

Doing Business 2011

Zimbabwe

Making a Difference for Entrepreneurs

COMPARING BUSINESS REGULATION IN 183 ECONOMIES



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Doing Business 2011
Business Reforms

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

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

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

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

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

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

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

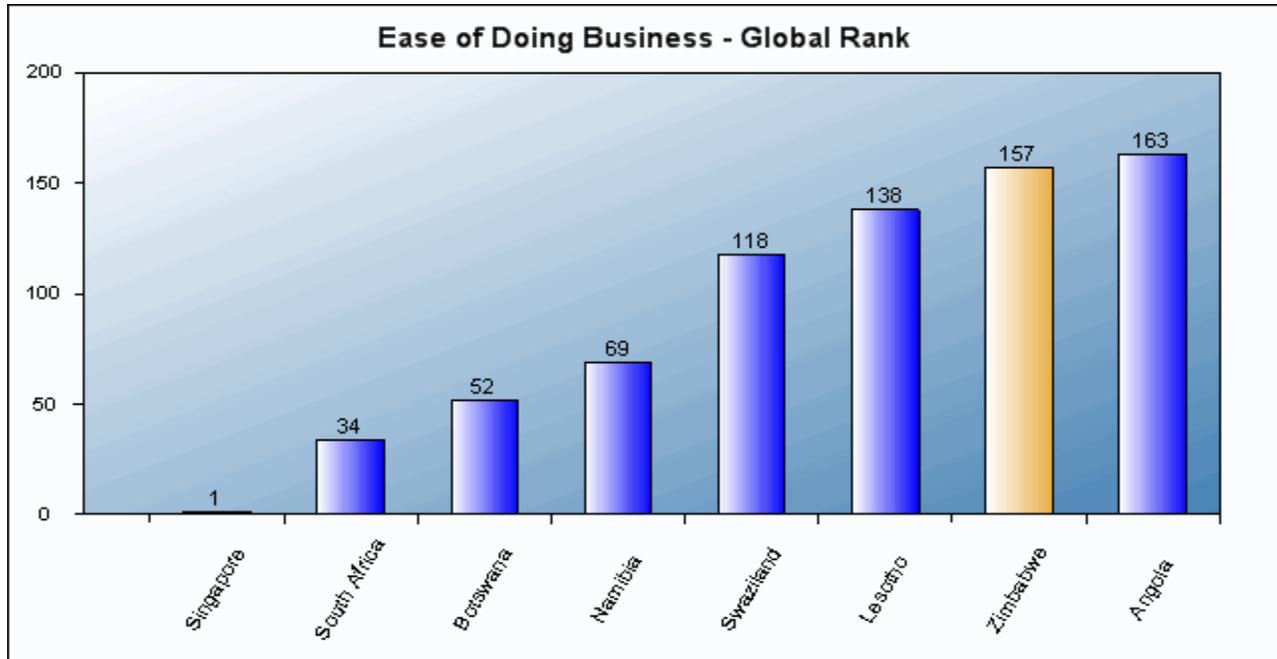
* Except for the Paying Taxes indicator that refers to the period January to December of 2009.

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

Economy Rankings - Ease of Doing Business

Zimbabwe is ranked 157 out of 183 economies. Singapore is the top ranked economy in the Ease of Doing Business.

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



Zimbabwe's ranking in Doing Business 2011

Rank	Doing Business 2011
Ease of Doing Business	157
Starting a Business	143
Dealing with Construction Permits	172
Registering Property	82
Getting Credit	128
Protecting Investors	120
Paying Taxes	131
Trading Across Borders	168
Enforcing Contracts	110
Closing a Business	156

Summary of Indicators - Zimbabwe

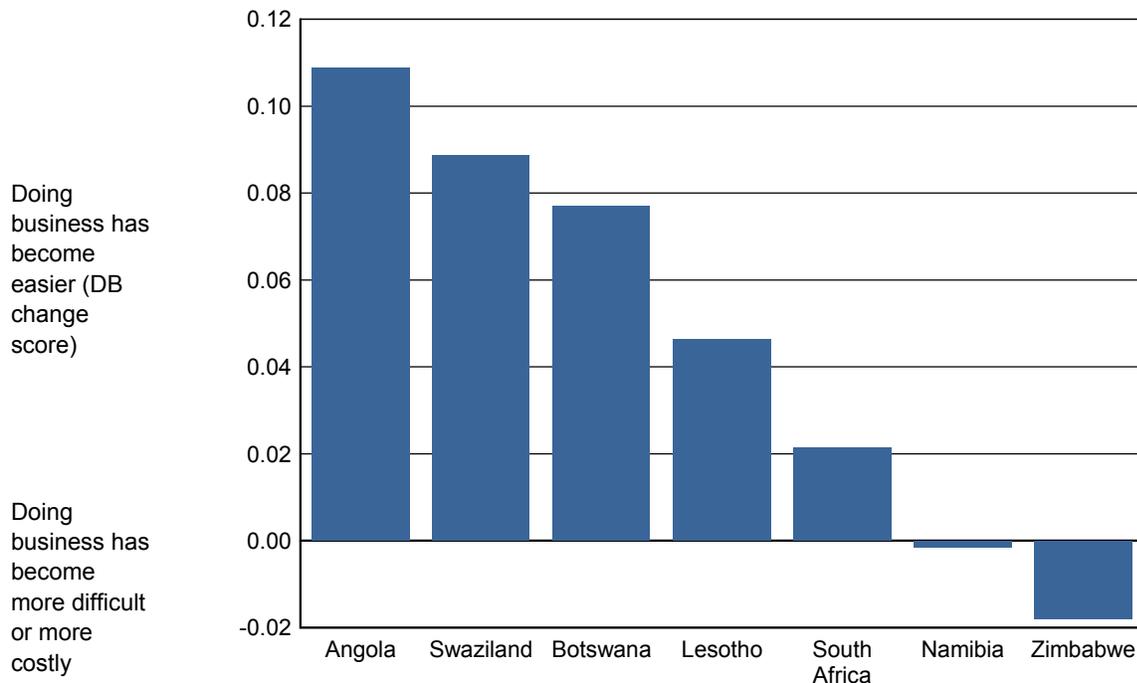
Starting a Business	Procedures (number)	9
	Time (days)	90
	Cost (% of income per capita)	182.8
	Min. capital (% of income per capita)	0.0
Dealing with Construction Permits	Procedures (number)	17
	Time (days)	1012
	Cost (% of income per capita)	8020.6
Registering Property	Procedures (number)	5
	Time (days)	31
	Cost (% of property value)	8.5
Getting Credit	Strength of legal rights index (0-10)	6
	Depth of credit information index (0-6)	0
	Public registry coverage (% of adults)	0.0
	Private bureau coverage (% of adults)	0.0
Protecting Investors	Extent of disclosure index (0-10)	8
	Extent of director liability index (0-10)	1
	Ease of shareholder suits index (0-10)	4
	Strength of investor protection index (0-10)	4.3
Paying Taxes	Payments (number per year)	49
	Time (hours per year)	242
	Profit tax (%)	24.0
	Labor tax and contributions (%)	6.2
	Other taxes (%)	10.1
	Total tax rate (% profit)	40.3
Trading Across Borders	Documents to export (number)	7
	Time to export (days)	53
	Cost to export (US\$ per container)	3280
	Documents to import (number)	9
	Time to import (days)	73
	Cost to import (US\$ per container)	5101

Enforcing Contracts	Procedures (number)	38
	Time (days)	410
	Cost (% of claim)	113.1
Closing a Business	Recovery rate (cents on the dollar)	0.2
	Time (years)	3.3
	Cost (% of estate)	22

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

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

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



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

Some reform outcomes

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

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

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

What does Starting a Business measure?

Procedures to legally start and operate a company (number)

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

Time required to complete each procedure (calendar days)

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

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

- Official costs only, no bribes
- No professional fees unless services required by law

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

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

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



Case Study Assumptions

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

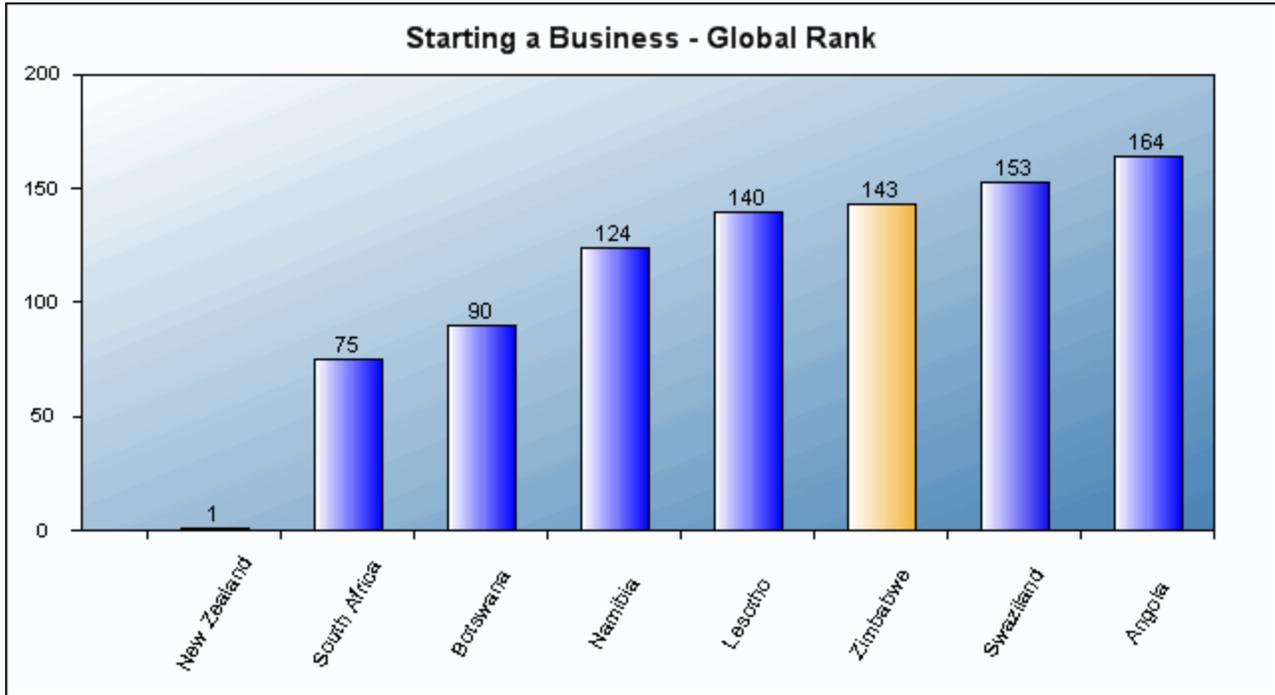
The business:

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

1. Benchmarking Starting a Business Regulations:

Zimbabwe is ranked 143 overall for Starting a Business.

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



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

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

<i>Selected Economy</i>				
Zimbabwe	9	90	182.8	0.0

<i>Comparator Economies</i>				
Angola	8	68	163.0	28.7
Botswana	10	61	2.2	0.0
Lesotho	7	40	26.0	12.0
Namibia	10	66	18.5	0.0
South Africa	6	22	6.0	0.0
Swaziland	12	56	33.0	0.5

* The following economies are also good practice economies for :

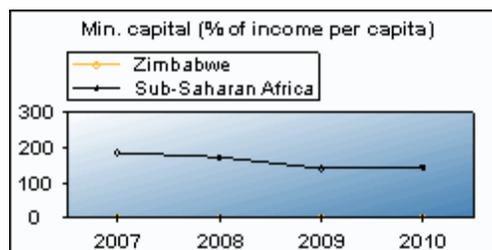
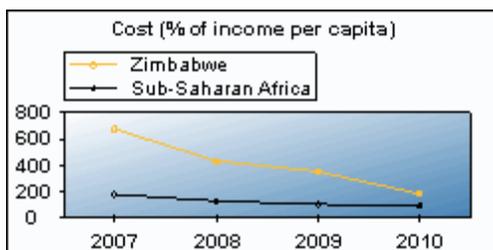
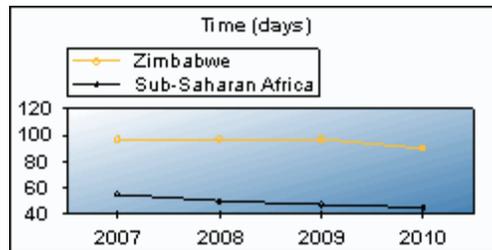
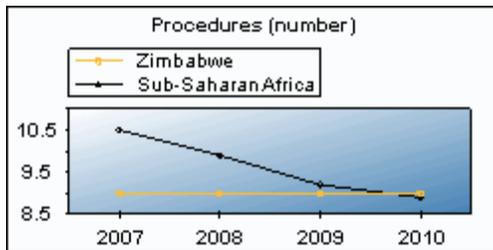
Procedures (number): Canada

Cost (% of income per capita): Slovenia

2. Historical data: Starting a Business in Zimbabwe

Starting a Business data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	141	143
Procedures (number)	9	9	9	9
Time (days)	97	97	97	90
Cost (% of income per capita)	676.2	432.7	353.8	182.8
Min. capital (% of income per capita)	0.0	0.0	0.0	0.0

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



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



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

STANDARDIZED COMPANY

Legal Form: Private Limited Liability Company

City: Harare

Registration Requirements:

No:	Procedure	Time to complete	Cost to complete
1	Register the company name with the Chief Registrar of Companies	7	USD 5
2	File memorandum and articles of association with the Registrar of Companies	14	USD 100
3	Register with the tax authorities for income tax, VAT, and PAYE	14	no charge
4 *	Register with the National Social Security Authority for pension and Accident Prevention and Compensation Scheme	14	no charge
5 *	Register with the Manpower Development Fund	1	no charge
6 *	Pick up the form of license application notice from the City Health Department	1	USD 20
7 *	Advertise on a local newspaper the application for a trade and business license	35	USD 30

8	Submit an application form for issuance of new licenses to the Licensing Office in Harare Municipality	30	USD 530
9	* Licensing officers visit the company site	1	no charge

* Takes place simultaneously with another procedure.

