trade are well documented; as are the obstacles to trade. Tariffs, quotas and distance from large markets greatly increase the cost of goods or prevent trading altogether. But with bigger ships and faster planes, the world is shrinking. Global and regional trade agreements have reduced trade barriers. Yet Africa's share of global trade is smaller today than it was 25 years ago. So is the Middle East's, excluding oil exports. Many entrepreneurs face numerous hurdles to exporting or importing goods, including delays at the border. They often give up. Others never try. In fact, the potential gains from trade facilitation may be greater than those arising from only tariff reductions.

Doing Business compiles procedural requirements for trading a standard shipment of goods by ocean transport. Every procedure and the associated documents, time and cost, for importing and exporting the goods is recorded, starting with the contractual agreement between the two parties and ending with delivery of the goods. For importing the goods, the procedures measured range from the vessel's arrival at the port of entry to the shipment's delivery at the importer's warehouse. For exporting the goods, the procedures measured range from the packing of the goods at the factory to their departure from the port of exit. Payment is by letter of credit and the time and cost for issuing or securing a letter of credit is taken into account.

To make the data comparable across countries, several assumptions about the business and the traded goods are used. The business is of medium size, employs 60 people, and is located in the periurban area of the economy's most populous city. It is a private, limited liability company, domestically owned, formally registered and operating under commercial laws and regulations of the economy. The traded goods are ordinary, legally manufactured products transported in a dry-cargo, 20-foot FCL (full container load) container.

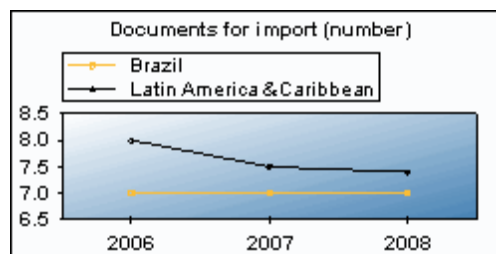
Documents recorded include port filing documents, customs declaration and clearance documents, as well as official documents exchanged between the parties to the transaction. Time is recorded in calendar days, from the beginning to the end of each procedure. Cost includes the fees levied on a 20-foot container in U.S. dollars. All the fees associated with completing the procedures to export or import the goods are included, such as costs for documents, administrative fees for customs clearance and technical control, terminal handling charges and inland transport. The cost measure does not include tariffs or duties.

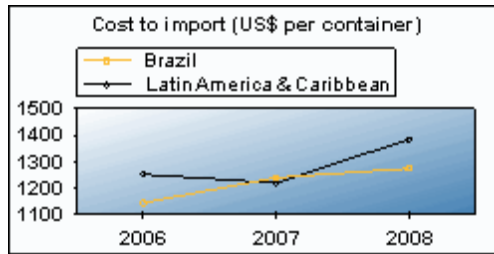
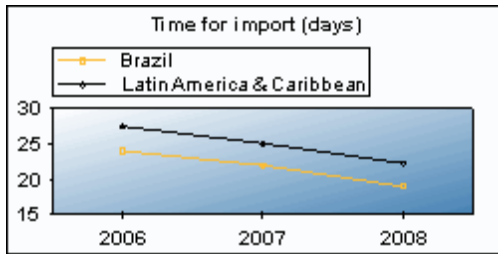
Economies that have efficient customs, good transport networks and fewer document requirements, making compliance with export and import procedures faster and cheaper, are more competitive globally. That can lead to more exports; and exports are associated with faster growth and more jobs. Conversely, a need to file many documents is associated with more corruption in customs. Faced with long delays and frequent demands for bribes, many traders may avoid customs altogether. Instead, they smuggle goods across the border. This defeats the very purpose in having border control of trade to levy taxes and ensure high quality of goods.

1. Historical data: Trading Across Borders in Brazil

Trading Across Borders data	Doing Business 2007	Doing Business 2008	Doing Business 2009
Rank		98	92
Documents for export (number)	8	8	8
Time for export (days)	18	18	14
Cost to export (US\$ per container)	895	1090	1240
Documents for import (number)	7	7	7
Time for import (days)	24	22	19
Cost to import (US\$ per container)	1145	1240	1275

2. The following graphs illustrates the Trading Across Borders indicators in Brazil over the past 3 years:

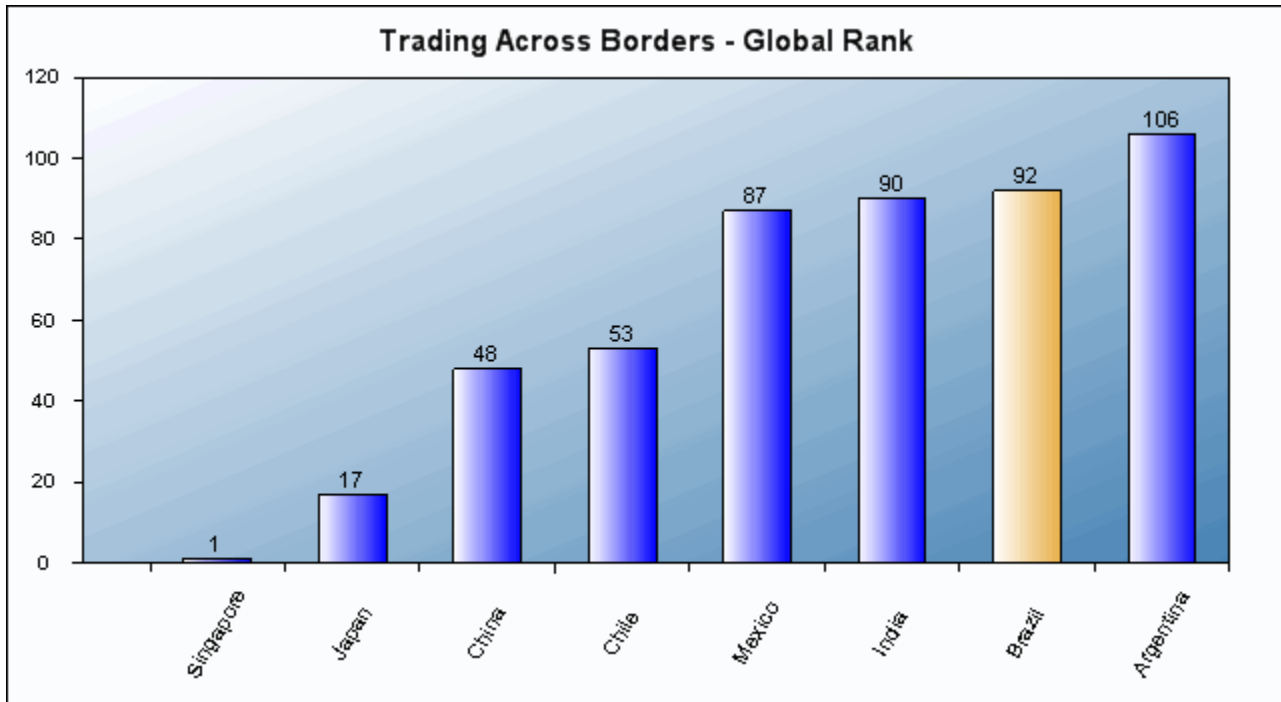




3. Benchmarking Trading Across Borders Regulations:

Brazil is ranked 92 overall for Trading Across Borders.

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



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

Good Practice Economies	Documents for export (number)	Time for export (days)	Cost to export (US\$ per container)	Documents for import (number)	Time for import (days)	Cost to import (US\$ per container)
Denmark*		5				
France	2			2		
Malaysia			450			
Singapore					3	439

<i>Selected Economy</i>						
Brazil	8	14	1240	7	19	1275

<i>Comparator Economies</i>						
Argentina	9	13	1480	7	18	1810
Chile	6	21	745	7	21	795
China	7	21	460	6	24	545
India	8	17	945	9	20	960
Japan	4	10	989	5	11	1047
Mexico	5	17	1472	5	23	2700

* The following economies are also good practice economies for :

Time for export (days): Estonia, Singapore



Enforcing Contracts

Where contract enforcement is efficient, businesses are more likely to engage with new borrowers or customers. Doing Business tracks the efficiency of the judicial system in resolving a commercial dispute, following the step-by-step evolution of a commercial sale dispute before local courts. The data is 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).

The dispute concerns a contract for the sale of goods between two businesses (the Seller and the Buyer) both located in the economy's largest business city.

The Seller sells and delivers goods, worth 200% of the economy's income per capita, to the Buyer. The Buyer refuses to pay on the grounds that they were not of adequate quality.

The Seller sues the Buyer to recover the amount under the sales agreement (200% of the economy's income per capita). The claim is filed before a court in the economy's largest business city with jurisdiction over commercial cases worth 200% of the income per capita and is disputed on the merits. Judgment is 100% in favor of the Seller and is not appealed. Seller enforces the judgment and the money is successfully collected through a public sale of Buyer's assets.