Starting a Business Details - Zimbabwe

Procedure 1 Register the company name with the Chief Registrar of Companies

Time to complete: 7

Cost to complete: USD 5

Comment: The reservation is valid for 30 days and can be extended for another 30 days for an additional fee.

Procedure 2 File memorandum and articles of association with the Registrar of Companies

Time to complete: 14

Cost to complete: USD 100

Comment: The law provides for model or boilerplate articles of incorporation. on the date of incorporation, the Registrar of Companies must be notified of the appointments of the company's directors and secretaries. This is done by filing the particulars (a) of register of directors and secretaries and any changes therein or a list of directors and principal officers (Form CR 14) These documents must be accompanied by a duplicate original or a printed notarized copy.

In practice, companies usually start up with a low amount of capital to avoid the exorbitant stamp duty. A company may also issue shares at a premium to circumvent the requirement.

Procedure 3 Register with the tax authorities for income tax, VAT, and PAYE

Time to complete: 14

Cost to complete: no charge

Comment: Upon formation, a company must register at the regional Zimbabwe Revenue Authority Office. A copy of the company's certificate of incorporation is required for the Collector's records, along with the memorandum and articles of association and a certified copy of the identification of the assigned public officer. The company will be issued a registration number, as well as the current tax tables and the pay-as-you-earn (PAYE) receipt books. The P8 and P6 Forms now must be generated by the applicant itself and are not freely available. The ITF 16 Form must be completed in consultation with the Income Tax Office. According to Zimbabwe's Finance Act (as amended), companies must now budget to pay all their company tax within the trading year. The tax must be paid as follows: 10% by the 25th of March, 10% by the 25th of June, 40% by the 25th of September, and the balance of the estimated tax for the tax year by the 20th of December.

Firms with a turnover of US \$60,000 must register for VAT with the Zimbabwe Revenue Authority (ZIMRA). An application must be made on an Application for Certificate of Registration (Form VAT 1), which, along with Forms VAT 2 and VAT 3, is found at ZIMRA Web site (www.zimra.co.zw). Firms with a turnover of less than ZWN 120 billion may apply for voluntary VAT registration.

Procedure 4 Register with the National Social Security Authority for pension and Accident Prevention and Compensation Scheme

Time to complete: 14

Cost to complete: no charge

Comment: The employer and the employee must each contribute 4% of employee gross monthly salary.

Procedure 5 Register with the Manpower Development Fund

Time to complete: 1

Cost to complete: no charge

Comment: Employers must register with, and contribute 1% of their wage bill to, the state-run Manpower Development Fund. The fund allows employers to recover expenses when employees complete training.

Procedure 6 Pick up the form of license application notice from the City Health Department

Time to complete: 1

Cost to complete: USD 20

Comment:

Procedure 7 Advertise on a local newspaper the application for a trade and business license

Time to complete: 35

Cost to complete: USD 30

Comment: A trade and business license applicant must publicly announce the proposed application twice in a local newspaper. The form, Notice of intention to apply for the issuance of a new license, is available from the City Health Department. The first notice must be published no more than 6 weeks, but at least 4 weeks, before the application will be heard by the licensing authority. The second notice must appear 7 days after the first notice. Any objections to the application must be submitted in writing to the licensing authority within 7 days of the second notice.

Procedure 8 Submit an application form for issuance of new licenses to the Licensing Office in Harare Municipality

Time to complete: 30

Cost to complete: USD 530

Comment: Two copies of the application forms are submitted and proof of both publications in a local newspaper of a notice of intention to operate a business. On receipt of the application, the Licensing Office requests a police report on the applicant, as well as a report on the person who will be in actual and effective control of the premises to which the application relates, that person is not also the applicant. The Licensing Office also seeks a report from the Harare Town Planner to ensure that the application is consistent with the zoned use of the premises.

Application for the license can start once the Registrar of Companies grants its approval of the company name. It is also possible to apply for a temporary license pending the grant of the full license, which can take up to a month or longer.

Procedure 9 Licensing officers visit the company site

Time to complete: 1

Cost to complete: no charge

Comment: Officers inspect the company site to check if the intended premises are suitable for the intended use. The criteria used by the officers are specified in the relevant bylaws.

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

Some reform outcomes

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

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

What does the Dealing with Construction Permits indicator measure?

Procedures to legally build a warehouse (number)

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

Time required to complete each procedure (calendar days)

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

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

- Official costs only, no bribes

Case Study Assumptions

The business:

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

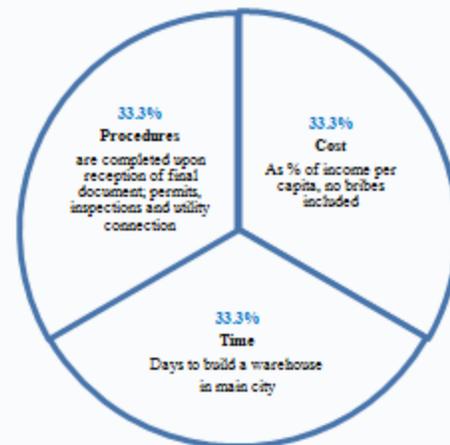
The warehouse:

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

Dealing with Construction Permits:

Building a warehouse

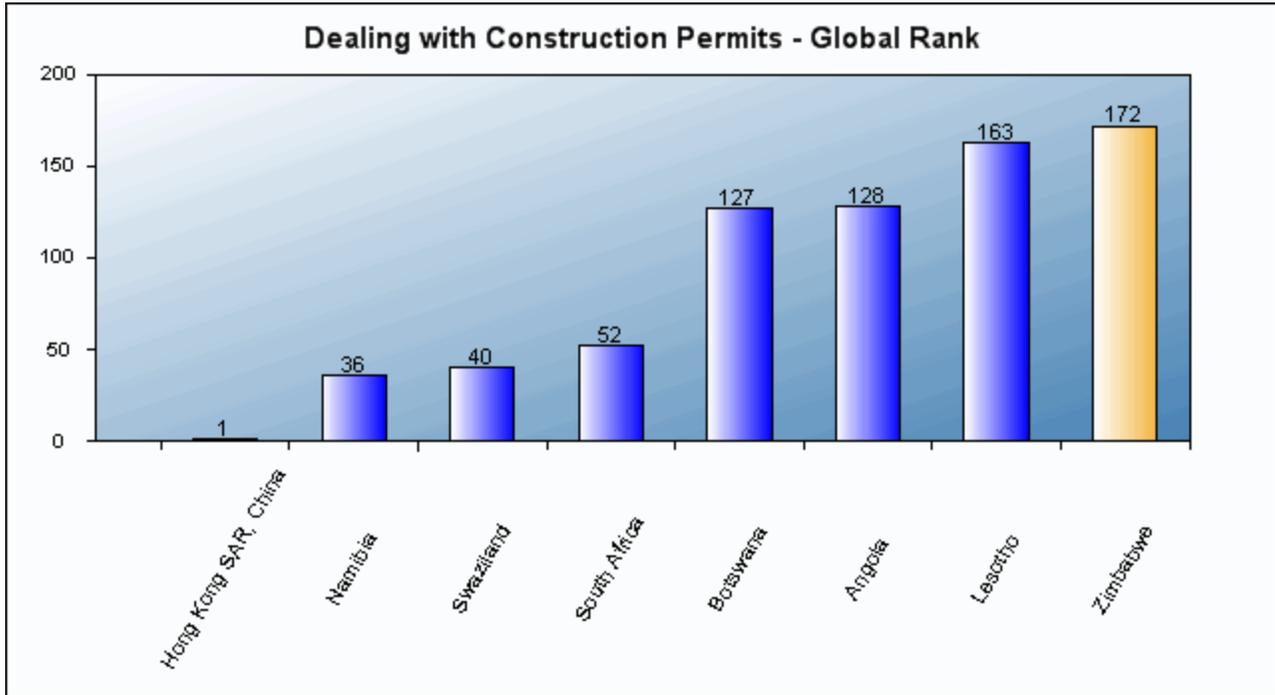
Rankings are based on 3 subindicators



1. Benchmarking Dealing with Construction Permits Regulations:

Zimbabwe is ranked 172 overall for Dealing with Construction Permits.

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



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

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

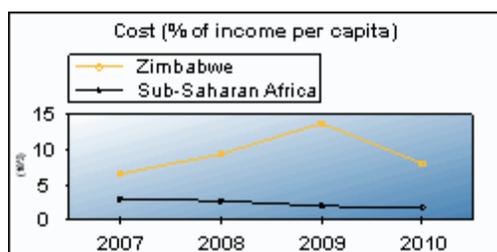
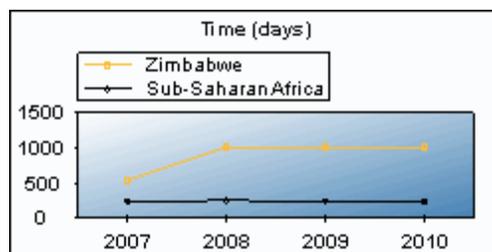
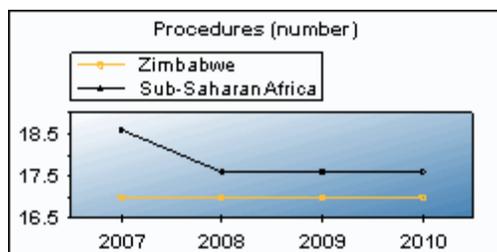
<i>Selected Economy</i>			
Zimbabwe	17	1012	8020.6

<i>Comparator Economies</i>			
Angola	12	328	694.3
Botswana	24	167	264.5
Lesotho	15	601	1290.7
Namibia	12	139	113.0
South Africa	17	174	23.1
Swaziland	14	116	143.0

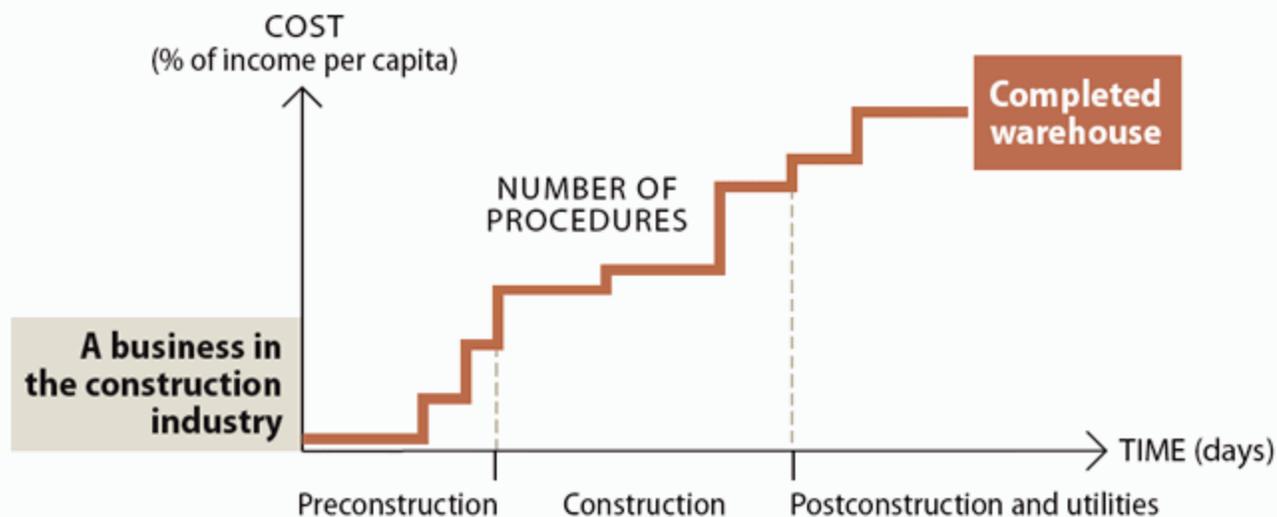
2. Historical data: Dealing with Construction Permits in Zimbabwe

Dealing with Construction Permits data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	175	172
Procedures (number)	17	17	17	17
Time (days)	538	1012	1012	1012
Cost (% of income per capita)	6571.3	9372.6	13770.3	8020.6

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



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



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

BUILDING A WAREHOUSE

City: Harare

Registration Requirements:

No:	Procedure	Time to complete	Cost to complete
1	Request and obtain approval from the inspector of factories	30 days	USD 12,870
2	Request and obtain building plan approval by the Harare City Council	365 days	USD 12,870
3	Request and receive inspection from building inspectorate of completion of foundation by independent structural engineer	30 days	no charge
4	Inform the building inspectorate of the completion of drainage installation	1 day	no charge
5	Inform and receive inspection from the building inspectorate upon completion of structure	14 days	no charge
6	Request and receive inspection by the building inspectors upon completion of construction	30 days	no charge
7 *	Apply for power connection with Zimbabwe Electricity Supply Authority (ZESA)	1 day	no charge

8	Obtain quotations for power connection with Zimbabwe Electricity Supply Authority (ZESA)	365 days	USD 250
9	Pay and submit notification of commencement of wiring at Zimbabwe Electricity Supply Authority (ZESA)	1 day	no charge
10	Receive inspection by Zimbabwe Electricity Supply Authority (ZESA)	1 day	no charge
11	Connect to power lines of Zimbabwe Electricity Supply Authority (ZESA)	79 days	USD 1,500
12 *	Request water and sewage connection from Zimbabwe National Water Authority (ZINWA) and connect to its networks	1 day	USD 2,390
13 *	Request telephone connection	1 day	USD 180
14 *	Receive inspection and connection by telecommunications provider	75 days	no charge
15	Request occupancy certificate	1 day	no charge
16	Request and receive inspection from the local Fire Department on fire equipment installation for occupancy certificate	7 days	no charge
17	Obtain occupancy certificate	88 days	no charge

* Takes place simultaneously with another procedure.

Dealing with Construction Permits Details - Zimbabwe

Procedure 1 Request and obtain approval from the inspector of factories

Time to complete:	30 days
Cost to complete:	USD 12,870
Agency:	Inspector of Factories
Comment:	Before an application for approval of building plans can be submitted to the local authority, approval must first be obtained from the Inspector of Factories. This is a separate application and carries its own application fee, established by the Inspector. The approval period is not less than 30 days. The cost is 1% of the project value.

Procedure 2 Request and obtain building plan approval by the Harare City Council

Time to complete:	365 days
Cost to complete:	USD 12,870
Agency:	Harare City Council
Comment:	<p>BuildCo needs to submit the following three documents at the same time: the building permit application, the application for the factories inspection and IF NEEDED (not in our case): the TPD-1 form for the planning permit</p> <p>the architects' and structural engineers' drawings and certificates to the relevant local authority for approvals, under the Regional, Town, and Country Planning Act and the model building bylaws. The application must be accompanied by a completed set of plans for the structure, prepared by a qualified draftsman or architect.</p> <p>The application is circulated for approval to all departments, including the Department of Works, Highways and Works, Chemical Laboratory and Trade Waste, City Planning, Water and Sewerage, Land Survey, Traffic Engineering, Valuation and Estates, Department of Health, Department of Fire, Department of Housing and Community Services, and Zimbabwe Electricity Supply Authority (ZESA), and so forth.</p> <p>Each agency contacts the applicant directly for clarification or rectification, if required. Once all agencies have accepted the plans, the Chief Building Inspector makes a final assessment and issues an approval of building plans to the applicant. The form contains a commencement of work notice that must be submitted by the applicant once the footings are ready for inspection. Subsequently, all phases of the construction must be approved by the Building Inspectorate.</p> <p>Procedural and approval costs are either 1% or 1.75% of the construction cost, but this varies from one authority to another. The time required for the entire procedure depends on the local authority; in Harare, it is usually not less than 6 months and can be up to a year.</p> <p>Because the approval cost is based on a percentage of the total construction cost, a certain amount is paid based on the estimated cost. However, the local authority may ask for the difference between the estimate and the actual cost at the end of the project (a common requirement). This causes problems, particularly in an inflationary environment. Pre-contract inflation is currently assessed to be about 75% per month. Post-contract-award inflation is assessed at about 45% per month. Inflationary pressures on the construction project can be limited through the pre-purchase of construction materials. The cost to completion depends on whether the developer is prepared to fund the pre-purchase option. Borrowing money is expensive, with bank overdraft rates</p>

currently running at about 700%. In addition, many developers close an insurance bond with the building contractor on the value of the construction materials.

Procedure 3 Request and receive inspection from building inspectorate of completion of foundation by independent structural engineer

Time to complete: 30 days

Cost to complete: no charge

Agency: Building Inspectorate

Comment: Delays frequently occur because the City of Harare inspectors cannot get transportation to inspect a site. Even if offered a lift to the site by the contractor or consultant, the inspectors are not allowed to accept it because they are not insured for travel provided by a third party.

Theoretically, inspections are conducted once a month. A final inspection will occur only if specifically requested (but is required for obtaining the occupancy permit). Theoretically, the builder must stop construction until the inspection is conducted, but doing so is impractical. (In addition, inflation further increases the cost of delays.) The City of Harare inspectors generally allow a structural engineer to cover the inspections of foundations. In practice, since 2007 due to lack of fuel and means of transportation inspections are no longer conducted. Companies use their own engineers for inspections during construction.

Procedure 4 Inform the building inspectorate of the completion of drainage installation

Time to complete: 1 day

Cost to complete: no charge

Agency: Building Inspectorate

Comment: The officially required inspection almost never happens unless the fuel is provide for transportation.

Procedure 5 Inform and receive inspection from the building inspectorate upon completion of structure

Time to complete: 14 days

Cost to complete: no charge

Agency: Building Inspectorate

Comment: As of 2007, inspections are undertaken by the Chief Building Inspector and a deputy inspector. This change, implemented after allegations that the lower officers were requesting facilitation payments, has caused the time require for this inspection to increase.

Procedure 6 Request and receive inspection by the building inspectors upon completion of construction

Time to complete: 30 days

Cost to complete: no charge

Agency: Building inspectorate

Comment: Inspectors will visit the site only if there is fuel for vehicles, or the applicant provides transportation. Once the inspection has taken place, a protocol is written, which generally takes 30 days.

Procedure 7 Apply for power connection with Zimbabwe Electricity Supply Authority (ZESA)

Time to complete: 1 day

Cost to complete: no charge

Agency: Zimbabwe Electricity Supply Authority (ZESA)

Comment: BuildCo files an application for electricity services.

Procedure 8 Obtain quotations for power connection with Zimbabwe Electricity Supply Authority (ZESA)

Time to complete: 365 days

Cost to complete: USD 250

Agency: Zimbabwe Electricity Supply Authority (ZESA)

Comment: On receipt of the application, engineers at the Zimbabwe Electricity Supply Authority (ZESA) prepare a quotation for the work to be done and provide it to the applicant on a “quotation and contract of supply.” The quotation remains valid for 2 months. In order to prepare the quotations, it is needed to obtain approvals from (can be obtained simultaneously):
City Council - sewer and wayleaves (30 days)
Tel One - telephone cable crossing (14 days)
ZINWA - water mains crossing (30 days)
NRZ - Railway crossing (30 days).
One week is required to prepare the quotations and 30 days to obtain the approvals.

Procedure 9 Pay and submit notification of commencement of wiring at Zimbabwe Electricity Supply Authority (ZESA)

Time to complete: 1 day

Cost to complete: no charge

Agency: Zimbabwe Electricity Supply Authority (ZESA)

Comment: To accept the quotation, the investor must make the specified payment and submit a “notification of commencement of wiring” form.

Procedure 10 Receive inspection by Zimbabwe Electricity Supply Authority (ZESA)

Time to complete: 1 day

Cost to complete: no charge

Agency: Zimbabwe Electricity Supply Authority (ZESA)

Comment:

Procedure 11 Connect to power lines of Zimbabwe Electricity Supply Authority (ZESA)

Time to complete:

79 days

Cost to complete:

USD 1,500

Agency:

Zimbabwe Electricity Supply Authority (ZESA)

Comment:

Forms identifying the property and the type (loading) of supply are submitted to the Zimbabwe Electricity Supply Authority (ZESA). There is no charge for this, and approval generally takes up to 2 weeks. The application must identify the building loading requirement and whether the supply is to be below ground or overhead (as this determines the supply requirements and therefore the cost).

ZESA provides a supply from the nearest grid supply to a meter board positioned just within (a maximum of 5 meters) the stand boundary. Assuming that the warehouse requires a three-phase, 100-amp supply, the cost would be around ZWD 30 million (this includes the cost of the cables, glands, trenching, a meter, and labor). The installation takes 3–4 weeks. The meter board itself is supplied by the electrical contractor working on site, as are all the reticulation wiring for small power and lighting installation, all at the developer's cost.

Procedure 12 Request water and sewage connection from Zimbabwe National Water Authority (ZINWA) and connect to its networks

Time to complete:

1 day

Cost to complete:

USD 2,390

Agency:

Zimbabwe National Water Authority (ZINWA)

Comment:

As of February 1, 2009 the provision of water supplies reverts back from ZINWA to purview of local municipalities.

In 2007, municipal water supplies have been taken over by a new authority, the Zimbabwe National Water Authority (ZINWA). Obtaining a new connection now requires proof of ownership of the stand and account clearance on any other water billing and is undertaken by the developer (in this case BuildCo) or its agents.

Separate applications are made by the construction company for water and sewerage connections. There may be an additional charge for this determined by the local authority.

BuildCo completes and lodges an application for a “new water connection and supply” form, available at the Water and Sewerage Branch of ZINWA. In addition to the form, BuildCo must provide the following:

- A letter of commitment addressed to the Director of Works stating BuildCo’s intention to proceed with a connection.
- A statement of the quality of water required, to determine the appropriate pipe size and meter needed.

The branch will issue the applicant a T.W. number and notate the application form. A receipt for the application specifying the fees to be paid is issued. Fees come in two parts, a supply deposit and a connection fee, and would be USD 626.

The applicant must take the notated application form and the receipt to the City Treasury Office, pay the required fees, and have the branch receipt machine-endorsed with the payment.

The cost depends on the type of water supply required. The applicant must purchase the

water meter; ZINWA are no longer able to supply water meters. Application, connection fee, and account deposit amount to USD 1,764 for a 25-milimeter connection. There is no charge for the application, but there is an upfront charge before the connection is made. It is difficult to provide a precise cost because costs fluctuate so rapidly.

The embossed receipt and the application form are returned to the branch, which requests that a job number be issued by the Costing Office. The branch then issues a Location Advice internally for the work to be undertaken. The applicant is required to complete an Installation of Water Service form indicating the site of the connection.

Where fire hose reels on site are required (a requirement under the building bylaws for any industrial/warehouse building exceeding 400 sq. m. in floor area), a 2-inch (50mm) water meter is required.

Procedure 13 Request telephone connection

Time to complete: 1 day

Cost to complete: USD 180

Agency: TelOne

Comment: The applicant needs to submit to Tel One a form, Application for telephone service, form and complete a Telephone Directory Entry application. Connection to the facilities will be made after the payment of a refundable deposit. Obtaining an additional phone line can be a very lengthy process. Until recently, only analog networks existed (a few fiber optic lines have been laid but are not the rule), so expansion of the network was difficult.

The company may also be charged for the installation equipment. In practice, most people use cellular phones now.

Procedure 14 Receive inspection and connection by telecommunications provider

Time to complete: 75 days

Cost to complete: no charge

Agency: TelOne

Comment:

Procedure 15 Request occupancy certificate

Time to complete: 1 day

Cost to complete: no charge

Agency: Local Authority

Comment: An occupation certificate is issued by the local authority once the project is complete and inspected by the Fire Department and the Building Inspector.

Procedure 16 Request and receive inspection from the local Fire Department on fire equipment installation for occupancy certificate

Time to complete: 7 days

Cost to complete: no charge

Agency: Fire Department and Building Inspectorate

Comment: Approval by the Fire Department is required to obtain an occupancy permit. Inspections are made by appointment only. Usually, at least a week's notice is required. The same issues as with other inspections apply (no transportation, long delay). Therefore, in practice, the architect or draftsman picks up the inspector and brings the inspector to the site. Otherwise, it might take weeks before the inspector visits the site. The typical wait is a week.

Procedure 17 Obtain occupancy certificate

Time to complete: 88 days

Cost to complete: no charge

Agency: Local Authority

Comment: An occupation certificate is issued by the local authority once the project is complete and inspected by the Fire Department and the Building Inspector.

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

Some reform outcomes

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

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

What does the Registering Property indicator measure?