Rankings on enforcing contracts are based on 3 sub-indicators:

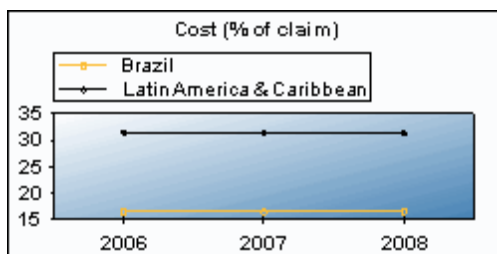
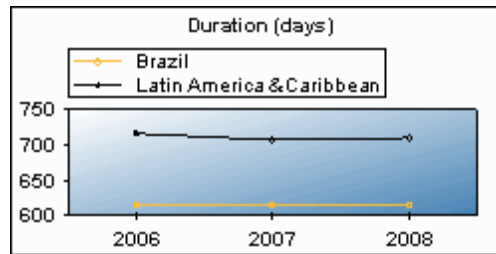
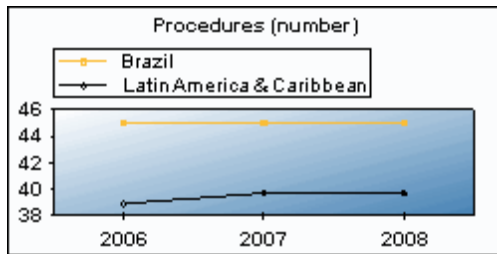
- Number of procedures, which are defined as any interaction between the parties or between them and the judge or court officer. This includes steps to file the case, steps for trial and judgment and steps necessary to enforce the judgment.
- Time, which counts the number of calendar days from the moment the Seller files the lawsuit in court until payment is received. This includes both the days on which actions take place and the waiting periods in between.
- Cost, which is recorded as a percentage of the claim (assumed to be equivalent to 200% of income per capita). Three types of costs are recorded: court costs (including expert fees), enforcement costs (including costs for a public sale of Buyer's assets) and attorney fees.

Justice delayed is often justice denied. And in many economies only the rich can afford to go to court. For the rest, justice is out of reach. In the absence of efficient courts, firms undertake fewer investments or business transactions. And they prefer to involve only a small group of people who know each other from previous dealings.

1. Historical data: Enforcing Contracts in Brazil

Enforcing Contracts data	Doing Business 2007	Doing Business 2008	Doing Business 2009
Rank		103	100
Procedures (number)	45	45	45
Duration (days)	616	616	616
Cost (% of claim)	16.5	16.5	16.5

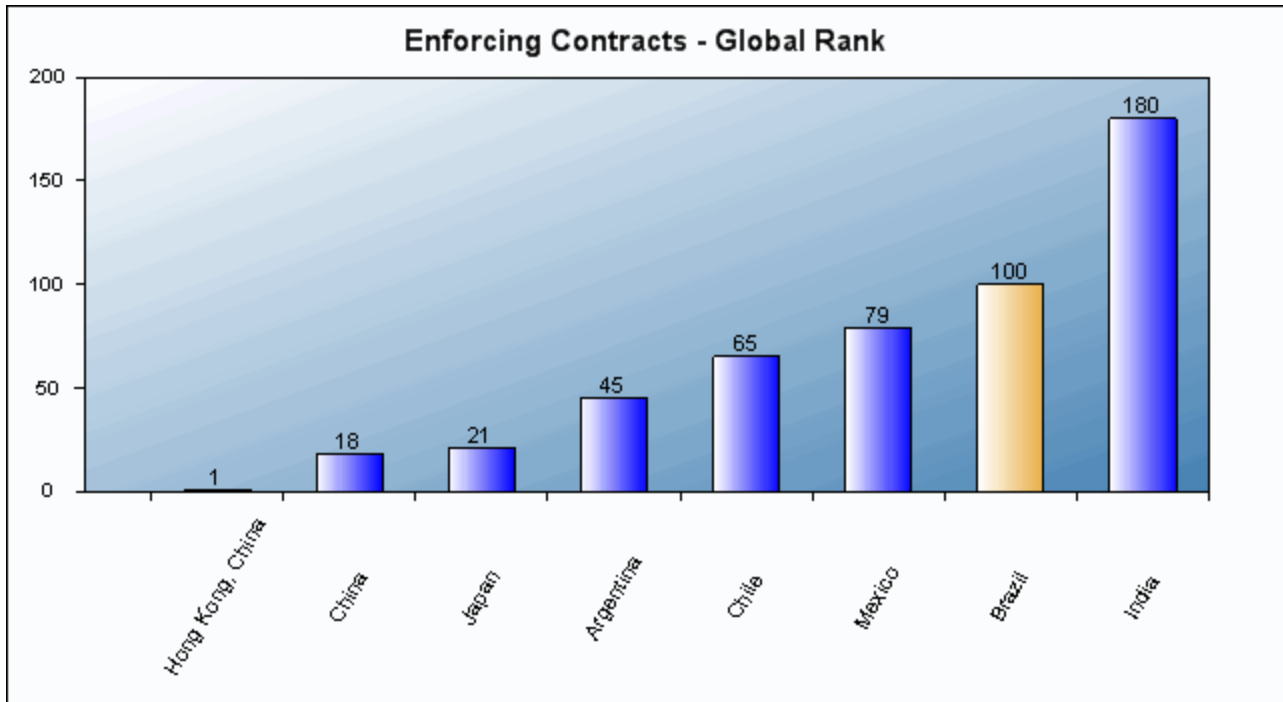
2. The following graphs illustrates the Enforcing Contracts indicators in Brazil over the past 3 years:



3. Benchmarking Enforcing Contracts Regulations:

Brazil is ranked 100 overall for Enforcing Contracts.

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



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

Good Practice Economies	Procedures (number)	Duration (days)	Cost (% of claim)
Iceland*			6.2
Ireland	20		
Singapore		150	

<i>Selected Economy</i>			
Brazil	45	616	16.5

<i>Comparator Economies</i>			
Argentina	36	590	16.5
Chile	36	480	28.6
China	34	406	11.1
India	46	1420	39.6
Japan	30	316	22.7
Mexico	38	415	32.0

* The following economies are also good practice economies for :

Cost (% of claim): Bhutan



Closing Business

The economic crises of the 1990s in emerging markets—from East Asia to Latin America, from Russia to Mexico—raised concerns about the design of bankruptcy systems and the ability of such systems to help reorganize viable companies and close down unviable ones. In countries where bankruptcy is inefficient, unviable businesses linger for years, keeping assets and human capital from being reallocated to more productive uses.

The Doing Business indicators identify weaknesses in the bankruptcy law as well as the main procedural and administrative bottlenecks in the bankruptcy process. In many developing countries bankruptcy is so inefficient that the parties hardly ever use it. In countries such as these, reform would best focus on improving contract enforcement outside bankruptcy.

The data on closing a business are developed using a standard set of case assumptions to track a company going through the step-by-step procedures of the bankruptcy process. It is assumed that the company is a domestically owned, limited liability corporation operating a hotel in the country's most populous city. The company has 201 employees, 1 main secured creditor and 50 unsecured creditors. Assumptions are also made about the debt structure and future cash flows. The case is designed so that the company has a higher value as a going concern—that is, the efficient outcome is either reorganization or sale as a going concern, not piecemeal liquidation. The data are derived from questionnaires answered by attorneys at private law firms.

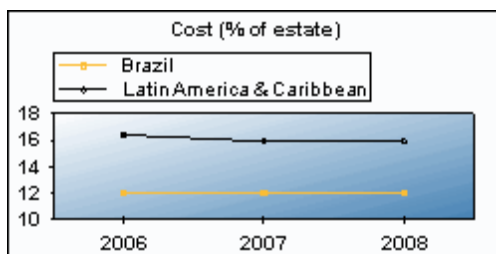
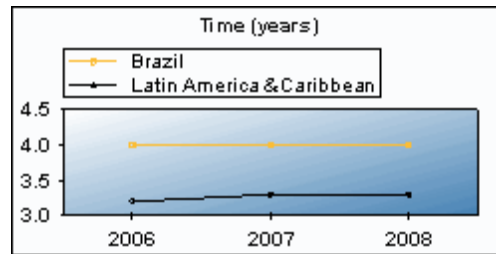
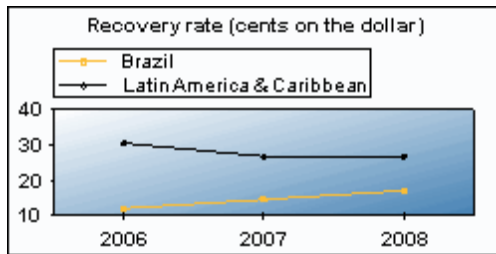
Three measures are constructed from the survey responses: the time to go through the insolvency process, the cost to go through the process and the recovery rate—how much of the insolvency estate is recovered by stakeholders, taking into account the time, cost, depreciation of assets and the outcome of the insolvency proceeding.