Registering Property: transfer of property between 2 local companies

Rankings are based on 3 subindicators

Procedures to legally transfer title on immovable property (number)

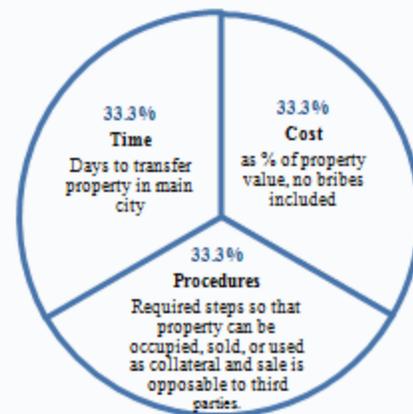
- Preregistration (for example, checking for liens, notarizing sales agreement, paying property transfer taxes)
- Registration in the economy's largest business city
- Post registration (for example, transactions with the local authority, tax authority or cadastre)

Time required to complete each procedure (calendar days)

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

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

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



Case Study Assumptions

The parties (buyer and seller):

- Are limited liability companies, 100% domestically and privately owned.
- Are located in the periurban area of the economy's largest business city.
- Have 50 employees each, all of whom are nationals.
- Perform general commercial activities.

The property (fully owned by the seller):

- Has a value of 50 times income per capita. The sale price equals the value.
- Has no mortgages attached and has been under the same ownership for the past 10 years.
- Is registered in the land registry or cadastre, or both, and is free of title disputes.
- Is located in a periurban commercial zone, and no rezoning is required.
- Consists of a 557.4 square meters (6,000 square feet) land and 10 years old 2-story warehouse of 929 square meters (10,000 square feet) located on the land. The warehouse is in good condition and complies with all safety standards, building codes and legal requirements. The property will be transferred in its entirety.

1. Benchmarking Registering Property Regulations:

Zimbabwe is ranked 82 overall for Registering Property.

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



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

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

<i>Selected Economy</i>			
Zimbabwe	5	31	8.5

<i>Comparator Economies</i>			
Angola	7	184	11.5
Botswana	5	16	5.0
Lesotho	6	101	8.0
Namibia	9	23	9.6
South Africa	6	24	8.8
Swaziland	9	44	7.1

* The following economies are also good practice economies for :

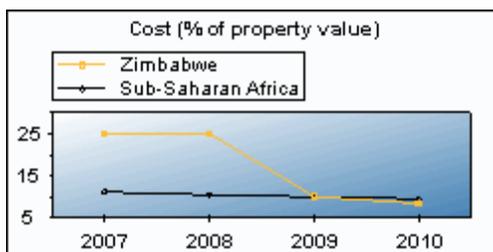
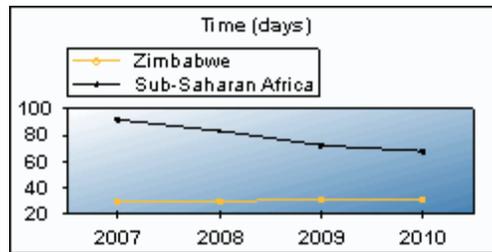
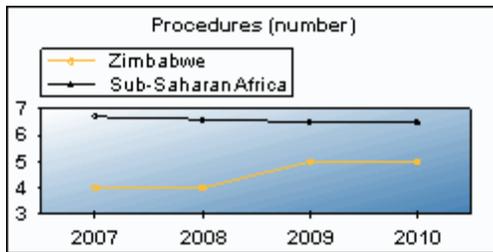
Procedures (number): United Arab Emirates

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

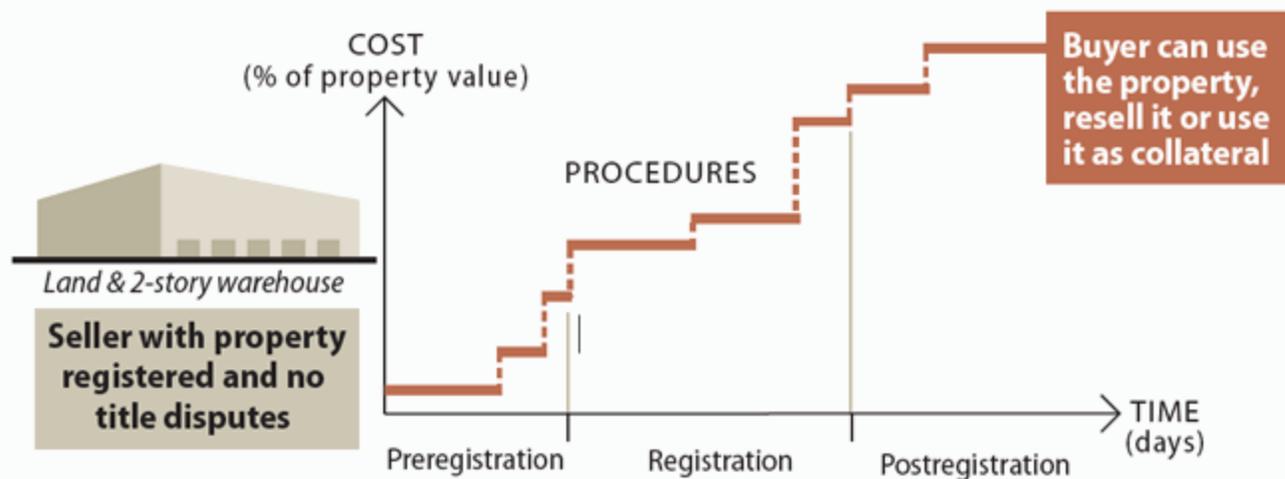
2. Historical data: Registering Property in Zimbabwe

Registering Property data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	81	82
Procedures (number)	4	4	5	5
Time (days)	30	30	31	31
Cost (% of property value)	25.0	25.1	10.1	8.5

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



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



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

STANDARDIZED PROPERTY

Property Value: 19,788.54

City: Harare

Registration Requirements:

No:	Procedure	Time to complete	Cost to complete
1	The conveyancer prepares the draft deed, power of attorney to pass transfer as well as declarations for signing by buyer and seller	1-3 days	4% property value (Conveyancer's fees)
2 *	The seller applies for a capital gains tax clearance certificate (either withholding tax or Capital Gains tax)	5 days (simultaneous with procedure 3)	Capital gains Tax is 5% of the actual gains (not accounted here)
3 *	Payment of Capital Gains Tax and obtain CGT certificate with ZIMRA	1 day	no cost
4 *	The seller applies for the rates clearance certificate to the local authority under whose jurisdiction the property falls	14 days (simultaneous with procedure 2)	USD 500 (Approx average for high density suburb, though rates constantly increase)
5	Transfer documents are lodged for registration of title with the Registrar of the Deeds' Office	14 days	Registration fee USD 20 and Stamp duty: 1% for first USD 5,000 2% for next USD 15,000 3% for next USD 80,000 4% for USD balance

* Takes place simultaneously with another procedure.

Registering Property Details - Zimbabwe

Procedure	1	The conveyancer prepares the draft deed, power of attorney to pass transfer as well as declarations for signing by buyer and seller
Time to complete:		1-3 days
Cost to complete:		4% property value (Conveyancer's fees)
Agency:		Conveyancer
Comment:		<p>Upon payment of transfer fees to the conveyancer, he will draft a proposal deed of transfer (in duplicate) deriving the powers to do so from the signed and witnessed agreement of sale. A search of the property title is conducted by the Lawyer at the Land Registry. In drafting the proposal transfer deed the conveyancer will always refer to the deed from the seller and other information from the Deeds Office. The proposal must also refer to the diagram deed which will be annexed to the first transfer deed. The conveyancer's fee rate is as of November 2006. The documentation shall include:</p> <p>Declaration by seller and by purchaser (for stamp duty purposes)</p> <p>Sale agreement</p> <p>Power of Attorney to make the transfer</p>
Procedure	2	The seller applies for a capital gains tax clearance certificate (either withholding tax or Capital Gains tax)
Time to complete:		5 days (simultaneous with procedure 3)
Cost to complete:		Capital gains Tax is 5% of the actual gains (not accounted here)
Agency:		Zimbabwe Revenue Authority (ZIMRA)
Comment:		<p>The capital gains tax (CGT) is assessed by the Zimbabwe Revenue Authority (ZIMRA), which determines how much is payable by way of capital gains tax. The rate is 20% on the gains and is paid by the seller. The Conveyancer will deliver the file in person to ZIMRA. ZIMRA customer service helps with the computation.</p> <p>The documentation required:</p> <ul style="list-style-type: none"> • Completed Capital Gains Tax Form 1 • Copy of Title Deed • Agreement of Sale signed by both the buyer and seller (which will provide the sale price, the expenses of the conveyancer) • Certificate of incorporation for both companies • Directors' resolution to buy/sell this warehouse (1 from the selling company and 1 from the buyer company) • Contact details of the representative of both companies <p>After verification, ZIMRA will tabulate what is the actual cost of the CGT and will inform the conveyancer of the amount to be paid. A notice of payment is delivered to the Conveyancer providing details of ZIMRA bank account where the payment is to be made.</p>
Procedure	3	Payment of Capital Gains Tax and obtain CGT certificate with ZIMRA
Time to complete:		1 day
Cost to complete:		no cost

Agency: Zimbabwe Revenue Authority (ZIMRA)

Comment: The conveyancer will pay the amount representing the CGT at the a commercial Bank. He will then submit the Bank deposit slip at ZIMRA as proof of payment of the CGT. This proof is mandatory for the transfer to actually take place at the Deed's office.

Procedure 4 The seller applies for the rates clearance certificate to the local authority under whose jurisdiction the property falls

Time to complete: 14 days (simultaneous with procedure 2)

Cost to complete: USD 500 (Approx average for high density suburb, though rates constantly increase)

Agency: Local Authority

Comment: This application is performed by a conveyancer (fees already covered by Procedure 1). The local authority will provide an assessment of how much is payable by way of advance rates and outstanding rates, if any. In Zimbabwe there is at the moment no land tax, instead rates are paid to the local authority. So every property in Zimbabwe is subject to these rates paid by the property owner to the municipality or any other local authority for the services provided, like refuse, sewage etc. Before one can transfer a property all the rates due should be paid to the local authority, so it depends on outstanding amount due to the municipality. The rates in Zimbabwe are based on the value of the property, size and whether there are improvements or not. It is also important to note that the value of the property is a function of the location of the property. For the property we are talking about the rates would therefore be around ZWD 500. When the seller pays the outstanding rates payment he receives what is known as the rates clearance certificate. These rates are paid by the purchaser as pro forma costs, which will then be reimbursed by seller on the date of the transfer for the advance rates paid calculated on pro rata basis from the date of payment to date of transfer (where purchaser does not have vacant possession or occupation prior to transfer since in this event risk and profit in the property has usually passed in terms of the agreement of sale.)

The documentation shall include:

No documentation is required in applying for this certificate. The local authority will only need to be furnished with details of the seller and buyer and their present postal or physical addresses, and description of the property being transferred

Procedure 5 Transfer documents are lodged for registration of title with the Registrar of the Deeds' Office

Time to complete: 14 days

Cost to complete: Registration fee USD 20 and Stamp duty: 1% for first USD 5,0002% for next USD 15,0003% for next USD 80,0004% for USD balance

Agency: Deeds Office

Comment: The stamp duty is paid upon lodging at the Deeds Office. The copies of the deeds are lodged with the Registrar of Deeds for examination upon payment of the registration fee and the stamp duty (according to Finance Bill 2009, for payments made in foreign currency). If there are any errors observed by the Deeds Office in form, typographical or in content for amendments/corrections, OR is the resident property valuer seconded from the Ministry of Local Government and Housing is of the view that the declared sale price does not sound genuine, then he will carry out an onsite inspection. Then the deed is returned to the conveyancer. Once the corrections have been attended to and/or valuation has been carried out and additional duties/fees based on this increased value have been obtained from the purchaser, the copies are again returned by the conveyancer to the Deeds Office for further examination. If there are no more errors the deed is signed (registered) by the Registrar of

Deeds or his/her designate. One copy of the deed is filed in the Office of the Registrar of Deed and the second one sent back to the conveyancer for onward transmission to his/her client (the new property owner).

The documentation shall include:

Rates clearance certificate (obtained in Procedure 3)

Capital gains tax clearance (obtained in Procedure 2)

Two copies of the draft deed

Power of attorney to pass transfer

Declaration by seller and buyer

Original holding deed

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

Some reform outcomes

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

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

What do the Getting Credit indicators measure?

Strength of legal rights index (0–10)

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

Depth of credit information index (0–6)

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

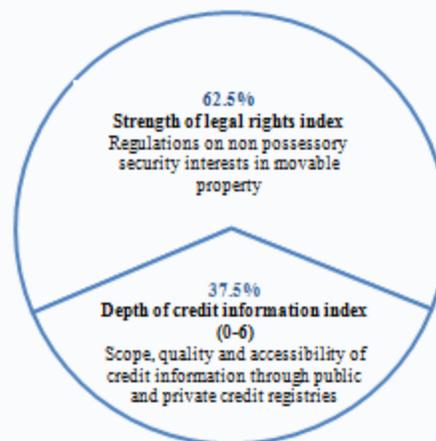
Public credit registry coverage (% of adults)

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

Private credit bureau coverage (% of adults)

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

Getting Credit: collateral rules and credit information



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

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

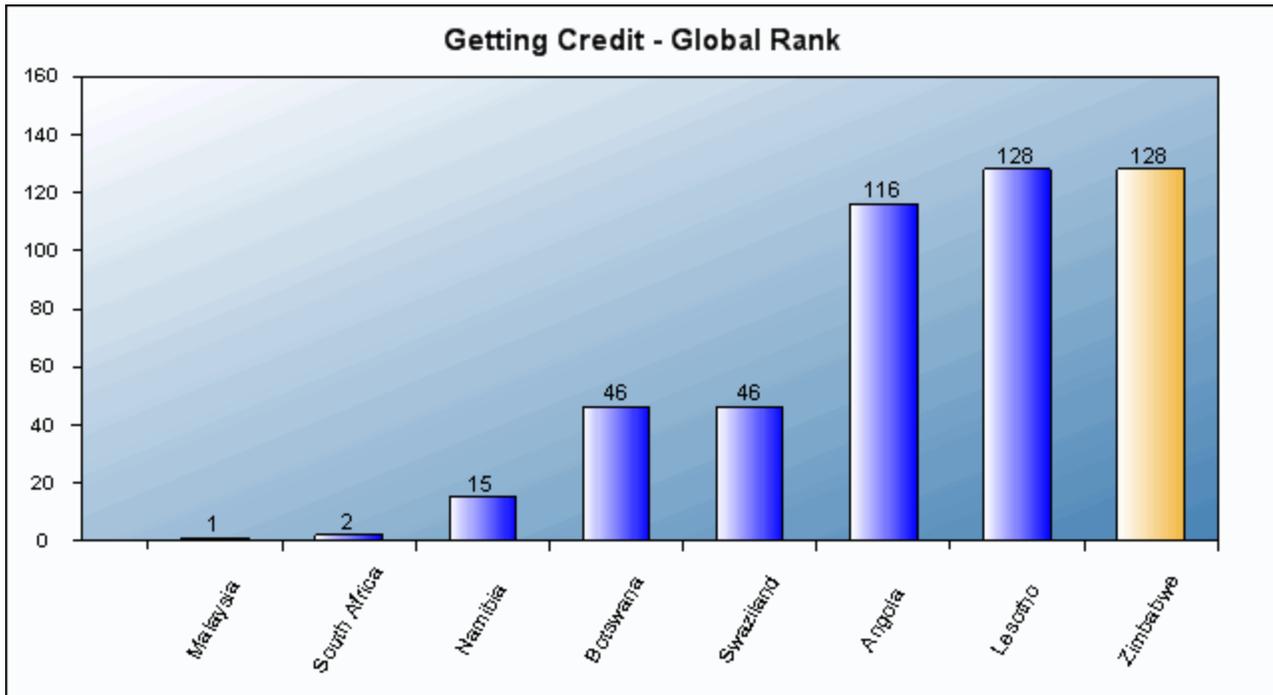
The Debtor

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

1. Benchmarking Getting Credit Regulations:

Zimbabwe is ranked 128 overall for Getting Credit.

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



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

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

<i>Selected Economy</i>				
Zimbabwe	6	0	0.0	0.0

<i>Comparator Economies</i>				
Angola	4	3	2.4	0.0
Botswana	7	4	0.0	57.6
Lesotho	6	0	0.0	0.0
Namibia	8	5	0.0	58.5
South Africa	9	6	0.0	54.9
Swaziland	6	5	0.0	35.7

* The following economies are also good practice economies for :

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

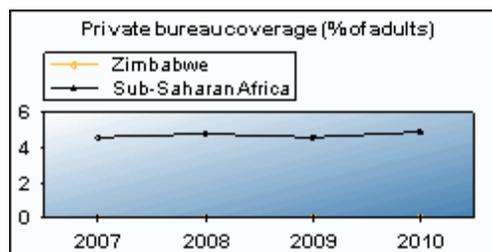
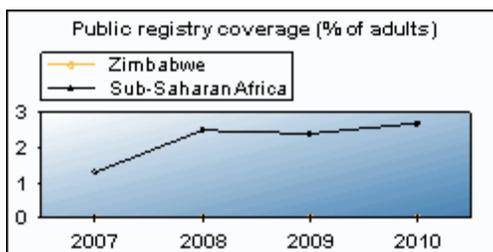
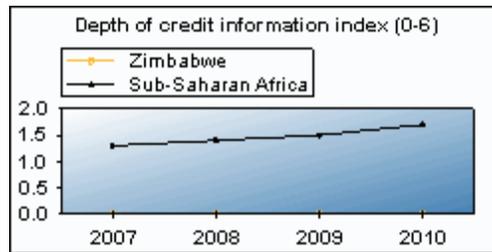
Private bureau coverage (% of adults): Argentina, Australia, Canada, Iceland, Ireland, Norway, Sweden, United Kingdom, United States

27 countries have the highest credit information index.

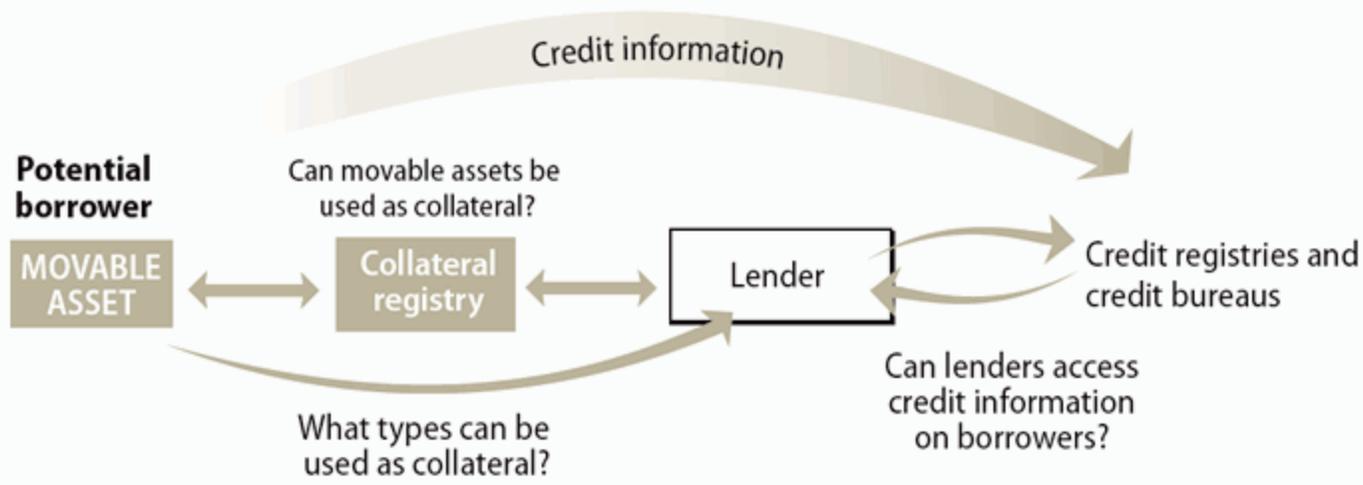
2. Historical data: Getting Credit in Zimbabwe

Getting Credit data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	125	128
Strength of legal rights index (0-10)	6	6	6	6
Depth of credit information index (0-6)	0	0	0	0
Private bureau coverage (% of adults)	0.0	0.0	0.0	0.0
Public registry coverage (% of adults)	0.0	0.0	0.0	0.0

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



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



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

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

Strength of legal rights index (0-10)**6**

Can any business use movable assets as collateral while keeping possession of the assets; and any financial institution accept such assets as collateral ?

Does the law allow businesses to grant a non possessory security right in a single category of movable assets, without requiring a specific description of collateral?

Does the law allow businesses to grant a non possessory security right in substantially all of its assets, without requiring a specific description of collateral?

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 ?

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 ?

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 ?

Do secured creditors have absolute priority to their collateral outside bankruptcy procedures?

Do secured creditors have absolute priority to their collateral in bankruptcy procedures?

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

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

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

Some reform outcomes

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

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

What do the Protecting Investors indicators measure?

Extent of disclosure index (0–10)

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

Extent of director liability index (0–10)

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

Ease of shareholder suits index (0–10)

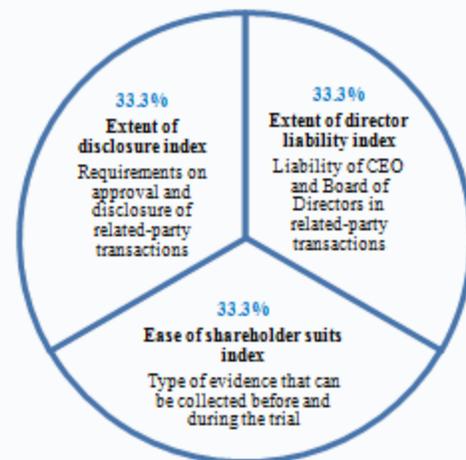
- Documents and information available during trial
- Access to internal corporate documents (directly or through a government inspector)

Strength of investor protection index (0–10)

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

Protecting Investors: minority shareholder rights in related-party transactions

Rankings are based on 3 subindicators



Case Study Assumptions

The business (Buyer):

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

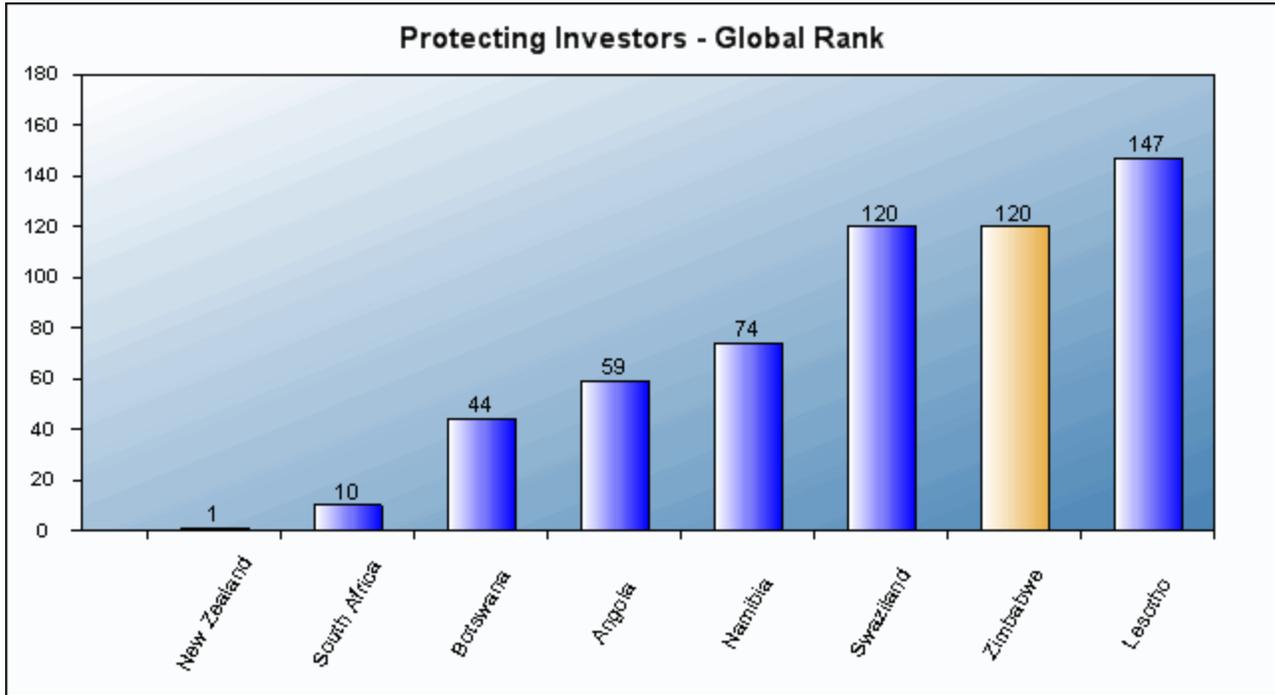
The transaction

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

1. Benchmarking Protecting Investors Regulations:

Zimbabwe is ranked 120 overall for Protecting Investors.