Bottlenecks in bankruptcy cut into the amount claimants can recover. In countries where bankruptcy laws are inefficient, this is a strong deterrent to investment. Access to credit shrinks, and nonperforming loans and financial risk grow because creditors cannot recover overdue loans. Conversely, efficient bankruptcy laws can encourage entrepreneurs. The freedom to fail, and to do so through an efficient process, puts people and capital to their most effective use. The result is more productive businesses and more jobs.

1. Historical data: Closing Business in Brazil

Closing a Business data	Doing Business 2007	Doing Business 2008	Doing Business 2009
Rank		134	127
Time (years)	4.0	4.0	4.0
Cost (% of estate)	12	12	12
Recovery rate (cents on the dollar)	12.1	14.6	17.1

2. The following graphs illustrates the Closing Business indicators in Brazil over the past 3 years:



3. Benchmarking Closing Business Regulations:

Brazil is ranked 127 overall for Closing a Business.

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



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

Good Practice Economies	Recovery rate (cents on the dollar)	Time (years)	Cost (% of estate)
Ireland		0.4	
Japan	92.5		
Singapore*			1

<i>Selected Economy</i>			
Brazil	17.1	4.0	12

<i>Comparator Economies</i>			
Argentina	29.8	2.8	12
Chile	21.3	4.5	15
China	35.3	1.7	22
India	10.4	10.0	9
Japan	92.5	0.6	4
Mexico	64.2	1.8	18

* The following economies are also good practice economies for :

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

DB2009 Reforms

Number of reforms in Doing Business 2009

Rank	Economy	Reform Topics									Total number of reforms
		Starting a Business	Dealing with Construction Permits	Employing Workers	Registering Property	Getting Credit	Protecting Investors	Paying Taxes	Trading Across Borders	Enforcing Contracts	
1	Azerbaijan	✓		✓	✓	✓	✓	✓		✓	7
2	Albania	✓				✓	✓	✓			4
3	Kyrgyz Republic	✓	✓				✓				3
4	Belarus	✓	✓		✓	✓		✓	✓		6
5	Senegal	✓			✓				✓		3
6	Burkina Faso		✓	✓	✓			✓			4
7	Botswana	✓					✓	✗	✓		3
8	Colombia	✓	✓					✓	✓	✓	5
9	Dominican Republic	✓			✓			✓	✓		4
10	Egypt	✓	✓		✓	✓	✓		✓		6
	Brazil								✓		1
	Chile										
	Japan										
	Argentina			✓							1
	India								✓		1
	Mexico							✓		✓	2
	China			✗		✓		✓	✓		3

Note: Economies are ranked on the number and impact of reforms, Doing Business selects the economies that reformed in 3 or more of the Doing Business topics. Second, it ranks these economies on the increase in rank in Ease of Doing Business from the previous year. The larger the improvement, the higher the ranking as a reformer.

Albania	Albania, a top reformer globally and regionally, established a public credit registry allowing financial institutions to share credit information and covering 8.3 percent of the adult population. This reform allows banks to better evaluate the creditworthiness of potential borrowers, facilitating access to credit for firms and individuals. Albania also strengthened investor protections. A new company law requires that disinterested shareholders approve transactions between interested parties and obligates those parties to disclose all information on the transaction to the public. The law also reinforces directors' duties and requires directors, when found liable, to pay damages and return profits to the company. Starting a business became easier with online publication, reduction of the registration cost, and the consolidation of tax, health insurance, and labor registration into a single application. The corporate income tax rate was reduced from 20 percent to 10 percent effective January 1, 2008.
Argentina	Argentina reduced the severance payment for a worker with 20 years of seniority from 30 months to 20. After its unemployment rate fell below 10%, a 2007 decree abolished the 50% increase in severance payments that had been part of "emergency laws" adopted in 2002.
Azerbaijan	Azerbaijan, the top reformer globally and regionally, eliminated the minimum threshold for reporting loans to the public credit registry in September 2007. The public registry now records information on all loans made by the financial system, more than doubling the coverage of borrowers with a credit history. Substantial amendments to the labor code in May 2007 made hiring workers easier by allowing employers to use fixed-term contracts for permanent tasks, easing restrictions on night work, and reducing requirements for redundancy dismissals. Azerbaijan created a second commercial court in Baku, increasing the number of judges dealing with commercial cases from five to nine. The average time to enforce a contract through the courts fell from 267 days to 237. A new law strengthens investor protections by requiring that transactions between interested parties be approved by shareholders. Interested parties are allowed to vote on the matter. Other provisions protect investors because directors who are held liable must pay damages and disgorge profits. Azerbaijan introduced a new unified property registry, reducing the number of procedures required to register property from seven to four. In addition, the State Register Service introduced the option of expediting two of the four procedures, making it possible to register property in 11 days. Similarly, the country created a one-stop shop for company registration, cutting the number of procedures from 13 to six and reducing the time required by half. Azerbaijan reduced the tax burden by introducing an online filing and payment system with advanced accounting software for calculating taxes due. This saves more than 500 hours a year on average in dealing with paperwork.
Belarus	In Belarus, a top reformer globally and regionally, the public credit registry expanded credit information by eliminating the minimum threshold for loans recorded in its database. It also guaranteed the right of borrowers to review their data, improving accuracy. Starting a business became easier: a unified registry database was created, a time limit was introduced for registration, and the minimum capital requirement was cut by half. Belarus created a one-stop shop for property registration and introduced a broad administrative simplification program that set strict time limits at the registry and computerized its records. As a result, the time required to register property in Minsk fell from 231 days to 21. The time required for dealing with construction permits fell by 140 days, thanks to new statutory time limits for preapproval clearances and building permits. Belarus eased the tax burden by abolishing the "Chernobyl tax" (3 percent) and unemployment tax (1 percent) and amending the simplified tax system for small businesses. A new customs code and new banking regulations reduced the time to export
Botswana	Botswana improved its business environment by speeding the start-up process through computerization. A similar effort, which included training customs officers in using an electronic data interchange system, sped the processing of trade documents and reduced the time to export by two days and the time to import by a day. A new Company Act has come into force, requiring that shareholders approve related-party transactions and that directors repay damages and surrender profits if held liable. Finally, since January 2008, companies have been required to pay 0.2 percent of turnover for the training of workers.
Brazil	Brazil reduced the time to export by four days. Authorities merged the current manifest reporting system, "Merchante" (for imports) and "Siscomex" (for exports) into a new and unique system, "Siscomex Carga." Due to an increase in the shares of traders allotted "green line" status, the number of inspections was reduced, speeding up the customs process.

Burkina Faso	Burkina Faso eliminated random inspections during construction. It also introduced a new one-stop shop for construction permits, which reduced approval fees and combined five separate payments into a single one. A new labor code, approved in May 2008, makes hiring workers easier by allowing employers to use fixed-term contracts for permanent tasks, removing the 48-month limit on the duration of such contracts, and easing restrictions on determining the weekly rest day. Requirements for redundancy dismissals were also eased: third-party notification and consent are no longer required for dismissal of a single worker, and priority rules for dismissals were abolished. Burkina Faso made it easier to transfer property by eliminating the requirement for authorization from the municipality, merging two taxes at the Land Registry (Conservation Foncière), and reducing the transfer tax. The changes reduced the time required by 46 days and the cost by 2 percent of the property value. Finally, Burkina Faso reduced the corporate income tax rate from 35 percent to 30 percent (effective January 1, 2008), and the tax on dividends from 15 percent to 12.5 percent.
Chile	In Chile no major reform was recorded.
China	China made getting credit easier by expanding the range of assets that can be used as collateral through a new property law in October 2007. Accounts receivable and a combination of assets can now be used to secure a loan. China also tightened the rules on enforcement of judgments, making it harder for debtors to prevent enforcement. And it eased the tax burden on businesses by reducing the corporate income tax rate from 33.3 percent to 25 percent and unifying the criteria and accounting methods for tax deductions. A new labor contract law has had a mixed impact. The new law empowers workers and recognizes their right to paid annual leave. But it also makes firing workers more difficult by introducing priority rules for redundancy dismissals and increasing dismissal costs. The flexibility of working hours was also reduced.
Colombia	Colombia, a top global and regional reformer, improved in five of the 10 Doing Business indicators. It reduced the time and cost to start a business by simplifying registration formalities, including speeding up processes at the registry and eliminating the need to obtain a certificate of compliance with zoning regulations. A silence-is-consent principle for building permits is now applied, reducing the total time for dealing with construction permits by 32 days. A new unified application form was introduced. Colombia made electronic social security contributions mandatory for companies with more than 30 employees and created unified electronic forms for filing taxes. Trading across borders was expedited: better banking services and the implementation of e-payments, electronic data interchange, and coordinated inspections in customs reduced the time to export by 10 days and the time to import by five. Authorities also introduced two new insolvency proceedings: a reorganization procedure to restructure insolvent companies and a mandatory liquidation procedure. Its new insolvency law tightens time limits for negotiating reorganization agreements. Before, the term allowed was six months, with a possible extension of eight months. The new law limits the term to four months, and the extension to two.
Dominican Republic	The Dominican Republic, a top global and regional reformer, sped up formalities in several areas by making them electronic. An online system for filing and paying taxes, piloted in 2006, is now fully operational. And entrepreneurs can complete several start-up formalities online, including name verification, and commercial and tax registration. The Dominican Republic also reduced the corporate income tax rate from 29% to 25%, and abolished several taxes, including the stamp duty. The cost of property registration fell, thanks to a reduction in the transfer tax from 4.3% to 3%. Transferring property now costs 3.8% of the property value, down from 5.1%. In addition, authorities reduced the time to export by three days by improving the online portal for customs documentation and payment.
Egypt	Egypt was once again among the top 10 global reformers—the third time in 4 years—and top regional reformer this year. Egypt made starting a business easier by reducing the paid-in minimum capital requirement by more than 80%, abolishing bar association fees, and automating tax registration. A new building code introduced in 2008 is aimed at reducing the procedures and time required to deal with construction permits by establishing a single window for processing construction-related approvals. Simplified administrative procedures for registering property and new time limits have reduced the time to transfer property in Cairo from 193 days to 72. The port of Alexandria continued to upgrade its facilities and sped customs clearance, reducing the time to export by 1 day and the time to import by 3. New listing rules for the Cairo Stock Exchange strengthened protections for minority shareholders: now an independent body must assess transactions between interested parties before they are approved. And thanks to new regulations issued by the Central Bank of Egypt, borrowers have the right to inspect their data in the private credit bureau.