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



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

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

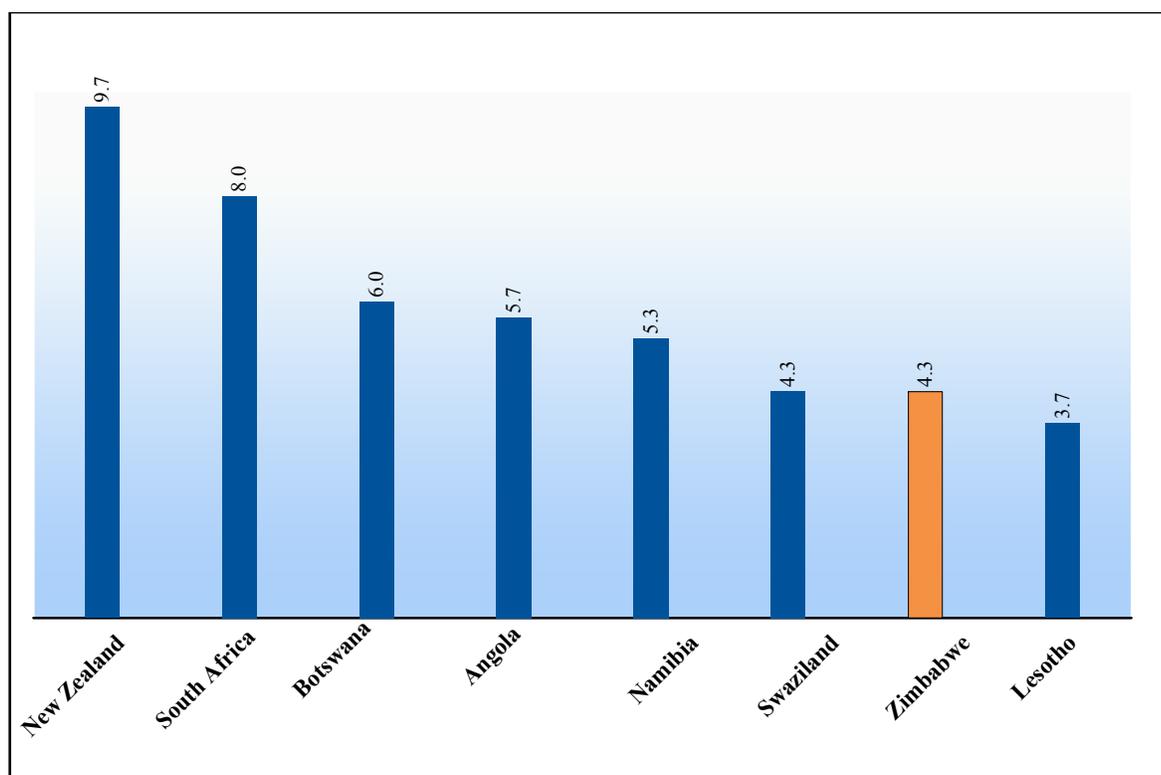
<i>Selected Economy</i>	
Zimbabwe	4.3

<i>Comparator Economies</i>	
Angola	5.7
Botswana	6.0
Lesotho	3.7
Namibia	5.3
South Africa	8.0
Swaziland	4.3

2. Historical data: Protecting Investors in Zimbabwe

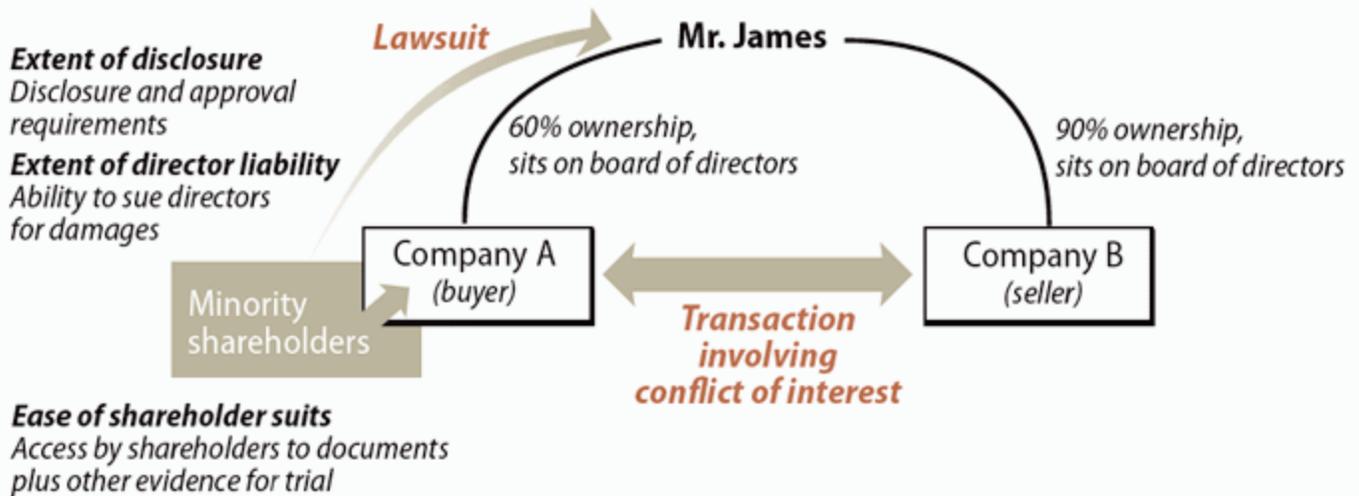
Protecting Investors data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	119	120
Strength of investor protection index (0-10)	4.3	4.3	4.3	4.3

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



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

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



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

Protecting Investors Data (2010)	Indicator
Extent of disclosure index (0-10)	8
What corporate body provides legally sufficient approval for the transaction?	2
Whether immediate disclosure of the transaction to the public and/or shareholders is required?	2
Whether disclosure of the transaction in published periodic filings (annual reports) is required?	1
Whether disclosure of the conflict of interest by Mr. James to the board of directors is required?	2
Whether an external body must review the terms of the transaction before it takes place?	1
Extent of director liability index (0-10)	1
Whether shareholders can hold Mr. James liable for the damage that the Buyer-Seller transaction causes to the company?	0
Whether shareholders can hold the approving body (the CEO or board of directors) liable for the damage that the Buyer-Seller transaction causes to the company?	1
Whether a court can void the transaction upon a successful claim by a shareholder plaintiff?	0
Whether Mr. James pays damages for the harm caused to the company upon a successful claim by the shareholder plaintiff?	0

Whether Mr. James repays profits made from the transaction upon a successful claim by the shareholder plaintiff?	0
Whether fines and imprisonment can be applied against Mr. James?	0
Whether shareholders can sue directly or derivatively for the damage that the Buyer-Seller transaction causes to the company?	0
Ease of shareholder suits index (0-10)	4
Whether the plaintiff can obtain any documents from the defendant and witnesses during trial?	0
Whether the plaintiff can directly question the defendant and witnesses during trial?	2
Whether the plaintiff can request categories of documents from the defendant without identifying specific ones?	0
Whether shareholders owning 10% or less of Buyer's shares can request an inspector to investigate the transaction?	0
Whether the level of proof required for civil suits is lower than that of criminal cases?	1
Whether shareholders owning 10% or less of Buyer's shares can inspect transaction documents before filing suit?	1
Strength of investor protection index (0-10)	4.3

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

Some reform outcomes

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

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

What do the Paying taxes indicators measure?

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

- Total number of taxes and contributions paid, including consumption taxes (value added tax, sales tax or goods and service tax)
- Method and frequency of filing and payment

Time required to comply with 3 major taxes (hours per year)

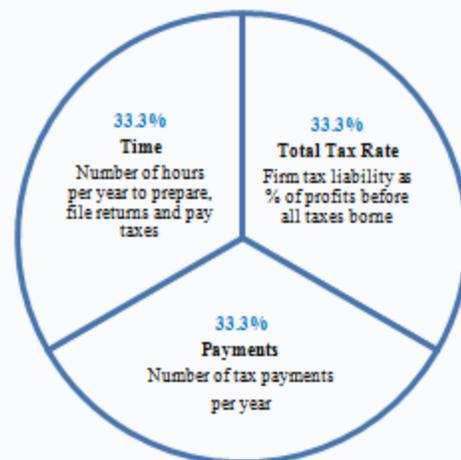
- Collecting information and computing the tax payable
- Completing tax return forms, filing with proper agencies
- Arranging payment or withholding
- Preparing separate tax accounting books, if required

Total tax rate (% of profit)

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

Paying Taxes: tax compliance for a local manufacturing company

Rankings are based on 3 subindicators



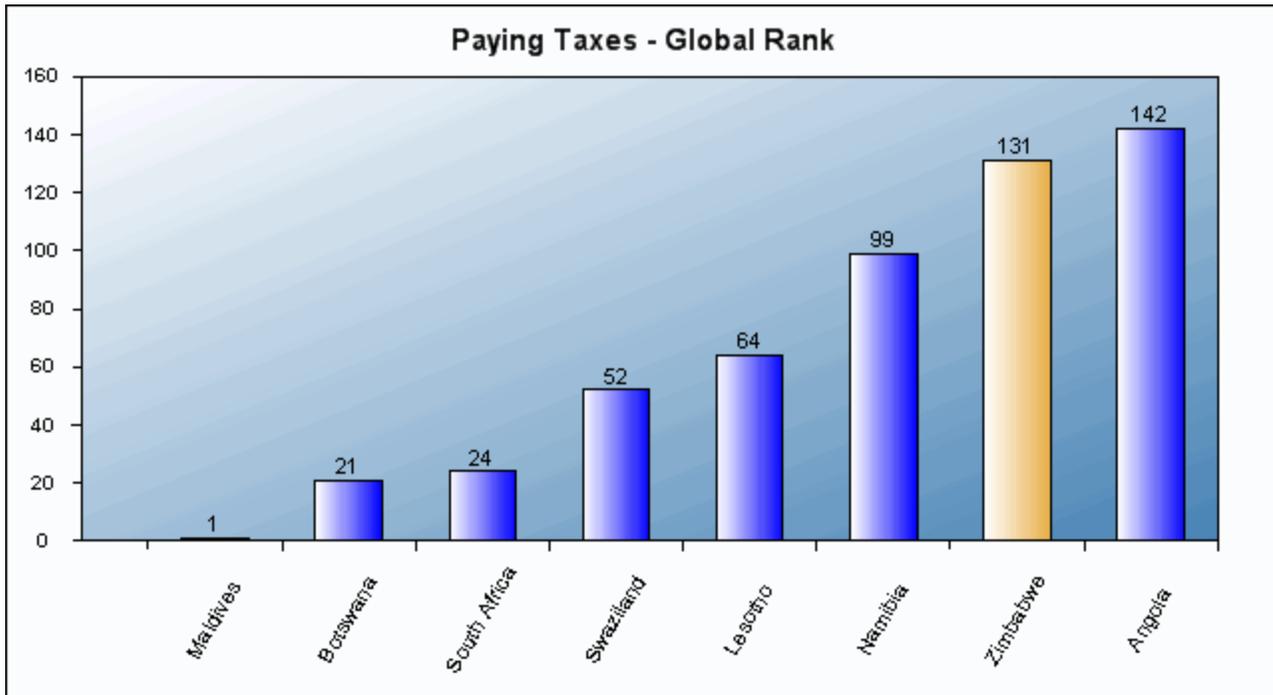
Case Study Assumptions

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

1. Benchmarking Paying Taxes Regulations:

Zimbabwe is ranked 131 overall for Paying Taxes.