India	India implemented electronic data interchange (EDI), allowing exporters to submit documents to customs online. The EDI system also enables customs to automatically assess export documents, making customs clearance more efficient. The new system reduced the time needed to export by 1 day.
Japan	In Japan no major reforms were recorded.
Kyrgyz Republic	The Kyrgyz Republic, a top reformer globally and regionally, strengthened investor protections through legal amendments allowing minority investors to take legal actions as shareholders. The amendments also require an independent assessment of a related-party transaction before it is approved. Moreover, directors can be held liable for negligence if they harm minority shareholders and will be forced to pay damages and disgorge profits. A new one-stop shop made it easier to start a business by streamlining and simplifying business registration processes and eliminating certain requirements such as proof of residence. Obtaining a company seal became optional. Dealing with construction permits also became easier, thanks to a one-stop shop making it possible to obtain a designing permit, construction license, and occupancy permit at a single place. This reform eliminated nine steps, reduced the time required by almost 6 months, and lowered the cost from 759 percent of income per capita to 406 percent.
Mexico	Mexico introduced a new tax law that abolishes the asset tax (IMPAC) and the possible eventual amalgamation of income tax applicable to corporations and individuals with business activities. A new withholding tax on cash deposit interest is being implemented, and new reporting rules were introduced for value-added tax. Mexico also amended its bankruptcy law to make reorganization more accessible. Now debtors and creditors may enter into a reorganization agreement at any stage of the insolvency procedure, which is expected to speed the process.
Senegal	Senegal's one-stop shop for business start-up became fully operational, merging more than half the procedures and speeding the process as a result. Similarly, the introduction of time limits at the Land Registry and the Directorate of Taxes and Property sped property registration. The top reformer globally in easing trade, Senegal introduced a single window for customs clearance, cutting document requirements in half. It also set up an electronic data interchange system, implemented risk-based inspections, extended the operating hours of customs, and improved port and road infrastructure.

APPENDICES

Starting a Business in Brazil

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

STANDARDIZED COMPANY

Legal Form: Sociedade Limitada

Minimum Capital Requirement:

City: São Paulo

Registration Requirements:

No:	Procedure	Time to complete	Cost to complete
1	Check company name with State Commercial Registry Office	1 hour	no charge
2	Pay registration fees	1 day	see following procedures
3	Register with the commercial board of the state where the main office is located and obtain identification number (NIRE)	1 day	R\$59.06 registration + \$100 (expediting fee)
4	Register for federal and state tax (Secretaria da Receita Federal do Ministério da Fazenda, SRF/MF), obtain the CNPJ number, which also registers employees with the National Institute of Social Security (Instituto Nacional da Seguridade Social, INSS)	About 22 days (including inspection visit)	no charge
5 *	Confirm INSS enrollment	1 day (simultaneous with previous procedure)	no charge
6 *	Receive state tax inspection	1 day (simultaneous with previous procedure)	no charge
7	Get the authorization to print receipts/invoices from the Secretaria da Fazenda Estadual	1 day	no charge
8 *	Register with the Municipal Taxpayers' Registry (Secretaria Municipal de Finanças) of the City of São Paulo	5 days (Simultaneous with procedure 5)	no charge
9 *	Pay TFE to the Municipal Taxpayers' Registry	1 day (simultaneous with Procedure 5)	R\$ 300 (for retailing business), may vary in accordance with the company's activities
10	Get the authorization to print receipts/invoices from the Secretaria Municipal de Finanças	1 day	no charge
11	Order receipts/invoices (notas fiscais) with CNPJ numbers from authorized printing companies	3 days	R\$ 600 (R\$0.6 per page, assume printing 1000)

12	Obtain fire brigade license from the State of São Paulo	procedure 12-14 takes 120 days	no charge
13 *	Inspection from the Fire Brigade	included in the previous procedure	no charge
14 *	Apply to the municipality for an operations permit (Alvará de Funcionamiento)	included in the previous procedure	no charge
15 *	Register the employees in the social integration program (Programa de Integração Social, PIS)	1 day, simultaneous with Procedure 14	no charge
16 *	Open a special fund for unemployment (FGTS) account in bank	1 day, simultaneous with Procedure 14	no charge
17 *	Notify the Ministry of Labor (Cadastro Geral de empregados e desempregados, CAGED)	1 day (trivial) , simultaneous with Procedure 14	no charge
18 *	Registration with the Patronal Union and with the Employees Union.	5 days, simultaneous with Procedure 14	Annual fee to be paid depending on the Union.

* Takes place simultaneously with another procedure.

Procedure 1 Check company name with State Commercial Registry Office

Time to complete: 1 hour

Cost to complete: no charge

Comment: The entrepreneur checks whether the company name exists in the state of São Paulo, a process that takes an hour to complete on average. For a federal check, a request for extension must be submitted to the Board of Trade (Junta Commercial). According to Law no. 11598/2007, published on December 3rd, 2007, the company's name shall be available for checking free of charge. However, said law does not establish a term for the implementation of this specific procedure. According to understandings held before the Board of Trade of São Paulo, there is no official position on how long it shall take for its implementation.

Procedure 2 Pay registration fees

Time to complete: 1 day

Cost to complete: see following procedures

Comment: A receipt of payment must be obtained for use in the Procedure 3.

Procedure 3 Register with the commercial board of the state where the main office is located and obtain identification number (NIRE)

Time to complete: 1 day

Cost to complete: R\$59.06 registration + \$100 (expediting fee)

Comment: Depending on the company activities (business or civil), its corporate acts (articles of association and amendments) should be registered either with the Board of Trade (Junta Comercial) or with the Registry of Civil Companies. The registration cost for a limited liability company before the Board of Trade of the state of São Paulo is about BRL 60,00. The cost for registration of a limited liability company before the Registry of Civil Companies depends on the amount of corporate capital of the company to be incorporated. Only for "civil companies" must signatures on articles of incorporation be authenticated before a notary public before registration and filling with a registry of civil companies.

To take advantage of expedited registration of the company's articles of association and amendments with the Board of Trade of the State of São Paulo, most entrepreneurs choose to register either with Sindicato da Micro e Pequena Indústria de São Paulo (SIMPI) at www.simpi.com.br or with Associação Comercial de São Paulo (ACSP) at www.jucespacsp.com.br. An additional fee of BRL100 applies for expedited service. In this case, the registration will be completed within 24 hours.

On April 4th 2008, the Board of Trade of the State of São Paulo has already implemented the electronic system in accordance with Administrative rule (Portaria) N. 021. As a result, the entrepreneur completes and submits the forms online (at www.jucesp.sp.gov.br) to be registered with the Board of Trade (Junta Comercial). For a limited liability company, registering before the Board of Trade of the state of São Paulo costs about BRL 60,00.

Procedure 4 Register for federal and state tax (Secretaria da Receita Federal do Ministério da Fazenda, SRF/MF), obtain the CNPJ number, which also registers employees with the National Institute of Social Security (Instituto Nacional da Seguridade Social, INSS)

Time to complete: About 22 days (including inspection visit)

Cost to complete: no charge

Comment: For the register of the company before the Institute of Social Security (INSS), it is necessary to present to the INSS the company's Articles of Association registered before the Register of Commerce of State of São Paulo and the CNPJ Certificate.

The Normative Rule (IN) No. 748, dated June 28, 2007, issued by the Federal Revenue Services requires that the relevant company obtain licenses from Companhia de Tecnologia de Saneamento Ambiental (CETESB) and/or from the Sanitary Surveillance Department (depending on its main activities). Licenses must be issued before registration in the CNPJ is granted (enrollment for the taxpayer's tax). For example, industrial and pharmaceutical companies are required to obtain a previous license from the CETESB before applying with the CNPJ. The process at the CETESB, however, will be completed only by obtaining the installation permit and operating license from the CNPJ. The licenses from CETESB and/or the Sanitary Surveillance Department are necessary to complete the state regular process. Normative Rule IN 568 regulates only the CNPJ registration process and not the licenses from CETESB and the Sanitary Surveillance Department.