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



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

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

<i>Selected Economy</i>			
Zimbabwe	49	242	40.3

<i>Comparator Economies</i>			
Angola	31	282	53.2
Botswana	19	152	19.5
Lesotho	21	324	19.6
Namibia	37	375	9.6
South Africa	9	200	30.5
Swaziland	33	104	36.8

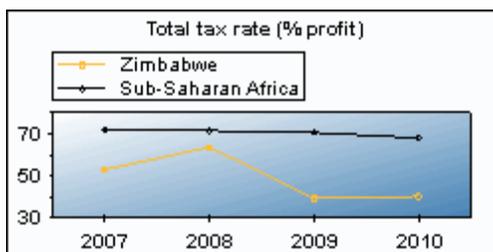
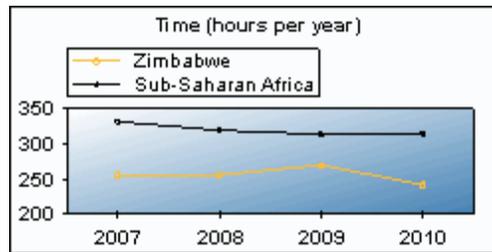
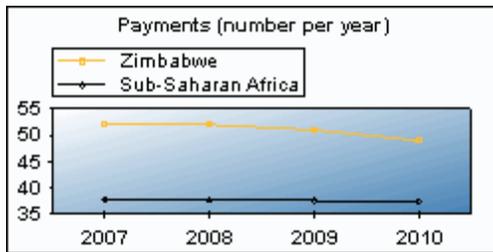
* The following economies are also good practice economies for :

Payments (number per year): Qatar

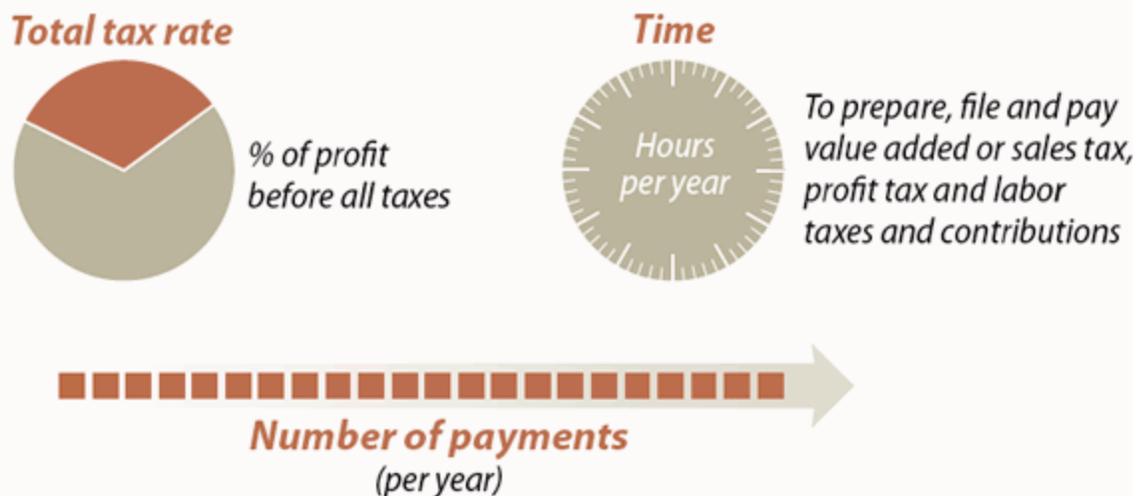
2. Historical data: Paying Taxes in Zimbabwe

Paying Taxes data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	130	131
Total tax rate (% profit)	53.0	63.7	39.4	40.3
Payments (number per year)	52	52	51	49
Time (hours per year)	256	256	270	242

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



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



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

Tax or mandatory contribution	Payments (number)	Notes on Payments	Time (hours)	Statutory tax rate	Tax base	Total tax rate (% profit)	Notes on TTR
Value added tax (VAT)	12		68	15.0%	value added		
Tax on interest	0	withheld		20.0%	interest income	0.00	
Tax on check transactions (stamp duty)	1			USD 12	per check	0.10	
Road tax	4			fixed fee (USD 160)		0.20	
Capital gains tax	1			5.0%	capital gains	0.50	
Standards development levy	2			0.5%	gross salaries	0.60	
AIDS levy	0	paid jointly		3.0%	surcharge on corporate income tax	0.70	
Manpower development duty	12			1.0%	gross salaries	1.10	
Fuel tax	1				included in fuel price	1.70	

Social security contributions	0	paid jointly	96	4.0%	gross salaries	4.50
Property tax	12			various rates	property value	8.10
Corporate income tax (includes basic company tax)	4		78	30.0%	taxable profit	22.80
Totals	49		242			40.3

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

Some reform outcomes

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

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

What do the Trading Across Borders indicators measure?

Trading Across Borders: exporting and importing by ocean transport

Rankings are based on 3 subindicators

Documents required to export and import (number)

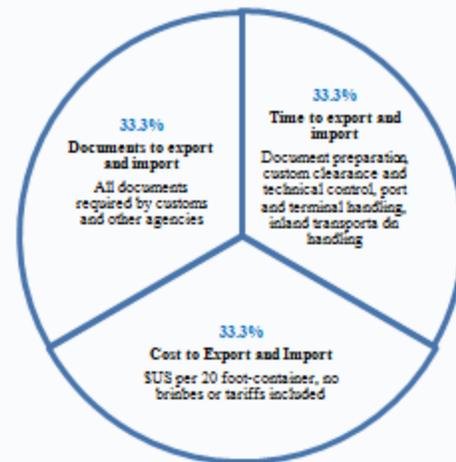
- Bank documents
- Customs clearance documents
- Port and terminal handling documents
- Transport documents

Time required to export and import (days)

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

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

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



Case Study Assumptions

The Business

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

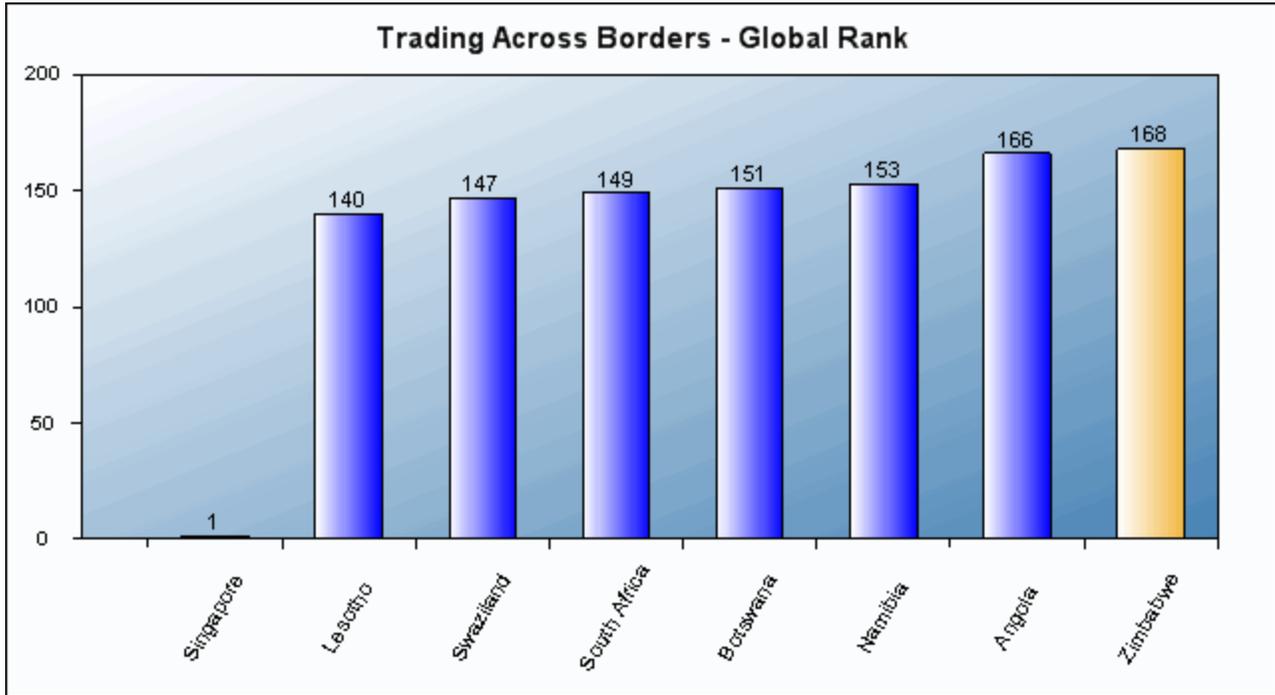
The traded product

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

1. Benchmarking Trading Across Borders Regulations:

Zimbabwe is ranked 168 overall for Trading Across Borders.

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



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

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

<i>Selected Economy</i>						
Zimbabwe	7	53	3280	9	73	5101

<i>Comparator Economies</i>						
Angola	11	52	1850	8	49	2840
Botswana	6	28	3010	9	41	3390
Lesotho	6	31	1680	8	35	1610
Namibia	11	29	1686	9	24	1813
South Africa	8	30	1531	9	35	1807
Swaziland	9	18	1754	10	27	1849

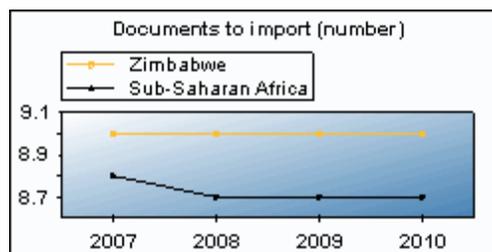
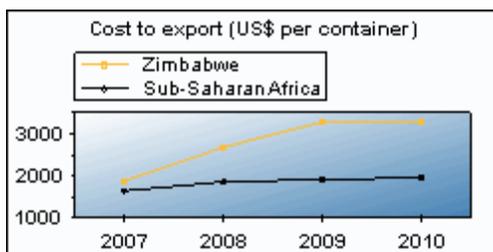
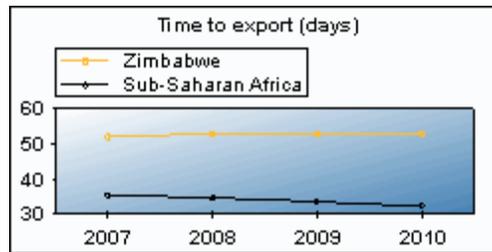
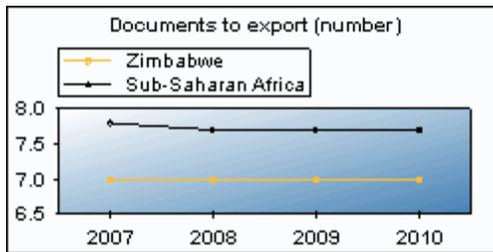
* The following economies are also good practice economies for :

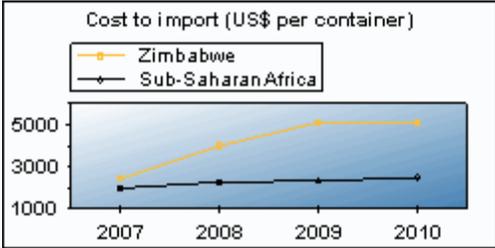
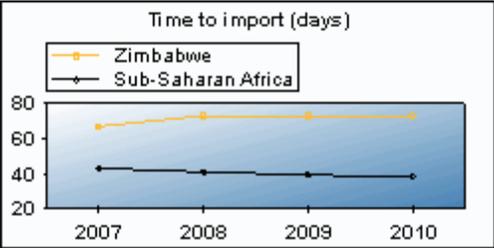
Time to export (days): Estonia

2. Historical data: Trading Across Borders in Zimbabwe

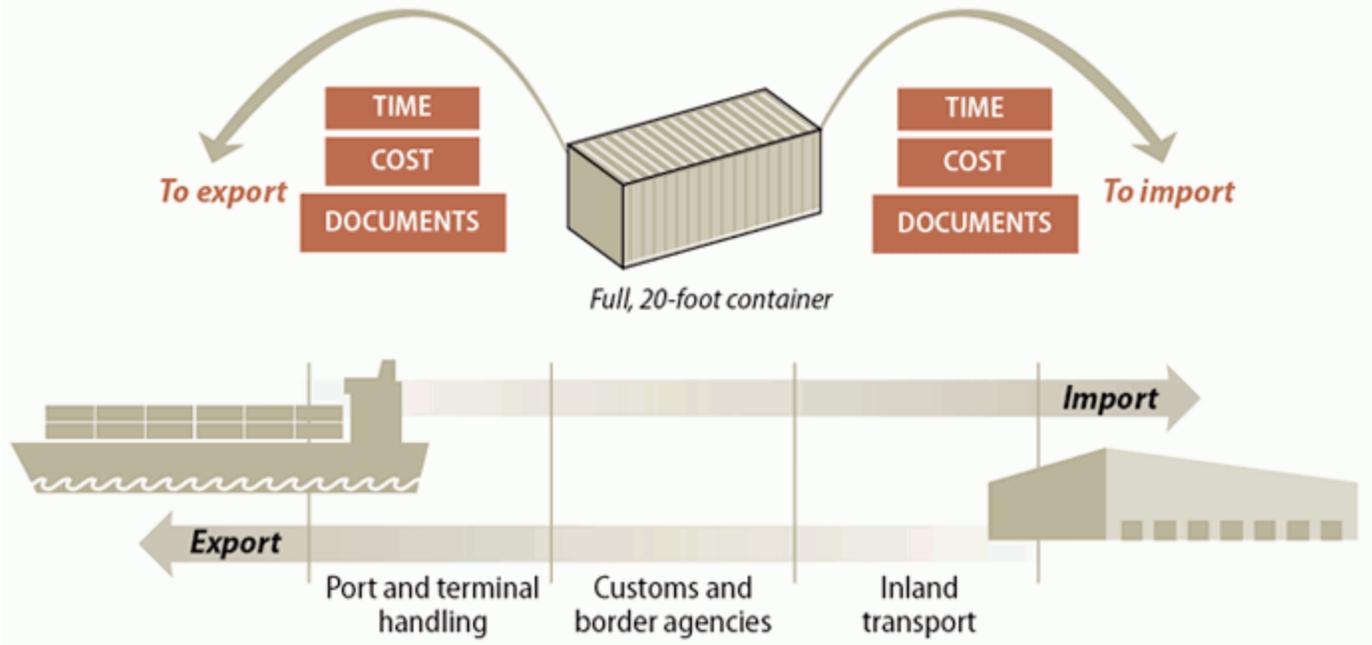
Trading Across Borders data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	168	168
Cost to export (US\$ per container)	1879	2678	3280	3280
Cost to import (US\$ per container)	2420	3999	5101	5101
Documents to export (number)	7	7	7	7
Documents to import (number)	9	9	9	9
Time to export (days)	52	53	53	53
Time to import (days)	67	73	73	73

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





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



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

Nature of Export Procedures (2010)	Duration (days)	US\$ Cost
Documents preparation	28	300
Customs clearance and technical control	4	180
Ports and terminal handling	4	300
Inland transportation and handling	17	2500
Totals	53	3280

Nature of Import Procedures (2010)	Duration (days)	US\$ Cost
Documents preparation	42	402
Customs clearance and technical control	4	350
Ports and terminal handling	8	349
Inland transportation and handling	19	4000
Totals	73	5101

Documents for Export and Import

Export

- Bill of lading
- Certificate of origin
- Commercial invoice
- Customs export declaration
- Form SAD500 (Transit document)
- Packing list
- Pre-shipment inspection clean report of findings

Import

- Bill of lading
- Cargo release order
- Certificate of origin
- Commercial invoice
- Customs import declaration
- Form SAD500 (Transit document)
- Import license
- Packing list
- Terminal handling receipts

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

Some reform outcomes

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

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

What do the Enforcing Contracts indicators measure?