The Normative Rule (IN) No. 632 dated March 17, 2006, issued by the Federal Revenue Services has been amended several times and the last amendment was done by the Normative Rule (IN) No. 837 dated April 2, 2008, issued by the Federal Revenue Services, which updates the Programa Gerador de Dados (PGD). Indeed, the registration process is synchronized only across the Brazilian Federal Revenue Services and the State Tax Authorities. The Municipality of São Paulo has not been included in this process yet.

The registration process was synchronized across the federal revenue and tax authorities of both the state and the city of São Paulo, which allows the sharing of company registry data. When the company requests the CNPJ number, the SRF/MF, via an internal system, informs the tax authorities of São Paulo of that request. Once the company obtains registration in the CNPJ registration, its legal representative visits the Office of Federal Revenue to confirm the information contained in the forms presented to Secretaria da Receita Federal do Ministério da Fazenda (SRF/MF1).

State tax authorities schedule an official inspection of the company's head office before approving its registration. Registration of businesses before the SRF/MF (to obtain the CNPJ number) and before the tax authorities of the state of São Paulo is done simultaneously

Procedure 5 Confirm INSS enrollment

Time to complete: 1 day (simultaneous with previous procedure)

Cost to complete: no charge

Comment: The company information must be entered on forms available on the Internet. After about 4 days, the company's legal representative will go to the Office of Federal Revenue to confirm the information in the forms. Only firms that purchase or sell goods must register with the state tax authority. The state registration is done before the Secretaria da Fazenda Estadual of the State of São Paulo, and the municipal registration, before the Municipality of São Paulo at the Secretaria Municipal de Finanças.

Procedure 6 Receive state tax inspection

Time to complete: 1 day (simultaneous with previous procedure)

Cost to complete: no charge

Comment:

Procedure 7 Get the authorization to print receipts/invoices from the Secretaria da Fazenda Estadual

Time to complete: 1 day

Cost to complete: no charge

Comment: Once the company is registered with the Secretaria da Fazenda Estadual, a specific form (known as the AIDF) must be presented to that authority.

Procedure 8 Register with the Municipal Taxpayers' Registry (Secretaria Municipal de Finanças) of the City of São Paulo

Time to complete: 5 days (Simultaneous with procedure 5)

Cost to complete: no charge

Comment: An enrollment form must be delivered to the municipality.

Procedure 9 Pay TFE to the Municipal Taxpayers' Registry

Time to complete: 1 day (simultaneous with Procedure 5)

Cost to complete: R\$ 300 (for retailing business), may vary in accordance with the company's activities

Comment: The proof of payment of the location, installation, and operation tax (TLIF) has been replaced by a new tax, the taxa de fiscalização de estabelecimento (TFE). The main difference between the TLIF tax and the TFE tax is the basis for the annual rate: The TLIF is based on the company's number of employees, and the TFE is based on the company's corporate purpose. The annual rate of the TFE may vary from BRL 100,000 to BRL 12 million. Once the company has been registered with the Secretaria de Finanças e Desenvolvimento Econômico, it shall pay an annual fee for the control and fiscalization of the compliance with municipal laws. This payment is due on the tenth day of the second month following commencement of company operations. The TFE tax is related to the operations permit (alvará de funcionamento).

Procedure 10 Get the authorization to print receipts/invoices from the Secretaria Municipal de Finanças

Time to complete: 1 day

Cost to complete: no charge

Comment: Upon registering the company at the Secretaria Municipal de Finanças, the company must file a specific form (known as the AIDF) and present it to that authority, along with Book No. 51 and Book No. 57.

Procedure 11 Order receipts/invoices (notas fiscais) with CNPJ numbers from authorized printing companies

Time to complete: 3 days

Cost to complete: R\$ 600 (R\$0.6 per page, assume printing 1000)

Comment:

Procedure 12 Obtain fire brigade license from the State of São Paulo

Time to complete: procedure 12-14 takes 120 days

Cost to complete: no charge

Comment: To obtain the operational license, the company must first obtain the fire brigade license and, if necessary, the sanitation license, the CETESB license, and the police license. All licenses are requested at the same time, though such requests must precede that for the operational license.

Procedure 13 Inspection from the Fire Brigade

Time to complete: included in the previous procedure

Cost to complete: no charge

Comment:

Procedure 14 Apply to the municipality for an operations permit (Alvará de Funcionamiento)

Time to complete: included in the previous procedure

Cost to complete: no charge

Comment: After registration with the Secretaria de Finanças e Desenvolvimento Econômico, the company has 30 days to apply for the operations permit (alvará de funcionamento) by filling out the proper forms and submitting the required documents. The operational license is a prerequisite for the company to begin operations. However, because of practicalities and the long processing time to obtain the license, municipalities have permitted companies to operate provided that they pay the TFE. An inspection to obtain the municipal license is necessary but not mandatory. The inspector shall verify whether the company is respecting such municipal laws as zoning laws.

Procedure 15 Register the employees in the social integration program (Programa de Integração Social, PIS)

Time to complete: 1 day, simultaneous with Procedure 14

Cost to complete: no charge

Comment: After duly registering the new employees in the social integration program (Programa de Integração Social, PIS/PASEP), the employer must open an Fundo de Garantia por Tempo de Serviço (FGTS account for each employee). To open the account, the company's representative or attorney-in-fact must go to any local branch of the federal savings bank (Caixa Economica Federal) with a copy of the company's taxpayer registry number (CNPJ/MF), the adhesion form issued by the Federal Saving Bank (Caixa Economica Federal), the list of employees, and the company's articles of association or bylaws. Upon opening the employee FGTS accounts, the company will make monthly deposits equal to 8.5% of the total payroll, of which 8% is allocated for the employees and 0.5% for the government. The employees are entitled to withdraw those deposits for specific events provided by law (termination without cause and serious disease or disability, among others).

A new online procedure (Sistema Empresa de Recolhimento do FGTS e informações à Previdência Social, SEFIP) was developed to speed up FGTS payment and information exchange between the employer and the federal savings bank. SEFIP can be accessed through the Federal Savings Bank's Web site. This procedure permits the online transfer

of data, creating a company file with all information required by the FGTS and Social Security. After the referred data transmission, the program issues a tax payment form (guia de recolhimento do FGTS) necessary for employer contribution payment.

Procedure 16 Open a special fund for unemployment (FGTS) account in bank

Time to complete: 1 day, simultaneous with Procedure 14

Cost to complete: no charge

Comment: After duly registering the new hire in the employee registry book (livro de registro de empregados), the employer must proceed to register the employees in the social integration program (Programa de Integração Social, PIS/PASEP). The PIS/PASEP registry is intended to identify the worker in order to establish an unemployment guarantee fund (FGTS) account, to request unemployment insurance, and to be entered in the National Registry of Social Information (Cadastro Nacional de Informações Sociais).

The employee must thus be registered into the PIS/PASEP to not only set up an FGTS account but also to be eligible for unemployment insurance, if necessary. To register the employee, the employer must complete a PIS/PASEP registry form (documento de cadastramento do trabalhador, DCT), to be delivered to the federal savings bank responsible for the FGTS account. The enrollment is completed in about 5 to 10 business days from application if all enrollment requirements are met. The employee is enrolled with the Social Integration Program (Programa de Integração Social, PIS) upon entry, and if the employee has already a PIS/PASEP registry, the employer must only inform the Federal Savings Bank of the new employment relationship. The employer will obtain the receipt of the application to PIS within 15 days.

Procedure 17 Notify the Ministry of Labor (Cadastro Geral de empregados e desempregados, CAGED)

Time to complete: 1 day (trivial) , simultaneous with Procedure 14

Cost to complete: no charge

Comment: Pursuant to applicable legislation, the employer must inform the Ministry of Labor of any new hires or employee dismissals, as well as any transfer to another locality. The employer must make that notice to the local department of the Ministry of Labor (Delegacia Regional do Trabalho) by the seventh day of the month subsequent to the month of the event, through delivery of a written notice by postal mail or the Internet. Delay in delivering that information makes the company liable for a fine calculated according to the number of employees in question and the duration of delay. In addition, the company must submit annually to the Labor Ministry the “annual report of social information” (relação anual de informações sociais, RAIS), which contains information on company employees (name, salary, admission date, and employment booklet number, among others).

Procedure 18 Registration with the Patronal Union and with the Employees Union.

Time to complete: 5 days, simultaneous with Procedure 14

Cost to complete: Annual fee to be paid depending on the Union.

Comment: Pursuant to labor law, registration with the employees union is mandatory and ensures that the company is obeying employee labor rights. Each municipality and state must have unions that represent the activities performed by the company. Once a year, employees and employers must contribute to their representative employee unions and employer associations an amount equivalent to one day’s salary (regardless of whether they are affiliated to the union or association). The employer must withhold this amount from the

employee's pay and send it to the respective union by March of each contribution year or upon hiring the employee. As a result, the company must check each new employee's employment booklet to verify whether any union contributions have been recorded for the year of hire. If not, the company must discount the union contribution from the employee's pay at the end of the first month after hire and must forward the contribution to the employee's union.

The payment of the company's contribution to the employer's association shall be proportional to the company's corporate capital. Payment is due every January, except for the first payment, which is due in the month of the company's registration. The time may vary for each employers union and employees union.

Dealing with Construction Permits in Brazil

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

BUILDING A WAREHOUSE

Date as of: January 2, 2008

Estimated Warehouse Value:

City: São Paulo

Registration Requirements:

No:	Procedure	Time to complete	Cost to complete
1	Request and obtain proof of land ownership from Real Estate Registry Office	2 days	BRL 15
2 *	Request and obtain proof of land tax payment from Treasury of the municipality	7 days	BRL 15
3	Register employees with the Social Security Office	1 day	no charge
4	Submit proof of payment to Social Security Office	1 day	no charge
5	Request and obtain construction approval permit and construction execution permit	274 days	BRL 3,606
6 *	Request and obtain equipment operating permit	60 days	BRL 75
7	Request and receive frame inspection from municipality	1 day	no charge
8	Request and receive inspection of the structures from municipality	1 day	no charge
9	Request and receive labor inspection from Labor Public Attorneys' Office	1 day	no charge
10	Request and receive sanitary inspection from municipality	1 day	no charge
11	Request and obtain conclusion approval	60 days	BRL 300
12 *	Receive final inspection from municipality	1 day	no charge
13	Request and receive Fire Department inspection	31 days	BRL 700
14	Request and obtain operation license	60 days	BRL 25
15	Request and connect to water and sewage	30 days	no charge

16 *	Request and connect to telephone	15 days	BRL 100
17 *	Request and connect to electricity	10 days	no charge
18	Register with the Real Estate Registry Office	15 days	BRL 1,272

* Takes place simultaneously with another procedure.

Procedure 1 Request and obtain proof of land ownership from Real Estate Registry Office

Time to complete: 2 days

Cost to complete: BRL 15

Comment: Attesting to proof of land ownership, this certificate is valid for only 30 days. Procedures 1 and 2 can run in parallel.

Procedure 2 Request and obtain proof of land tax payment from Treasury of the municipality

Time to complete: 7 days

Cost to complete: BRL 15

Comment: Attesting to payment of land taxes, this certificate is valid for only 30 days. Procedures 1 and 2 can run in parallel.

Procedure 3 Register employees with the Social Security Office

Time to complete: 1 day

Cost to complete: no charge

Comment: For each construction site, BuildCo must register employees separately with social security (Instituto Nacional de la Seguridad Social, INSS).

Procedure 4 Submit proof of payment to Social Security Office

Time to complete: 1 day

Cost to complete: no charge

Comment: At the end of construction, BuildCo must submit proof of payment to its construction workers and file a request with the Social Security Office to obtain a clearance certificate.

Procedure 5 Request and obtain construction approval permit and construction execution permit

Time to complete: 274 days

Cost to complete: BRL 3,606

Comment: To obtain the construction approval permit and the construction execution permit on the warehouse project, BuildCo must apply for them with the municipality. If the project conforms to municipal legislation, zoning law, and the municipal building code, the municipality would issue a document approving construction. To apply for these permits, BuildCo must submit the architectural drawings and real estate documentation (real estate title or real estate tax).

After examining the project's architecture and engineering and issuing the permit, the municipality examines the practical and installation aspects and begins the process of issuing an execution permit.

BuildCo can request both permits simultaneously, but the municipality grants the permits in a specific order.

The permit fee can vary drastically, depending on the project size and location. However, the basic fee for this size of project is BRL 3,252 plus BRL 354.

Valid for a year, the construction approval permit is a prerequisite for subsequent procedures. The construction execution permit is valid for 3 years. Due to backlog of projects, the time required for this procedure is at least 9 to 10 months.

Procedure 6 Request and obtain equipment operating permit

Time to complete: 60 days
Cost to complete: BRL 75
Comment: The permit allows the use of construction equipment.

Procedure 7 Request and receive frame inspection from municipality

Time to complete: 1 day
Cost to complete: no charge
Comment: The inspection is carried out 2 weeks after it is requested.

Procedure 8 Request and receive inspection of the structures from municipality

Time to complete: 1 day
Cost to complete: no charge
Comment:

Procedure 9 Request and receive labor inspection from Labor Public Attorneys' Office

Time to complete: 1 day
Cost to complete: no charge
Comment:

Procedure 10 Request and receive sanitary inspection from municipality

Time to complete: 1 day
Cost to complete: no charge
Comment:

Procedure 11 Request and obtain conclusion approval

Time to complete: 60 days

Cost to complete: BRL 300

Comment: After construction is completed, BuildCo must request this approval from the municipality to attest that the construction is finished and work performed according to the construction approval permit and the construction execution permit. The approval is valid until the first amendment of the construction project. To request and obtain conclusion approval, BuildCo must submit the following documents:

- Application form, addressed to the São Paulo Municipal Secretariat of Housing and Urban Development (SEHAB).
- First page of construction and territorial booklet.
- Construction permit.
- Engineering and CREA card.
- Receipt evidencing payment of construction work tax.
- Sets of approved plans (two).
- Administrative tax.
- ART of chief engineer.

Procedure 12 Receive final inspection from municipality

Time to complete: 1 day

Cost to complete: no charge

Comment: The final inspection applies to larger scale projects. However, small-scale projects may receive random inspections.

Procedure 13 Request and receive Fire Department inspection

Time to complete: 31 days

Cost to complete: BRL 700

Comment: The fire department must approve the warehouse safety equipment. This inspection is valid for 3 years.

Procedure 14 Request and obtain operation license

Time to complete: 60 days

Cost to complete: BRL 25

Comment: Upon completing the construction procedure and the fire department inspection, BuildCo must apply for the relevant operation license before the municipality and show evidence that the company can develop the specific business at the site. To obtain this license, the company must present all warehouse project documentation.

If the warehouse is to be sold after completion, this procedure might be done by the buyer and not BuildCo.

Procedure 15 Request and connect to water and sewage

Time to complete: 30 days

Cost to complete: no charge

Comment: This procedure can begin after Procedure 14 has been completed. The connection request is filed with the Water Agency and Sewerage Agency.

Procedure 16 Request and connect to telephone

Time to complete: 15 days

Cost to complete: BRL 100

Comment: The company must file a request with the Local Concessionary of Telecommunications to obtain the telecommunications connection.

Procedure 17 Request and connect to electricity

Time to complete: 10 days

Cost to complete: no charge

Comment: The company must file a request before the Concessionary of Electric Energy to connect the warehouse to the distribution lines of electric energy by submitting the warehouse address and the General Taxpayers' Registry.

Procedure 18 Register with the Real Estate Registry Office

Time to complete: 15 days

Cost to complete: BRL 1,272

Comment: At the end of construction, BuildCo must register the facility at the Real Estate Registry. BuildCo must present the title of the land and certificate from the Social Security Office.

Employing Workers in Brazil

Employing workers indices are based on responses to survey questions. The table below shows these responses in Brazil.

Employing Workers Indicators (2008)	Answer	Score
Rigidity of Employment Index		45.9
Difficulty of Hiring Index		77.8
Are fixed-term contracts prohibited for permanent tasks?	Yes	1
What is the maximum duration of fixed-term contracts (including renewals)? (in months)	24	1.0
What is the ratio of mandated minimum wage to the average value added per worker?	0.25	0.33
Rigidity of Hours Index		60.0
Can the workweek extend to 50 hours (including overtime) for 2 months per year to respond to a seasonal increase in production?	Yes	0
What is the maximum number of working days per week?	6	0
Are there restrictions on night work?	Yes	1
Are there restrictions on "weekly holiday" work?	Yes	1
What is the paid annual vacation (in working days) for an employee with 20 years of service?	30	1
Difficulty of Firing Index		0.0
Is the termination of workers due to redundancy legally authorized?	Yes	0
Must the employer notify a third party before terminating one redundant worker?	No	0
Does the employer need the approval of a third party to terminate one redundant worker?	No	0
Must the employer notify a third party before terminating a group of 25 redundant workers?	No	0
Does the employer need the approval of a third party to terminate a group of 25 redundant workers?	No	0
Is there a retraining or reassignment obligation before an employer can make a worker redundant?	No	0
Are there priority rules applying to redundancies?	No	0
Are there priority rules applying to re-employment?	No	0

Firing costs (weeks of salary)	36.8
What is the notice period for redundancy dismissal after 20 years of continuous employment? (weeks of salary)	4.3
What is the severance pay for redundancy dismissal after 20 years of employment? (weeks of salary)	26.0
What is the legally mandated penalty for redundancy dismissal? (weeks of salary)	6.5

Note: The first three indices measure how difficult it is to hire a new worker, how rigid the regulations are on working hours, and how difficult it is to dismiss a redundant worker. Each index assigns values between 0 and 100, with higher values representing more rigid regulations. The overall Rigidity of Employment Index is an average of the three indices.