Procedures to enforce a contract (number)

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

Time required to complete procedures (calendar days)

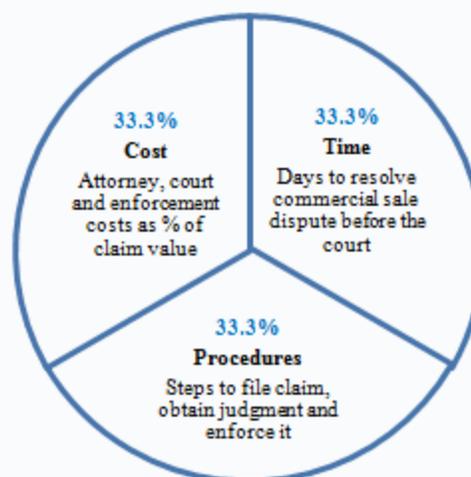
- Time to file and serve the case
- Time for trial and obtaining judgment
- Time to enforce the judgment

Cost required to complete procedures (% of claim)

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

Enforcing Contracts: resolving a commercial dispute through the courts

Rankings are based on 3 subindicators



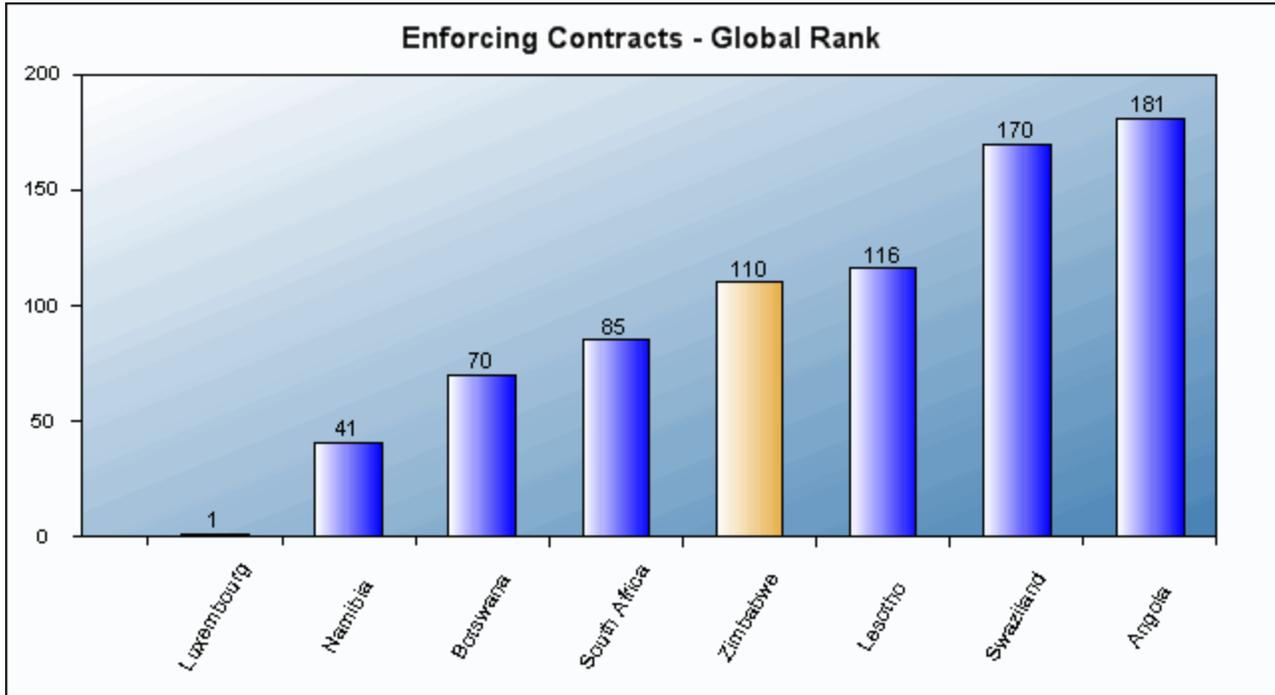
Case Study Assumptions

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

1. Benchmarking Enforcing Contracts Regulations:

Zimbabwe is ranked 110 overall for Enforcing Contracts.

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



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

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

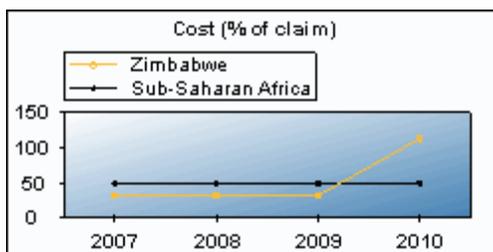
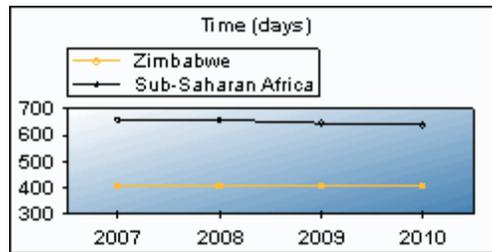
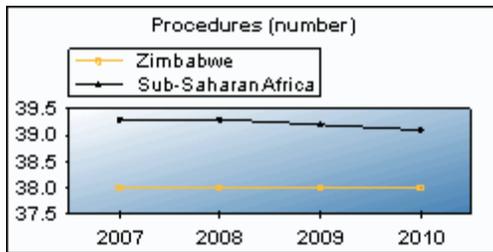
<i>Selected Economy</i>			
Zimbabwe	38	410	113.1

<i>Comparator Economies</i>			
Angola	46	1011	44.4
Botswana	29	625	28.1
Lesotho	41	785	19.5
Namibia	33	270	35.8
South Africa	30	600	33.2
Swaziland	40	972	56.1

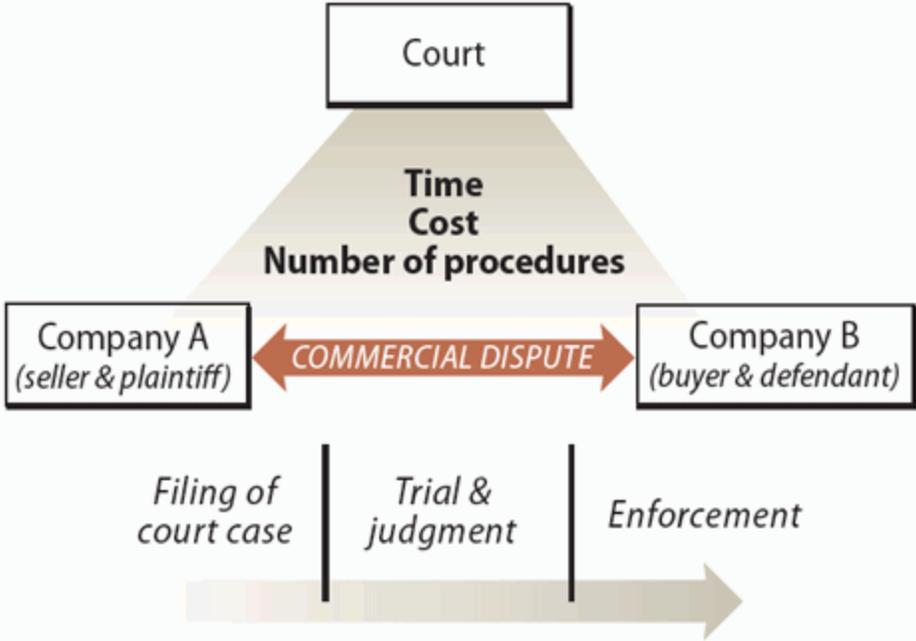
2. Historical data: Enforcing Contracts in Zimbabwe

Enforcing Contracts data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	81	110
Procedures (number)	38	38	38	38
Time (days)	410	410	410	410
Cost (% of claim)	32.0	32.0	32.0	113.1

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



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



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

Nature of Procedure (2010)	Indicator
Procedures (number)	38
Time (days)	410
Filing and service	14.0
Trial and judgment	247.0
Enforcement of judgment	149.0
Cost (% of claim)*	113.10
Attorney cost (% of claim)	100.0
Court cost (% of claim)	8.0
Enforcement Cost (% of claim)	5.1

Court information: Harare High Court, Herbert
Chitepo

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

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

Some reform outcomes

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

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

What does the Closing a Business indicator measure?

Closing a Business: insolvency proceedings against local company

Time required to recover debt (years)

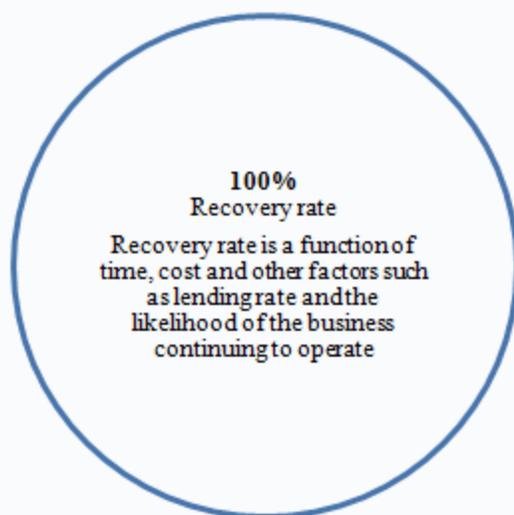
- Measured in calendar years
- Appeals and requests for extension are included

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

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

Recovery rate for creditors (cents on the dollar)

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



Case Study Assumptions

The Company

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

1. Benchmarking Closing Business Regulations:

Zimbabwe is ranked 156 overall for Closing a Business.

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



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

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

<i>Selected Economy</i>			
Zimbabwe	0.2	3.3	22

<i>Comparator Economies</i>			
Angola	8.4	6.2	22
Botswana	63.7	1.7	15
Lesotho	36.4	2.6	8
Namibia	41.5	1.5	15
South Africa	34.4	2.0	18
Swaziland	37.6	2.0	15

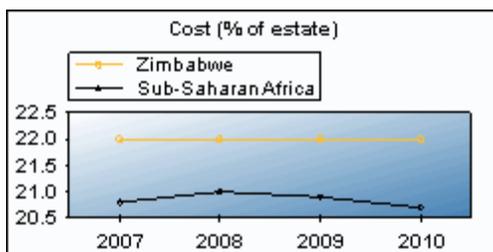
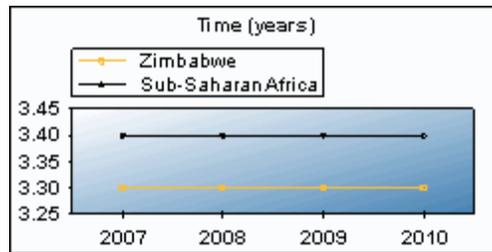
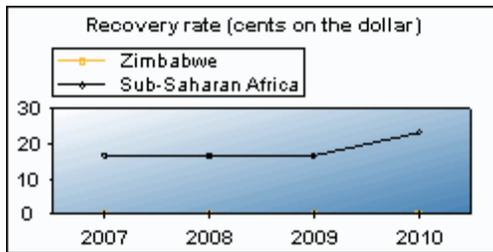
* The following economies are also good practice economies for :

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

2. Historical data: Closing Business in Zimbabwe

Closing a Business data	Doing Business 2008	Doing Business 2009	Doing Business 2010	Doing Business 2011
Rank	..	..	156	156
Time (years)	3.3	3.3	3.3	3.3
Cost (% of estate)	22	22	22	22
Recovery rate (cents on the dollar)	0.1	0.0	0.0	0.2

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



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

The top 10 most-improved in Doing Business 2011

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

 Positive Change
 Negative Change

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

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

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

Vietnam

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

Zambia

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

Zimbabwe

Zimbabwe eased business start-up by reducing registration fees and speeding up the name search process and company and tax registration. Zimbabwe reduced the corporate income tax rate from 30% to 25%, lowered the capital gains tax from 20% to 5% and simplified the payment of corporate income tax by allowing quarterly payment through commercial banks.



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