Registering Property in Brazil

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

STANDARDIZED PROPERTY

Property Value: 653,927.44

City: São Paulo

Registration Requirements:

No:	Procedure	Time to complete	Cost to complete
1 *	Acquire a Labor Justice Certificate (Certidão da Justiça do Trabalho) from the Labor Justice Department	3 days (simultaneous with procedures 2,3, and 4)	R\$ 5,53
2 *	Request three documents on the property from the relevant jurisdictional Land Property Registry (cartório)	7 days (simultaneous with procedures 1, 3, and 4)	R\$ 28,43
3 *	Request a Land-Tax Certificate from City Hall	1 day (simultaneous with procedures 1, 2, and 4)	no cost
4 *	Acquire the most recent Commercial Certificate (Certidão de Breve Relato) at the city's chamber of commerce (Junta Comercial)	4 days (simultaneous with procedures 1, 2, and 3)	R\$ 9,00
5	Acquire a Clearance Certificate (Certidão Negativa de Débito do INSS) from the National Social Security Institute	1 day	no cost
6	Acquire a Worker's Fund Certificate (Certidão de Regularidade de Situação do FGTS) at the federal bank-Caixa Economica Federal	1 day	no cost
7	Acquire a Federal Tax Clearance Certificate from the Ministério da Fazenda (Certidão Negativa de Tributos Federais)	1 day	no cost
8	Acquire a Certificate of Registries and Disputes (Certidão dos Cartórios de Protestos) from the Distributor of Disputes Registry	2-3 days	R\$ 71,70
9	Acquire a Civil Distributor's Certificate (Certidão dos Distribuidores Cívies), a Fiscal Executive Certificate (Certidão de Executivos Fiscais) and a Bankruptcy Certificate (Certidão de Falencias e Concordatas) from the City Court Office	5 days	R\$ 9 (x 3 certificates)

10	Acquire a Federal Justice Certificate (Certidão da Justiça Federal) from the Receita Federal	1 day	no cost
11	Drafting of Public Deed of Purchase and Sale (Escritura Pública de Venda e Compra) by a Public Notary (Tabelião de Notas)	12 days	R\$2,481.28 (according to scale on www.anoregsp.org.br)
12	Register the escritura (transfer deed) at the appropriate Real Estate Registry with jurisdiction over the property to finalize registration and name change	5 days	R\$1,664.93 (according to scale on www.anoregsp.org.br)
13	Pay ITBI (transfer tax) at Banco do Brasil	1 day	2% of property value
14	Update the land taxation records (IPTU – Imposto Predial e Territorial Urbano) to the new owner's name at City Hall	5 days	No cost

* Takes place simultaneously with another procedure.

Procedure	1	Acquire a Labor Justice Certificate (Certidão da Justiça do Trabalho) from the Labor Justice Department
Time to complete:		3 days (simultaneous with procedures 2,3, and 4)
Cost to complete:		R\$ 5,53
Comment:		The Labor Justice Certificate assures that the company has no labor settlements pending. This procedure overlaps with other documents' issuance; therefore, it is placed at the top.
Procedure	2	Request three documents on the property from the relevant jurisdictional Land Property Registry (cartório)
Time to complete:		7 days (simultaneous with procedures 1, 3, and 4)
Cost to complete:		R\$ 28,43
Comment:		The documentation shall include: 1. 20-year certificate (Certidão Vintenária); 2. Up-to-date Certificate (Certidão Atualizada), which might be obtained on-line at www.arisp.org.br ; 3. Cadastral Certificate (Certidão de Dados e Dimensões). The three documents are needed in order to verify the status of the property. The first two certificates are used to verify past and present owners and past and present liens on the property. The third is used as a guarantee of the boundaries of the property.
Procedure	3	Request a Land-Tax Certificate from City Hall
Time to complete:		1 day (simultaneous with procedures 1, 2, and 4)
Cost to complete:		no cost
Comment:		In the cities of São Paulo and Brasília one may obtain this certificate on line at www.prefeitura.sp.gov.br . The certificate is free if obtained online, or R\$ 11.85 if obtained in person. The documentation shall include the Land-Tax Certificate (Certidão Negativa de Imposto Municipal) which reflects if any pending tax debt remains on the property, issued by city hall.
Procedure	4	Acquire the most recent Commercial Certificate (Certidão de Breve Relato) at the city's chamber of commerce (Junta Comercial)
Time to complete:		4 days (simultaneous with procedures 1, 2, and 3)
Cost to complete:		R\$ 9,00
Comment:		The Commercial Certificate certifies that the company was duly incorporated and provides basic information on the company, such as address, capital, officers and previous filings.
Procedure	5	Acquire a Clearance Certificate (Certidão Negativa de Débito do INSS) from the National Social Security Institute
Time to complete:		1 day
Cost to complete:		no cost

Comment: The Debt Certificate from INSS serves as a guarantee that the company has been up to date in its social security payments. If one is a certified representative of the company with a passcode, one can obtain this certificate online at www.dataprev.gov.br/servicos free of charge.

Procedure 6 Acquire a Worker's Fund Certificate (Certidão de Regularidade de Situação do FGTS) at the federal bank- Caixa Economica Federal

Time to complete: 1 day

Cost to complete: no cost

Comment: The Worker's Fund Certificate assures that the company has kept its pension fund plan up to date with payments. This certificate can be obtained online at the site Caixa Economica (<https://webp.caixa.gov.br/cidadao/Crf/FgeCfSCriteriosPesquisa.asp>) free of charge.

Procedure 7 Acquire a Federal Tax Clearance Certificate from the Ministério da Fazenda (Certidão Negativa de Tributos Federais)

Time to complete: 1 day

Cost to complete: no cost

Comment: The Federal Tax Certificate assures that the company has been paying its taxes accordingly. This certificate can be obtained online at www.receita.fazenda.gov.br/aplicacoes/ATSP0/certidao, CertInter/NICertidao.asp at no cost.

Procedure 8 Acquire a Certificate of Registries and Disputes (Certidão dos Cartórios de Protestos) from the Distributor of Disputes Registry

Time to complete: 2-3 days

Cost to complete: R\$ 71,70

Comment: The Certificate issued by the Cartórios de protesto show debts resulting from security bonds and contracts.

Procedure 9 Acquire a Civil Distributor's Certificate (Certidão dos Distribuidores Cívies), a Fiscal Executive Certificate (Certidão de Executivos Fiscais) and a Bankruptcy Certificate (Certidão de Falencias e Concordatas) from the City Court Office

Time to complete: 5 days

Cost to complete: R\$ 9 (x 3 certificates)

Comment: These three certificates guarantee that all civil, fiscal, and commercial legal settlements have been finalized and no pending sentences or legal proceedings are linked to the seller.

Procedure 10 Acquire a Federal Justice Certificate (Certidão da Justiça Federal) from the Receita Federal

Time to complete: 1 day

Cost to complete: no cost

Comment: The Federal Justice Certificate assures that the company has no pending federal settlements. It can now be obtained online, at no cost.

Procedure 11 Drafting of Public Deed of Purchase and Sale (Escritura Pública de Venda e Compra) by a Public Notary (Tabelião de Notas)

Time to complete: 12 days

Cost to complete: R\$2,481.28 (according to scale on www.anoregsp.org.br)

Comment: Parties file all the previous acquired documents, property-specific and vendor-specific, at the relevant General Cartório and sign the public deed at the notary. Also, parties pay the DARF (registration tax) at Caixa Economica.

Procedure 12 Register the escritura (transfer deed) at the appropriate Real Estate Registry with jurisdiction over the property to finalize registration and name change

Time to complete: 5 days

Cost to complete: R\$1,664.93 (according to scale on www.anoregsp.org.br)

Comment: The value is calculated either over the sale's price (market value) or over the price determined by the City Hall (official value) to the real state property, whichever is higher.

Procedure 13 Pay ITBI (transfer tax) at Banco do Brasil

Time to complete: 1 day

Cost to complete: 2% of property value

Comment: This tax can also be paid online.

Procedure 14 Update the land taxation records (IPTU – Imposto Predial e Territorial Urbano) to the new owner's name at City Hall

Time to complete: 5 days

Cost to complete: No cost

Comment: After the new owner has cleared all documentation and has possession of the property title, the same has to file for a name change on the relevant property at the City Hall in order to update the land taxation records (IPTU – Imposto Predial e Territorial Urbano) to the new owner's name. File on first day, then wait and go back on fifth day to collect the new documentation.

Getting Credit in Brazil

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

Getting Credit Indicators (2008)			Indicator
			score
Private bureau coverage (% adults)	Private credit bureau	Public credit registry	5
Are data on both firms and individuals distributed?	Yes	Yes	1
Are both positive and negative data distributed?	No	Yes	1
Does the registry distribute credit information from retailers, trade creditors or utility companies as well as financial institutions?	Yes	No	1
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?	Yes	No	1
Is it guaranteed by law that borrowers can inspect their data in the largest credit registry?	Yes	Yes	1
Coverage		62.2	20.2
Number of individuals		..	25,516,800
Number of firms		..	2,535,670

Legal Rights Index		3
Can any business use movable assets as collateral while keeping possession of the assets; and any financial institution accept such assets as collateral ?		Yes
Does the law allow businesses to grant a non possessory security right in a single category of revolving movable assets, without requiring a specific description of the secured assets ?		No
Does the law allow businesses to grant a non possessory security right in substantially all of its assets, without requiring a specific description of the secured assets ?		No
May a security right extend to future or after-acquired assets, and may it extend automatically to the products, proceeds or replacements of the original assets ?		No
Is a general description of debts and obligations permitted in collateral agreements, so that all types of obligations and debts can be secured by stating a maximum amount rather than a specific amount between the parties ?		Yes
Is a collateral registry in operation, that is unified geographically and by asset type, as well as indexed by the grantor's name of a security right ?		No
Do secured creditors have absolute priority to their collateral outside bankruptcy procedures?		No
Do secured creditors have absolute priority to their collateral in bankruptcy procedures?		No

During reorganization, are secured creditors' claims exempt from an automatic stay on enforcement?

No

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

Yes

Protecting Investors in Brazil

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

Protecting Investors Data (2008)	Indicator
Disclosure Index	6
What corporate body provides legally sufficient approval for the transaction? (0-3; see notes)	2
Immediate disclosure to the public and/or shareholders (0-2; see notes)	1
Disclosures in published periodic filings (0-2; see notes)	1
Disclosures by Mr. James to board of directors (0-2; see notes)	2
Requirement that an external body review the transaction before it takes place (0=no, 1=yes)	0
Director Liability Index	7
Shareholder plaintiff's ability to hold Mr. James liable for damage the Buyer-Seller transaction causes to the company. (0-2; see notes)	1
Shareholder plaintiff's ability to hold the approving body (the CEO or board of directors) liable for for damage to the company. (0-2; see notes)	1
Whether a court can void the transaction upon a successful claim by a shareholder plaintiff (0-2; see notes)	2
Whether Mr. James pays damages for the harm caused to the company upon a successful claim by the shareholder plaintiff (0=no, 1=yes)	1
Whether Mr. James repays profits made from the transaction upon a successful claim by the shareholder plaintiff (0=no, 1=yes)	1
Whether fines and imprisonment can be applied against Mr. James (0=no, 1=yes)	0
Shareholder plaintiff's ability to sue directly or derivatively for damage the transaction causes to the company (0-1; see notes)	1
Shareholder Suits Index	3
Documents available to the plaintiff from the defendant and witnesses during trial (0-4; see notes)	3
Ability of plaintiffs to directly question the defendant and witnesses during trial (0-2; see notes)	0
Plaintiff can request categories of documents from the defendant without identifying specific ones (0=no, 1=yes)	0
Shareholders owning 10% or less of Buyer's shares can request an inspector investigate the transaction (0=no, 1=yes)	0

Level of proof required for civil suits is lower than that for criminal cases (0=no, 1=yes)	0
Shareholders owning 10% or less of Buyer's shares can inspect transaction documents before filing suit (0=no, 1=yes)	0

Investor Protection Index

5.3

Notes:

Extent of Disclosure Index

What corporate body provides legally sufficient approval for the transaction?

0=CEO or managing director alone; 1=shareholders or board of directors vote and Mr. James can vote; 2=board of directors votes and Mr. James cannot vote; 3 = shareholders vote and Mr. James cannot vote

Immediate disclosure to the public and/or shareholders

0=none; 1=disclosure on the transaction only; 2=disclosure on the transaction and Mr. James' conflict of interest

Disclosures in published periodic filings

0=none; 1=disclosure on the transaction only; 2=disclosure on the transaction and Mr. James' conflict of interest

Disclosures by Mr. James to board of directors

0=none; 1=existence of a conflict without any specifics; 2= full disclosure of all material facts

Director Liability Index

Shareholder plaintiff's ability to hold Mr. James liable for damage the Buyer-Seller transaction causes to the company

0= Mr. James is not liable or liable only if he acted fraudulently or in bad faith; 1= Mr. James is liable if he influenced the approval or was negligent; 2= Mr. James is liable if the transaction was unfair, oppressive or prejudicial to minority shareholders

Shareholder plaintiff's ability to hold the approving body (the CEO or board of directors) liable for damage to the company

0=members of the approving body are either not liable or liable only if they acted fraudulently or in bad faith; 1=liable for negligence in the approval of the transaction; 2=liable if the transaction is unfair, oppressive, or prejudicial to minority shareholders

Whether a court can void the transaction upon a successful claim by a shareholder plaintiff

0=rescission is unavailable or available only in case of Seller's fraud or bad faith; 1=available when the transaction is oppressive or prejudicial to minority shareholders; 2=available when the transaction is unfair or entails a conflict of interest

Shareholder plaintiffs' ability to sue directly or derivatively for damage the transaction causes to the company

0=not available; 1=direct or derivative suit available for shareholders holding 10% of share capital or less

Shareholder Suits Index

Documents available to the plaintiff from the defendant and witnesses during trial

Score 1 each for (1) information that the defendant has indicated he intends to rely on for his defense; (2) information that directly proves specific facts in the plaintiff's claim; (3) any information that is relevant to the subject matter of the claim; and (4) any information that may lead to the discovery of relevant information.

Ability of plaintiffs to directly question the defendant and witnesses during trial

0=no; 1=yes, with prior approval by the court of the questions posed; 2=yes, without prior approval

Paying Taxes in Brazil

The table below addresses the taxes and mandatory contributions that a medium-size company must pay or withhold in a given year in Brazil, 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
Vehicle tax	1			1.5%	market value of vehicle	0.13	
Tax on interest	0	withheld		20.0%	interest income	0.51	
Municipal services tax	1			5.0%	price of service	0.88	
Financial transactions tax (CPMF)	1			0.4%	bank transactions	2.80	
Property tax	1			2.5%	market value of property	3.70	
Social contribution (CSLL)	1	online filing		9.0%	taxable profit	5.63	
Severance contribution (FGTS)	0	paid jointly		8.5%	gross salaries	8.86	
Payroll tax	1	online filing		8.8%	gross salaries	9.18	
Corporate income tax (IRPJ)	1	online filing	735		taxable profit	15.64	
Social security contributions (INSS)	1	online filing	490	20.0%	gross salaries	22.56	
PIS/COFINS (similar to VAT)	1	online filing		9.3%	value added	39.12	
Value added tax (IPI)	1	online filing		20.0%	value added (including taxes)	84.59	
ICMS (similar to VAT)	1	online filing	1373	18.0%	value added (including taxes)	91.36	
Totals	11		2600			69.4	

Notes:

- a) data not collected
- b) VAT is not included in the total tax rate because it is a tax levied on consumers
- c) very small amount
- d) included in other taxes
- e) Withheld tax
- f) electronic filling available
- g) paid jointly with another tax

Name of taxes have been standardized. For instance income tax, profit tax, tax on company's income are all named corporate income tax in this table.

When there is more than one statutory tax rate, the one applicable to TaxpayerCo is reported.

The hours for VAT include all the VAT and sales taxes applicable.

The hours for Social Security include all the hours for labor taxes and mandatory contributions in general.

Trading Across Borders in Brazil

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

Nature of Export Procedures (2008)	Duration (days)	US\$ Cost
Documents preparation	8	400
Customs clearance and technical control	2	100
Ports and terminal handling	3	190
Inland transportation and handling	1	550
Totals	14	1240

Nature of Import Procedures (2008)	Duration (days)	US\$ Cost
Documents preparation	10	385
Customs clearance and technical control	3	150
Ports and terminal handling	4	190
Inland transportation and handling	2	550
Totals	19	1275

Export

Bill of lading

Cargo release order

Certificate of origin

Commercial invoice

Customs export declaration

Foreign exchange authorization

Packing list

Technical standard/health certificate

Import

Bill of lading

Cargo release order

Commercial invoice

Customs import declaration
Foreign exchange authorization
Packing list
Technical standard/health certificate

Enforcing Contracts in Brazil

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

Nature of Procedure (2008)	Indicator
Procedures (number)	45
Duration (days)	616
Filing and service	41.0
Trial and judgment	365.0
Enforcement of judgment	210.0
Cost (% of claim)*	16.50
Attorney cost (% of claim)	12.6
Court cost (% of claim)	2.8
Enforcement Cost (% of claim)	1.1

Court information: São Paulo Civil Court ("Vara Cível da Comarca de Sao Paulo")

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



THE
WORLD
BANK



IFC
International
Finance
Corporation
World Bank Group

WWW.DOINGBUSINESS.ORG

